

## **DEBATE ON BUDGET VOTE NO 28: ENERGY**

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It has been drummed on our ears and of course many of us experienced it first hand, that South Africa has an energy crisis. Energy crisis, but what is an energy crisis? In lay man's terms, a situation reaches a stage of being a crisis when it was ignored at a stage where it could still be called 'just a problem'. Is that what we did? Did we ignore an obvious problem and landed ourselves in a crisis, and who do we hold responsible for it?

Wikipedia defines an energy crisis as any bottleneck or price rise in the supply of energy resources to an economy. Its causes may be over-consumption, aging infrastructure, choke point disruption or bottlenecks at oil refineries. An emergency may emerge during unusually cold winter due to increased consumption of energy.

The South African electrical crisis in 2008 led to large price rises for platinum and led to reduced gold production which resulted in hundreds of thousands of job losses, and that is obviously a crisis. Of course we were not the only ones that experienced the crisis, China and Central Asia experienced the similar kind of crisis at around the same time.

Former State president Thabo Mbeki apologized for the load shedding in what could otherwise be interpreted as government taking responsibility for the failures of a state owned enterprises, Eskom. The puzzling question is: Why must ordinary citizens who have obviously been wronged in this process, why must they pay for Eskom's failures? Why the 36 percent price hike?

ANC's investment company, Chancellor House, owns 25 percent stake in Hitachi power Africa, a subsidiary of a Japanese manufacturer Hitachi, which won a contract to supply boilers to two new coal-fired power stations. The moral question to ask is why must the ANC stand to benefit billions of rands out of a crisis that will cost consumers 36 percent a year for three years.

Can we get answers to these questions in a manner and fashion that ordinary citizens understand and leave out legal jargon?

Eskom has been widely criticized for failing to adequately maintain existing power stations or plan for and construct sufficient electrical generating capacity. How that criticism has translated to consumers being charged 36 percent eludes us.

Interesting are the views of Ompi Aphane, from the Energy department who was a panelist on a debate titled " 'SA's optimal energy mix' in which he alluded to a new legislation coming to parliament to introduce a separate parastatal on renewable energy. Could we really be looking at creating another parastatal when the current entity's problems are far from being resolved?

Energy is truly a crisis in South Africa because the more one ponders on the issues, the more questions that arise with no corresponding answers. We discuss the crisis along the lines of Eskom not being able to meet the demands or perhaps its obligations, but to us as UCDP, the real crisis is the fact that twenty four percent of our citizens have no access to electricity or any other form of energy; that, is the real crisis and it seems no one is paying attention.

Nevertheless, The UCDP accepts the budget vote.

