
Eskom board asks its CEO to resign - Report

Saturday, 31 Oct, 2009

Reuters reported that the board of South Africa's state owned utility Eskom has asked the company's CEO Mr Jacob Maroga to resign after a troubled tenure marked by power shortages.

Mr Andrew Etzinger, a spokesman for the power firm, said that he could not confirm the report, but confirmed that an Eskom board meeting had been held on October 29th 2009. He added that "I don't know if it's true or not, I have no information on the story at this stage."

The utility has been rationing electricity since early 2008 when the national grid nearly collapsed, forcing mines and smelters to shut and costing South Africa billions of dollars.

Eskom has also been widely criticized for fuelling inflation after it was granted a tariff increase of 31.3% this year and 27% in 2008, but the state owned utility insists it needs to increase prices to pay for its expansion.

Eskom has asked the energy regulator to raise electricity tariffs by 45% annually for three years starting next year, to help the power firm fund the expansion of its generation capacity to meet fast rising demand.

(Sourced from www.reuters.com)

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