

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION NO.: PQ 1262**

1262. Ms N W A Mazzone (DA) to ask the Minister of Public Enterprises:

(1) (a) Are all four units of the Ingula Pumped Storage Scheme operational currently, (b) how long have they been operational and (c) how much power is provided by each unit;

(2) (a) what was the total cost of the scheme, (b) what was the original budgeted amount for the scheme, (c) what was the original estimated time frame to complete the scheme, (d) how long did the scheme actually take to complete, (e) who was the main contractor for the scheme and (f) what amount was paid to this contractor for work done on the scheme;

(3) is the contract under forensic investigation by Eskom; if not, why not?

**REPLY:**

**According to the information received from Eskom**

**(1)(a)**

Yes, all 4 Ingula units are in commercial operation.

**(1)(b)**

Each unit has been operational for between 1 and 2 years, as indicated in the table below.

Table 1: Commercial operation dates for each unit at Ingula

|  |  |
| --- | --- |
| Unit | Commercial Operation Date |
| Unit 1 | 30 August 2016 |
| Unit 2 | 22 August 2016 |
| Unit 3 | 30 January 2017 |
| Unit 4 | 10 June 2016 |

**(1)(c)**

Each unit is rated at a maximum continuous rating of 333 megawatts (MW).

In terms of the actual production of power per unit, the following should be noted:

* Ingula has two waterways, each supplying water to two of the four units. Due to the possibility of excessive build-up of pressure, two units with a common waterway are restricted to less than full power when running simultaneously, but two units on different waterways are able to generate at full capacity. Thus, if all four units are required to generate at the same time, each has to reduce output by approximately 50MW.
* A design modification to address the issue is planned for implementation during the upcoming 2018 outages.

**(2)(a)**

As at 30 March 2018, R29.5 billion (excluding interest during construction) has been spent on the scheme, against an approved business case value of R29.8 billion (excluding interest during construction).

**(2)(b)**

R8.5 billion (excluding interest during construction).

**(2)(c)**

The original estimated time frame to complete the scheme was 6 years and 8 months.

**(2)(d)**

The scheme actually took 10 years and 9 months to complete.

**(2)(e)**

The main contractor for the scheme was CMI-JV (CMC di Revenna, PG Mavundla and Impregilo Joint Venture).

**(2)(f)**

The amount paid to this contractor for work done on the scheme is R14 959 205 944.36 (excluding VAT).

**(3)**

No. A technical investigation looking into the root causes of operational problems has been initiated, the outcome of which will determine whether there is a need for forensic investigation.