

# Beefmaster welcomes plan to tackle SA's electricity crisis

President Cyril Ramaphosa's recent 10-point power crisis plan has been welcomed by the Beefmaster Group. "We congratulate the government for finally taking the decisive action necessary to deal with this pervasive problem. We specifically welcome the allowance of businesses and individuals to connect the excess power generated from their privately-owned green energy solutions to the national grid, as well as bringing back the skills required to fix the problem," says Roelie van Reenen, supply chain executive at Beefmaster Group.



Source: evening\_tao via [Freepik](#)

Ramaphosa's plan includes allowing Eskom to get power from private players such as mines, paper mills and shopping malls, as well as neighbouring countries.

Van Reenen says that the new plan is a move away from punishing the private sector, to incentivising it, for funding alternative energy supplies.

"In previous years there were talks of taxes or fees for owning a solar panel. But the new incentive is in line with governments around the world who are encouraging citizens to go green, giving them rebates if they move to alternate energy sources."

## Mitigating energy crisis risks

Beefmaster Group, one of Kimberley's largest private employers and a major economic contributor in the area, has been producing beef products for local and international markets since 2003. In the last decade, the business has been negatively affected by loadshedding and power cuts. To mitigate this, it has undertaken significant investment into generators – producing in excess of 2mva in Kimberley - to keep the plant operational and to minimise downtime.

"The new plan will have major spin-offs for businesses in Kimberley, which is why we as a business are excited about its prospects."

Van Reenen says that given that Beefmaster Group in Kimberley employs more than 600 people from the area, prolonged periods of downtime would threaten the livelihoods of its employees had it not invested in an alternative power supply.

"In addition, we are reliant on power to produce food that is safe for consumption; it is non-negotiable. Yet, power disruptions threaten our food health and safety credentials, so we cannot afford to be affected," says van Reenen. "There was simply no other option but to incur costs of additional power so that we could keep operating."

Van Reenen adds that it is "very exciting" that the new plan will address the utility's skills shortages. "As a country we have not addressed the 'brain drain' or the skills gap; but with a specific focus on bringing back engineers and other personnel, government has finally acknowledged that it is a problem. I hope this solution can be applied to other areas where we have seen skilled talent leave for greener pastures," says van Reenen.



## Government to take on Eskom debt, but unclear how much

Alexander Winning and Bhargav Acharya 2 Aug 2022



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Eskom noted that it has reached out to the National Society of Black Engineers to ascertain if members of the NSBE are interested in assisting Eskom to bolster its skills.

But, as with all new plans, van Reenen says the devil is in the detail.

"Since many municipalities are failing to deliver on services and basic functions, as well as failing to collect revenue, and in turn cannot service Eskom debt; a solution would be for municipalities to step aside and allow Eskom to sell electricity directly and collect their own revenue."

In addition, he says, the metering and administration of solar power selling may be a stumbling block if there is not a robust plan in place.

"Privatisation is the answer in solving many of our failing entities and lack of critical skills. How are we going to take this further? Can we privatise our railway lines to alleviate the road freight issues in the agricultural sector? This will directly go back into the pockets of the South African consumer, increase competitiveness, and stimulate growth," concludes van Reenen.