

NATIONAL COUNCIL OF PROVINCES

QUESTION 154

QUESTION FOR WRITTEN REPLY

154 Mr. R A Lees (DA - KZN) to ask the Minister of Energy:

- (a) What (a) was the value of electricity supplied by Eskom to aluminium smelters in (1) South Africa and (ii) Mozambique for each month in the (aa) 2007-08, (bb), 2008-09, and (cc) 2009-10 financial years.
- (b) are the tariffs charged for electricity for each of the smelters to which electricity is supplied and (c) were the standard tariffs charged for electricity supplied by Eskom to (i) the municipalities in South Africa and (ii) other countries?

Reply

- (a) The energy value of the electricity supplied by Eskom to the various aluminium smelters in South Africa and Mozambique for the 2007-08, 2008-09 and 2009-10 financial years is as follows:

Total Al Smelter Sales (GWh)	2007_8	2009_9	2009_10
South Africa	13,150	11,726	11,883
Mozambique	8,472	8,227	8,306

- (b) A portion of the energy supplied to the smelters is charged on the standard Megaflex tariff, while the largest portion of this energy is charged according to the Negotiated Pricing Agreement, to Skorpion Mine and Mozal, specific to each smelter. These prices were negotiated some years ago and are subject to renegotiation as recently announced.
- (c) (i) the standard Eskom Retail Tariffs were charged for electricity supplied by Eskom to the municipalities in South Africa.
- (d) (ii) The prices charged to neighbouring utilities are individually negotiated using the standard Megaflex tariff as a basis with an appropriate premium. Escalation on these prices is in line with the NERSA approved increase. Electricity is also sold to three end-use customers, two

of which are charged prices which were negotiated some years ago and are being renegotiated, while the third is supplied at standard tariffs.