🗱 BIZCOMMUNITY

Retailers want Eskom to review move to weekend loadshedding

By Linda Ensor

8 Dec 2014

Retailers are complaining that they are having to bear the brunt of Eskom's load-shedding over successive weekends during their peak trading season ahead of Christmas.



© Scott Betts - 123RF.com

Eskom again implemented countrywide rotational load-shedding throughout SA on Sunday, as well as on Saturday.

It has opted for weekend load-shedding so it can build up its reserves of water and diesel for the week ahead, on the grounds that this limits the disruption to manufacturing and other businesses. However, this approach does not favour retailers, which have been hard hit by the lack of electricity in shopping malls.

Eskom CEO Tshediso Matona will outline the prospect of further disruptions this week and for the rest of month at a media briefing on Monday. The utility has suffered a multiplicity of problems, which have worsened the lack of generation capacity.

Unforeseen technical problems at power stations, depleted water reserves, and diesel supply problems at its peaking power stations on Friday meant Eskom had to ratchet up its load-shedding programme to the more frequent and intense stage three on Friday and Saturday, but was able to revert to stage two on Sunday once reserves had been restored.

Depleted diesel reserves required the shutdown of two of its open-cycle gas turbine power stations, which use the fuel to generate electricity. In addition, the Drakensberg and Palmiet pumped storage schemes, which use water to generate electricity, have reduced output because of depleted water reserves, and a further 1,000MW of capacity went offline on Friday when three coal-powered units tripped due to technical faults.

The National Clothing Retail Federation of SA has urged Eskom to review rotational load-shedding over weekends and to engage with business more actively in limiting the fallout from the energy crisis.

"Power outages over consecutive weekends have had a severe impact on the retail sector as a whole, which contributes about R650bn a year to the economy and is a major collector of the more than R220bn paid annually in value added tax to government," the federation's executive director, Michael Lawrence, said.

"The effect is not only on federation members. Local manufacturers on whom federation members rely for a competitive edge because of their ability to produce the latest fashions quickly are losing production time and materials through waste resulting from disruptions."

Mall owners were having to contend with lower turnover by tenants and reduced parking income.

"Opting for power outages right through the peak shopping season will inevitably mean lower trading revenues, which in turn will translate into lower value added and other taxes paid to government and further constrain its ability to address priority needs in housing, healthcare and education," Lawrence said.

The federation, which represents major retailers such as Edgars, Mr Price, Queenspark, Foschini, Truworths and Woolworths, called on the government to share its turnaround plan for Eskom as soon as possible. It should also seek private sector contributions to solutions to the energy crisis and Eskom's operational problems.

Source: Business Day

For more, visit: https://www.bizcommunity.com