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Title: Lack of electricity infrastructure costs SA R2bil per year

By Michael Appel

Johannesburg - The current lack of electricity infrastructure and the inefficient way it is being distributed is costing the country's economy R2 billion per annum.

Addressing the media on Tuesday, Minister of Minerals and Energy Buyelwa Sonjica said the delay of restructuring the country's electricity distribution processes has been costly for the country.

"It is about R2 billion per annum, while the backlog in infrastructure is estimated at R27 billion," she said.

The minister said the department was therefore working hard to accelerate the restructuring of EDI Holdings by ensuring the legislative and policy environment was conducive.

EDI Holdings has been mandated by government to establish, via the restructuring of the company, six wall to wall Regional Electricity Distributors (REDS).

The creation of six REDS which will deliver affordable, reliable and sustainable electricity to all South Africans is necessary to deal with the inefficient distribution of electricity in the country.

Ms Sonjica said the restructuring of the current 188 electricity distributors into six REDS was an enormous task.

"We dare not allow a situation where inadequate electricity supply plunges us back into darkness," said the minister, referring to when load shedding was implemented due to inadequate electricity supply margins early last year.

Ms Sonjica took the opportunity to call on all South Africans to be energy efficient as the country was not yet "out of the woods" in terms of adequate electricity supply margins.

She commended the business sector and households as well as all South Africans who heeded the call for electricity to be used efficiently.

"We are tight on the supply margins and we need to work on changing the culture of South Africans to be more energy efficient," the minister said.

The minister also announced the new chairman of EDI holdings, Duma Nkosi, who said he was well aware of the enormity of the task that lay ahead of him and his team.

It is a process that requires the resolve and commitment of all asset holders.

"I pledge that EDI Holdings will push ahead with the mandate given to us by government to create 6 wall to wall REDS that will ensure reliable, sustainable and affordable electricity to all South Africans," the chairman highlighted. - BuaNews

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