

**SPEECH BY THE ETA PATRON, Ms DIPUO PETERS, MP, MINISTER
OF ENERGY, AT THE 2009 ETA AWARDS GALA DINNER: THE
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Programme Director, Mark Lottering

Bobby Godsell, Chairperson of the Board of Directors of Eskom

Jacob Maroga, CEO of Eskom,

Dr Steve Lennon and senior management of Eskom

Ladies and Gentlemen

I am honoured to join you tonight on this auspicious occasion to celebrate and recognize the exceptional efforts that have been made by a band of finalists who have taken it upon themselves daily to do something about energy efficiency.

Here we are again at this time of the season, the actual beginning of what has become known as the silly season: the festive season.

Most people, at this time of the year, always use every available opportunity to search and find excuses to party and have a good time. I hope tonight is not such an occasion. Human

fallibility is such that we sometimes forget that things we do, just like Julius Ceaser, will always live after us.

We are here not to party and have a good time but rather to take stock and recognize the achievements that have been scored in the hurly burly activities of energy efficiency in this current calendar year.

You could not have chosen a better person to preside over the events tonight than the celebrated Mark Lottering. He - I have no doubt - will keep you engrossed in your chairs during this entire evening.

With regard to this theme of the festive season, I want to say that some of the people assembled here will leave our country for foreign shores in the next few weeks and head away to foreign destinations to take a well deserved break.

The last time I checked even the BEE moguls will do the same, they will do so by displaying their long, sharp and thin shoes that they are normally wearing these days.

This is a far cry from the previous and somewhat socially conservative generation where rock and roll and jazz, the period of the hippies and high hilled shoes and even gentlemen with brentwood trousers were the order of the day.

On a serious note, our country had built considerable capacity with regard to energy infrastructure. In our country electricity has always been relatively cheap and readily available.

As a result, opportunities for energy savings abound. This was worse during the period of economic sanctions and disinvestment which were mounted against *apartheid* South Africa. We – apartheid South Africa that is - effectively went out of our way to encourage foreign companies to invest in our shores and do so in a manner that took advantage of our competitive advantage. This, amongst others, was made possible by the presence of cheaper input costs such as coal and electricity.

Domestic companies also took advantage of this phenomenon. As we were not part of the global community of nations; we were regarded and treated deservedly as a pariah nation not worthy of a place in the international community of nations.

Energy efficiency was not the main concern of the people who arrogated unto themselves the unfettered right to rule our country. It is no wonder these people were easy meat for

members of the entertaining industry such as Mr Lottering and the others.

There is nothing as unacceptable as the lack of investment in innovation and scientific discovery. The Americans and the Russians have for decades perfected the art of sending people to space; we all marvel at the way in which the French have perfected the operation of their nuclear plants; we all are left wondering how the Chinese have been able within a reasonably short period of time to perfect and even replicate the scientific and industrial innovations that were started by, for instance by the Germans.

What do we, as Africans, have to show in these fields of scientific industrial activity? Why some in our midst continue to blame the oppressors and the colonizers when most of these were forced off the continent in the 1960s.

There is a famous clip of one commentator which has been playing on the radio recently basically saying to South Africans we cannot build a successful country if we keep on complaining that “(my) father or (my) mother was killed in the struggle”. Let us be forward looking in our approach on these matters. It is only by

listening and following the wise words of this commentator that we shall be able to realize the objectives of the freedom charter that the people shall govern and that our destiny is in our own hands.

We can only build a successful and prosperous country if we acknowledge and encourage people such as the ones we are honouring tonight to carry on doing that which they are doing.

If all of us here tonight are looking for inspiration, let us look no further than the words of Ruel Khoza, former chairperson of the board of directors of Eskom and one of the leading business architects of the project for the renewal of the African continent who recently published a book, *“Africa’s Leadership Imperative”*, wherein he made terrific comments that are encouraging us to use our own might to improve our own conditions. He wrote:

If not us, then who?

If not from Africa, then whence?

If not now then, then when?

If not for Africa and humanity, why not?

Let Africa rise to this the quintessential challenge.

It is our date with destiny!

Khoza wrote these words aboard an aircraft bound for the World Economic Forum in Davos in 2005. I have no doubt that these words were relevant then as they are now almost four years since that Davos meeting.

We have to heed his call and rise to the “quintessential challenge” by ensuring that the spectre, not that of Karl Marx’s *Das Capital*, but that of January 2008 national electricity emergency, does not ever happen again in this republic.

At the time we experienced power outages on a scale never before experienced in the history of this country. We need to ask ourselves difficult questions such as, are we out of the woods on this issue? How long this thin line that exists between supply and demand stay as precarious as it is?

The answer to these questions lies in all of us here tonight. The awards we are conferring on these deserving finalists tonight is part and parcel of our grand efforts to encourage the culture of energy efficiency across the entire spectrum of our society.

Of late, energy efficiency has gained in stature in South Africa and has become recognised as one of the most cost-effective ways of meeting the demands of sustainable development in the country.

Andrew Etzinger, one of the senior representatives of Eskom, recently told Ingi Salgado of the independent newspapers that, “the demand for electricity had returned to the levels recorded before the global economic slowdown.” That Friday, 02 October, the operational demand on Eskom’s network was 33 700 MW.

When I checked this morning the operational demand was xxxxx. This therefore means that we are not out of the woods yet.

This statement more than anything else points to three significant challenges relating to energy in the coming years, namely: energy security, significantly higher than normal energy price increases as well as the climate change impact. We require major improvements in energy efficiency patterns as a solution to these challenges.

The Strategies we have adopted includes, amongst others, the provision of monetary and fiscal incentives for improvement in energy efficiency. This has been administered by Eskom since 2003. The programme involves the payment of grants towards the implementation of energy efficiency and load management

measures in industrial and commercial sites, as well as centrally controlled water heating load management systems operated by municipalities. To date, audited savings of 1999 MW have been achieved through measures including upgrades of motors, pumps, lighting systems, air conditioning systems and intelligent building automation.

In 2008 we announced attractive fiscal incentives to encourage investment in energy efficiency upgrades for businesses. These incentives are set to increase substantially through a proposed mechanism whereby businesses will receive tax relief for actual energy saved at a rate equivalent to the cost of renewable energy production.

We have also introduced enabling legislation and regulations to encourage the adoption of energy efficient technologies and eliminate the use of energy wasting appliances and equipment. Inefficient technologies including electro-magnetic lighting ballasts, incandescent lighting and electrical water heating are still widely prevalent despite our massive attempts to introduce the CLFs and other interventions. Legislation will, accordingly be introduced to ensure that these are phased out over time in favour of energy efficient substitutes.

Minimum energy efficiency performance standards for, amongst others, electric motors, compact florescent lamps and buildings (including households) have been developed and will be implemented shortly. Solar Water Heating presents a substantial opportunity for energy efficiency improvement as well as job creation. We have to build local capacity for manufacturing and installation. This is lacking at present.

As a department we have set the target of 1 million solar water heaters to be installed in our country within 5 years. We are considering making it compulsory to install solar water heating in newly constructed homes within the next ten years.

Over the past four years 36 million energy efficient lamps have been installed in low to middle income households by contractors through a free lamp exchange programme. A separate strategy has been developed to ensure the small amount of mercury present in fluorescent tubes does not end up in the general household waste stream.

A National Energy Efficiency Agency has been established to oversee government driven energy efficiency campaigns

including the measurement of verification of energy savings achievements for tax rebate purposes.

The recent application by Eskom for a tripling of electricity prices over the next three years has made energy efficiency essential. It is now time to act! Business survival and household prosperity depends on it!

Tonight, we want to thank the people who are participating in the 5th category, namely the industrial users and in particular the mining industry. This industry is the only one that has been able to achieve a 10% saving - a target that we had set ourselves following the electricity emergency. It is quite vital that the rest of the other sectors too do the same.

I would like to end by thanking Eskom for their decision to organise these awards. I know there are different views about whether or not awards do encourage a change in behaviour. We have a choice of putting our hands in the air and say we cannot do anything to stop what in effect amounts to a tsunami and the therefore each side will blame the other which in the end will result in nothing or we can do something.

We have therefore decided to follow the example of the words that were uttered by Lao-Tse, the Taoist sage, more than 2000 years ago: even the hardest journey must begin with a first step.

What we are trying to do tonight is to create positive reinforcement and demonstrate to our people that it is little things - and that which may seem trivial - that change the world. We need to embrace the spirit of Mahatma Ghandi's famous dictum, "(let us) be the change that (we) want to see" in the world.

I would like to congratulate all the participants and the finalists in all the nine categories that are being honoured tonight. I have no doubt that our country will be served well by continuing with these initiatives.

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