



MINISTRY OF ENERGY
REPUBLIC OF SOUTH AFRICA

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Memorandum from the Parliamentary Office

National Assembly : 390 (NO3725E)

Mr. G Mackay (DA) to ask the Minister of Energy:

With reference to her department's estimation of the cost of the nuclear build programme to be in the region of R500 billion, does this estimation include the cost of (a) infrastructure development, (b) upgrading the national power grid to be able to handle the added pressure caused by connecting the nuclear power stations to the grid, (c) decommissioning the nuclear power plants, (d) skills development and (e) nuclear waste management; if not, why not; if so, what will be the extent of these added costs?

NO3725E

Reply:

The Government has not determined or pronounced the cost of the 9.6GW of Nuclear New Build Programme. Several studies have been conducted and several reports are available in the public domain presented the actual costs of various projects in the world. The writer can refer to those publicly available information and draw conclusions from as to the cost. This Government has put in place a Joint Technical Task Team between Department of Energy and National Treasury to look at various issues including cost, affordability, benefit, risk and risk mitigation before we commence with the procurement process for a strategic partner or partners for the Nuclear New Build Programme.

For the benefit of the question I would comment on the subsections of the question as follows:

- (a) Infrastructure development: It is government plan that, estimated figure covers infrastructure development in as far as it is relevant at the envisaged sites, such as various land development activities, examples including roads, water systems, electricity transmission systems, communications systems, etc.
- (b) Transmission Infrastructure: Yes and Eskom is the custodian of the national grid and has a unit that constantly plans the development of the electricity grid.
- (c) Decommissioning the nuclear power plants: Yes, as part of the nuclear regulatory requirements, the decommissioning cost has to be included in the total estimated cost.
- (d) Skills development: Yes, in addition, the Department is addressing the issue of skills development through the implementation of national nuclear skills development programme and through co-operation agreements with vendor countries worldwide and other local skills development programmes. We have sending trainees for nuclear training in various nuclear vendor countries (China, South Korea, France and Russia) to be ready to roll out of the programme.
- (e) Nuclear waste management: Yes, the issue of waste management is part of the operations and maintenance component of the cost estimate.