
Eskom opens new pressure part manufacturing plant

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Engineering News quoted Mr Brian Dames of Eskom as saying that the unprecedented capital expenditure being undertaken by power utility Eskom has the potential to reinvigorate South Africa's manufacturing, engineering and technical skills base and help meet South Africa's macroeconomic needs.

Speaking at the opening of a new ZAR 120 million pressure part manufacturing investment in Nigel, Mr Dames said that the utility was seeking not only to add 13,000 MW of much needed electricity capacity over the next 5 years, but also to crowd in significant investment around what is likely to be a multi decade investment push.

He hailed the SPX-DB Thermal investment, which will produce boiler pressure parts for Eskom's Medupi and Kusile power stations, as an example of what Eskom and its sole shareholder, the South African government, were seeking to achieve.

The project, which has been funded in equal portions by US manufacturing group SPX and Hitachi Power, is part of a larger ZAR 1 billion investment promise made by Hitachi, arising from local content commitments made to Eskom after it had placed boiler contracts valued at around ZAR 38 billion.

The contracts are the single largest ever awarded by the South African power utility and, along with turbine contracts that were placed with energy and transport vendor Alstom, make up the heart of the two new coal fired power stations.

Mr Johannes Musel CEO of Hitachi Power Africa said that it has committed to sourcing 60% or about ZAR 23 billion of the contract value within the borders of South Africa and that the company is on track to achieve that target.

Mr Jacob Maroga has described Eskom's ZAR 385 billion expenditure program as a readymade stimulus package, but has also indicated that there is increasing pressure on the utility from its shareholder, the South African government, to leverage the program for greater domestic economic advantage.

Mr Musel said that Hitachi is pleased with the progress that has been achieved in creating local capacity to deliver into the Medupi and Kusile programs, adding that work is progressing on schedule. He added that "There has been unprecedented cooperation to ramp up local capacity and we believe the new SPX facility will showcase South Africa's ability to manufacture to world class levels."

(Sourced from www.engineeringnews.co.za)

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