
Power blackout in Brazil may affect mining ventures - Report

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It is reported that a power outage that plunged as many as 60 million people and half of Brazil in darkness may indicate Brazil's power infrastructure is not adequate to reliably serve its mushrooming commodity based economy.

As per report, transmission problems at a power substation in Parana state apparently caused a disruption at the Itaipu dam left 16 of Brazil's 27 states and part of Paraguay in the dark. Itaipu generates 19.3% of Brazil's electricity and 87.3% of Paraguay's power needs.

Mr Mauricio Tolmasquim president of Brazil's Energy Research Agency said that "Brazil has the largest integrated power grid in the world, it's fantastic because it facilitates electricity between regions, but the domino effect that happens when we have a problem is a major inconvenience."

He added that "The government will have to look into the question of how to restore electricity more quickly. Allowing major urban centers like Rio and Sao Paulo to be without power for more than three hours is not acceptable."

Commodity based companies including Vale, Gerdau and Petroleo Brasileiro suspended production because of the lack of electricity. Brazil's Mines and Energy Ministry said Rio de Janeiro was the only state left completely in the dark. The world's largest iron ore producer, Vale, is based in Rio de Janeiro.

(Sourced from www.mineweb.com)

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