

Aggreko supplies Eskom with gas-fired electricity

Power utility Eskom received a reserve capacity cushion yesterday as Aggreko, a UK-based interim power solutions provider, along with its joint venture partner, Shanduka Group, announced it had officially opened and delivered power from its 107MW gas-fired power plant in Mozambique.

The plant, at Gigawatt Park in Ressano Garcia, Mozambique, will provide interim electricity to Eskom and its Mozambican counterpart, Electricidade de Moçambique (EDM), until July 2014.

This is the first fast-track, temporary electricity-from-gas project to be implemented across borders.

"Every megawatt counts," Eskom spokeswoman Hilary Joffe said. "We will be the buyers of 92,5MW of the power. It's small, but what is important is that we have a long relationship with Mozambique and EDM."

Ms Joffe said this was one of many Eskom initiatives to help manage a "tight system".

On Monday, Eskom said the capacity available to meet evening peak demand was forecast at 36580MW (including open-cycle gas turbines) while demand was at 36258MW.

Eskom CE Brian Dames said the power utility was pleased to be receiving additional power from the project.

"Our relationship with Mozambique is very important to Eskom, and we are keen to see more cross-border projects in the region," Mr Dames said.

Aggreko said the construction and commissioning of the entire project had been delivered in 14 weeks. Aggreko is funding the two-year project, buying the fuel and selling the kilowatt-hours.

Black-owned and managed investment holding company Shanduka, whose executive chairman is businessman Cyril Ramaphosa, helped to facilitate the plant, and holds a 30% stake to Aggreko's 70% in the joint venture.

The plant is powered by natural gas from the Temane gas fields in Mozambique, and its output was being injected directly into the national grid of Mozambique/EDM on site via a purposebuilt substation.

The power generated at the plant would be split between the two utilities, with EDM utilising 15MW and Eskom 92,5MW.

"This is a very important project for Aggreko, and for southern Africa, as it underlines the benefits of countries working together for the common good," said Aggreko CE Rupert Soames. "We hope it will be a pathfinder for other countries

seeking to make the most of their resources to optimise the supply of power across the region,"

Mr Ramaphosa said although this was a "temporary solution" to the needs of SA and Mozambique, it provided a model for publicprivate partnerships and crossborder collaboration.

Aggreko has implemented gas-powered electricity projects in Japan, Indonesia, Bangladesh, Cote d'Ivoire and Tanzania.

Source: *Business Day* via I-NET Bridge

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