

Eskom reviews Optimum proposal

Eskom is reviewing the Optimum Coal Mine's business rescue practitioners' proposal to reduce the monthly coal supply tonnage to the Hendrina power station from 400,000 to 200,000 tons a month for the remainder of contract period, given the mine's precarious financial position. .



Hendrina Power Station. Photo: Eskom

In a statement, the power utility said it has held discussions with the business rescue practitioners with a view to ensuring that they continue to perform, in terms of the coal supply agreement, and that coal supply to the power station is resuscitated without further delays.

The power utility said no agreement has been reached yet.

Optimum is obliged to supply 400,000 tons of coal to the Mpumalanga located power station each month at a price of R201,46 per ton.

Eskom emphasised that it has not agreed to any price adjustment with the business rescue practitioners and the allegations made in a newspaper article on Sunday are factually incorrect and without basis.

“Should Eskom decide to accept any reduction of the coal supply tonnage, as proposed by the business rescue practitioners, such will be done at the current coal supply contract price,” it said.

The utility is not in possession of the business rescue plan, however, but can confirm that it has requested the plan so it can engage amicably as an affected party.

In January, the mine, owned by the controversial Gupta family and former President Jacob Zuma's son Duduzane, failed to meet its contractual deliveries to Hendrina.

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