



Thava Govender is the Group Executive responsible for the Transmission and Sustainability Divisions of Eskom Holdings SOC Ltd (Eskom). He is a member of the Eskom Executive Committee (EXCO), as well as various sub-committees of EXCO. Thava is a Director of the Eskom Enterprises SOC Ltd Group, a member of the Board of the Rotek and Roshcon Group (an Eskom Enterprises subsidiary), Chairman of the Council of the Eskom Academy of Learning and EXCO Sponsor for the Eskom Expo for Young Scientists.

THAVA GOVENDER

Group Executive Transmission Group
& Group Customer Services | Eskom
Holdings SOC Ltd

“ *My involvement in the energy sector dates back to the early 1990s when I was fortunate enough to be granted an Eskom bursary to pursue a degree in Chemistry and Biochemistry*”

How did you get involved in the energy sector?

My involvement in the energy sector dates back to the early 1990s when I was fortunate enough to be granted an Eskom bursary to pursue a degree in Chemistry and Biochemistry. My graduate-in-training programme was based at a power station. My foundation years as a young professional were entrenched in the energy industry.

I worked my way up through a variety of positions before eventually becoming the power station manager at Kendal Power Station – one of the world’s largest coal-fired power stations. Since that time I have also managed Eskom’s Generation Division, Eskom Customer Services Division and now am managing both the Transmission and Sustainability functions.

Where do you see room for more growth in the sector, and what opportunities are not being exploited sufficiently?

In the last decade we have seen a renewal of energy infrastructure globally – especially pertaining to baseload, transmission and distribution infrastructure. In more recent times there has been a shift in terms of the so-called traditional feedstock into more diversified options such as renewables. There is a significant opportunity for growth given that we haven’t exploited the full potential in the region. This includes a strong focus on Solar Photovoltaic (PV), Concentrated Solar Power (CSP) and hydro – and to a limited extent wind, biomass and waste. This leads to a pressing need for storage solutions – another significant growth area. Given the intermittency of

renewables, natural gas is the ideal choice to augment renewables (quick start-stop capability) and provide the flexibility that is required for grid stability.

Then there is the opportunity for self-generation, smart grids and smart metering.

There still remains the opportunity for other options – such as nuclear and cleaner coal (High Efficiency Low Emissions – super critical plant).

What is standing in the way of some of these growth opportunities being realised?

In South Africa there has been a focussed prioritisation of renewables that has been enabled by policy. However, increasingly we are seeing that funding is becoming a challenge as the deployment of these energy sources requires higher electricity tariffs.

Further afield, there needs to be the strong political will to collaborate across the region and the continent to create an integrated electricity system. This requires a prioritisation of natural resources at the country level (for example, hydro in the Democratic Republic of Congo, natural gas in Mozambique) that are developed to feed into this integrated system – accepting the interdependencies.

What are your top predictions for the African energy sector for the next 24 months?

- There is a significant risk of reduced supply from hydro stations due to the increasing potential for drought in the region. This will highlight the



There needs to be the strong political will to collaborate across the region and the continent to create an integrated electricity system”

interdependency in the region and lead to an increase in energy trading

- We may also see a renewed focus on electrification on the back of deployment of new micro and off grid renewables

There is a rising trend of residential micro generation. Do you perceive this as a risk to your business?

Yes, there is a risk in that revenues from the residential customer segment will decrease. However, in the South African context where the demand is higher than supply, albeit in the short to medium term, this rising trend of residential micro generation is positive in that it provides relief to a constrained grid. In the long term, residential micro generation, while it may result in customers becoming independent of the national grid, presents an opportunity. The excess electricity generated could be integrated back into the grid and redistributed at a marginal return for the utility.

How have you stayed abreast of the rapid technological advancements in the sector and have you been successful in implementing smart technologies to match the requirements of your utility operations?

Eskom invests in Research and Innovation and has an established business unit that is dedicated to the pursuit of new technologies and implementing them within the business. Eskom’s Research, Testing and Development (R,T&D) department is at the cutting edge of technological development in the sector, albeit with limited resources.

Given the limited resources, the focus of the function is usually on the utility’s priorities, which in many cases coincide with technological advancements.

R,T&D and Eskom have a broad base of international partnerships, giving them visibility of technological advancements as they happen. Examples in this space include smart grid technologies, smart metering, micro grid and battery storage technologies, which are being successfully piloted. This is an area that our Group Chief Executive, Mr Brian Molefe, is very passionate about.

What would you say are the biggest challenges facing utilities in Africa today?

Vertically integrated utilities are maintaining existing business models in a changing market and are by their nature slower in deploying new technologies and pursuing new revenue streams. The biggest challenge therefore is declining revenue due to the diversification of the market through the uptake of residential micro solutions and the introduction of new private sector players.

This is exacerbated by an aging workforce and global challenges such as climate change which has a two-fold impact on African utilities. There is an increased pressure to diversify from fossil fuels, among others, in order to secure investment but utilities are also very vulnerable to the adverse impacts of climate change such as extreme weather events, including drought.

How do you see the integration of clean power technology benefiting your country and/or the continent?

Global funding for power sector development is increasingly being directed at renewables. The integration of renewables will become easier in the South African market as tariffs move towards cost reflectivity.

In your opinion, does clean power have the capacity to compete with coal and nuclear as a base-load power source?

To ensure the energy needs and security of the country and indeed the continent there is no technology panacea. All the resources need to be exploited to ensure energy security at both country, regional and continental level. Having said that, it must be pointed out that nuclear qualifies as clean power and that the region has great potential for cleaner coal technologies. The more diversified the energy mix the stronger the energy security.

In your opinion, is Africa open for business?

Yes, Africa is open for business. As the largest utility in the continent we have been doing business with our neighbours for many years. There is no limit to where one can do business in Africa given the abundant resources. Just as in any market anywhere in the world entrants into that market must be informed (do the due diligence) and accept that the returns are proportional to the risk.

Africa is the second-fastest growing continent in the world and is blessed with a young population – these are the ingredients for significant growth. ■