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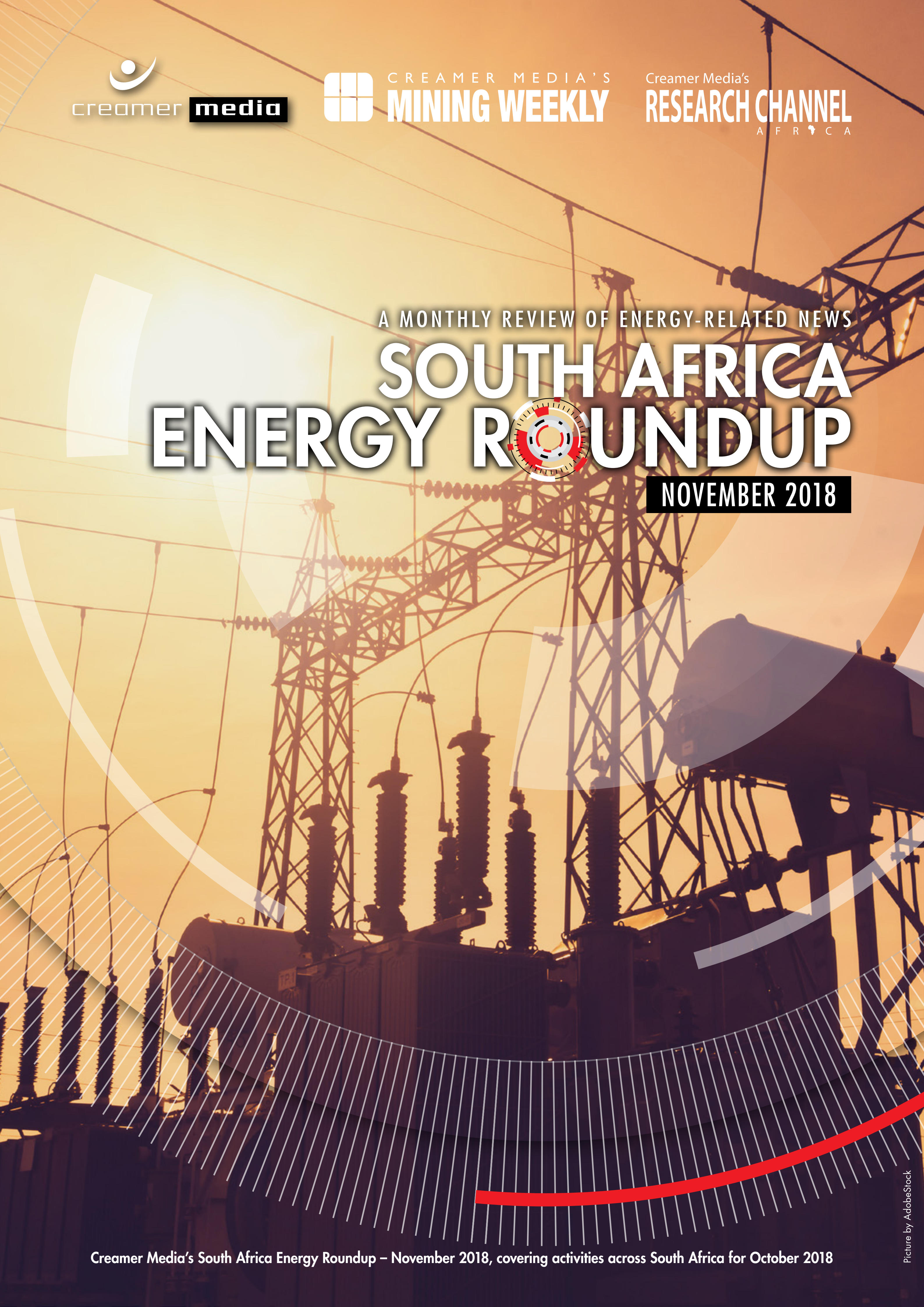
A MONTHLY REVIEW OF ENERGY-RELATED NEWS

SOUTH AFRICA ENERGY ROUNDUP

NOVEMBER 2018



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Creamer Media's South Africa Energy Roundup – November 2018, covering activities across South Africa for October 2018

ESKOM GENERATION AND SALES

Lethabo unit out of service for 3 months

Based on a preliminary inspection by State-owned power utility Eskom, it is expected that Unit 5 at the Lethabo power station, in the Free State, will remain out of service for a minimum of three months. This follows the death of one employee and the injury of another at the power station on October 10, when the live steam pressure from the boiler at Unit 5 ruptured. Operations continue on other units at the power station. The loss of Unit 5 will have a negative effect on the power system given that Lethabo is one of the most cost-effective generators with adequate access to a steady coal supply.

Medupi's fifth unit synchronised to the national grid

Unit 2 at Eskom-owned Medupi power station, in Limpopo, was loaded to 400 MW on October 7, making it the fifth of the six Medupi units to be synchronised to the national grid. The unit produced first power on October 8, at around 11:53. First synchronisation or first power is when the generator in the unit is, for the first time, electrically connected to the national power grid so that it is aligned with all other generators on the grid. It will then start to generate and deliver electricity into the grid over several months. During the testing and optimisation phase, Unit 2 will deliver power intermittently, thereby contributing towards stability of the country's electricity supply. Unit 2's first synchronisation is eight months ahead of the June 2019 schedule.

ESKOM CORPORATE AND FINANCES

Eskom to hear back on 15% hike application in March

The National Energy Regulator of South Africa (Nersa) has unveiled its adjudication timetable for Eskom's fourth multiyear price determination (MYPD4) revenue application, which will include public hearings in all nine provinces between January 14 and February 1, 2019. The regulator has also confirmed that it will deal with Eskom's regulatory clearing account (RCA) submission for the 2017/18 financial year – the final year of the MYPD3 tariff period – as part of the same adjudication process. The State-owned utility has applied for allowable revenue of R219-billion for 2019/20, R252-billion for 2020/21 and R291-billion for 2021/22. If granted, it will equate to tariff hikes of 15% a year over the three years, before any RCA allowances. Nersa has already confirmed that Eskom is allowed to recover R32.7-billion, over a four-year period, approved as part of three separate RCA applications adjudicated earlier this year. The decision will translate to Eskom's 2019/20 tariff rising by 4.41% in addition to any MYPD4-related hikes approved. The closing date for written submissions is November 30, with public hearings scheduled to begin in Cape Town on January 14 and conclude in Gauteng on January 31 and February 1. Nersa will make a determination on both applications on March 1.

Executive resignations and suspensions

Eskom's group executive for generation, Thava Govender, has tendered his resignation after assuming the position in March this year. Govender, who was also acting group executive of risk and sustainability, has worked for Eskom for 27 years. During that time, Govender served in various capacities including as group executive of transmission and customer services and as the divisional executive of the generation division.

Johnny Dladla also resigned as CEO of Eskom Rotek Industries, an Eskom subsidiary which provides construction, maintenance and transportation services in support of the power utility's operations. Dladla has been with Eskom for 23 years, 17 of which he spent in various roles in Eskom's nonregulated businesses, including a five-year period as CEO of Eskom Enterprises and its subsidiaries. He was appointed interim Eskom CEO in June 2017, but was replaced by Sean Maritz in October of that same year on the dubious grounds that Eskom wanted to "rotate" its executives to "ensure exposure". Maritz later resigned under a cloud ahead of a planned disciplinary hearing.

Meanwhile, Eskom placed senior GM of assurance and forensics Molefi Nkhabu on a precautionary suspension pending an investigation into circumstances surrounding internal audit investigation reports pertaining to transactions that he signed off on, which contain inferences or conclusions that had the effect of exonerating certain previous Eskom executives implicated in maladministration.

Fitch Ratings' decision welcomed

Ratings agency Fitch Ratings has affirmed Eskom's long-term local currency issuer default rating and unguaranteed local currency senior unsecured ratings of 'BB-'. It also maintained the national long-term rating at 'A(zaf)' and the national short-term rating at 'F1(zaf)'. Further, the agency affirmed the government-guaranteed local currency senior unsecured debt ratings at 'BB+', which is in line with the rating of South Africa, at a 'BB+' outlook, and resolved to remove the rating watch negative instituted by it in January 2018. The outlook on Eskom remains negative. At the end of September, Eskom had successfully signed and secured about 72% of the 2018/19 financial year's R72-billion funding requirement from various sources of funding, including local and international financial markets. Eskom is fairly confident that it will successfully execute the remaining funding requirement through various sources, including committed development finance institutions, local debt capital markets, export credit agencies and other funding structures.

TRANSMISSION AND DISTRIBUTION

Eskom report warns of possible generation gaps in the next five years

Power group Eskom's Medium-Term System Adequacy Outlook (MTSAO) report highlights several risks to South Africa's electricity supply between 2018 and 2023 and indicates that additional capacity will be required during the period to restore generation adequacy should the energy availability factor (EAF) from the coal fleet fall below 75%. The document tests six EAF scenarios across two demand forecasts: a moderate demand scenario, represented by average yearly growth of 1.9%; and a low demand scenario of 0.64% a year over the five-year period. At an EAF of 71%, the system is inadequate, regardless of demand growth, while at 73%, the system is inadequate for moderate demand growth. At an EAF of 75% or above, the system is adequate for all demand forecast scenarios considered. In 2017/18, Eskom reported an EAF of 78%, but the performance of the fleet has come under pressure this year as a result of coal shortages at ten of Eskom's 15 coal-fired power stations, as well as a fatal incident at the Lethabo power station in early October. Lethabo Unit 5 will be out of service for a minimum of three months as a result of the incident. The risks to future system adequacy outlined in the MTSAO included:

- any deterioration in plant performance as a result of insufficient plant maintenance;
- any earlier shutdowns, for economic or other reasons, of Eskom and/or non-Eskom generation units;
- insufficient coal at power stations as a result of low coal stockpile levels, or the unavailability of suitable coal;
- load losses, or the shutdown of generation units or stations as a result of Eskom's failure to comply with air quality standards;
- longer-than-planned shutdowns to allow for the retrofitting of plant to comply with environmental legislation;
- any switch back to Eskom supply by non-Eskom generators, which would increase demand on the system; and
- a delay to the commissioning dates for Eskom or independent power producer plant. The reports states that, should these risks materialise, it will have severe negative implications for the adequacy of the system. It concludes that the system will be adequate for the two demand scenarios studied with an EAF at 75% and above.

Eskom to add 6 500 km of high-voltage transmission lines by 2028

Power utility Eskom plans to add about 6 500 km of high-voltage transmission lines and 46 000 MVA of transformer capacity in the next ten years, its latest Transmission Development Plan (TDP), for the period from 2019 to 2028, shows. The TDP also demonstrates Eskom's inclusion of independent power producer projects in its transmission network and sets out plans to increase cross-border transmission lines to Namibia, Botswana, Zimbabwe, Mozambique, Swaziland and Lesotho. The investment in additional transmission infrastructure, along with planned increases in conventional energy generation of about 12 GW, together with 13 GW of renewable energy, to come on line by 2028, will ensure access to electricity for more South Africans. The TDP has undergone adjustments that include the rephasing of capital investment in transmission projects to align with the project execution timelines associated with servitude acquisitions and current available funding.

RENEWABLE ENERGY

DoE's Breytenbach welcomes greater certainty for renewable-energy projects

Participants in the renewable-energy sector say they are encouraged by the dedicated infrastructure team that will be set up in the Presidency, as it will give investors more

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certainty and confidence to back projects. Department of Energy (DoE) Independent Power Producer Office CEO Karen Breytenbach says that she is pleased that the unit will be set up as it is vital to retain investors. Breytenbach notes that the renewable-energy sector is recovering well after a rocky two years, in which the signing of renewable-energy contracts was delayed under former President Jacob Zuma. Power purchase agreements for a further 27 renewable-energy projects were eventually signed in April. Breytenbach stresses that it is important to rebuild trust.

ENERGY STORAGE

Energy storage seen as an enabler for grid modernisation

The advent of technologies such as energy storage, small-scale embedded generation and smart grid solutions are set to fundamentally change South Africa's electricity landscape, outgoing Eskom generation group executive Thava Govender said during an address at the SA Energy Storage conference in October. The draft Integrated Resource Plan 2018 targets an electricity generation mix that comprises 20% renewables by 2030, thereby confirming that South Africa will continue to integrate intermittent and variable energy sources. He said the 2030 vision increased the need for advanced grid management mechanisms and revised grid operating philosophies to ensure the South African grid was flexible, robust and reliable. Govender added that energy storage provided a multitude of solutions to enable a smooth transition to grid modernisation, while providing utilities with capabilities such as load shifting and backup and reserve capacity.

Eskom gearing up for big grid-scale battery storage roll-out

State-owned Eskom is preparing to roll out battery energy storage systems (BESS) across multiple sites as part of a replacement plan for the 100 MW Kiwano concentrated solar power (CSP) project initially approved as part of the $3.75-billion World Bank loan extended to the group in 2010. Cigre Southern Africa's Prince Moyo, who is also an Eskom GM, has confirmed that the scale of the BESS project is aligned with Kiwano's assumed daily production rate of 1 440 MWh, or 525 GWh/y. The replacement 360 MW/1 440 MWh BESS project is expected to involve the deployment of battery solutions ranging in size from 1 MW to 60 MW across 90 sites, with the average size of an installation to be 4 MW/16 MWh. The Kiwano CSP project was approved together with the 100 MW Sere wind farm, under a renewable-energy component of the World Bank's Eskom Investment Support Project, which has helped to fund the development of the Medupi and Kusile coal-fired power stations. The Sere wind farm entered into commercial operation in 2015. However, Eskom subsequently decided against continuing with the Kiwano CSP project and the World Bank allowed for a restructuring of the project to enable an investigation of clean-energy alternatives. Moyo reports that it was determined that a battery storage solution would be a suitable replacement, particularly in light of expectations of far higher shares of variable renewable energy in South Africa's electricity system by 2030.

DRAFT IRP PUBLIC HEARINGS AND COMMENT

Parliament's Portfolio Committee on Energy held public hearings on the draft Integrated Resource Plan (IRP) 2018, from October 16 to 26, 2018. The 60-day public comment period on the plan, which Energy Minister Jeff Radebe unveiled at the end of August, also closed on October 26.

Black business concerned about coal sector job losses

The National Society of Black Engineers (NSBE) and the Black Business Council have called for amendments to the Integrated Resource Plan 2018, telling Parliament's Portfolio Committee on Energy at the public hearings that the draft plan, with its emphasis on renewable energy rather than coal, would lead to job losses and reverse empowerment gains. The NSBE's Seponono Kekana said that the quality of jobs in coal-fired power stations was more complex and long-lasting than in the renewable-energy industry, while more jobs were created in operations in power stations than in wind and solar energy plants. "You have mechanical engineers, electrical engineers, boilermakers, welders and many people working on site at coal-fired plants. A solar plant is very quiet. Very little is being done there." Kekana said an economic analysis of five of Eskom's coal power stations showed that an average of 92 961 jobs a year had been sustained, with R21.1-billion a year in total income going to households.

Calls to even out procurement for wind energy

The South African Wind Energy Association (SAWEA) has called for energy planners to even out the procurement of wind energy allocations between 2021 and 2030 to prevent a "stop-start" scenario. The current draft Integrated Resource Plan (IRP) has a gap in the years, 2022, 2023 and 2024, when no wind energy will be procured. "A stop-start procurement will be bad for employment, as well as growth of the local manufacturing sector," SAWEA CEO Brenda Martin said during public hearings into the IRP. She said this could lead to manufacturing facilities and support services deciding to close or retrench people. Investments in training and skills development, especially in manufacturing facilities, could also be lost. "The sudden spike in the commissioning of new wind from 2026 to 2030 would then create an enormous bottleneck for local manufacturing demand," said Martin. She anticipated the loss of 1 179 full-time manufacturing jobs if procurement was stalled for three years, as well as investment in manufacturing. Reflecting on the draft IRP, Martin said SAWEA had experienced what it was like to have manufacturing nearly grind to a halt during the recent two-year-long impasse in the signing of power purchase agreements with independent power producers. Martin said wind made up 52% of the share in renewable energy in South Africa this year. Globally, renewable generation is to expand by over a third from 2017 to 2022, surpassing 8 000 TWh and reaching 30% of total world electricity generation.

Cosatu calls for overhaul of draft IRP

The Congress of South African Trade Unions (Cosatu) has rejected the draft Integrated Resource Plan (IRP) 2018, calling for an overhaul. It also called for a firm commitment not to retrench workers as well as tougher, hard-hitting plans to halt looting and recover money stolen from Eskom. "There are some major omissions from the IRP, including a lack of bold proposals to put Eskom on a sound economic model to ensure its survival," Cosatu's Matthew Parks said, adding that the IRP had to be revised to include a business model that would stabilise and save Eskom.

CSIR points to 30 000 net jobs gain in electricity to 2030

An analysis of the Department of Energy's recommended plan in the draft Integrated Resource Plan 2018 shows that there will be a 30 000 net increase in employment in the electricity industry to 2030, despite a 100 000 fall in coal jobs over the period. In its formal response to the draft document, the Council for Scientific and Industrial Research (CSIR) said the plan would result in a reduction in coal jobs even with the contested inclusion of two new coal-fired independent power producer projects with a combined capacity of 1 000 MW. The fall in coal employment relates primarily to the decommissioning of 9.9 GW of coal capacity from Eskom's existing fleet between 2020 and 2030. Using a customised International Jobs and Economic Development Impacts (I-JEDI) model to test the direct, indirect and induced employment potential for the generation technologies included in the recommended plan, the analysis shows that the proposed deployment of new-build wind, solar photovoltaic (PV) and natural gas capacity will result in a net jobs increase. The I-JEDI was adapted by the CSIR for South Africa using freely available JEDI economic tools developed by National Renewable Energy Laboratory, of the US. The CSIR analysis of the recommended plan shows that 60 000 new jobs will be created in the gas sector to 2030, while the deployment of solar PV and wind will contribute up to 110 000 jobs by 2030. Overall, employment is expected to rise by 30 000, from around 365 000 jobs in 2020 to 395 000 in 2030, despite the fall in coal jobs. The CSIR intends to undertake further analysis on other scenarios included in the draft IRP 2018, but recommends that investigations be made into ways of addressing the socioeconomic impacts of the electricity transition, with a particular focus on the coal sector and workers within that sector.

Fossil Fuel Foundation sees clean coal as a solution for South Africa

The Fossil Fuel Foundation (FFF) has advocated strongly for coal to be retained as a sustainable part of South Africa's energy mix for the short to medium term. "Contrary to the popular belief that 'coal is dead', South Africa's coal resources are abundant and can provide low-emitting, cost-effective reliable and sustainable power well into the future with the correct technology," the FFF said during public hearings into the draft Integrated Resource Plan 2018. The FFF has called for an intense review of all energy sources, saying the current IRP draft dealt almost solely with solar and wind. The organisation wants the government to appoint appropriate experts to undertake studies into all energy sources to ensure the most appropriate energy mix. The organisation said total coal sales, local and exported, generated R120-billion in 2017 and was the country's highest foreign exchange earner. It was the largest mining income earner, beating gold, platinum and diamonds. The FFF has argued that the coal industry has 225 000 direct employees in coal mining, power generation, Sasol and metallurgical industries. The FFF further advocated for circulating fluidised-bed combustion (CFBC) technology, a clean coal technology with lower emissions, to be implemented. Carbon dioxide emissions are significantly reduced when coal is co-fired with biomass, it argued. A presentation to Parliament's Portfolio Committee on Energy by FFF co-founder Dr Rosemary Falcon was supported by Council for Geoscience senior scientist Dr Nandi Malumbazo. Malumbazo said CFBC was proving to be the boiler technology of choice in many energy-intensive countries, including Spain, India, China and Vietnam.

NGOs call for more time to deliberate on the draft IRP

Earthlife Africa has called for more time to deliberate on the draft Integrated Resource Plan (IRP), saying the 60-day period for public comment is "highly ambitious" and many citizens have been left out of the process. Makoma Lekalakala of Earthlife Africa said South Africans had a right to informed decision-making processes and that there had been no actual documentation on the draft in printed form. The organisation showed an email in which it had been in contact with the Department of Energy, requesting at least 100 printed copies of the draft IRP to distribute among community-based organisations, but had not had any response. Lekalakala said many community organisations had limited access to the Internet and to downloading the 90-page document. Various organisations also said communities had not had the opportunity to have their say.

Niasa comments on draft IRP

The Nuclear Industry Association of South Africa (Niasa) has disputed the draft Integrated Resource Plan's (IRP's) method of defining the costs of energy. Niasa's Dr Anthonie Cilliers said at the IRP hearings that nuclear was cumulatively cheaper than wind and solar over time, but this was not reflected in the IRP. Niasa has called on the Department of Energy to issue a request for proposals (RFP) from nuclear vendors to determine the correct costs of nuclear. Cilliers believes this will help to reflect the fully indexed power purchase agreement prices for wind and solar photovoltaic and the calculated costs discounted over time for nuclear and other energy sources. Niasa states that the draft IRP 2018 does not compare costs between various technologies on an even playing field. "The plan fails to meet the least-cost planning objectives as it ignores all costs associated with the socioeconomics of various options, as well as the transition costs. It does not judge all energy sources on the same merit. It does not even attempt to do that," Cilliers said in his presentation. He argued that a nuclear power plant would last for 60 years, while wind and solar plants would have to be recapitalised every 20 years.

NUM wants to keep coal's current share in energy mix

The National Union of Mineworkers (NUM) has called for coal to be retained far more strongly in the country's energy mix. In its submission on the draft Integrated Resource Plan 2018, the NUM Western Cape said it was concerned that coal's share in the energy mix was set to be reduced. "As the NUM, we submit that the reduction of coal in the mix should be reversed. South Africa still has huge coal reserves. We can't just stop using this strategic resource. What we suggest is that we venture into clean coal technology." The NUM Western Cape said the proposed energy mix in the draft IRP 2018 "does not, in any way, provide a reliable and stable base load". The union said that even if South Africa scaled back on coal locally, it would continue to be exported.

Opposition to new coal inclusion in draft IRP

Several organisations have voiced their concerns about the provision for new coal-fired power stations in the draft Integrated Resource Plan (IRP). Attorney Robyn Hugo of the Centre for Environmental Rights (CER) told Parliament's Portfolio Committee on Energy that introducing new coal-fired power stations would be "unlawful, irrational and in conflict with the Constitution". Lawyers for the organisation concede that the draft IRP released for comment on August 27 is a "substantial improvement" on the IRP 2010 and the 2016 draft, but they are unhappy about the inclusion of 1 000 MW of new coal-fired capacity to come from the proposed independent power producer coal-fired power stations, Thabametsi and Khanyisa. The CER says the two plants will pose a major threat to the environment and that the coal projects will also "cause significant economic and financial harm" to Eskom, the National Treasury, municipalities and electricity consumers as they are likely to cause electricity prices to rise.

Salga calls for new electricity demand forecasts

The South African Local Government Association (Salga) has called for a reduced demand forecast for electricity to be included in the Integrated Resource Plan (IRP) 2018, in line with the slowdown in electricity sales and a drop in customer demand. Salga says the forecasts contained in the draft IRP 2018 are not realistic. "The high demand forecasts have the potential to create stranded assets, which will drastically increase the price of electricity. This will further exacerbate the financial difficulty of municipalities and Eskom. This will be passed down to consumers and the tariffs will be very high," energy expert Nhlanhla Ngidi said on behalf of Salga. During public hearings into the draft IRP, he said that electricity supplied by Eskom to municipalities had not been increasing, and "is flat at best". He said the IRP should reduce the cost of electricity supplied to end-users and include demand forecasts that more accurately reflect what is experienced by municipalities. Ngidi said Salga was concerned that, with the changing energy landscape, municipalities would be left with "poor, nonpaying customers, as well as customers that steal electricity". He also said some customers had installed their own generation. This had been done without regulation. Salga has also called for accurate pricing of battery storage technologies and details of the expected additional savings by using such technologies in distribution networks.

Sarec and Saesa comment on draft IRP

The renewable-energy sector in South Africa has welcomed the draft Integrated Resource Plan (IRP) 2018, but has also expressed concerns. "While the IRP forecasting is rational in its choices, it unfortunately requires us to accept some overly optimistic assumptions," says the South African Renewable Energy Council (Sarec). This includes the ability of the two new coal-fired independent power producer projects to overcome legal and financing challenges in a bid to reach financial close. Sarec is also concerned that the IRP comments had to be submitted prior to the publication of the delayed Eskom Medium-Term Strategic Objective (MTSO) report. Sarec further has concerns regarding the IRP 2018 modelling, including the high costs assumed for the grid connection of renewables, yet very low costs for coal. The plan also needs clarity on the low cost reduction assumed for renewables until 2050. The South African Energy Storage Association (Saesa), meanwhile, advocated for more clarity on energy storage, saying "a next-generation energy grid without energy storage is like a computer without a hard drive – severely limited". The association said it was concerned that distributed energy storage capacity appeared to have been "lumped in" with the 200 MW/y allocation for embedded generation.

OIL AND GAS

Saoga upbeat about prospects for the gas industry in South Africa

The South African Oil & Gas Alliance (Saoga) believes there are catalytic opportunities for developing the gas industry in South Africa, which have been buoyed by a renewed focus on attracting investment to the country. The two major opportunities will be the gas finds in neighbouring Mozambique and the potential of gas exploration in South Africa, offshore and in shale gas, says Saoga CEO Niall Kramer. He says he is encouraged by the leadership changes in South Africa and the draft Integrated Resource Plan, in which gas has a prominent place. "Big investors in liquefied natural gas (LNG) and exploration will need policy certainty. They want to know the legal and commercial terms are attractive and what they signed up to will prevail. We are now on the cusp of that going in the right direction." Saoga says exploration offshore South Africa's coast was previously limited, primarily by the depth of the potential resources and, secondly, by the ocean currents. Recent improvements in exploration technology, coupled with the need for South Africa to diversify its energy mix, have resulted in increased interest in exploration activity off South Africa's coast, with 20 exploration licences issued.

OTHER

CSIR seeks municipal partners for energy master plan pilot project

The Council for Scientific and Industrial Research (CSIR) aims to partner with a metropolitan council and a district municipality to compile pilot municipal energy master plans for electricity (MEMPs), which will provide the two councils with insight into the best electricity supply blends for their respective grids. CSIR Energy Centre head Dr Clinton Carter-Brown says recent changes to the electricity supply industry globally and domestically are making it increasingly attractive for South African municipalities to procure electricity from local energy sources. Key drivers have been the fall in the cost of small-scale embedded generation, such as rooftop solar and battery storage, and the step change in the cost of supply from Eskom, whose tariffs have risen by more than 400% since 2006. Councils report that they are receiving ongoing approaches from potential independent power producers (IPPs), as well as customers seeking to install generation solutions for their own use. In addition, city authorities are well placed to pursue waste-to-energy and energy efficiency projects. Several cities have already started to investigate alternative supply options and the City of Cape Town has initiated legal proceedings against the Department of Energy (DoE) in a bid to secure the right to enter into direct procurement relationships with

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IPPs. An energy master plan, Carter-Brown says, will arm a municipality with the information it requires to assess the "optimal blend" between wholesale purchases from Eskom and embedded distributed resources. Such a plan will also offer greater insight into how a council can meet the twin objectives of lowering the costs of electricity to consumers and reducing emissions. The CSIR is partnering with German development finance institution GIZ in piloting the MEMPs initiative, which will be conducted in collaboration with the DoE, Eskom and the South African Local Government Association. A steering committee is being established to manage the initiative, including the selection of the targeted municipalities.

DA to tackle Eskom's 'monopoly' through new Bill

Introducing competition in the energy sector will keep electricity prices down, according to the Democratic Alliance (DA). DA leader Mmusi Maimane announced plans at a briefing to address "Eskom's monopoly" in the energy sector, through the introduction of a private member's Bill known as the Independent System and Market Operator (ISMO) Bill. The Bill, which was first introduced by the Energy Minister in 2012 and withdrawn in 2014, was reworked by the DA. It sought to address Eskom's "conflict of interest" as a generator and distributor of electricity in South Africa. "The Bill would have levelled the playing field and eliminated Eskom's overriding conflict of interest to the benefit of all South Africans," the DA said in a legal summary of the Bill. The Bill enables the creation of an independent structure – ISMO – as a State-owned company responsible for system operation and the purchase of electricity from electricity generators. "ISMO will effectively serve as an electricity wholesaler, selling electricity to distributors and large customers at a wholesale tariff . . . ISMO will be independent of activities related to electricity generation to ensure equal treatment of all generators," the summary reads. This means Eskom will function only as a generator and not be responsible for transmission or distribution.

This report has been compiled by Creamer Media's Research Unit, based in Johannesburg, South Africa. It forms part of a monthly series that is available for purchase, as well as free of charge to subscribers to Creamer Media's *Research Channel Africa* and *Mining Weekly Research*. The information has been drawn from sources believed to be reliable, but no warranty is made on the accuracy of such information. The report covers activities across South Africa for October 2018.

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