

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: 480**

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**480.        Dr M J Figg (DA) to ask the Minister of Public Enterprises:**

Whether, with regard to Eskom’s strained financial position, any plans are in place to allow independent power producers to supply coal-fired electricity on behalf of Eskom to the national grid in order to reduce the need for Eskom to raise the cash needed to fulfil its commitments of supplying electricity to the country; if not, why not; if so, what are the relevant details?                                                                                NW534E

**REPSONE:**

The Department of Energy (DOE) IPP office takes the lead in the domestic IPP strategy, including the sourcing and contracting component of these arrangements. This strategy is driven by the Integrated Resource Plan (IRP). The DOE bidding process for the coal base load IPPs is still in progress.

Once the participants are selected by DOE, the time lines are such that this programme will not affect Eskom’s financial position in the next 5 years. When the decisions have been made, there will be clarity on energy prices from these IPPs as well as the cost of connecting them which will be budgeted for accordingly.