### BOERDERY (EDMS) BPK

Posbus 20 Tzaneen 0850

Tel.: 015 307 5210 Epos: info@cashumi.co.za

14 January 2019

Cashumi Boerdery is based in Georges Valley +- 20km from Tzaneen. We mainly grow timber and avocados. The timber is processed in our own sawmill, Laminating plant and Treating plants on the farm. The avocados are also packed in our own packhouse on the farm. When I bought the farm in 1987 it was only a timber farm with no downstream value adding plants and a workforce of 15 permanent workers. Over the years with large capital investment the business was able to grow and our workforce increased to +- 120 at present.

This growth could only be achieved by a steady supply of affordable electricity. Over the previous 10 to 15 years we experienced a steady decline in the stability of this very crucial resource. The first element that has fallen by the wayside was the cleaning of the electricity lines followed by the gradual removal of auto reclosers on the power lines. We gradually started doing the line clearing on our own cost, but the replacing of equipment was out of our hands. Because I am the end user on a 2.5km power line, my power is almost always the last to be restored. As the number of faults grew, the time it took to restore the power grew longer and longer to the point that it can now take as long as two days to replace fuses to restore the power. The fact that I am a bulk user of electricity who runs a business and have to pay workers, does not count in my favour at all when it comes to restoring the power.

When the first rains started in November 2018, things just went from bad to worse. Every time the wind blows, the power is off and it takes ages to be restored just to be off hours later. To try and compensate and execute my timber orders I had to run my diesel standby generator more and for longer hours at a time. From 21 November to 14 December, when we closed for the year, we used 1800 litre of diesel in the generator. We opened for business on Monday 7 January without power, the power went off at 01.40 on Sunday 6 January. We used the generator for the whole day to just be able to get things going. The numerous times it was reported on the WhatsApp group is on record. On Tuesday I sent my workers home with the message that I will call them back to work when the power is restored. I also mobilised a small team with a chain saw to clear any vegetation that may touch the power lines and to do a general inspection for possible faults. They reported that a temporary link, installed as an emergency fix long ago, has burnt itself partly into the pole and could be the culprit. I arranged with the electrician to meet him along the way and took him to the fault which he rectified at 18.00. On 8 January we worked the whole day without a problem but at 21.00 the power went off again. It remained off for the whole of the 9<sup>th</sup> and only came on at 21.00. On 10 January we started with power and it again went off at 14.00.

The last length of power line to my transformer is so slack that every time the wind blows it creates showers of sparks as the wires touch and then the power is off. I took the electrician to the problem and asked him if they can't tension the wires, as this is part of the problem. After inspecting it he said that it cannot be done because both the poles at the transformer is rotten, one is totally rotten off and has sagged visibly. This is directly overhead the main route from the sawmill to the workshop

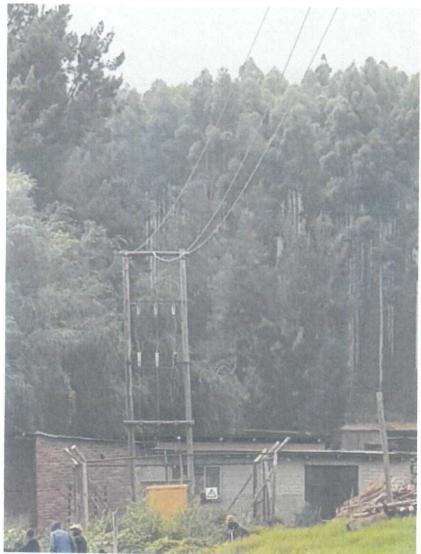
DIRECTORS: P.N.HENNING, I.HENNING

and many people walk under these lines every day. This is a very serious problem and apart from the fact that it can kill someone it can cause a fire which can destroy the saw mill.

The electricians trying to repair the faults can not be held responsible because they have always been very helpful, but this problem is much bigger and the blame for this lies fully with the Tzaneen Town Council using the money we pay for electricity and not doing anything to maintain the grid. The line to my sawmill was built in the early 1960's and some of the poles are totally rotten. One pole has been stabilised with wires anchored to tree stumps to prevent it from falling over. Our energy cost is spiralling out of control because we still pay our bulk service charge for electricity, but the cost of diesel is not taken into account. This is aggravated by the introduction of the national minimum wage which together is now putting severe strain on the workability of our business. If something is not done soon many people might unavoidably lose their jobs.

P.N.HENNING







11 January 2019

The Chairman Agri Letaba

Dear Mr Pieter Vorster,

# Re Unreliable power supply from Greater Tzaneen Municipality to Houers Koöperatief Beperk:

Please refer to my letter addressed to The Greater Tzaneen Municipality dated 18 April 2017, attached hereto.

Almost two years passed since our letter to GTM, and the quality of power supply to Houers Koöperatief Beperk did not improve at all.

On a regular basis we experience either, fluctuation in the supply Volts and Amps, power dips, phase failures or complete power shutdown (not even to mention the effect of loadshedding).

The result of the scenario's mentioned above, is serious loss of production time as well as the loss of very expensive equipment. It furthermore cost our company enormous amounts to run and maintain diesel generators.

The situation becomes unbearable, since it is seriously affecting our company's ability to do business and to stay competitive in a highly competitive market.

It is now of the utmost importance that the Grater Tzaneen Municipality be held accountable for this matter.

We highly appreciate Agri Letaba's assistance in this regard,

1/1/1/

Yours Truly

Wimpie Mostert

General Manager

#### Naomi Excell

From:

David Brown <br/> srowndavid136@gmail.com>

Sent:

Wednesday, 09 January 2019 23:59

To:

info@agriletaba.co.za

Subject:

Electricity - Agatha, Georges Valley and Magoebaskloof

Agri Letaba, Tzaneen.

Dear Naomi,

Despite numerous meetings with, and promises by the GTM, the electricity supply has remained unreliable and in most areas has worsened.

 Agatha. About 90 houses, 2 hotels, numerous guest houses, packsheds, sawmills and businesses are supplied from 2 substations, known as Blacknoll and Agatha. These businesses cannot survive without reliable electricity and are suffering serious, non sustainable losses. Over the past month, there have been literally hundreds of power cuts, dips and spikes.

As an example, I have counted the reports from our residents from 1 to 7 January. There were a total of 162 reports of power problems from the 90 houses and businesses. If I compare these figures to the Nersa guidelines of a maximum of 5 outages per connection per month, then it is obvious we are in a downward spiral.

Our biggest frustration is the time taken to replace fuses. Residents spot the fallen fuses and it's location is reported to control room. The electricians sometimes take a long time to get here, 12 hours is common, just to do a 10 minute repair. The longest time a resident had to wait was 78 hours. A transformer replacement has taken up to 5 days.

The most recent case is a meter and green box that burnt on 27<sup>th</sup> December, was reported several times. As at 9 January, it has still not been repaired.

To log and record every single fault in Agatha over the last month is a complicated task. These records should be kept by the electricity department, but I doubt if this is done. I don't think they have the capacity nor ability to keep accurate records.

- 2. The Agatha faults have escalated ever since the GTM had no suitable replacement transformers for adjacent areas. These areas were then "piggy backed" onto the Agatha transformers, thus overloading them and causing regular power cuts for all concerned. The areas are the lower parts of Georges Valley and parts of Pompagalana, Hamawasha and Yamorna. It is only a matter of time before these overloaded transformers overheat and collapse. Statements from GTM personnel last year about replacing the original transformers, came to nothing.
- 3. Communication. This still remains a major concern. From consumer to control room, control room to electricians and upwards to supervisors and managers. There is little or no communication from management back to the consumers. Urgent and long outstanding faults are not escalated up to management for action, the reason being that "they are all on the watsapp group and read all the messages".

The Official Watsapp Group, introduced without consultation with all relevant parties, is completely overburdened with hundreds of confusing reports, with no reference to where the faults are. They are meaningless to anybody who does not know the areas.

As an example, on Wednesday 9<sup>th</sup> January, there were a total of 68 messages up to 21.30. Some messages reported multiple faults. Majority were from Magoebaskloof and Haenertsburg areas.

I suspect that the more serious cases are not escalated to management and that the true state of affairs is kept from senior managers in GTM.

- 4. Georges Valley and Magoebaskloof are having a horrific time with power cuts. A co ordinator there needs to compile the statistics. In one incidence, the customer at N2 has been waiting since 24 December for a new transformer. As at 8<sup>th</sup> January, he was still waiting. On Wednesday 9<sup>th</sup> January both Matumi and Cashumi sawmills in Georges Valley were without power the whole day.
- 5. Electricians. They are still working very long hours, attempting to keep the power on but they are swamped by the faults that occur after every rainfall. Should we have a wide spread electrical storm, the whole area will be seriously affected with the electricians unable to cope. 3 to 7 day outages will be commonplace.
- 6. Control Room personnel. They all deserve special mention as they work with an antiquated manual system, one person per shift and radios, watsapps and telephones to answer. Irate and abusive consumers do not make their lives any easier. Note: At an electrical meeting held with GTM on 17<sup>th</sup> January 2017, a new automated reporting system with caller queuing and reference numbers, was promised by the GTM. 2 years later, we are still waiting.

A full report on Agatha faults over the last 6 months or so is just not feasible and will fill no purpose. I hope this summary will be of some assistance.

Regards,

David Brown.



To:

The Chairperson

Mr Pieter Voster Agri Letaba

18 October 2018

From: Mabunda Citrus Farm

Electricity inconsistency and power outage.

Due to the complexity of our farming activity's we cannot plan our work programme if we are not notified in advance that the power will be turned off from your side, please it's a phone call away.

We would also appreciate that we get feedback on work progress to do our planning in advance.

The communication is very poor as when we do encounter power outage's we can not get hold of your FAULT REPORTING CENTRE it seems that it's always out of order or full message and no one operating it. We have to contact the technicians one by one to find the right person on duty.

We there for ask that you give us a monthly duty roster with contact details and alternative contacts this will help us very much.

Please here are the contact persons from Mabunda Citrus

Workshop Manager

Andrew Mongwe 073 875 1141

078 690 3014

082 057 2142

E mail: andrewm@mabunda-citrus.co.za

**Production Manager** 

Albert Hlungwane 079 958 9048

073 406 7379

E mail: alberth@mabunda-citrus.co.za

albertmayoyo@gmail.com

Your cooperation will be appreciated.

General Manager

Mike Marsi Mabunda citrus

Mabunda Citrus (Pty) Ltd

Directors: AL Botes, HS Groenewald, MA Malatjie, MP Scott, MS Mbombi

Company Number: 2016/467172/07

PO Box 1844 Letsitele 0885

### Granor Passi Letsitele (Pty) Ltd



18 April 2017

T: +27(0)15 345 1304/5 www.granorpassi.co.za

Farm: Letabakop, Trichardtsdal Road, Letsitele 0885, South Africa P O Box 1360, Letsitele 0885

**Greater Tzaneen Municipality** 

### TO WHOM IT MAY CONCERN

The impact of the current electricity supply situation in the Letsitele area on Granor Passi Letsitele (Pty) Ltd is described in this letter.

Granor Passi Letsitele is mainly a citrus processing factory. During the months of April to September it receives grapefruit and Valencia fruit from supplying farmers. The main products that are manufactured is fruit juice concentrate, fruit cells and peel oil.

During the citrus processing period the factory requires 1800 kVA peak demand and 800 000 kWh of electricity. If this supply is limited or cut off the impact on the factory as well as the neighbouring environment is severe, as will be explained in the two scenarios described below.

SCENARIO 1. Limited supply from municipality

The factory is on limited supply at the moment. The cold storage facilities are operational but the production facility cannot be operated.

The production facility would need additional supply and without the additional supply it would mean a loss of  $\pm$  R 7 million per day.

SCENARIO 2. No supply from municipality

The cold storage facilities at Granor Passi is crucial to the operation of the factory. Product cannot be dispatched immediately after production and need to be stored at sub-zero temperatures.

The stock value in the rooms as on the 31st of March 2017 are R39 000 000.

In a situation where production has to be stopped completely, the total income of the factory will be lost. This amounts to an income of more than R 7 million per day.

The impact on the farmers supplying the factory, should also be considered. An even more important effect is that the pack houses stop operation when the fruit allocated for juice processing is not removed in time. This has a ripple effect with even more associated export and job losses.



Directors: JH Bruwer, AG Downie, EC Landman, GH Smit, PJ Smit, GR van Veijeren, BJ Vorster, BJ Vorster (Chairman), FJH Potgieter (Chief Executive Officer)

Co. Reg. No: 1999/023286/07 • VAT No: 4810187882





Furthermore, the factory employs 44 permanent employees and from middle April to the end of September, an average of 162 temporary employees. If production is stopped, most of the employment opportunities will be lost.

#### CONCLUSION

The company is placed in a dire situation due to the shortage of electricity supply. We urge the relevant parties to do their utmost to rectify the situation.

R J WALL

FAC TORY MANAGER



18 April 2017

## The Grater Tzaneen Municipality

To Whom It May Concern:

Dear sir/madam,

Re: Unstable power supply to Houers Koöperatief Beperk - Letsitele

We hereby wish to bring the poor electrical supply to Letsitele, under your attention. This is a very serious matter that was brought to the GTM's attention before, on numerous forums and discussions.

We want to put on record that the supply to Houers Koöperatief Beperk in Letsitele remain to be unstable, resulting in production delays and high unforeseen cost.

We are at the beginning of the citrus season and our operation runs 24 hours, six days per week. At current production rates, a delay in production can cost more than R100 000 per hour.

Although we spent huge amounts to protect our equipment against power dips and outages, we still lose VSD Drives, Power Supplies, Control Screens, Computer drives and many other electronic equipment, due to unstable supply of electricity. Most of these equipment must be imported at a very high costs and high exchange rates.

We further experience a continuous fluctuation in supply voltages and we have no other choice than to adjust our control equipment to operate beyond there control limits, resulting in failure and associated cost, over a period of time.

We need your urgent attention and feedback to above matter. We further wish to extend our request to bring us in contact with a senior person in the GTM Electrical department whom we can work with finding solutions to the problem.

Please feel free to contact me at the office at 015 345 1988 or 0836279017.

Yours truly,

W J Møstert General Manager

Posbus 55, Letsitele 0885 Tel: (015) 345 1988 / Faks: (015) 345 1732 / E-pos : houers2@mweb.co.za BEMARKING: Tel: (015) 345 8100 / Faks: (015) 345 1181 / 082 802 5441 / E-pos : orders@houers.co.za