

A close-up portrait of André de Ruyter, a middle-aged man with grey hair and blue eyes, looking directly at the camera with a serious expression. He is wearing a blue and white checkered shirt. The background is dark.

ANDRÉ DE RUYTER

TRUTH TO POWER

My Three Years Inside Eskom

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PENGUIN BOOKS

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This book is dedicated to all the honest,
hardworking men and women of Eskom,
for doing an outstanding job under trying circumstances.
It has been an honour working with you.

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Abbreviations

ANC: African National Congress
BCG: Boston Consulting Group
BEE: black economic empowerment
CEO: chief executive officer
CFO: chief financial officer
CO₂: carbon dioxide
COO: chief operating officer
COSATU: Congress of South African Trade Unions
CSI: corporate social investment
DFFE: Department of Forestry, Fisheries and the Environment
DIRCO: Department of International Relations and Cooperation
DMRE: Department of Mineral Resources and Energy
DPE: Department of Public Enterprises
DRC: Democratic Republic of the Congo
EAF: energy availability factor
EFF: Economic Freedom Fighters
EU: European Union
EUF: energy utilisation factor
GE: General Electric
GW: gigawatts
IFP: Inkatha Freedom Party
IPP: independent power producer
IRP: Integrated Resource Plan
JET: Just Energy Transition
JSE: Johannesburg Stock Exchange
kWh: kilowatt hours
MEC: member of the executive council
MP: member of Parliament
MW: megawatts
NEC: national executive committee
NERSA: National Energy Regulator of South Africa
NPA: National Prosecuting Authority
NPV: net present value
NT: National Treasury
NUM: National Union of Mineworkers
NUMSA: National Union of Metalworkers of South Africa
OEM: original equipment manufacturer
PCLF: planned capability loss factor
PFMA: Public Finance Management Act

PPE: personal protective equipment
PPFA: Preferential Procurement Policy Framework Act
RET: radical economic transformation
SAA: South African Airways
SABC: South African Broadcasting Corporation
SAIDI: system average interruption duration index
SAIFI: system average interruption frequency index
SAPS: South African Police Service
SARS: South African Revenue Service
SCOPA: Standing Committee on Public Accounts
SEC: Securities and Exchange Commission
SSA: State Security Agency
UCLF: unplanned capability loss factor

1

The Guv'nor plants the seed

'What are you doing here?' Tito Mboweni grumbled. 'You should be running Eskom!'

The year was 2017 and the then chairman of Nampak was seated in an oversized leather-backed chair, which looked out of place in the packaging company's new, modern home. As CEO, I had overseen Nampak's relocation from the Johannesburg suburb of Atholl to a much smaller and cheaper head office in Bryanston, and Mboweni regularly berated me over it.

'Why did you bring me to this squatter camp!' he would exclaim.

My explanation that the move was necessary to save costs during a tough period for Nampak cut no mustard with the former governor of the Reserve Bank. He found it especially galling that his spacious office at our old headquarters had been replaced by one that was a quarter of the size. Besides being cheaper, I felt our new offices were more stylish. The somewhat institutional-looking building in Atholl had always reminded me of an old-age home, with its wide passages and ugly, dated wallpaper. Everything was green, brown and beige. The furniture had last been popular in the seventies, and it reflected in the rather staid Nampak corporate culture.

Mboweni, however, maintained that the modern furniture in our new Bryanston headquarters was unbecoming to the dignity of the office of the chairman. He insisted on keeping his leather wingback chairs, which hulked in his new, smaller office as a reminder of the glory days when Nampak was a blue-chip company. Adding to the old-world feel, Mboweni was always formally dressed, preferably in a heavy tweed three-piece suit, which he was at pains to point out had been tailored by the same firm that had dressed Winston Churchill. By contrast, I usually wore chinos without a tie, which irked the chairman – and he wasn't shy to let me know it.

Despite playfully butting heads over issues of style, Mboweni and I were much more likely to see eye to eye on matters of substance. We had a great rapport, even though our backgrounds differed widely. I am a white Afrikaner who had a traditional upbringing during the apartheid years. He had been a freedom fighter in the African National Congress (ANC). But we shared a deep love for South Africa and a commitment to solving its problems.

Sitting in the bulky leather chairs in his tiny office, we held regular, wide-ranging discussions about the state of the country. I always respectfully addressed him as 'Chair', and he called me 'Mr De Ruyter'. Jokingly, he would sometimes address me as 'Mr Chief Executive'. Mboweni was not one for first names – his friends would call him Guv, or Guv'nor, a reference to his time as the governor of the South African Reserve Bank.

For me, it was intellectually stimulating to hear the perspectives of a former central banker and to draw on his significant international experience. I had great respect for his intellect and his integrity. Unlike some of his colleagues in the ANC, who have been accused of stealing taxpayers' money, there is not even a whiff of such scandal about him.

Mboweni, a former labour minister in Nelson Mandela's cabinet, also gave me valuable insight into something I did not always understand: the opaque world of the ANC's internal politics. At the time of our discussions, President Jacob Zuma had an iron grip on the party and his henchmen had their tentacles firmly in Eskom. They were funnelling funds out of the corporation at a dizzying rate.

Mboweni, bravely, was one of the few remaining voices on the national executive committee (NEC) of the ANC who spoke out against the abuses of state capture. For this, he was pilloried on social media and ostracised by most of his peers. By the time I took over as Nampak CEO in 2014, he was already in the political wilderness.

During the height of the state capture years, the atmosphere in the ANC was exceptionally tense, according to Mboweni. The spectre of the State Security Agency (SSA) loomed large. Agents intercepted cellphone calls, read text messages and eavesdropped on conversations. Suspicious-looking vans with antennas lurked outside the venues where the ANC's NEC was meeting. The brazenness of the surveillance was meant to intimidate, and to pre-empt any conspiracies.

From his side, Mboweni appreciated the fact that I always spoke plainly about politics, the economy and the direction the country was taking. I called things as I saw them, not as I thought he wanted to hear them. As my understanding of the party grew, I came to realise that this trait is surprisingly rare in the ANC. Most of the cadres prefer sugar-coating over straight-shooting.

Perhaps thanks to my Dutch heritage, I have a healthy disrespect for hierarchy. I respect the person, and not merely the position. This stood me in good stead over my career, as I developed the ability to speak truth to power without too much regard for the seniority of the person to whom I was speaking. Of course, this got me into trouble a couple of times, particularly with bosses who were insecure in their positions.

Our conversations frequently gravitated towards Eskom, which was in a period of intense difficulty after years of neglect and government-sanctioned looting. By then it was clear that South Africa was sliding into an ever-worsening electricity crisis, with the revolving door at Megawatt Park ejecting chief executives almost as fast as they could make their way to their offices. In the twenty-two years between 1985 and 2007, Eskom had only three CEOs. The next thirteen years would produce no fewer than thirteen CEOs and acting CEOs.

Given the pivotal role of a power utility, no in-depth discussion of the country's economic prospects could fail to address the Eskom mess. Mboweni knew that I had spent more than two decades working in the energy sector at Sasol and sought to tap my knowledge of the subject.

Like good armchair critics, Mboweni and I managed to come up with prescriptions to cure all South Africa's ills. Of course, we had no actual authority or responsibility to implement any of these solutions, so life was lekker.

And then Mboweni called my bluff.

One day, in August 2016, we were having our usual discussion in his office and holding forth on all manner of subjects, and the topic of Eskom came up again. Why didn't I write down my thoughts on the subject, Mboweni suggested. In particular, he wanted me to focus on the ideal attributes of an Eskom CEO, and what it would take to fix the utility. As an opinionated individual, I didn't need to be asked twice and gladly complied with his request.

In my notes I also fleshed out a plan to restructure Eskom by splitting the units responsible for transmission, distribution and generation. Mboweni noted that the idea had also been floated during his time in government, but that it had been 'buried'.

It later dawned on me that Mboweni's request was perhaps more calculating than I had initially thought. In addition to his Nampak role, Mboweni was also the chairman of Goldman Sachs in South Africa. At the time, the managing director of Goldman Sachs was his close friend Colin Coleman.

I knew Colin from my days at Sasol, where he had advised the company on various restructuring initiatives. He and I had arranged a meeting of executives and business leaders in a wine cellar at the Saxon Hotel, where we vigorously agreed that, as good patriots, we could not let the country down. For all our well-intentioned talk, it remained just talk. But Colin played my patriotism card right back at me. He often prodded me to tackle something more ambitious than a traditional corporate job, saying I should aim for a goal more meaningful than merely making money. It had become a regular, if jocular, refrain in our conversations.

He would call me and ask, 'So, when are you going to run Eskom?'

A few months would pass, and then another call: 'You need to run Eskom.'

Mboweni soon began singing from the same hymn sheet, and I would not be surprised if the two of them had collaborated on Operation Recruit André.

Either way, by writing down pointers for an Eskom turnaround, I had taken the first step on a tumultuous journey.

2

The value of an old pair of boots

On Valentine's Day 2018, the courtship began.

It started with a call from a headhunter, asking whether I would like to be considered for the vacant CEO job at Eskom. Thanks to the frequent prompting by Tito Mboweni and Colin Coleman, I must confess that the possibility of applying for the job had been at the back of my mind.

But even though the date was 14 February, it was not love at first sight, especially in light of the long-standing and well-documented challenges at Eskom. To merely engage in the application process is a serious commitment. You don't want to waste anyone's time by playing footsie and then running away when push comes to shove.

The following day, Cathy Dowsley of the headhunting agency Woodburn Mann sent me the job specs, and after reading them carefully and considering the matter, I resolved to throw my hat into the ring. Up to that moment, I could have declined, and no one would have been any the wiser, or blamed me for backing out. What drove me to apply? I have always had a deep sense of patriotism. This has become an unfashionable word in South Africa, with undertones of longing for the past. But I have always been a keen reader of history, and felt that there was an obligation, a duty, for citizens to serve their country when called to do so.

These were heady days: Jacob Zuma had resigned as president on the night of 14 February, the same day that I was approached about the Eskom job, and was replaced by Cyril Ramaphosa, who called for people to help rebuild the country in his 'Thuma Mina' (send me) campaign. I thought that I could help to disprove the narrative of an insular, racist Afrikaner stereotype by making a contribution. I was avowedly not a member of the ANC and did not feel aligned with their policies and their tainted history in power. But I was also getting fed up with the braai-side whingeing and moaning, where predominantly white men would drink great wine and eat massive steaks while standing safely on the sidelines and criticising the players on the field. Surely someone, somewhere, would have to go into the trenches. Doing nothing, having been given the opportunity, would be to forsake my duty, and also to forfeit my right to complain.

With some trepidation, I sent in my CV on 17 February.

For all I knew, I would be the token white in the proceedings, making up the numbers in a predetermined process of cadre deployment orchestrated by Luthuli House. But saying no to the call to participate in the recruitment process would be at odds with my sense of wanting to make a difference. And who knew, maybe I would get the nod.

Besides pointing out that the usual battery of psychometric tests would be required,

the recruiter also added an interesting wrinkle to the process. Applicants were asked to make a video of themselves, showcasing a 'meaningful' object. We were explicitly prohibited from choosing a mobile phone or an iPad.

Eventually, I settled on a pair of rather battered safety boots in my closet. I believe deeply that leaders should be visible on the factory floor and have a thorough understanding of what happens on the ground level of their organisation. 'Boots on the floor' was my credo.

A colleague of mine at Sasol, Riaan Rademan, was fond of quoting John le Carré, who happens to be one of my favourite authors: 'A desk is a very dangerous place from which to view the world.'

For me, walking the shop floor was like going to school, an opportunity to learn from the people who were actually doing the work. Yet, this management style is surprisingly rare. At both Sasol and Nampak, workers told me it was the first time that a person of my seniority had visited their plant.

'The best fertiliser is found on the soles of the farmer's boots', as the saying goes. In short, my well-worn but shiny pair of old safety boots was the perfect symbol for my approach to management. Cathy later told me that the video found favour with Eskom chairman Jabu Mabuza, who enjoyed my practical and down-to-earth approach to management.

I was invited to a formal interview on 28 March at Woodburn Mann's offices in Sandton. I announced myself at the reception desk and was ushered into a holding room where I was offered coffee and kept well away from whoever else was being interviewed at the same time. When my time came, I was led down the passage, in Green Mile style, to the boardroom which opened to reveal the assembled interview panel, made up of board members of Eskom Holdings State Owned Corporation. I knew several of the panel members, including Jabu, Sindi Mabaso-Koyana and Busisiwe Mavuso. That broke the ice.

The interview, led by Jabu, went reasonably well. The panel asked the right questions, and I was particularly impressed with Professor Malegapuru Makgoba, who radiated an air of humorous wisdom. The interview passed in no time at all, and I left, via an obscure kitchen passage to avoid meeting anyone else, feeling rather pleased that I had at least given it a good shot. The feedback I received from Cathy confirmed my impression, and I made the final shortlist for the post. By now, the gravity of the potential challenge had begun to set in – particularly because Eskom was hogging the headlines at that point.

Along with its sister state-owned company, Transnet, Eskom was Ground Zero for state capture. Using cadre deployment as a tool to stack boards and management with pliable individuals with elastic morals, Eskom had become a feeding trough for the Gupta family and their acolytes. Grand schemes had been concocted by some within Eskom management and seemingly condoned by its board to purloin money from the apparently endless resources of the company. Of course, for every corruptee there is a corruptor, and the private sector certainly played its role in funnelling money into the maws of the seemingly insatiable Guptas. It seemed there were almost daily revelations of malfeasance, corruption and gross mismanagement at the corporation. Former chief executives, including Brian Molefe and Matshela Koko, were being fingered by

whistleblowers, while the immaculately coiffed Anoj Singh was said to have engaged in creative accounting very unbefitting of a CFO. It was clear that Eskom had hosted a nest of vipers – question was, had they all been eradicated?

Against this backdrop, and possibly to ascertain that I wasn't certifiably insane for raising my hand for the job, I was summoned to complete a series of psychometric tests on 11 April in Bedfordview. I enjoyed the process, and the results were clearly satisfactory, because I was then invited to further 'exploratory' discussions with Jabu. At this meeting, the chairman was brutally honest: It would be politically impossible to appoint a white male in the position.

Then came another curveball. Jabu was so impressed by my safety boot video that he offered me another, newly created position, that of chief operating officer (COO). Jabu and his board had quickly established that while the Eskom executives had been engaged in their shenanigans, the actual operations of the plants had been badly neglected, and that it needed the dedicated attention of a top executive to turn this around. For a brief moment, I considered this surprising new option, but soon decided it would not be a good fit.

For starters, it was an operational role. Though I had spent more than two decades in the energy sector, I was still not an engineer. Perhaps more importantly, I sensed that the crisis at Eskom ran so deep that only exceptionally strong leadership from the CEO position would give the organisation a fighting chance of survival. Maybe such a person could be found, but given the recent history of the CEO job at Eskom, I could easily find myself on a hiding to nothing in the COO role.

If I were to accept Jabu's offer, I would be submitting my fortunes to the captain of a ship on which I would only have a limited part in steering, but if the vessel were to founder, I would drown with all the rest. Also, rather selfishly, if I played a role in turning Eskom around, it would not be me but the CEO who would get the credit. Making someone else famous was beyond the bounds of my altruism.

Of course, there were bigger issues at play than just my reputation, but if I were to risk it, there would have to be at least the possibility of a discernible benefit to Eskom and the country. I remained unconvinced that this was likely.

Jabu being Jabu, however, he was not easily dissuaded. He kept on trying to lure me in, ultimately summoning me to a meeting at Business Unity South Africa (BUSA) for one last pitch. On a winter's evening in June 2018, we met in the deserted BUSA offices in Katherine Street, Sandton. It was a little like a dating conversation, with him imploring me to make a leap of faith: 'Come and join me, André. Together we can do this, come and join me.'

Eventually, I had to let him down easy: 'Jabu, it's not you, it's me.'

I proceeded to give him all the reasons why I didn't feel I would be a good fit for the position, including that I was not an engineer and that it would be difficult to effect the necessary changes as COO.

Despite successfully resisting Jabu's overtures, I could not help but feel a tinge of doubt as I drove home through the darkened Sandton streets. Had I done the right thing by turning down a challenge that would have taken me squarely out of my comfort zone? The doubt was mixed with disappointment that I hadn't been offered the job of CEO, even though I had performed well in the interview and the psychometric

assessment. The fact that my race had played a role added to the feelings of disillusionment. On an intellectual level, one may understand the need for affirmative action, but on a personal level most of us find it difficult not to feel some slight bitterness when denied an opportunity because of race.

Soon after my conversation with Jabu, I read in the media that Jan Oberholzer had been appointed as COO with effect from July 2018. My last doubts about rejecting the position evaporated as I learnt more about his background. As an Eskom veteran and an accomplished electrical engineer, it was clear that he was far better suited to the job than I would have been.

Phakamani Hadebe, who had been appointed as interim CEO in January 2018, ended up being permanently appointed in May 2018. I've never met Phakamani, but he seemed a decent and well-meaning man. His previous work experience included stints at Barclays Africa and National Treasury.

Eskom's top job, however, was a pressure cooker, requiring nerves of steel. By May 2019, Phakamani could take no more. He collapsed on the job and was taken out of Megawatt Park on a stretcher. Soon afterwards he resigned, citing the unbearable pressure as his reason for leaving. According to media reports, he had tendered his resignation twice before collapsing, but had been persuaded to stay on.

Phakamani was by all accounts one of the good guys but had been thrown to the wolves. He had been placed in a position for which he had neither the temperament nor the right experience.

After his resignation, Jabu took over as chair and interim chief executive. The board then embarked on another recruitment process, this time using a different headhunting agency, Signium Africa.

In August 2019, headhunter Gusti Coetzer, a straight-talking Afrikaans woman who didn't shy away from calling a spade a shovel when the occasion required, called and said that Jabu had specifically asked her to contact me. I asked her if I was just there to make up the numbers, or if this was a serious approach. I had no appetite to be brought to the altar only to be offered a bridesmaid's job. She assured me that Jabu was serious, and that she could vouch for a professional process.

Again, I agonised. I discussed the matter with my wife, Corné, and other trusted advisors. And again I agreed to be interviewed. On a warm spring day in September, I donned my power suit – black, with a red tie – and drove to the headhunters' offices in Sandton. A fleet of luxury vehicles belonging to Eskom board members stood in the parking lot, while their bodyguards lounged outside.

I've learnt not to get nervous in high-pressure situations like this. Instead, I use the pressure to heighten my focus. I concentrate on winning the battle at hand, rather than looking too far ahead and worrying about factors outside of my control. Being well prepared also helps to calm the nerves and clear the mind.

Experience has taught me to not worry about the concerns at the periphery. You learn to duck the bouncers and punish the half volleys.

In the public sector, job interviews are highly scripted affairs. Each panel member has a particular question to ask all the candidates, to ensure consistency and fairness. The members of the panel then score the candidates, and unless something dramatic happens, the top-scoring candidate is considered successful. It's a very structured,

rigorous process.

A year earlier, my old pair of safety boots had been my trump card. This time, I had a new ace up my sleeve. In preparation for the interview, I did extensive research on the problems afflicting Eskom. I did a financial analysis, looked at tariffs, debt, operational challenges and headcount, and came up with an outsider's view of a turnaround plan. Using my rudimentary PowerPoint skills, I compiled a detailed presentation on how Eskom could be saved. I had ten copies of my plan printed and bound so that I could hand them out to the interview panel at a moment's notice.

A foot in the door was all I needed.

After some introductory biographical questions from Professor Makgoba, he handed over to one of the Eskom board members, Professor Tshepo Mongalo, who promptly opened the door. 'As one of the candidates for the chief executive position, please share with us your proposed strategy for turning around Eskom. And we want a very detailed answer,' he instructed.

This was the half-gap I was waiting for, and I took it.

'As it so happens, I have something prepared!' I replied.

I apologised to Makgoba for 'hijacking' the interview, but of course I was not really sorry. I now had the opportunity to break through the scripted nature of the process. I handed out my booklets to all the board members and proceeded to explain at length how I would approach the turnaround of Eskom. My gambit was unprecedented, but the board members were suitably impressed.

By being thoroughly prepared for my interview I was able to flip the script – and this would turn out to be pivotal.

Shortly after, Gusti phoned and told me that my presentation had wooed the board members. Having cleared the first hurdle, I was then summoned to an interview at the Department of Public Enterprises in Pretoria. After arriving at the rather unimpressive low-slung white building at the foot of Meintjieskop, close to the Union Buildings, I was ushered into an impersonal conference room and told to wait there. The delay dragged on and I began to feel uncharacteristically apprehensive.

Eventually, I was summoned by Nthabiseng Borothe, chief of staff to Pravin Gordhan, the minister of public enterprises, and taken to another conference room where, rather like a painting by Pieter Bruegel the Elder, four ministers were arrayed around a large conference table. Seated alongside Gordhan was Ebrahim Patel, minister of economic development at the time. The affable Thoko Didiza, minister of agriculture, sat next to him. On my side of the table, Gwede Mantashe, the minister of mineral resources and energy, was a hulking presence. And on the screen, by remote connection from Cape Town, was Ayanda Dlodlo, then minister of state security.

Once again, the interview proceeded in a scripted fashion, and I managed to bat the tough questions away without too much difficulty. Mantashe enquired about my view of nuclear power. It was a loaded question. When the roadmap for South Africa's energy future, the Integrated Resource Plan, was being drawn up, Eskom and the Council for Scientific and Industrial Research (CSIR) did extensive research on the subject. Their analysis showed conclusively that conventional nuclear energy was too expensive, too time-consuming and not necessary, given that renewable energy was the cheapest and quickest way of resolving the crisis. Nonetheless, Mantashe's department had slipped a

line into the final plan to promote nuclear 'at a pace and scale the country could afford'. This was a disingenuous dodge, since a proposed nuclear deal with Russia had been torpedoed in a court action brought by civil society. Speculation was rife around the interests being served by the deal with Russia.

Being aware of the controversy around the issue, I equivocated by saying that in principle it was a good idea, but that it was excessively expensive to build. Mantashe also asked about my views regarding coal, and I responded that I understood coal very well, having been a travelling coal salesman during my time at Sasol. I did point out, however, that renewable energy was becoming more and more competitive from a cost point of view.

As a seasoned trade union negotiator, Patel seemed to relish the task of managing my salary expectations. With a mischievous grin, he informed me that the salary paid to Phakamani was excessive, and that I would be expected to accept a 20 per cent reduction. Clearly, this was not the place or the time to negotiate salaries. 'Minister, I would not be doing the job for the money, but to make a contribution,' I responded.

Patel had the grace to look somewhat disappointed at the lack of pushback from this representative of the managerial class.

Dlodlo interrogated me on my commitment to coal, something that was obviously important to her. What the connection was between state security and coal mining, I didn't know, except that both take place underground.

The atmosphere during the interview was cordial, but far from warm. The impression I got was that I was the candidate of last resort, rather than the panel's first choice. They didn't seem terribly excited to see me. It didn't affect me, however. There's an old Hollywood saying: 'Sincerity is the most important thing in life. Once you can fake that, you've got it made.' With this in mind, I put on my best interview smile and answered the questions as best I could. I had an almost fatalistic feeling about it all. This was it. If they wanted to offer me the job, it was up to them. I had done the best I could. Based on my extensive reading of great literature (the Asterix comics), I could quote Julius Caesar by saying: *Alea iacta est* (The die is cast).

Driving back in the car, I phoned my wife for a debrief.

'How did it go?' she asked, knowing that our lives would be flipped upside down if I got the job.

Projecting more confidence than I felt, I told her in Afrikaans, 'Ek het hulle uit die park gebliksem' (I knocked them out of the park).

Some days later, on a warm Friday afternoon, I was at a restaurant in Centurion having lunch with a friend when Jabu called me. I saw the name flash on my phone and assumed it would be a 'Dear John' call. The reception at the restaurant was poor, and I had to go out onto the veranda to have this confidential conversation among curious bystanders.

'André, you're the man,' Jabu said, and I didn't believe him at first.

Having rated my chances of success fairly poorly, and given what had transpired during my first shot at the job, I was incredulous. I asked him to repeat it a number of times, not least due to the poor reception. The full implication of his words hit me as I was speaking, and for the first time I felt apprehension and maybe a sense of dread.

The transition from a low-profile, predictable corporate job to what was termed the

toughest job in the country had become a distinctly uncomfortable reality.
The fox terrier had caught the bus.

3

A fool rushes in

'A failed paper-and-packaging executive? You must be joking!'

This was the gist of the reaction to the news that I had been offered the top job at Eskom. Jabu Mabuza's call at the restaurant in Centurion had surprised me, but I was clearly not alone. The news came as a bolt from the blue to almost everyone and ignited a media firestorm.

Prior to the announcement, Andy Calitz, an electrical engineer who had held senior positions at Eskom, Shell and various global firms, had been widely regarded as the frontrunner for the job. Calitz had made an effort to address conferences on Eskom, and to position himself as the heir-apparent. Commentators such as Business Day columnist Peter Bruce and analyst Peter Attard Montalto from the research firm Intellidex had been pushing his candidacy hard. I had not been in the mix at all, and my appointment caught industry experts, the media and the general public off-guard.

Montalto issued a scathing note about my lack of experience and took the Eskom board to task over its decision. The Economist derisively referred to me as a packaging executive, someone who would struggle to handle the most difficult job in South Africa. They implied that I was a desperate appointment, a Hobson's choice. There may have been some truth to the latter point: an astounding twenty-eight candidates, predominantly black, approached by the headhunting agency had said 'no, thanks' to the opportunity to lead Eskom.

The Economic Freedom Fighters (EFF) and the 'radical economic transformation' (RET) faction of the ANC played the race card against me, conveniently ignoring the fact that most, if not all, of the top black executives in the country had no desire to throw themselves under the Eskom bus. Remember that the previous incumbent, Phakamani Hadebe, had been stretchered out of his office.

Trade unions characterised me as a hatchet man who would be sent in to wield the axe and decimate jobs. Questions were raised about the performance of Nampak under my leadership. Given the sensitivity of the job, the long knives were immediately out for everyone associated with this 'peculiar' choice.

As someone with a relatively low public profile, the viciousness of the attacks caught me by surprise. I did not expect universal acclaim and adulation to follow my appointment, but I thought I would at least be given a fair shot to explain my vision for Eskom and how I believed I could add some value. In retrospect, this was naive. Occupying the hot seat at Megawatt Park comes with political baggage. This was going to be a lot more complex than a normal corporate job.

Lost in all the media noise were a number of key facts. Firstly, although I was the

Nampak CEO at the time, I had in fact spent most of my career in the energy sector, where I held several senior executive positions at Sasol. To simply label me as a 'paper-and-packaging executive' was misleading.

Secondly, although it was true that Nampak's share price had performed poorly under my watch, there were mitigating factors. Shortly before I took over as CEO, the company had made a major acquisition in Nigeria, purchasing the beverage can manufacturer Alucan Investment for US\$301 million. Nampak had also been expanding aggressively in Angola, leaving the company up to its eyeballs in debt, with gross gearing of 93 per cent (indicating that its debt levels were approaching the total value of its shareholders' equity).

As it happens, both the Nigerian and Angolan economies are highly dependent on oil. This meant that Nampak now had indirect exposure to the vagaries of the international oil price. When I left Sasol, I had heaved a sigh of relief, thinking that I was no longer at the mercy of global commodity markets. But I was abruptly thrust back into the world of oil when prices collapsed, sending the Nigerian naira and the Angolan kwanza into freefall. I thought I would be in control, but it turned out that I could not escape the vicissitudes of the oil price so easily. Nampak's earnings in Nigeria and Angola nosedived, leading me to implement the cost-cutting measures that had so irked Tito Mboweni. With little liquid cash available to service the eye-watering debt, I resolved to cut the dividend, for the first time in Nampak's history – a step that made the extent of the problem clear to shareholders and analysts. As dividend funds sold off their holdings, the Nampak share price plummeted, and with that the reputation of its management.

In the court of public opinion, the rather involved explanation about Nampak's exposure to the international oil price stood no chance against the seemingly incontrovertible and easy-to-understand counter-evidence: a chart showing a precipitous decline in the share price. It was like lining up a peashooter against a bazooka. The chart was paraded on social media to show that Eskom was now in the hands of someone who had run a listed company into the ground – and the narrative was set.

The third perception about me – that I had come from nowhere to win the top job at Eskom – also obscured a more complex truth. In fact, the groundwork had been laid over several years, starting with the exploratory conversations outlined in Chapter 1. Mboweni, my old sparring partner at Nampak, had been brought back into the government fold by this point. Following the resignation of Nhlanhla Nene in October 2018, President Ramaphosa had appointed him as minister of finance.

But besides my talks with Mboweni and Colin Coleman all those years ago, a number of factors, hidden from the public eye, had culminated in my appointment.

Although I had worked in the private sector all my life and had never come near a government job, I had fortuitously been involved in several projects that had made key role-players in the state sector aware of my abilities.

In 2015, one year into my term of office at Nampak, then finance minister Pravin Gordhan issued a challenge to the business community: Find ways to resuscitate South Africa's moribund economy. Perhaps foolishly, I raised my hand. Under the direction of Jabu Mabuza, at the time chairman of Business Leadership South Africa, we established

the CEO Initiative to facilitate a coordinated response to Gordhan's challenge. I headed up the manufacturing sector's response.

With Nampak having a factory in Vanderbijlpark and given my experience at Sasol, I was intensely aware of the significant challenges in the Vaal Triangle: raw sewage running into the Vaal River, potholes large enough to damage trucks, an unpredictable electricity supply exacerbated by the local municipality's non-existent maintenance, and stratospheric levels of unemployment in the surrounding townships of Sebokeng, Boipatong and Sharpeville, names redolent of South Africa's troubled past and its present malaise.

As chairman of the Manufacturing Circle, an industry lobby group, I developed a plan to stimulate demand for steel manufactured by ArcelorMittal in the Vaal Triangle. I believed this could play a key role in revitalising the region.

My proposal, which benefited from significant input by Genesis Analytics, would be presented at a meeting of Business Leadership South Africa, held at the Johannesburg Stock Exchange (JSE). When the moment came, I appeared on stage with Sim Tshabalala, the CEO of Standard Bank, which had been the sponsoring bank for the manufacturing workstream. Being somewhat taller than average, I towered over the diminutive Tshabalala and kicked off my presentation by saying this would be 'the long and the short' of the matter, drawing a laugh from the assembled conclave of eminences of South African business.

My proposal was well received as being practical and to the point. It turned out to be the only one from the CEO Initiative to gain any traction. In true South African style, most proposals sought to boil the ocean, rather than focus on what could be immediately fixed by actionable steps. My modest proposal was to restrict the ambition of the manufacturing intervention to the Vaal Triangle. Rather than trying to eat the whole elephant all at once, let's just focus on something that we can get our arms around.

That was also the first time that I came to the attention of Jabu, who would later become chairman and interim CEO of Eskom, and to top government officials such as Gordhan, who would become minister of public enterprises, the state department responsible for Eskom.

Being chairman of the Manufacturing Circle also gave me access to Ebrahim Patel, minister of economic development at the time. Patel, along with Gordhan, would be part of the government panel that interviewed me for the Eskom job.

Without any agenda on my part, I was becoming increasingly better known to the key actors on the Eskom stage, who would later play a pivotal role in my appointment.

I believe the fact that I was willing to expend significant personal time and effort for no personal gain strengthened my reputation in government circles. I was not seeking a business opportunity for friends or family. Instead, I was driven by a sincere conviction that with appropriate interventions, the lives of ordinary South Africans could be improved.

Apart from the cast of five main characters (Mboweni, Coleman, Gordhan, Patel and Mabuza), there was a list of supporting actors who also played a role in my appointment. I am by no means an insidious networker, and don't have the proverbial Rolodex of contacts. Nonetheless, in the small South African business world, I had built

relationships with five of the ten members of the Eskom board throughout the course of my professional career.

As CEO of Business Leadership South Africa, Busisiwe Mavuso was involved in my Vaal Triangle project, alongside Jabu. We shared a passion for improving South Africa's economy. Like me, she doesn't beat around the bush. Nelisiwe Magubane was a former director-general of the then Department of Energy who resigned her post in 2014, after coming under pressure from President Zuma to sign off on the nuclear deal. We got to know each other at Singapore's Changi Airport while we both happened to be waiting for a flight back to South Africa. Later, when I was accused of racism, Nellie was one of the people who came to my defence. I also had a good relationship with Sindi Mabaso-Koyana, a chartered accountant by trade and former chief financial officer at the Passenger Rail Agency of South Africa (PRASA). From my days at Sasol, I knew Dr Rod Crompton. We had some robust engagements with the Department of Minerals and Energy, where he was a deputy director-general dealing with fuel specifications. Though we had not always seen eye to eye, we respected one another.

Another person who played a role in my appointment was Sipho Maseko, the CEO of Telkom. Having met Sipho when he was at BP and I was at Sasol – mortal enemies in the fuel business – the two of us struck up a relationship of mutual respect. Telkom and Eskom shared a common chairman in Jabu, and when he made enquiries about potential candidates for the Eskom job, Sipho volunteered my name.

Looking back, I realise there is a lesson to be learnt from all the events leading up to my appointment. By treating people with decency and respect, and not expecting anything in return, one can build up a well of goodwill that might turn out to be very valuable one day.

The inverse is also true. The South African political and business environment is extremely confined. If you treat people like dirt, word spreads quickly. You might find your reputation irretrievably tarnished, even when applying for a job completely unrelated to the run-in you had with Person X.

Never believe that you are untouchable as a leader, no matter the perceived 'status' of the person in front of you. Your past actions will either help or haunt you; the choice is yours.

Sadly, selfless leadership has been in short supply in South Africa over the last few decades, with a pervasive culture of rent-seeking and patronage poisoning our society. While presenting my plan to use a new gas pipeline to drive a demand for steel and manufacturing in the Vaal Triangle to the Industrial Development Corporation, I had a telling exchange with its CEO, Geoffrey Qhena. His first question had nothing to do with the merits or the detail of my proposal.

'So ... what's in it for you?'

Taken aback, because this was the question I had least expected, I explained to him that there was nothing in it for me. Without wishing to sound sanctimonious, I was doing this purely for the greater good of the country. His apparent incredulity at this response was clear: no one in those circles did anything for free.

Bear in mind that the state capture era was in full swing at this point. The elbowing out of competitors for access to the feeding trough was intense. Any proposal was immediately viewed with suspicion; the assumption being that everyone was acting in

their own self-interest. During the Zuma years, patronage trumped patriotism. The questions were always: What's in it for you, what's in it for me, what's in it for your cousin?

In a similar vein, people questioned my decision to gun for the position of CEO at Eskom: Why on earth would I want to swap a well-paying corporate gig for the most difficult job in the country – and take a healthy pay cut for the 'privilege' of catching the hospital pass?

I wish I could say that I was a selfless leader for whom the personal cost was not a consideration at all. That a sense of national duty overrode all my doubts. That it was an easy decision.

But it was more complex than that. I realised that I would not only be signing my name on the Eskom contract, but also that of my wife, Corné, and our three children, a daughter who was twenty-three at the time, and the eighteen-year-old twin boys. The job would take a toll on them too. I'm not one for half measures, so if I was going to do this, it would be all-consuming – with all the accompanying implications for our family life.

I tried to approach the matter analytically, by listing the pros and cons of taking the job.

The negative side of the ledger did not want for red ink. The Eskom job was viewed as the most demanding in the country, with most of its CEOs having the lifespan of a mayfly. Eskom was regarded as a hotbed of state capture and corruption. Operationally, the organisation was in enormous trouble, with regular bouts of loadshedding. The business was technically insolvent, and only propped up by taxpayer largesse.

On a more personal note, the impact on my family life and finances had to be weighed. Long hours and working weekends surely awaited, robbing me of time with my wife and children. The position paid substantially less well than a top corporate job – and, to boot, Patel had warned me that I would have to accept 20 per cent less than the previous Eskom boss, Hadebe. Later, I found out that I would also not be eligible for any salary increases or bonuses. There would be no pension benefit and, much to my wife's chagrin, no medical aid. I would be little more than a short-term contractor – perhaps not surprising given the revolving door at Megawatt Park.

The positive side of the ledger was filled with far more intangible considerations. They were less easy to measure than the cold, hard figures of a salary.

I had always harboured the desire to make a meaningful difference to South Africa, an impulse that was encouraged by friends like Colin. Having a higher purpose is crucial to motivating me to achieve and deliver. If I'm unable to derive meaning from what I'm doing, I quickly lose interest. Money is not my primary motivator, even in the corporate sector.

Having grown up in a family of modest means, I found joy in things that stimulated me: books, music, perhaps a painting or two. Once a certain threshold of income is reached, the incremental benefit of earning more shrinks. The pursuit of even greater wealth becomes a vainglorious exercise; a game to see who can score the highest, without any notable improvement in your standard of living. During my career, I have travelled the world in business and first class, stayed in fine hotels, and taken rides in bankers' limousines in New York, but I did not need these to give my life meaning.

A decade ago, I read a book that influenced me deeply. Titled *Enough*, it posed the question: At what stage does money come at the expense of meaning? The book had a profound effect on me. At a point in my life where my career was going well and I could easily have been seduced by the siren song of opulence, it helped me to refocus on what was truly important.

Wealthy and upper-middle-class South Africans love to complain. Despite stiff competition from whingeing Poms and Aussies, we are the world champions in moaning about politics, the weather, the economy, all while indulging in some of the best food and wine in the world. The cognitive dissonance between enjoying all these privileges while playing the victim makes me extremely uncomfortable.

Quoting the Bible, US president John F. Kennedy said in his inaugural address: 'Of those to whom much is given, much is required.'

Privileged South Africans, myself included, have been given much, and we all have a responsibility to do better.

In the same speech, Kennedy also exhorted his countrymen: 'Ask not what your country can do for you – ask what you can do for your country.'

It is an ideal that has always resonated with me, and now I had a chance to live up to it, if I was willing to sacrifice my own comforts – and, depending on how things played out, perhaps even my reputation.

JFK had his failings as a leader, but he understood one thing: the importance of giving one's followers a clear notion of their ultimate destination, the 'shining city upon a hill' that awaits them at the end of the journey. They may end up in valleys where they lose sight of the hill, but if the concept of their final goal is vivid enough, they will be more likely to persevere.

In South Africa, this has been sorely lacking for more than two decades. We have long incantations of empty promises masquerading as leadership. What we need are leaders who not only inspire us to imagine South Africa's city upon the hill, but also lay out a credible path of how to reach it. After the heady days of the Mandela presidency and the dawn of democracy, we collectively lost sight of our destiny. Petty politicking and squabbling for resources have killed the dream of a better nation.

Ideals and high aspirations matter. As the Cheshire Cat remarked in *Alice in Wonderland*, if you don't know where you're going, any road will take you there. As South Africans, we have embarked on the road to nowhere. Pat Davies, a former chief executive of Sasol, often emphasised the need for a higher purpose to give meaning and substance to the work that we do every day. That conviction has stuck with me.

The Roman general Agricola was reputed to have been ploughing his land when summoned for national service. Without question, he abandoned his fields, returned to combat, defeated the enemies of the republic, and then quietly returned to his life as a farmer. In more modern times, Franklin D. Roosevelt asked for volunteers from the business world to help turn around the US economy during the Great Depression. These so-called dollar-a-year men worked for the proverbial peppercorn pay in the spirit of national service. While historians are divided about how much value they added, the symbolism of businesspeople responding to a call for national service has always appealed to me.

Over the course of a thirty-year career, I knew I had acquired the knowledge and

skills that could help salvage Eskom. Apart from an early four-year stint at a consulting engineering firm, I had spent twenty years working for Sasol, mostly focused on the coal and energy sector. Sasol is one of South Africa's great corporations, and it was only after I left that I fully grasped the institutional and cultural strength of the organisation and the valuable lessons I had learnt. So, I ticked a few important boxes: I knew coal, I knew energy, I knew natural gas, I knew more than most about the operation of large coal-based industrial complexes, having been responsible for Secunda and Sasolburg, and I had gained international experience in countries like China, Germany and the US.

When asked about my reasons for seeking the position of Eskom CEO during my job interviews, I emphasised this desire to contribute something meaningful and long-lasting to the country.

Although this was indeed my main driving force, there was another reason that I did not disclose. I did so deliberately because it would probably have been fatal to my prospects.

One evening, while we were sitting at the dinner table discussing the possibility of the Eskom job, one of my sons unloaded. 'In thirty years' time, you'll all be dead,' he said, 'and we'll be left with an uninhabitable planet, because climate change would have ruined it for all of us.'

His scathing comment jolted me. I had worked in the coal value chain for over twenty years, and my move to Nampak in 2014 had found favour with my children, who had become more and more concerned about the future prospects for a planet that faced catastrophic global warming. The idea of their father moving back to the world of coal did not excite them.

Discussions about climate change had become more frequent in our family as the seriousness of the issue set in. During our debates, I had to concede that they had a point. Continuing to burn coal and emit ever greater quantities of carbon dioxide into the atmosphere is simply not sustainable. The irony of my saying this does not escape me. It would be harsh but not untrue to call me a coal mercenary, as I earned a good living during my lengthy career at Sasol. And I could hardly plead ignorance when accosted by my children. As Greta Thunberg said in her famous 'How dare you?' speech at the UN Climate Action Summit in 2019, 'For more than thirty years, the science has been crystal clear.' Indeed. The impact of carbon emissions on the environment is most certainly not a recent discovery. As the outlook for the planet grew gloomier, I must admit that I felt some guilt about my career choices.

I am not a climate denialist. The notion that we can release in the space of 250 years the carbon that has been trapped in fossil fuels over millennia, without it having any impact on our environment, surely borders on stupidity. The science is incontrovertible. Climate change caused by carbon emissions is a fact.

So, why did I raise my hand to head up the company responsible for 42 per cent of South Africa's carbon emissions, and roughly a quarter of the carbon emitted by the entire African continent? Simply put, I saw an opportunity to do something very meaningful: to reduce Eskom and the South African economy's dependence on coal. Openly admitting that I wanted to become a sleeper agent for decarbonisation would have dealt my hopes a death blow. Coal interests are deeply entrenched in the ANC,

with the influential Gwede Mantashe, minister of mineral resources and energy, being particularly hostile towards renewable energy. Subsequent events during my term of office would prove that my fears in this regard were well founded.

Was I suffering from delusions of grandeur in thinking that I could push a reluctant power giant towards a new green future? Perhaps. Did I have the hubris to think that I could singlehandedly change the world? No. But then, no one person changes the world. No one turns an organisation around singlehandedly. It is always a collective effort. And if I as a leader could play a role in such an effort, I would 'atone' for my past and leave my children a better legacy.

Atonement and redemption were recurring themes in my internal deliberations about the Eskom job – not only in relation to the environmental issues raised above, but also in light of my personal history as a white person growing up in the apartheid years. I don't believe in beating yourself up over something that is beyond your control, like being born white. Self-flagellation serves little purpose and helps neither you nor the victims of apartheid. But there is no shame in taking a clear-eyed look at your upbringing and saying: I benefited from an oppressive system. I led a privileged existence in a country where so many are homeless, jobless and hungry.

Hopefully, this realisation sparks the desire to give something back. It certainly was the case for me. This is a much more useful emotion than being paralysed by guilt.

There is a widely held but incorrect perception that I come from a wealthy background. While I did have all the advantages of a white boy growing up under apartheid, our family wasn't rich by any stretch of the imagination.

My father, Cor de Ruyter, had a difficult life. He grew up in the Netherlands during the time of the Second World War and narrowly escaped being conscripted by the Germans for factory work. As soon as the war was over, he was called up for three years of military service to defend the Dutch colonies in Indonesia from communist insurgents – or freedom fighters, depending on your point of view.

Conditions in the Netherlands were dire after the Second World War. My mother, Lien, was so badly affected by the famine that the Red Cross evacuated her to Switzerland to recover from malnutrition. At the time, the National Party in South Africa was recruiting European immigrants to bolster the white population and bring in more skills. Like many other Europeans of the post-war generation, my parents decided to make the leap and create a new future on the southern tip of Africa. My mother was only twenty-one when she and my father embarked on a vessel to sail to South Africa.

My dad had no high-school certificate and had to write matric in Afrikaans within three months of his arrival. Settling in a corrugated-iron home north of Pretoria with apple crates as their first furniture, my father commuted to work by bus every morning. He worked as a technician at Van Wyk & Louw, a civil engineering firm, where his field of expertise was technical drawings. My mom walked to the old-age home where she worked as a nurse.

They had four children, of whom I was the youngest, the laatlammetjie, as we say in Afrikaans. I was born in Pretoria, but my parents moved to Bronkhorstspuit when I was about five years old, based on the mistaken assumption that Bruinette Kruger Stoffberg, where my father then worked, would move their head offices to the east of Pretoria. The office never moved, and my father proceeded to commute as part of a lift club,

leaving for work before dawn and returning after dark.

Bronkhorstspuit is a rural town sixty kilometres east of Pretoria, famous initially for outsized loaves of bread and latterly for what some claim to be the largest Buddhist temple in the southern hemisphere. When I was growing up, there wasn't much to distinguish it from other farming towns.

I had a carefree childhood, running around barefoot and swimming in the local river. I went everywhere on my bicycle. Money was tight, but apart from a distant sense that our house and our car weren't as smart as some of my friends', I never realised it. Years later, my mother would tell me that prior to holidays she would put money in an envelope for every day, so that we would meet the budget.

My primary school was the Laerskool Du Preez van Wyk in Bronkies. Looking back, I realise it was an enriching experience to go to school with children from a wide range of backgrounds. There was the child of the butcher, the dominee, the police sergeant, the doctor, the farmer and the music teacher – all white, of course, but from different social classes.

My father was a staunch Protestant who instilled the Calvinist work ethic in his children. Frustrated by the missed educational opportunities of his youth, he became a relentless autodidact. On Saturday mornings, he did woodwork in the garage and in the afternoon would put on a tie and sit at the dining-room table, studying anything from philology to philosophy to Roman archaeology. On Sundays after church (we were members of the strict Gereformeerde Kerk, or Reformed Church), we would play Scrabble. As I built my own vocabulary, this often escalated into a war of words – literally and figuratively.

From my mother, I learnt a deep empathy for others, regardless of their station in life. She treated everyone with humanity and respect, even though she could be harsh with her own children. Her nickname was Moeder Owerste (a literal translation would be head of the convent) because she ruled us with an iron fist. Of the two, she was the disciplinarian. Her outlook on life was shaped by her experiences as a child under German occupation in the Netherlands. Her father was active in the Dutch resistance and assisted in spiriting Jews away from the German invaders. It's safe to say that fascism was not a popular ideology in our household.

No child fully appreciates their parents during their childhood. But looking back, I was blessed to grow up in a secure and stable family with loving parents.

My mother and father embraced their new country fully and resolved not to cling to their European heritage. They relinquished their Dutch citizenship and took great pride in participating in national commemorations, such as Geloftedag (the Day of the Vow). I probably attended more Geloftedag festivals than most Afrikaners. At home, we spoke almost exclusively Afrikaans, only switching to Dutch when we told jokes.

Like most Dutch people, my parents were not intimidated by authority, and I inherited this trait from them. Dutch irreverence frequently got me into trouble with teachers and clergymen, as it was in direct contrast to the obsequious obedience that so many Afrikaners paid to figures of authority during the apartheid years.

I interrogated my teachers to the point of irritation to gain a deeper understanding of their subjects. Before the age of Google and the internet, my dad did the next best thing and bought me a set of encyclopaedias, Die Wêreldspektrum. I proceeded to read

them from cover to cover.

At the end of Standard 8 (the current Grade 10) my father – having driven the equivalent of two and a half times to the moon and back – finally decided that he had had enough, and we relocated to Pretoria. Thus, the last two years of my schooling were spent at Hoërskool Menlopark. It was a very different experience from Hoërskool Erasmus in Bronkies. I was now dealing with Super-Afrikaners, located in the heart of Super-Afrikanerdom. This was the chance to forge some connections with the sons and daughters of Afrikaner royalty, but I never really grasped the opportunity.

My father, a man who never traded on 'contacts', taught me that every success had to be earned through hard work. Not being plugged in to a network of patronage, I preferred to rely on my own performance. This is, alas, not always the norm in the South African business world. A certain type of English-speaking person will at the first opportunity enquire about the school one attended. Theoretically, I could answer 'Menlopark' – certainly the more prestigious choice. But my response, with more than just a hint of mischief, was consistently 'Bronkhorstspuit'. It had the happy effect of putting a quick stop to this line of questioning and refocusing the conversation on matters of substance.

Growing up in Bronkhorstspuit, I couldn't help but notice the undercurrent of racism that ran through Afrikaner society at the time. As I grew older and began thinking more independently, the questions started piling up. I saw the long queues of black people being arrested for pass violations and struggled to see the rationale behind this kind of social engineering. The casual racism of the clergy did not chime with my interpretation of Christianity and its values.

As a consequence of these observations in the unlikely bucolic setting of Bronkhorstspuit, I began exhibiting what were regarded as left-leaning political tendencies, becoming a card-carrying member of the Progressive Federal Party. This marked me as a proponent of racial integration, or, in the eyes of the dominee and the headmaster, as an undercover communist.

One day, while playing a rugby match in Bronkies, I noticed that the elder brother of one of my teammates had returned from national service on the border and was standing next to the field, cheering us on. He was a highly intelligent young man who had been in the same class as my sister. And then I saw it: a metal hook where his hand should have been, the result of a landmine explosion. Was the bush war in Angola really worth it? Was I willing to sacrifice myself for something that I didn't believe in?

But as Johannes Kerkorrel sang, 'Jy moet leer om stil te bly' (You must learn to keep quiet). The mid-1980s, when I matriculated, was an era of political awakening for the country, but also for me. The rise of the United Democratic Front (UDF) sparked hope that a broad coalition for democratic freedom was possible, crossing all racial boundaries.

In keeping with good Calvinist principles, I had to pay for my own studies at the University of Pretoria, where I obtained a Bachelor of Civil Law. To pay for my tuition, I worked three part-time jobs. I was a barman, a messenger for a firm of pathologists, and I proofread masters' and doctoral theses.

By the late 1980s, it was becoming clear that apartheid was on its last legs. The iron grip of the National Party and its institutions was loosening. It was getting harder to

keep a lid on 'subversive' ideas. The 1989 Voëlvry tour, launched by alternative musicians such as Johannes Kerkorrel and Bernoldus Niemand, captured the mood of an ever-growing portion of the Afrikaner community. The fact that their recordings were censored and banned by the South African Broadcasting Corporation (SABC) exposed the ridiculousness of fighting against an unstoppable current, following the fall of the Berlin Wall and Perestroika. The old enemy, communism, was dead, so what were we fighting against?

The newspapers that I was reading, the Weekly Mail and Vrye Weekblad, were also censored. Vrye Weekblad's revelation of the death squad atrocities perpetrated by Captain Dirk Coetzee and the Vlakplaas security police filled me with horror. These were the lengths the system had to go to in order to sustain our lives of privilege.

In 1990, after I graduated, I reported for compulsory national service, which was fortunately reduced from two years to one, just as I joined. I was stationed in Bethlehem in the Free State, where, as the old joke goes, there were few virgins and even fewer wise men.

The early nineties were a time of political change and upheaval, following the unbanning of the ANC, the release of Nelson Mandela, the CODESA negotiations, the attack by the Afrikaner Weerstandsbeweging (AWB) on the World Trade Centre in Kempton Park and the attempted coup in Bophuthatswana. In certain sections of the white community, there was a sense of anxiety and impending doom. Others were more optimistic that a more just and equitable dispensation would be born out of the turmoil.

In the run-up to the 1992 referendum on negotiations with the ANC, and subsequently the first democratic elections in 1994, I was on the left side of white political thinking – more traditionally liberal than revolutionary, and more focused on individual freedoms and responsibilities. Economically, I was a firm believer in the power of the free market. I have a deep suspicion of totalitarianism, perhaps in part because my parents had seen first-hand the havoc it can cause. Individual rights and responsibilities are far more important to me than the good of the party or of the volk. I was excited at the possibility of a rainbow nation.

As immigrants, my parents had been staunch patriots, and they passed some of that fervour on to me. For many South Africans, love of country is trumped by love of party or ethnic group. My variety of patriotism is focused on the country and its people.

At the time of my appointment, some uninformed commentators claimed that I was an ANC cadre, deployed to Eskom. Nothing could be further from the truth. I have my own political views and opinions, but I've never been a member of or voted for the ANC.

How my name made its way through the deployment committee at Luthuli House, I have no idea. Perhaps because, by that time, I was the last man standing. Or maybe the ANC had finally realised the ruinous consequences of a decade of cadre deployment. Or maybe pigs were flying.

My decision to pursue and accept the job had been accompanied by much soul searching, but once the decision was made, I jumped in 'boots' and all. I wanted to get stuck in as soon as possible, not wait for my official term to begin on 13 January 2020.

My mother was fond of using a biting Dutch saying to put us in our place when we

got too big for our boots. 'Doe maar normaal, dan doe je al gek genoeg.' Roughly translated, it means: 'Just be yourself, you will be silly enough.'

Perhaps part of my reason for taking the job was just sheer Dutch bloody-mindedness, with a hint of arrogance thrown in.

A fool was rushing in where angels feared to tread.

4

A crisis sets the stage

As the storm following my appointment raged, I started preparing intensively for my first hundred days at the helm of Eskom. It has become part of modern corporate mythology that every chief executive should try to make a meaningful impact during this somewhat arbitrary timeframe. The inspiration for the idea comes from former US president Franklin D. Roosevelt's first hundred days in office, during which he passed no fewer than seventy-seven laws to combat the Great Depression.

I started by sending long lists of questions to Eskom executives. Pravin Gordhan, minister of public enterprises, presented me with two thick files filled with data and analysis, and I had frequent telephone conversations with Jabu Mabuza, who was both interim chief executive and chairman of the Eskom board at the time.

One of my goals was to visit power stations over the Christmas period – not only to orientate myself, but also to give notice of my intention to be a hands-on CEO. I wanted word to go out that operational excellence would be my top priority. In an interview with Bloomberg, I let slip that this was my plan, and the media immediately ran with the story, saying that I wanted to start work before Christmas. This didn't meet with Jabu's approval. After all the arrangements had been made, he vetoed my plan, saying I should first come to Megawatt Park. I'm still not sure why this rubbed him the wrong way. Perhaps he thought I was infringing on his turf, as he was still the interim CEO.

So, I spent the better part of my December holiday of 2019 at the coast, wading through reams of documents, asking questions, answering questions, and devising a strategy to communicate effectively with Eskom's more than 40 000 employees.

Even though I was only due to start on 13 January, I was keen to get going. As the information streamed in, I sometimes felt like I was drinking from a fire hydrant.

Through the thicket, I could already see key areas where fundamental business principles had been neglected. Questions around coal quality were answered evasively, the financial analysis was not geared to finding a way towards profitability, and operational metrics such as the mean time between failures and the mean time between incidents as well as metrics for overall equipment effectiveness were non-existent. Of one thing there was no shortage: TLAs (three-letter acronyms). The fire hydrant was also blasting out alphabet soup. EAF, PCLF, UCLF, SAIDI and SAIFI provided Eskom's definition of operational success. Plotting the trends on a graph, however, it became crystal clear that this was an organisation headed towards disaster on all metrics – financial, operational and strategic.

To compound my apprehension about what awaited me, a bombshell dropped on 9

December. For the first time in its history, Eskom had to impose Stage 6 loadshedding, which meant ten hours without electricity in a single day. So dramatic was this event that President Ramaphosa cut short a state visit to Egypt. Compounding the president's embarrassment was the fact that he had been promising a Christmas holiday without power problems. Along with Deputy President David Mabuza and Gordhan, Ramaphosa met with executives at Megawatt Park for a post-mortem.

After the meeting, Ramaphosa called a media conference where he blamed the loadshedding on sabotage, much to the astonishment of Jabu and chief operating officer Jan Oberholzer, who knew the actual reason, which could only be blamed on incompetence. Due to heavy rain on the Highveld and over Lephalale in Limpopo, where the brand-new Medupi power station and the top-performing Matimba were located, a large part of Eskom's coal stockpiles had become too wet to be transported effectively on conveyor belts and too wet to burn.

Somehow, the president had been brought under a disastrous misapprehension. Jabu and Jan had to backpedal furiously and explain that there was no firm evidence of sabotage when interrogated by a sceptical media. Contradicting the president is a delicate exercise at the best of times, performed only by the brave. Amid Stage 6 loadshedding, with the public baying for blood, it would not be politically possible to throw the president under the bus. Someone would have to walk back what the president said, without embarrassing him in the process.

The word sabotage has a particular significance at Eskom. Years ago, a screwdriver found its way into a turbine at Koeberg nuclear power station, leading to an extended outage. The responsible minister, Alec Erwin, promptly, and to widespread ridicule, attributed it to sabotage. Sabotage at power stations is real, but it can be tricky, sometimes impossible, to distinguish it from mere incompetence. The Koeberg outage was a clear case of the latter. Politically, admitting incompetence was deeply unpalatable.

In December 2019, the question persisted: Who had misled the president? Loadshedding had now assumed an entirely new and more sinister meaning in the minds of South Africans.

While the president blamed sabotage, Eskom's spin doctors attributed Stage 6 to an Act of God. But astute observers were quick to point out that the good Lord had been dispatching rain clouds over the north of South Africa since the beginning of time. This had been an entirely avoidable incident. The wet coal was the result of gross negligence in preparing coal stockpiles for rain at several power stations. Drainage ditches had been allowed to become blocked, run-off had not been cleared, and the stacking of coal had not been performed to allow for effective drainage. This was an own goal of epic proportions, but it was not the result of sabotage.

This tallied with one of my initial observations about Eskom, namely that negligence and carelessness had become cemented in the organisation. Housekeeping at a plant is an essential element of good operating practice. The word may conjure images of domestic bliss, but housekeeping is in fact crucial to enabling performance. My mantra has always been that a clean plant is a safe plant is a productive plant. And housekeeping at Eskom had been neglected to the point where areas of the plant were full of rubbish, ash, coal dust and operational detritus that had been allowed to

accumulate. This was to be a theme of my tenure, to the point where I frequently shamed plant managers into action by picking up rubbish.

Ironically, the Stage 6 disaster therefore paved the way for me to drive operational changes once I took over. It had created the proverbial 'burning platform'. To anyone with a light switch it was obvious that Eskom needed to do things differently. The conventional corporate wisdom – 'if it ain't broke, don't fix it' – no longer applied. Eskom was both broke and broken.

Besides shocking the nation, the crisis also had a detrimental effect on the already low staff morale at Eskom, especially among veterans who could still recall the utility's golden years.

Any doubt that I was about to embark on the biggest challenge of my career was now erased. As I sifted through the details, I gained an understanding of the fundamental tenets of the existing Eskom turnaround plan. It had been developed internally, with the assistance of Boston Consulting Group (BCG). While I was still at Nampak, BCG had arranged a couple of meetings to bring me up to speed, and, of course, to position themselves for further assignments.

The tainted consulting firm McKinsey also paid me a visit. Despite their association with state capture and Trillian Management Consulting, the work that they had done on Eskom's operations seemed quite thorough. Given their tarnished reputation, however, it would have been difficult to appoint them, especially as Eskom had its own reputation to rehabilitate.

BCG's plan struck me as simultaneously too complex and too superficial. Plenty of plans for intricate financial engineering but light on detail about how Eskom's core operations could be improved. While on my final international investor roadshow for Nampak, I visited BCG's impressive offices in New York. After making my way through creatively decorated rooms filled with bright-eyed and bushy-tailed twentysomethings, I met with BCG's chief executive, Rich Lesser, who took me out for one of the most expensive pieces of beef I've ever eaten. Walking away from the meeting, I couldn't help but think that BCG was selling more sizzle than steak.

I had become a tad cynical about the glib solutions presented by management consultants. Very often the adage of the consultant stealing your watch to tell you the time rang true: by talking to people in the know at Eskom, not only would I get real insight, but I would also get far better buy-in than from double-cuffed boffins with slick PowerPoint presentations. I thought it essential to structure the Eskom turnaround plan in terms that not only I could understand but that I could communicate to the organisation and to Eskom's stakeholders: government, investors and, most importantly, customers.

Later, when I moved into Megawatt Park, I met with Eskom's own internal strategy department, which had been involved in drawing up the current turnaround plan with the assistance of BCG. In my first meeting with the group of three, I asked a few simple yet pertinent questions, and was met by an obfuscatory barrage of analysis that did everything but answer my questions. I repeatedly asked: What is the plan? How are we going to turn the organisation around? Do we have a power station shut-down schedule? How do we best plot when new capacity should be brought online? What is the NPV-maximising strategy? How do we grow the business? After thirty minutes of

irrelevant responses, I lost my cool and said: 'Everything that you are doing is based on 1980s strategy textbooks, dealing with your perceptions and not data-driven conclusions.' To get to a sound strategy, you had to run the numbers – otherwise your plan would be little more than an opinion.

The strategy team dissolved shortly after this bruising encounter – one person was transferred and two left Eskom. I established a brand-new team headed by Matthew Mflathelwa, a young engineer who had been trained by McKinsey. He had been a member of an obscure troubleshooting team with no line authority, who had been left to their own devices. In my first engagement with Matthew and a few of his team members – also trained by McKinsey – it became clear to me that here was the kernel of what I was looking for in a strategy team: young, smart and analytical.

I immediately moved them to a newly established department that I called strategy and planning, and then we started charting a new course for Eskom.

Rather than paying expensive international consultants with their two-by-two matrices, I decided I would rather work with people with actual skin in the game, who knew the organisation from the bottom up. I felt confident that between Matthew's team and my own analysis we could come up with a viable turnaround strategy.

From the outset, it was clear to me that the plan should be built on improving the operations of Eskom. No amount of fleet financial footwork, clever spin-doctoring or ra-ra-ra employee motivation would succeed if the power stations weren't working. The management of our plants was the ball game. No utility that had suffered the indignity of Stage 6 loadshedding could claim to be operationally excellent.

Not only were our old plants struggling, but the new ones – Medupi and Kusile – were too. When measuring the success of any project, there are three important and interacting parameters:

- Budget: How much does it cost?
- Schedule: When will it be done?
- Quality: Will it work?

All project managers need to continually balance these three elements, which are of varying importance depending on the nature of the project. They will most likely have to make trade-offs between the three. Think of the three parameters as the angles of a triangle that flex in and out, with success being at the core. Budget needs to be measured against schedule. Typically, the shorter the schedule, the more money needs to be spent to bring the project to completion on time. The third, equally important, criterion is quality, which reflects how well a project delivers on its expectations. You do not need to build a Rolls-Royce when a Beetle will do, but you do need a vehicle that will get you to your destination.

A schedule-driven project – that is, where meeting a specific deadline is the most important consideration – is inevitably more expensive than a budget-driven project, where time is sacrificed to save costs. Similarly, if quality is the overriding criterion, you can expect to pay more and take longer. These are always the three balls that you need to juggle.

In the case of Medupi and Kusile, there weren't even trade-offs. Not one of these objectives was achieved: they were way over budget, they weren't on schedule, and

they performed well below their specifications, thereby failing all three project management tests. The project to add new generation capacity was just a miserable failure.

Our energy availability factor, which is the chief indicator of the health of our fleet, had been on a steady decline since 2018. Although tackling the operations of our generating units was the first plank of the turnaround platform, it quickly became clear that transmission and distribution had been underfunded for years. The job of connecting a power station with the consumer is often conveniently forgotten, but without the so-called wires business, a power station is simply a generator standing out in the veld. Looking at the average age of transformers in our distribution business, and the number of transmission projects that had been delayed because capital had been diverted to the Medupi and Kusile projects, I understood that the challenge was systemic.

Infrastructure had been sustained by the solid groundwork laid over a period of a hundred years. If you have a solid basis, you can get away with a lot for a long time. The neglect is seldom immediately apparent on the surface. But it's a little like that old saying: You go bankrupt slowly, and then very suddenly. When the bill for decades of infrastructure neglect and inertia becomes due, it becomes due in a big way. Any large, complex organisation is like a big flywheel: while it turns, it needs a little bit of energy to be added from time to time to keep it turning. But when the flywheel has been allowed to grind to a halt, it takes an extraordinary amount of energy, time and money to get it to start up again. And this is what had happened to Eskom. As exposed at the Zondo Commission in excruciatingly embarrassing detail, some of my less than illustrious predecessors had allegedly focused on their own interests. Some Eskomites must have thought that the time had come for them, too, to siphon off some money from the enormous amounts flowing through the company. This meant that the boring basics of running plants became secondary, instead of occupying critical primacy in the mind of the national utility.

Maintenance is not a sexy discipline, but like brushing your teeth, it will catch up with you if you neglect it for long enough. It's a lesson Sasol learnt the hard way during a cost-cutting exercise known as Project Rand. All businesses were instructed to save 10 per cent of their cost, without specifying where the savings had to come from. The easy way out was to save money on maintenance, and in the case of the infamous Boiler 9 at Secunda, it took Sasol eight years to recover from one year of deferred maintenance. Multiply this experience across Eskom's eighty units, and you have a maintenance nightmare. Catching up would be a labour of Sisyphean proportions.

Eskom repeatedly proved the truth of the dictum 'What interests my boss fascinates me'. With the top echelons of the organisation focused on capture and corruption, the lower ranks either followed suit or retreated into a shell of self-protection. Many of the core disciplines that should have been driven from the top – like maintenance and operations excellence – were neglected. Leaders were managing their plants by sitting behind a desk and sending out emails instead of putting their boots on the floor and engaging with the operational challenges themselves.

The problems were exacerbated by restructuring that had disempowered power station managers. As the old Eskom joke goes: What's the difference between God and

a power station manager? Well, God doesn't think he is a power station manager.

The centralisation of decision-making authority had been implemented in no small way to facilitate state capture, thereby defanging the power station managers. With these managers unable to take even the most basic decisions affecting their plant, it was impossible to hold them accountable. The power station manager, such a pivotal player in Eskom's past successes, had been reduced to a pitiable example of acquired helplessness, cowering in meetings and looking for excuses, instead of fearlessly leading from the front.

The other main plank of the turnaround plan was the need to boost our income. In my conversations with investment bankers, they all emphasised the need to reduce Eskom's huge pile of debt. To my mind, the best solution for an overburdened balance sheet is to earn a profit. Without a sustainably profitable company, any debt solution would merely be papering over the cracks, until the bottom, again, inevitably fell out.

Over a period of some eight years, Eskom had been banging its head against a closed door when it came to applying for annual tariff increases. Time and again, the National Energy Regulator of South Africa (NERSA) deviated from its own regulations and formulas for determining prices. The Multi-Year Price Determination Methodology is at first blush a daunting calculation. At heart, however, it embodies a simple principle. Eskom is allowed to recover the efficient costs that it incurs through the tariff. If Eskom wastes money, the costs are not allowed, and management must deal with its cost base. It is a simple yet effective mechanism. But NERSA did not apply its own methodology. With Minister Lynne Brown proudly proclaiming in Parliament that South Africa enjoyed the lowest electricity prices in the world, NERSA felt bound to maintain this fiction. Unpacking the machinations that went into force-fitting a politically palatable answer into their methodology, I was astounded. NERSA had calculated that the weighted average cost of capital (WACC, a well-known corporate finance metric) in some years had been negative, which I had thought was a mathematical impossibility until I made the acquaintance of the NERSA regulatory nerds.

NERSA's decisions forced Eskom to swallow tariff increases that were well below energy inflation and what market forces dictated. Input costs like wages and coal outpaced inflation but electricity prices lagged far behind. Corruption and overspending on capital projects dug the hole even deeper. Plotting Eskom's income and expenses on a graph, it looked remarkably like the open jaws of a crocodile. When your income doesn't cover your operating cost, and you've embarked on the biggest capital expenditure programme in thirty years, the answer is to borrow, and borrow heavily. And this is what Eskom did. Using a credit rating that was bolstered by generous guarantees from the fiscus, it accumulated debt at an alarming rate. In 2007, when the construction of Medupi started, Eskom had gross debt of a mere R40 billion. By 2020, when I joined, it had amassed gross debt of more than R483 billion, paying a whopping R31 billion in net annual finance cost. This was the same as our salaries and wages. By 2022, we had managed to work this number down to R396 billion, a little better, but still a long way off from being sustainable.

Since 1923, when Eskom was founded, South Africa's industrial policy has always been premised on abundant and cheap electricity. When you build a power station, you build it in the best possible location to mine the cheapest and best-quality coal first.

This is a fine strategy for the first couple of decades, but, over time, coal has to be sourced from further and further away, and usually deteriorates in quality. Transport and mining costs go up. The price Eskom was paying for coal increased by double digits every year.

NERSA tried to keep this industrial policy on life support by kicking the can of wrenching electricity tariff increases further and further down the road. The discrepancy between the true cost of electricity and the increases granted by NERSA grew bigger and bigger. The cumulative annual shortfalls snowballed into a mountain of debt for Eskom. Like any big spender faced with unsustainable expenses, Eskom went on a borrowing binge.

Not only were tariffs per unit of electricity not keeping pace with input cost inflation, but electricity consumption had been dropping by about 1 per cent per annum, due to South Africa's rapidly shrinking manufacturing and mining sectors.

While I was trying to plot a road out of this mess, the grumblings of discontent about my appointment continued in the media.

In early December 2019, I was on a valedictory roadshow for Nampak in London when I received a call from a Bloomberg journalist, Antony Sguazzin, asking about my time at Sasol.

'Why is this at all relevant?' I asked while standing in a cold and wet London street. 'I've been gone from Sasol for a long time.'

'Oh, no, it's highly relevant ...' he replied.

It soon became clear that he was being fed information from someone with inside knowledge of Sasol.

Sguazzin sent me a long list of questions relating to a purported report by the law firm Werksmans, which accused me of making racist jokes and engaging in insider trading.

After I left Sasol in 2013, the then CEO, David Constable, had apparently ordered a full forensic investigation into my stint at the company – and now, six years later, it was raising its head again.

Constable, who hailed from Canada, was a rather strange character, prone to focusing on minutiae like the Sasol blue shade of tablecloths rather than on grand strategy. During his term of office at Sasol, he was said to have spent R40 million on an 'executive lift' that went directly from his parking spot to his personal office – all so that he would not have to engage with the rest of the riffraff on the way to his inner sanctum. His style of leadership was the antithesis to mine and it's safe to say we didn't get along.

Following my departure, investigators combed through all my emails and work documents. They had apparently produced a draft report which contained the allegations of racism and insider trading. In my written response to Sguazzin's queries I said, 'Given the circumstances prevailing at the time that I resigned from Sasol, it is very disappointing but not entirely surprising that a report that appears to be a hatchet job was commissioned with a view to inflict damage to my reputation.'

The draft report was never finalised, perhaps because Werksmans had realised how flimsy the charges were. I was never given sight of the draft and never had a formal opportunity to respond to the allegations.

Based on what I could surmise of the draft report, I believe I would have had an excellent chance of challenging it successfully if it had been finalised and published. The allegation of insider trading was absurd. I had received prior authorisation for the sale of the shares in question, as confirmed by Sasol in a statement. The alleged privileged information on which I was trading was widely known. In fact, the share price increased after I sold, making this the dumbest 'inside trade' in history.

The company had had six years to file charges against me if I had truly done something untoward, but no action had been forthcoming. Bear in mind that a company like Sasol can face stiff penalties from regulators (not to mention reputational damage) if it knowingly turns a blind eye to insider trading.

The charge of racism apparently rested on a single joke that had been emailed to me, and that I had forwarded to my wife, Corné. According to reports, the joke included a reference to Margaret Thatcher as the 'Iron Lady' and Winnie Madikizela-Mandela as the 'Ironing Lady'. I receive hundreds of emails a day and have no recollection of this particular one. Without seeing the alleged evidence against me, it was impossible for me to defend myself properly.

To fully understand what was going on, one needs to jump ahead in time at this point. Two years later, in 2021, allegations from the draft report would surface in the media yet again. This time, I wrote a strongly worded letter to Werksmans asking how a reputable law firm could allow unsubstantiated allegations, ostensibly bearing their imprimatur, to get into the public domain. In their reply, Werksmans headed for the hills. They distanced themselves from the investigation and said they had never issued a report of this nature. With this, I considered the matter closed. If the purported authors of the report were not even willing to stand by its contents, it clearly wasn't worth very much. When a journalist from the Independent Media stable (and never was a newspaper group named with such unintentional irony) rehashed the allegations, I asked the Eskom spokesperson, Sikonathi Mantshantsha, to send the Werksmans denial to the newshound. Sikonathi delighted in recounting to me the palpable disappointment of the muckraker.

The first version of the story was duly published by Bloomberg in December 2019, but didn't have much impact, perhaps because the aims of the leaker were so transparent: dredging up stuff from the long-forgotten past in a desperate attempt to smear me prior to taking over at Eskom.

The sorry saga did serve one purpose, though. I had received a timely warning that attempts to discredit and distract me would be a feature of my new job.

And that nothing would be off limits.

5

The trophy of shame

Like a proverbial middle finger, the phallic monstrosity greeted me as I walked into the CEO's office at Megawatt Park for the first time.

The silver trophy was more than half a metre high and looked like a cross between an aloe and a rollercoaster. Proudly displayed on a side table in front of a window, it marred my magnificent view over Johannesburg's northern suburbs and the Johannesburg Country Club.

Whatever the trophy's crimes against art and aesthetics, they paled in comparison to the cringe-inducing inscription. It transpired that the award had been given to none other than Brian Molefe, disgraced former CEO, for 'ending loadshedding'. By Eskom's own generation division, no less.

Pass the sickbag.

The trophy symbolised everything that was wrong with Eskom at the time: an organisation in thrall to the Big Man, where sycophants were encouraged to bow before the CEO, and rewarded when they did so. The supreme leader would give instructions and his orders had to be obeyed without question. That, of course, lay at the root of many of the problems at the utility. By allowing an all-powerful CEO to rule the roost, all principles of corporate governance were thrown out the window.

By then, it was public knowledge that Molefe had been implicated in the worst excesses of state capture, that he had acknowledged his repeated visits to the Guptas' residence in Saxonwold, and that he had left a legacy of poorly maintained generation plants and a technically insolvent business. The sharp points on the trophy were like a poke in my eye, given that I had the task of undoing the mess Molefe had left behind. It was laughable and infuriating in equal measure. Molefe, probably more than anyone else at Eskom, had contributed to bringing the company and the country to its knees. I gave the trophy one look and said, 'This has to go.'

This first visit to Megawatt Park came just before Christmas 2019. Even though Eskom chairman Jabu Mabuza had thwarted my plans to conduct an inspection of our power plants, I was still determined to hit the ground running and at least show my face at Eskom's headquarters. Leaving behind my family, who were still vacationing in the Western Cape, I flew up to Johannesburg for the visit.

Megawatt Park is a gigantic seventies edifice, rearing up over the suburb of Sunninghill. Clearly built to impress, it was a physical monument to the achievements of a company that once had a sterling reputation, having been named the world's best power utility by the Financial Times in 2001, a mere two decades before it was crippled by systemic corruption, loadshedding and enormous financial losses. As I drove in

through the security gate, the expansive lawns surrounding the complex made it clear that this was all done at a time when money was no object. But as I came closer, I could see that Megawatt Park was showing its age. Like most buildings from the 1970s, it was not built to last. This type of brutalist architecture produced buildings that were intimidating and impressive but did not stand the test of time. The impression of solidity and imperviousness to change that the architects no doubt sought to convey was a mirage.

When Megawatt Park was inaugurated, it was one of the most advanced office buildings in South Africa. It had gymnasiums for deskbound staff – a revolutionary concept at the time. In its airy atria, infused by natural light, vegetation cascaded down in Babylonian magnificence. Eskom was a monopoly, unconstrained by shortages of cash and capacity. The monolithic head office was symbolic of a business model that had reached the end of its natural life. For almost a century, Eskom had been a one-stop power shop, handling all aspects of the electricity business: generation, transmission and distribution. Now it was reaching the end of that trajectory. It was time to catch up to the future by unbundling the three divisions.

Driving into the underground parking, which had a vague Cold War-era feel about it, I noticed the enormous steel vault doors leading off to mysterious rooms and passages. Later, I was to learn that a duplicate system control room had been set up in a bunker. It could apparently withstand a nuclear attack and would provide living quarters for the executives who would be running Eskom in this feared dystopian future. In those days, Eskom took steps to continue supplying electricity no matter what.

For the first time, I parked in the CEO's bay. I was received by Anton Minnaar, Eskom's executive support manager, who took me to the office that had seen eleven occupants over the past decade. My expected shelf life at that time was probably numbered in months, given the average tenure of my predecessors.

Anton noted my displeasure about the Molefe trophy, and by my next visit, it had duly been consigned to the nether regions of Megawatt Park, where it belonged.

When Molefe was surprisingly reappointed as Eskom boss in May 2017, following his resignation a few months earlier, he had been greeted by admiring and ululating crowds on his return to Megawatt Park. These were notably absent on my first day. I knew full well that my appointment had not met with universal acclaim. But I was not there to be popular. Sitting in the high-back leather chair that had seen so many unfortunate occupants, I wondered if I really knew what I had let myself in for.

Due to the Stage 6 loadshedding crisis, all executive leave had been cancelled. This gave me the chance to meet the members of my exco. My first appointment was with Jan Oberholzer, who had taken the job of chief operating officer in 2018 after I had wisely declined.

Jan is a dyed-in-the-wool Eskomite. He grew up in an Eskom home, was the recipient of an Eskom bursary, and served the organisation for twenty-two years during his first stint, which began in 1986. He left in 2008, which fortuitously meant that he missed the darkest days of the state capture era. Jan is a large and physically impressive individual. A rugby player in his youth, he retained the bulk of the forward that he once was. Now in his early sixties, he had grey hair, which meant that we had at least one thing in common. He had a reassuring demeanour of confidence and competence. After a firm

handshake we sat at his office table, drinking the sort of strong coffee that you require for a first meeting. We spoke Afrikaans. Jan got straight to the point: 'Die eerste ding wat ek vir jou wil sê, is: Ek wil nie jou job hê nie.' (The first thing I want to tell you is, I don't want your job.)

We immediately started delving into some of the technical details and my questions after reading about Eskom's generation system. My experience at Sasol, dealing with troublesome steam boilers, stood me in good stead, as we had a wide-ranging discussion about what needed to be done. I knew engineers well, and was hugely reassured that in Jan I had a highly skilled and experienced operator, and someone who I could work with. Because he spoke a language that was familiar to me after my twenty years at Sasol – and I'm not referring to Afrikaans – I immediately had far greater confidence in our ability to turn Eskom around.

Two aspects of the business that I had almost no knowledge of were transmission and distribution, also known as the wires business. Fortunately, Jan was an expert and would play an invaluable role in managing these underappreciated but vital components of connecting the power station with the consumer.

On my way back from Jan's office, I used the gents on the third floor, which is the executive floor. I was dismayed to see peeling paint and holes in the wall where hand dryers had been removed. Some of the taps were broken or leaking. The overriding impression was of shabby decay. This was reinforced when I visited the main boardroom and saw that the walls were scuffed and dirty. As I made my way through the building, more signs of neglect confronted me. Lights were out everywhere – ironically not for want of electricity. Aluminium roof panels had become detached. Others were just plain dirty.

Eskom was scrimping on simple matters of maintenance. I'm a firm adherent of the broken windows theory: If you allow minor neglect to be accepted as commonplace, bigger neglect will undoubtedly follow. The theory has its roots in a crime prevention strategy formulated in the 1980s in the US. Researchers concluded that if you allow something seemingly minor like a broken window to go unrepaired, it fosters a general climate of disorder that eventually snowballs into rampant lawlessness as criminals become increasingly emboldened.

A vital part of the job of a CEO in any organisation is making sure that all the figurative broken windows are fixed quickly. Once an organisation has fallen into chaos and disrepair, resurrecting and re-establishing those systems requires far greater effort than merely maintaining them. It had taken less than twenty years for Eskom to go from global utility of the year in 2001 to the decrepit and neglected company that I found at the end of 2019.

Following the first taste of what awaited me at Megawatt Park, I resolved to run a much tighter ship. This would sometimes lead to action that might seem harsh at first glance, but I believed it was necessary to effect radical change in Eskom's culture.

Returning to Megawatt Park after the Christmas holidays, I came into the office very early one morning while it was still dark. I drive an electric Volvo that is extremely quiet, and as I arrived at one of the secondary gates, I saw that the security guard on duty was fast asleep.

I had him fired that same day.

Afterwards, he wrote me a letter pleading for his job back. Although it was difficult not to be touched by his words, I decided that I could not cave in. People watch how you operate, especially early in your term. They test you and see how much you tolerate. In this case, it was gross dereliction of duty that could have resulted in a serious security breach. The guard had one job – remaining alert – and he didn't do it. If word spread that I had backtracked on my first disciplinary decision, my credibility would have been close to zero.

I'm not a fan of the 'Big Man' style of leadership which demands total loyalty from followers and loves yes-men. I don't like screaming and shouting at employees and treating them like dirt. Instead, I believe in servant leadership. But servant leadership doesn't mean soft leadership. I don't shy away from making tough personnel decisions and holding people accountable for their performance. Although these decisions can be hard on one person, the damage caused by their non-performance often affects many more people downstream. In sparing the individual, society suffers.

This is doubly the case at an organisation like Eskom. If we don't function, the effects ripple through the whole country, touching every aspect of citizens' lives and causing untold economic damage. It is quite literally a matter of life and death. When critical medical equipment such as oxygen machines stop working, or when generators used to combat loadshedding explode, people get killed.

The seriousness of the situation would soon be driven home. My term of office had not even officially begun when my first loadshedding crisis hit.

The atmosphere was already explosive after the Stage 6 drama of 2019. Then, early in January 2020, I had a telephone conference with Jan and the generation team where it became obvious that loadshedding was once again unavoidable to protect the country from a total blackout. It fell to me to break this dire news to our political principal, Pravin Gordhan.

In what was my first real working engagement with him, Gordhan proved to be hands-on and involved in the detail, and I had to watch my step in explaining what had gone wrong yet again. Someone more thin-skinned would have experienced him as hostile and abrasive, but from my point of view he was doing what a tough boss should, holding the executive to account for a clear failure of the primary Eskom mission: keeping the lights on.

After the latest crisis, Gordhan and Jabu Mabuza convened a meeting at the Telkom head office in Centurion (Jabu was also chairman of the telecommunications company) where the Eskom management were to be hauled over the coals. This was my first face-to-face experience of what can best be described as the Eskom inquisition, with an array of critical officials asking hostile questions. Gordhan had appointed a ministerial technical task team, some of whom had previously worked in Eskom.

While battling away questions on loadshedding, my phone lit up with a WhatsApp from Jabu, who was still sitting with us in the meeting room. He revealed that he was going to fall on his sword. As part of his resignation, he intended to take the blame for misleading the president on the allegations of sabotage during the Stage 6 debacle. Upon reading the message, I looked at Jabu, and he saw my eyes get bigger.

Accountability in South African public life is a unicorn. For an official to resign for something as mundane as accidentally misleading the president while convicted

criminals strut about in Parliament was unprecedented. In fact, Jabu's act was so unusually noble in the South African context that questions were raised: Was this a selfless display of integrity or merely a convenient excuse to extricate himself from the exhaustions of Eskom, which exceeded his worst expectations?

Regardless, I was aghast. If our chairman was gone before I had even officially taken over, where did that leave me? It felt like a disaster, particularly because I was to a large extent his appointment, following our productive working relationship at Business Leadership South Africa.

However, Jabu's resignation turned out to be a blessing in disguise. By necessity, it forced Gordhan and me to work more closely together than would have been the case had the assertive chairman remained in place.

Professor Malegapuru Makgoba, an immunologist by trade, was appointed as interim chair, and the Eskom board now had two fewer members than when it was appointed. Over time, more resignations would follow, leaving the board severely depleted of skills.

Makgoba would end up filling the role of chair permanently. I later learnt that Gordhan had been very unsure about appointing a white man as Eskom CEO, and that the two of them had held lengthy deliberations about whether I was the right person for the job. Makgoba had to do the heavy lifting to get him to sign off.

As time went on, Makgoba and I would develop an excellent working relationship. I felt that the chairman, or 'Prof' as I addressed him, always had my back. I have great respect for his intellect and his deeply held commitment to non-racialism, which was on full display when baseless allegations of racism were later levelled against me.

With the latest crisis still fresh, I was preparing to share some harsh truths at my first big speech at Megawatt Park: a meeting with the Executive Forum, comprising the senior leadership of Eskom. Given the controversy and bad press surrounding my appointment, I knew that I faced an uphill battle. If I could not completely overcome the scepticism, I at least had to convince some of the sceptics to give me the benefit of the doubt.

The large Franklin Auditorium, named after the eponymous American polymath (all the big auditoriums at Megawatt Park are named after electricity inventors), was packed to the rafters. The overflow had to be accommodated in an adjacent hall where my speech was broadcast by direct video link. There must have been around 450 senior managers present for my maiden speech.

While not overtly hostile, the mood of the audience was decidedly cynical. And who could blame them? They had seen so many CEOs come and go over the past decade. Undoubtedly, some of them had stood in this same auditorium, presenting a grand vision that never materialised.

Having addressed bigger and more hostile audiences in various countries around the world, I was not particularly perturbed. Despite being an introvert, I seldom suffer from stage fright. What gave my confidence a further boost was the knowledge that I was not there to sell them a pipe dream, to tell them a story or to deceive them. I was there to share some inconvenient truths. If they didn't like it, then that was too bad.

We had a job to do, and I wanted to energise those who were keen to share in this endeavour. My main objective was to be honest about the tough road ahead, and to ask for their help and support. Without that, I would have no chance of being

successful. So I had to instil at least some confidence that Eskom could be turned around. I had to confront the harsh reality, but also give hope.

I knew that I could not reveal my full hand on Day 1. My objectives of making Eskom less reliant on coal, unbundling its three divisions and inculcating some private-sector values in a public enterprise could only be hinted at. If I had spilt all the beans in my maiden speech, the process would have been wrenching and radical. Like it or not, resistance to change is an ineradicable human instinct, and tackling it incrementally instead of trying to eat the whole elephant at once helps to smooth the way.

In my speech, I shared a bit of my work history, emphasising my knowledge of coal to build credibility. I acknowledged one of the major points of criticism following my appointment, the poor performance of Nampak under my leadership, and tried to explain it as best I could. Using the Nampak lemon to make lemonade, I used its overburdened balance sheet to demonstrate that I had the experience to deal with the overwhelming debt burden at Eskom. My Sasol experience in coal, having been inside boilers and water treatment plants, and having dealt with conveyors and ash handling, gave the audience some comfort that I could at least speak their language.

Pre-empting difficult questions that you know are going to be asked anyway is a way of taking the sting out of a situation. When you are obviously avoiding the elephant in the room, it just raises more suspicion. But by tackling the tough questions head-on, you demonstrate confidence. As I spoke, I could see heads nodding in agreement, I could see people's body language visibly relaxing, I could see smiles when I cracked a joke or two.

Sincerity should not be confused with vulnerability. Showing weakness as a leader and needing the approval of subordinates is a sure-fire way of inviting disloyalty and disrespect. That doesn't mean pretending to be endowed with Führer-like omniscience and omnipotence. Acknowledging and tapping the expertise of your colleagues is crucial, but this is very different from craving approval. This is why experience matters: it teaches you the difference between arrogance and leadership.

Coercion cannot be dressed up as leadership. A leader makes you feel that you have voluntarily signed up to join a worthwhile mission. The threat of the whip only works in a slave society. In modern business, particularly when your colleagues are highly qualified and experienced, co-option and inclusive consultation deliver far better results. Making people feel valued and recognised for their expertise and experience is an incredibly powerful motivational tool.

Socrates said that the foundation of wisdom is to acknowledge what you don't know. I believe my acknowledgement that I didn't know everything was viewed as a demonstration of sincerity by at least a part of the audience.

After I had finished my speech, there was a smattering of politely reserved applause. Next up, I opened the floor to impromptu questions to put my commitment to transparent communication to the test. I was also hoping to show that I could think on my feet. The questions were wide-ranging. Tellingly, they revealed what was top-of-mind in the Eskom leadership. Questions were asked about carbon emissions, belying the public perception of Eskom as a heartless polluter. I also fielded questions about gender, race and the appointment of younger employees in senior leadership roles.

Answering questions with an open microphone in front of a tough crowd can seem

intimidating. But the trick is to see the bouncers coming and duck in good time. Graeme Pollock, arguably the greatest South African batsman ever, had the uncanny ability of seeing even the fastest ball in slow motion, giving him all the time in the world to select his shot with confidence, as if it was a huge beach ball being thrown at his wickets. Undoubtedly Pollock had enormous talent, and when talent meets experience, the combination is lethal. Having answered many questions in front of many audiences over many years gave me the experience to see the bouncers in slow motion.

After the relative success of my address at Megawatt Park, it was time to take the show on the road to some of our other offices, such as Durban and Kimberley.

The Durban meeting was memorable, among other things, for being held in the most rundown rathole in which I've ever given a speech. The venue was an old airport terminal building that we had rented for the day from our state-owned sister Transnet. Judging by appearances, Transnet and Eskom were in equally bad shape. The building was dirty and neglected. Just as at Eskom, it spoke to lack of maintenance, lack of attention to detail and lack of pride.

I was greeted with a fair amount of scepticism from the assembled employees, who consisted mostly of senior and middle management, as well as a few union representatives.

During question time, one of them asked me point blank: 'Why should we listen to you? How long are you going to be here? You will be gone in a short time, anyway.'

Given how merrily the revolving door had been swinging at Eskom, I understood the sentiment.

'I'll stay for as long as it takes,' I replied.

An experienced public speaker has a feel for when his words are well received. This remark had hit the target.

Back at Megawatt Park, where my office now enjoyed an untrammelled view following the removal of the Molefe monstrosity, I looked out the window one day, and immediately did a double take: our national flag was hanging upside-down!

As the child of immigrant parents, I was given a healthy dose of patriotism from a young age. In my book, disrespect for the flag means disrespect for the country.

Livid, I stormed out of my office and instructed my personal assistant, Zodwa Mantyi: 'Get me the people responsible, now!'

After a few minutes, two officials from our security department shuffled in. I proceeded to read them the riot act.

'Have you no pride?' I ranted.

Perhaps somewhat unwisely, I turned the screws further: 'Are you even South African? Where are you from? Are you from Malawi?'

This remark would later be cited as an example of my 'racism' when the National Union of Mineworkers (NUM) laid an ultimately unsuccessful internal complaint against me.

The whole episode was emblematic of everything that was wrong at Eskom. No attention to detail. No pride in one's work. And then, when accountability finally came knocking, an attempt to deflect responsibility by turning the tables on one's manager.

Later, I learnt that a flag hanging upside-down is universally used as a signal of extreme distress.

Perhaps the two officials had not been so mistaken, after all.

6

'You guys are going to kill more people'

'Boots on the floor' was my motto during my interview, and now it was time to deliver on that promise. Immediately after taking over, I decided to embark on a tour of all our power stations to see first-hand the scale of the challenges.

First up was Lethabo power station outside Sasolburg. It was widely regarded as the flagship in our fleet.

One of the key metrics for measuring the performance of a power station is its 'energy availability factor'. This indicates what percentage of a power station's capacity is being utilised at any given point. Lethabo consistently outperformed its peers according to this yardstick.

As I set out for the Vaal Triangle, my expectations were high. Upon arrival at Lethabo, we were taken to a well-appointed visitors' centre and welcomed with coffee, tea and snacks. Outside, the lawn was neatly trimmed. So far, so good.

I gave a short speech before we headed to the power station manager's spacious office. Clearly built during Eskom's golden years, it was furnished with a large wooden desk and leather-backed chairs, and commanded an impressive view of the power station and surrounding area. Here we changed into our safety gear. I always bring my own bag, containing my blue overall, safety helmet, eye and ear protection, and, of course, my trusty boots.

From there we proceeded to the massive turbine hall, where Lethabo's six units generate their power. I soon realised that Lethabo's neat facade was hiding something rotten. A thick layer of dust blanketed the floor and the turbines. In my entire career, I had not seen such a dirty plant.

A driver-operated floor washer stood parked askew in the middle of nowhere. It had seemingly broken down and been abandoned on the spot. I couldn't help but think of the famous Martin Luther locomotive outside Swakopmund: Here I stand and I'm not going any further.

No discernible attempt had been made to have the machine removed, never mind repaired. 'What on earth is going on here?' I asked the senior managers who were acting as my tour guides. 'Is this its place?'

The managers claimed the floor washer had only broken down 'recently' and that they were 'busy' sorting out the problem.

'Really?' I said, drawing a finger across the seat and holding it up for all to see. It was covered in dust. 'When was the last time somebody sat on this seat?'

The embarrassed managers didn't know where to look. One of them was the power

station manager, Karabo Rakgolela, but one couldn't really blame him for the state of affairs, as it was only his third day in the position. He had inherited a power station where there was no pride, no discipline and no housekeeping. It was especially clear that the 'heart' of Lethabo, its turbine hall, had been neglected for some time.

My sense of unease and irritation grew as we went deeper into the plant. In addition to the ash and coal dust, loose cables were hanging everywhere. Fire doors with signs that read 'Keep this door shut' were standing open. Distribution boards were uncovered. Exasperated, I said, 'Guys, I thought we were an electrical company. Surely we know that these boards should be covered? Anybody could walk past and accidentally flick a switch.'

As I spoke, I could see the realisation dawn on them for the first time. No one had ever raised these issues before, even though they can sometimes be a matter of life and death. Shortly before my visit, there had been a fatal accident at Lethabo when a technician had been working on a high-pressure pipe. The site of the accident was one of the areas that I would inspect – it had occurred high up, around 100 metres above the ground. On my way up, I could see that the outside terrain was not as well maintained as the highly visible areas around the entrance. The grass was standing tall; the fences not so much.

Perhaps realising what I was seeing, the managers tried to hurry me along to the area where the fatal accident had occurred.

I decided to be brutally blunt. 'That's fine,' I said. 'But you know what? You guys are going to kill more people.'

After completing the site inspection, we proceeded to a conference room for a debriefing session. Here, I made my point even more forcefully: 'I want everyone to understand: If someone dies at this facility due to the poor condition of the plant, I will personally make sure that you are charged with culpable homicide. Because this power station is being criminally neglected.'

My words shook the assembled managers, who stared down at the boardroom table, not wanting to make eye contact.

I soon found that a frequent explanation for the state of Eskom's facilities would be: 'But, sir, power plants are always dirty.'

Luckily, I was well equipped to dispense with this fallacy. I have been in power stations and other industrial plants all across the globe, including the USA, Germany, China, Italy and Slovakia. At Sasol, where I'd been trained as a plant observer, there was a specific protocol when doing a plant visit: what you should look out for, what you should ask for, what the potential red flags are. I therefore had a solid frame of reference and knew what a well-maintained facility should look like.

The perception that I was just a 'packaging executive' who had no idea how a power plant functioned worked to my advantage. On Eskom site visits, I had the element of surprise.

Back in the Lethabo boardroom, I shared one of my key mottos with the team: 'A clean plant is a safe plant is a productive plant.'

The slogan is underpinned by a simple philosophy. If you skimp on the housekeeping, you are likely neglecting other aspects of your job as well. For someone without a solid operational grounding, it may seem excessively fastidious to insist that a coal-fired plant

be kept spotless. But experience has taught me, and a great many others, that a dirty plant will seldom be a productive and safe plant.

The rapid decline of Eskom's power stations illustrates what happens when you don't adhere to these principles. Once you start compromising on the 'small' stuff, the big things will surely follow.

I left Lethabo bitterly disappointed. One thought kept gnawing at me: If this is how things were going at our 'best' power station, what awaited me at the worst-performing ones?

Eskom's power stations are grouped in clusters, with about five in each of these divisions. After my visit, I spoke to Thomas Conradie, the cluster manager who had Lethabo under his watch, and told him the situation was unacceptable. I also shared my concerns with chief operating officer Jan Oberholzer. I think Jan was aware of the issues at Lethabo but sometimes one gets so used to the decay that it takes someone looking with fresh eyes to truly see how bad things have become.

To Jan, Thomas and other members of the senior management, I emphasised how important it was to get power station managers onto the plant floor – because I soon realised that many of them were comfortably ensconced in their cushy offices, with no real sense of what was happening on the ground level. Time and again, I would arrive for site visits and find power station managers wearing designer suits and pointy shoes.

I told Karabo that it wouldn't be fair to hold him responsible after only three days on the job, but that I would be back later and expected to see an improvement. He agreed with my criticism and undertook to clean up his plant. To his credit, he made good on that promise and emerged as one of our most reliable and competent power station managers during my term of office. Karabo excelled to such an extent that he would later be promoted to cluster manager himself.

Over its nearly one hundred years of existence, Eskom had built up some of the best operational skill in the world, which resided in our older employees – but we had for whatever reason neglected to ensure the transfer of skill in a structured manner. It is hard to overstate the importance of experience. There were legendary plant operators, not necessarily qualified engineers, who would be able to put their hand on a turbine, feel the vibration, and then say with unerring accuracy: 'I think we can nurse this for another week, but then we will have to take it down.'

This tacit knowledge is acquired over many years of walking the plant and forms the backbone of any operation. Many a time a freshly minted engineer would join a plant, filled with a wealth of academic knowledge, only to be cut down to size by the vast experience of the blue-collar operator. In the case of Eskom, which had embarked on a rapid transformation initiative, this tacit skill had been depleted to the point where workers in the plant, up to the power plant manager, did not have the experience to manage it. It became standard practice to replace tacit skill with detailed operating procedures. Very often, though, the rows of lever arch files containing these procedures were left to gather dust, while the new workforce made it up as they went along. No wonder then that basic operational practices and behaviours were ignored: you don't know what you don't know. The impact of this lack of attention to detail is even more deleterious: when you recruit a cum laude engineer to join your plant, if the smell of the place is one of neglect and decay, the bad habits are quickly taken as the norm,

and embedded as 'just the way we do things around here'. Unlearning bad habits and driving a culture of excellence when the team has no frame of reference of 'what good looks like', is extremely difficult and time-consuming – taking years of dedicated management and focus to address. I was frustrated that while the generation leadership acknowledged my findings, there was no urgency to fix the problems. As I visited more and more power stations, it became clear that I had uncovered a systemic issue: our plants were generally in a shameful state, except for Matimba, which had a strong culture of operational excellence.

When I shared my concerns with Jan, he undertook to make short work of poor housekeeping. In his inimitable style, he made his views on housekeeping quite clear to the power station managers. Perhaps accustomed to a kinder, gentler approach, the managers were riled by his blunt assessment. Their discontent came to a head with a request for a meeting with me, Jan and the generation leadership to discuss their frustrations. This request revealed one of the cultural surprises that Eskom kept on springing on me: I had never been confronted by senior managers behaving like organised labour. On the chilly evening of 19 August 2020, a meeting was convened in the Franklin Auditorium at Megawatt Park. Walking in, I could sense the animosity in the room, probably weighed down with more than a little racial baggage.

One of the gifts I received at the end of a year-long posting in Beijing during my Sasol days was a copy of Sun Tzu's *The Art of War*. I put its advice to good use: Attack is the secret of defence. Taking the stage, I shared with them a series of photographs that one of my colleagues, Eskom maintenance specialist Michiel Reimers, had taken for me. Projected on the giant screen at the front of the auditorium, the photos revealed a shocking state of neglect – layers of ash threatening to collapse roofs, broken lighting and railings, spares and equipment worth many millions of rands left outside to rust, or not stored according to requirements, leaving them to be scrapped.

'Do you recognise your plant?' I asked the relevant managers as the grim pictures flashed up on the screen. When they shamefacedly denied having seen the decay, I was able to tell them exactly where in their plants the photos had been taken.

'Do you not walk your plants?' I challenged, and eye contact was studiously avoided.

'Are you proud of your plant?' I asked rhetorically, knowing that the evidence proclaimed a much louder 'No' than their mumbled protestations.

And then I pulled out my *pièce de résistance*: the ever-resourceful Natasha John and her HR team had procured a toilet seat, which I had asked them to spray-paint gold.

'This, colleagues, is the poor housekeeping award,' I revealed, knowing that this would be the one piece of silverware that no power station manager would want to add to the trophy cupboard. As it turned out, the trophy was never awarded, and the toilet seat quietly disappeared. But the message had been conveyed: don't treat your plant like a public convenience.

With that, the tenor of the meeting changed. The whingeing session had been turned into a meeting where commitments were made to improve the state of plants, and to pay personal attention. I also made it clear that I would not entertain a collective-bargaining approach from my senior managers – instead, I would expect them to behave like professionals. Was the intervention successful? As will become evident from later chapters, the answer is no. The rot that had set in, and the cultural malaise that

afflicted Eskom, was too deep. To drive housekeeping would require me to spend days walking the plants myself, time that was already taken up with countless meetings, parliamentary hearings and the banal bureaucracy of a state-owned entity.

In September 2020, in the midst of yet another bout of loadshedding, I went on a two-day blitz tour of our power stations with Jan Oberholzer and Phillip Dukashe, the then head of generation. Because of time constraints (we had to visit five plants the first day and four the next), we used one of Eskom's helicopters.

Besides the efficiency, this mode of travel has another advantage: when the helicopter comes in to land, its twirling blades blow up grass cuttings, revealing whether the lawn has been freshly mowed to impress the VIPs.

Flying in to Lethabo for my first visit since the beginning of the year, I was pleased to see that the lawn was cut and that no blades of grass were kicked up as we landed.

In the months preceding the visit, Karabo had been keen for me to come back and see the changes at Lethabo. It spoke to the pride and confidence he had in his work. A power station manager who doesn't take pride in his plant is a giant red flag. I'll take a manager who is a little cocky over one with a laissez-faire attitude any day.

I saw immediately that Karabo's confidence was well founded. He had engineered a complete turnaround at the station. It was a Sunday afternoon, but several staff members came into work for our visit, and their offices were tidy and in order. The plant itself was spotless, with the thick layer of dust and ash cleaned up. Moreover, the floors were not wet, indicating that it hadn't been a last-minute window-dressing exercise. The 'Martin Luther' floor washer was nowhere to be seen. The distribution boards were properly covered. The loose cables had been tidied up.

'This is starting to look like a power station,' I cracked, prompting a wry smile from Karabo.

Next, we went up to the control rooms, where the 'unsung heroes' of Eskom work. These operators are the ones working 24/7 to keep the power stations running. Their knowledge, insight and alertness are crucial to a functioning power grid. What struck me was that most of these operators were of a fairly advanced age and not too far from retirement. The control panels on which they worked dated from the 1980s, before the era of digitalisation. The wooden surrounds of the panels were plastered with notes containing information about the correct parameters for the different dials, and about possible warning signs. Lethabo has a strong control room, where knowledge is shared and skills transferred, but at some of the other stations, the operators are much more inexperienced and lackadaisical – and one can see that reflected in plant performance. These are the control rooms where one finds operators slouching in their chairs, almost prostrate as they lie on the flat of their backs, and often wearing some kind of union insignia. They regard themselves as untouchable – and don't try to hide it.

It should come as no surprise that these operators make costly errors. We once lost a unit at Kusile because an operator allowed an oil-level indicator to drop for a good three to four hours without taking any action. It's difficult to pinpoint the exact reason for this kind of gross negligence. Sabotage? Perhaps, but I was always wary of reaching for that as the first explanation. Ignorance? Possibly, although this was such a basic mistake that it was difficult to believe that even a poorly trained operator lacked such rudimentary knowledge. Just plain laziness? With the 'couldn't care less' attitude

exhibited by some of the operators, this explanation was certainly also on the table.

Unlike Lethabo, there were no hints and notes displayed on their panels. Every plant has an 'operating envelope', the parameters within which it operates safely and effectively. As my term at Eskom progressed, I grew increasingly concerned that there was not enough awareness of these parameters at all our power stations. In my implementation of stricter controls, I was often alarmed by the self-assuredness – some would say arrogance – displayed by some of my colleagues on the operational side. 'Relax, this is how we've always done it,' was a common refrain.

It was like dealing with overconfident and smooth-talking car mechanics: their attempts to dazzle you with their knowledge only serve to increase your suspicions.

Before Lethabo, Kendal power station in Mpumalanga was once the jewel in Eskom's crown. This all changed in 2018 when a workers' strike crippled a key part of the power station: the electrostatic precipitator, which uses an electric charge to remove impurities from emissions.

The cost of the industrial action was clear when I visited Kendal as part of my mission to visit all our power stations. Ash was lying ankle deep on the floor of the plant. A thick layer blanketed the roofs – to such an extent that I feared the ceilings might collapse under the weight. I instructed management to have the situation assessed by a structural engineer.

Ash can be like slow poison for a coal-fired power plant if it is not managed properly. When it mixes with water, it forms a cement-like substance that becomes damaging for the long-term health of a facility. Pipes that are blocked by the ash and water mixture eventually degrade the cooling system, which affects the performance of the whole plant. It's like an explosion in slow motion that ripples outwards and eventually consumes everything in its path. And it all begins with the false mantra that power stations 'are always dirty' – a myth that I found to be pervasive in Eskom.

Word soon got around that the floors better be clean when I arrived at a power station. So I would often be greeted by a spotless – but wet – floor on plant visits. 'I can see that you've just used your fire hoses to blast the dirt away,' I would tell the managers, who usually reacted with a guilty smile. 'You shouldn't do it because I'm coming. Don't do it to impress me. Do it because it's the right thing to do. Do it because you take pride in your power station.'

One of the principles that I tried to instil during my time at Eskom was 'Act like an owner'. Don't try to get away with doing the bare minimum, or even less than that.

The frantic spit and polish before a visit by the CEO soon became standard operating procedure, but why wasn't it part of the Eskom culture already? Did my predecessors never go out to the power stations? Or did they see the same things I saw but just couldn't be bothered?

My leadership philosophy borrows something from the second law of thermodynamics, which states, among other things, that the amount of entropy or disorder in a closed system can never decrease. One simple implication of this rule is that a hot object will always cool down, unless you do something to stop it.

Any complex system, no matter how well designed, gravitates towards disorder and chaos. Never assume that a business, a factory or any institution will operate smoothly without oversight. It's not sexy work. It's not flashy work. But someone needs to walk

the floor and ask questions. Leadership requires a constant fight against the entropy of decay and disorder.

The state of Eskom's power stations was a stark reminder of what happens when we raise the white flag in this battle.

7

'Leaders eat last'

It was lunchtime at Limpopo's Matimba power station, and everyone was standing around awkwardly at the buffet table.

'Come, come,' I encouraged them.

'No, we can't dish up before you; you have to dish up first,' replied Bheki Nxumalo, at the time the head of generation at Eskom. His words were met with a general murmur of approbation by the other employees.

'No, no,' I said. 'That's not how this works. I eat last. Make sure that you get food.'

To break through the reluctance to dish up, I started picking up plates and handing them to whoever was standing nearby. This finally had the desired effect and things got moving.

'Remember, leaders eat last,' I said as I continued dispensing plates.

As someone who subscribes to the principles of servant leadership, it was symbolically important for me not to be at the front of the queue, literally or figuratively.

'It's our time to eat,' Dudu Myeni famously declared during her time as chair of South African Airways. She wasn't referring to food.

I wanted to make it clear that I had not come to Eskom to eat, metaphorically or otherwise.

The lunchtime tiptoe at the power station outside Lephalale was just one of many indications that my predecessors had favoured a much more high-and-mighty approach. It was clear that some previous CEOs had purposely humiliated employees in an attempt to project strength, even though the bullying was actually a facade hiding extreme weakness. Such leaders think servant leadership equates to being a pushover. This is far from the truth. To quote former US president Theodore Roosevelt, 'Speak softly but carry a big stick.'

Sometimes, small gestures of humility can go a long way. Before I officially took the reins at Eskom, I had an appointment with the British high commissioner in South Africa at the Nampak offices. As it happened, he was running late, leaving me alone with one of his assistants, John Wade-Smith. I offered Wade-Smith coffee, and when he accepted, I made it myself and brought it to him. I thought nothing of it. It's something I do regularly for all guests, so no big deal. Then I heard Wade-Smith was telling people how 'bowled over' he was by the fact that Eskom's CEO designate had waited on him.

I want to be the kind of leader who doesn't see himself as being above anyone in the organisation, and who deflects credit to his employees when plaudits are being handed

out. In short, I try to be the antithesis of CEOs who build special lifts to avoid their workers (David Constable at Sasol) or welcome trophies from their subordinates (Brian Molefe at Eskom).

I realised quickly that fixing Eskom would involve much more than repairing power stations, transformers and networks. From talking to my colleagues on the executive committee and listening to corridor talk from secretaries and security guards, it was clear that the organisation was deeply bruised. It had lost its confidence and sense of purpose.

Following the humiliation of Stage 6 loadshedding in December 2019, there was a sense that Eskom had let South Africa down in the most disappointing way possible. Rebuilding morale was therefore going to be crucial. And how do you do that? You give direction, you demonstrate intent, you build credibility, and you give reassurance.

But, as Viktor Frankl showed in *Man's Search for Meaning*, the most important thing is giving someone a sense of purpose.

A vivid illustration of this principle occurred early on in my term when I tackled the troubling lack of maintenance at Megawatt Park. You may recall from Chapter 5 that I found the executive bathroom on the third floor in a terrible state.

'Who is responsible for this?' I asked my personal assistant Zodwa Mantyi.

Two employees from the maintenance department were promptly summoned.

'This place shouldn't look like this,' I told them. 'You know it, and I know it.'

They looked duly ashamed and promised to attend to the matters I raised.

One of the two, an artisan named Jan, felt particularly chastened by my words, and we had further one-on-one conversations about the matter. 'All I'm asking is that you do your work the way you did it in the past. Nothing more, nothing less,' I told him.

Jan and the rest of the maintenance staff took up the challenge, and within a month the situation was turned around. The bathrooms were fixed, all the lights were working, and the loose aluminium panels were fastened. I noticed that special care was taken to keep my route to the Franklin Auditorium spotless. The staff knew I was going to be checking wherever I went.

But perhaps more important than the improvements to the structure was what it did for the spirit of workers like Jan. When he retired, he arranged to meet me in the parking garage at close of business so that he could say goodbye. We shook hands and he thanked me for reminding him of the importance of his work. 'Previously no one cared, and when no one cares, you let things slide,' he said in Afrikaans, before concluding, 'André, I just want to say we love you.'

I was taken aback by his emotional thank you because I really hadn't done that much, other than encouraging him to start taking pride in his work again. It's very humbling when one realises how much even the smallest actions can mean to employees like Jan.

It also shows Frankl was spot-on: If no one around you attaches any value to what you're doing, you start to question the meaning of your existence.

There is a telling story about John F. Kennedy's visit to the NASA space centre to meet the team preparing for the Apollo missions. When Kennedy spotted a janitor with a broom over his shoulder, he walked over. Ever the consummate politician, he said, 'Hi, I'm Jack Kennedy. What are you doing?' (even though the broom was a pretty dead

giveaway).

'Well, Mr President,' the janitor replied, 'I'm helping to put a man on the moon.'

It's a story that shows the value of giving employees a sense of ownership in the larger endeavour, of giving them purpose.

Communication is key to energising and activating the people who drive an organisation, including, of course, the leadership. If middle management are not on board, they can be a major obstacle to effective internal communication, acting as a concrete floor between the top executives and the rest of the staff.

How you phrase and pitch plans to staff can play a crucial role in their success. This is doubly so when said plans involve radical and possibly gut-wrenching change.

When I took the reins of Eskom at the beginning of 2020, unbundling was a hot topic. In August 2019, the Department of Public Enterprises had published a roadmap which laid out the path towards splitting off the generation, transmission and distribution units of Eskom. On taking over, I was immediately put on notice by Eskom's unions: If you unbundle, we will strike. So, I had to take a more strategic approach to avert the risk of a strike that could have a crippling effect on the power supply.

I made it clear that we would consult with them and that no final decisions had been made. I also adopted more union-friendly terminology, referring to the plans as 'divisionalising', rather than 'unbundling'. The main thrust of my argument was that we needed to run Eskom more like a business and that each of the divisions should have its own balance sheet and managing director. Each division would have its own board of directors, but we did not envision laying off current staff and replacing them with outside appointments.

This had a calming effect on the brewing labour unrest.

It did, however, create the perception that I was opposed to the unbundling of Eskom – even though I regarded it as an essential part of the long-term energy solution for our country.

Professor Anton Eberhard, one of President Cyril Ramaphosa's energy advisors, was not impressed by the way I had sold the plan to the unions. Eberhard felt that I had raised the white flag prematurely and accused me of undermining government policy, while Business Day ran a front-page story with the headline 'Eskom chief says no to unbundling'.

But what I was actually doing was cutting the salami one slice at a time. It's one of the principles that has served me well throughout my career: Break a mammoth task up into manageable portions and your chances of success are much greater.

By the end of 2021, our transmission division was operating successfully and independently – without any industrial action by the unions, in large part thanks to the way we had sold the plan to them. But for government dawdling, the distribution division could also have been split off by now.

On a more personal level, I needed a communication strategy to win the hearts and minds of employees across the board, from shop-floor level up. I was an unknown entity, a white male, Afrikaans nogal. I needed to define myself quickly, before others did it for me.

The only way to do this was through speaking honestly, transparently, and in a way everyone would understand. Too often managers and chief executives fall into the trap

of spouting corporate blabber. Most people have bullshit detectors and can smell a story that's been spun a mile off. They see through the hidden agenda. Churchill's theory of rhetoric revolved around the use of old-fashioned Anglo-Saxon words rather than polysyllabic words of French or Latin origin. This technique creates a deep resonance with the audience and drives a far more authentic message than trying to communicate in highfalutin corporatese.

Getting communication right – both internally and externally – is about much more than public relations, spinning a story or putting an announcement on a noticeboard. Successful communication is about fundamentally engaging with stakeholders in an honest manner.

I am also a firm believer in the power of memes. Getting soundbites or catchy 'earworms' to stick in people's minds is a useful communication tool to ensure that messages get remembered and then repeated. A meme that goes viral is a great way to perpetuate a message. I knew that I was being successful in this technique when I heard my own memes quoted back to me in meetings.

Some Eskomites even went so far as compiling a list of so-called 'AdRisms' – an anthology of all my various sayings – some of which you have already encountered in this book.

A clean plant is a safe plant is a productive plant, after all. Make incremental improvements by marginal gains, rather than trying to boil the ocean. Tell me 'yes, if' rather than 'no, because'. Sometimes the memes got rather earthy, as when I encouraged colleagues to remove their fingers from their orifices. I've also been known to quote an old Texan friend of mine who said, 'Shit or get off the pot', to encourage people to get to the point. Meetings start on time, and those who arrive late will have to catch up. We don't punish the punctual. It was clear that I had a lot to learn, and therefore I felt like I was drinking from a fire hydrant. When it came to the inevitability of change, I asked my colleagues whether it was possible to hold back the ocean. And when the inevitable naysayers criticised, I would very simply ask: So, what is your alternative? I recognised that we did not have the perfect staff, and therefore encouraged my colleagues to fight the war with the army we had rather than the one we wished we had. Continuing in a military vein, it was clear to me that Eskom was often guilty of ready, fire, aim, rather than considering what the objective was before starting on an initiative. I was specifically keen on catching people doing the right things, because it is just as important as catching wrongdoers; if you focus all your energy on the latter, the exceptional will be overlooked.

The self-proclaimed coal fundamentalists were reminded that the Stone Age didn't end due to a lack of stones, meaning that the mere fact of having abundant rocks was no reason to continue making stone tools. The coal age wouldn't end when we ran out of coal, but when new technology superseded the old. Controversially, I said that South Africa should beat its coal shovels into wind turbine blades, allowing my environmentalist petticoats to show fully for the first time. I encouraged Eskom employees to act like an owner, and to spend every Eskom rand as if it were their own. I made it clear that culture eats strategy for breakfast, and that the best plans would come to naught if we didn't have an environment conducive to executing those plans. We therefore had to be far more aligned, to the extent that we could throw a blanket

over the team. When my frustration inevitably boiled over, I would exclaim, 'For crying in a bucket!', which was a non-profane way of demonstrating my displeasure. I reminded my colleagues who had been steeped in a culture of monopoly that others would eat our lunch. When I spotted a mistake in a presentation, I would have found the hairy elbow. An overly long and complex paper would lead me to quote George Bernard Shaw: 'I apologise for writing you such a long letter, because I didn't have time to write a short one.'

These AdRisms are what my children would call 'dad jokes' – admittedly not particularly funny, but still an effective way of communicating a message in a memorable way.

With Covid-19 putting a stop to face-to-face engagements, electronic communication channels became even more crucial. In any event, Eskom is a 24/7 operation, which meant there were always people who couldn't make in-person meetings.

My first letter to all the staff was honed over several weeks, prior to my joining Eskom. The initial message would set the tone for my tenure as chief executive, and would no doubt be analysed and parsed to figure out my priorities.

I chose the theme of trust for this letter. I made it clear that Eskom had lost the trust of South Africans by no longer being a reliable supplier of electricity, and that Eskom leadership had lost their trust by indulging in state capture and corruption. Internally, it was also abundantly clear that Eskom people didn't even trust one another. Subordinates didn't trust the leaders, and the leaders didn't trust their subordinates.

The fundamental contract with the country and between Eskomites had been broken. South Africans expected electricity, and colleagues expected team members to perform instead of loot. In this atmosphere of distrust, it would be difficult to establish a high-performance corporate culture. Restoring that would require Eskom to resuscitate its corporate values. Fortunately, the company already had a set of corporate values with which I could readily associate, even though it went by the slightly clunky acronym 'Ziisce'. It stood for:

- Zero harm, with safety paramount in an inherently hazardous environment.
- Integrity (which clearly had been jettisoned under previous leadership).
- Innovation.
- Sinobuntu, which means caring for each other.
- Customer care.
- Excellence.

Reading the annual report, while preparing for my first day at Eskom, I could not pick up much evidence that these values prevailed in the company, and they clearly had been either forgotten or actively suppressed by people who had no intention of ascribing to them. These values, admirable as they are, clearly were not espoused by Eskom's leadership prior to 2018. It is hard to think of Molefe, Matshela Koko and Anoj Singh wondering if their actions met the standard of integrity.

Because these values resonated so strongly with me, they allowed me to tap into the nostalgia for Eskom's former glory that still existed within a large portion of the staff. Rather than trying to develop an entirely new set of values and discarding Eskom's heritage, I felt it more important to restore these forgotten values, and to remind the

Eskomites that this was what the organisation used to stand for. By visibly espousing these values, we would be re-establishing trust between ourselves and between us and South Africa. The fundamental mistake that Eskom made was to allow its principles to be incinerated in the furnace of state capture.

My letter was emailed to every single Eskom employee, and for those who didn't have email, copies were placed on noticeboards to ensure universal access. The message was well received. Many employees sent emails of support. There was a sense of relief that management had committed publicly to doing the right thing – after the values had so visibly and disdainfully been trampled on by looters and capturers.

The overwhelmingly positive reaction made me realise that employees hungered for more communication from their leader. I needed to maintain this momentum and started several internal and external communication projects and channels. In doing this, I discovered one of the many pockets of excellence that I would encounter in my years at Eskom: the internal communication department, under the leadership of Natasha John. They had the toolkits available to deploy quickly to enable me to continue the communication campaign. They were delighted that they were pushing against an open door when it came to selling their services.

In short order, we restarted a staff newsletter, which had completely fallen by the wayside, using only internal resources; regularly communicated to staff on all manner of things through successive letters from the CEO; and made use of an intranet platform to solicit staff suggestions. Known as 'Advice for André', it offered everyone in Eskom the opportunity to submit suggestions on how to improve Eskom. We received over a thousand suggestions in a matter of weeks. These included excellent ideas on how to solve particular problems, ranging from coal supply to customer connections and everything in between.

I then set up a regular weekly ninety-minute session with the two or three top contributors of that week. Personally engaging with employees, regardless of level or location, proved a huge success.

The feedback to Advice for André was gratifying and humbling. I was astounded by the number and range of Eskomites who were prepared to apply their minds, and by the depth and creativity of their proposed solutions. The typical reaction of employees who took part in the ninety-minute sessions was: 'Wow, I never thought I would speak to the CEO!' From my side, I found it useful to learn what was actually going on at grassroots level, rather than relying on the Potemkin villages created by flattering management reports.

In my internal communication, I also made a point of shining a spotlight on the many positive stories in our company. During heavy snowfall in the Western Cape, a group of transmission technicians had ventured outside to repair power cables that were down. And, to use an AdRism, we managed to catch them doing the right thing. On one of our internal communication channels, I proceeded to heap praise on the 'Indomitable Snowmen of Eskom' and included photographs of them. When I phoned them personally, I found that they had been overwhelmed by the recognition.

There are still many good people working at Eskom, but during the state capture years they either lay low or were forced into the background. Like Jan the maintenance man, they just needed a little prodding, or sometimes a kick up the backside, to

perform to their full potential once again.

Of course, employees are only one part of a successful communication strategy. In external communication, I tried to introduce the same principles of honesty and transparency. If we didn't know what the risk of loadshedding was, we said so. If we undertook to answer a media query, we made sure that it happened. We opened our production data to analysts and the general public on an internet platform accessible to all. At first, there was a lot of resistance to this new culture of transparency. It created a lot of fear. Employees were scared that South Africans would now know what was happening at Eskom. My response was that sunlight was the best disinfectant. By opening our production information to analysts and the public, we made a huge leap forward in rebuilding trust and reducing the number of queries that we had to field. Data was now available and accessible to all. Eskom was no longer a closed book.

One of my favourite moments during an engagement with Eskom employees was when one of them turned the tables on me while I was holding forth on an oft-quoted AdRism. I was preaching the mantra of 'Act like an owner', which also happens to be one of Netflix's mottos. One of my bugbears is trash lying around in Eskom offices and plants. 'Would you walk past a piece of trash in your own home? No. Start acting like an owner in the workplace, too,' I pontificated.

'Not so fast,' one of the attendees said. 'If it was my house, I wouldn't have thrown the paper there in the first place.'

I considered myself schooled.

The meme master was becoming the mentee, and I loved it.

Frau Merkel nails it

I had never thought of myself as politically naive. At a business like Sasol, you have regular dealings with government officials and regulators. And I've always had a keen interest in politics, kept abreast of current affairs and read widely on political history. But nothing could have prepared me for what I was about to face. Eskom deals directly with at least five different government departments, ranging from National Treasury to the Department of Forestry, Fisheries and the Environment – and I completely underestimated the scale of the political challenge that awaited.

My first high-profile public engagement as Eskom CEO came early in February 2020, attending a South African–German Chamber of Business conference at a hotel in Arcadia, Pretoria. In the lobby, I had the opportunity to catch up with my political principal, minister of public enterprises Pravin Gordhan. At this stage, we were still feeling each other out. Looking back, it's hard to imagine two more dissimilar personalities: the committed cadre and communist engaging with the corporate capitalist.

I was starting to realise that my new job title drew sycophants like a Range Rover attracts tenderpreneurs. All sorts of hangers-on sidled up to me, acting as if they were my long-lost best friend. They obviously regarded me as a potential dispenser of jobs and largesse, and their ingratiating manner made me deeply uncomfortable.

Ushered into the conference room, I decided to follow the good student habit of skulking at the back when you're not quite sure what's going on. But the protocol officials had other ideas and ushered me to the front of the room, where I was called on to explain supply security to a group of sceptical German industrialists. In further discussions with the German investors, they lamented South Africa's requirements for black economic empowerment and localisation, pointing out that they disincentivised investment. A frustrated German owner of a family business cornered me and rather plaintively said in strongly accented English: 'Look, I want to build a factory in South Africa, but in three generations I have not had another shareholder. Why must I give away 25 per cent of my business to some person that my family has never met?' Doing my best to explain the need for redistributive justice following the inequality induced by apartheid, I nevertheless left behind a sceptical potential investor, who couldn't understand why his family, never having benefited from apartheid, needed to contribute to restitution.

The two heads of state, Angela Merkel and Cyril Ramaphosa, were deliberating in an adjacent room, and made their grand entrance a bit later. Again keeping my head down, I tried to maintain a low profile, but this was slightly difficult given my height.

The president pointed me out and introduced me to Chancellor Merkel. In her inimitable matronly German way, she said, 'Ah, so you are the man with the most difficult job in South Africa.' Turning to Ramaphosa, she added, 'Even more difficult than your own, Mr President.'

Word of Eskom's malaise had apparently reached Germany, but it appeared as if some of our own politicians had missed the memo. Unrealistic demands from government members would be a feature of my entire term. The difficulty is that a politician has a two- or at best a three-year time horizon, living from election to election. Infrastructural investments require a twenty- or thirty-year time horizon, which is far longer than the shelf life of even the most successful politician. The rewards of investment in infrastructure are delivered only after the politician's term in office is over, incentivising short-termism over long-term planning.

Eskom's shareholder minister, Pravin Gordhan, had been appointed as minister of public enterprises following Ramaphosa's razor-thin victory at the ANC's elective conference at Nasrec in 2018. The Department of Public Enterprises played the role of sole shareholder of state-owned companies – exercising oversight over the business, appointing boards and top executives. That, at least, was the theory. The notion of state entrepreneurship (a contradiction in terms if ever there was one) led to a host of governance issues, as the single shareholder inevitably drove a political agenda. Reconciling a 'developmental' (read: 'supporting ANC policy') role with the profit motive that had to underpin a sustainable enterprise would prove to be a challenge. In a discussion with Allen Morgan, former CEO of Eskom, he lamented the change of Eskom from a utility owned by its customers to one beholden to the ruling party, which was occasioned by the Eskom Conversion Act of 2001, the same year that Eskom was recognised by its global peers as the world's leading power utility. While one school of thought claimed that this merely made official what was already de facto in place, it was clear that giving politicians direct control over Eskom created an irresistible temptation to meddle.

Dr John Maree, one of the great Eskom CEOs, was reported to have told P.W. Botha in no uncertain terms: 'President, you keep out of Eskom, and I'll keep out of government.' Uncharacteristically, Botha meekly agreed, and Eskom proceeded to provide abundant and cheap electricity to South Africa. When government entered Eskom, it opened the door for cadre deployment, direct political interference, and the ravages of state capture.

As a staunch opponent of then president Jacob Zuma and his cronies, Gordhan had a reputation for integrity. The task of cleaning up the Augean stables at public enterprises was widely regarded as being the toughest job in the cabinet – given the destruction wrought on our state-owned companies, like Eskom, Transnet and South African Airways, during the Zuma years. At Eskom, Gordhan had quickly showed that he meant business by appointing an entirely new board under the chairmanship of Jabu Mabuza.

Initially at least, Gordhan and I were able to build a relationship based on mutual respect and honesty. My new colleagues had warned me that he could be like an angry school principal scolding a recalcitrant pupil whenever things went south. Rather than trying to charm him, I resolved to communicate openly, honestly and early with the minister. My motto was to underpromise and overdeliver.

Occasionally, our relationship did fray. When Eskom appointed Richard Vaughan, a white male, as group treasurer, Gordhan was clearly disappointed. During a late-night phone call, he demanded that I pen a memorandum explaining the process to appoint Vaughan. (I had been the one who introduced him to the selection panel.) I felt like a naughty schoolboy who had been made to write an essay as punishment.

The closest he came to political interference was before the local government elections in 2021, when he tried to convince me to restore electricity and waive reconnection fines imposed on people making illegal connections in Msunduzi municipality in KwaZulu-Natal. I politely and firmly declined, citing the negative precedent this would create throughout the country. 'What do I say to the rest of the country, Minister?' was my unanswerable question. To his credit, he immediately backed off and we didn't discuss the matter again.

Gordhan, of course, wasn't the only cook in the Eskom kitchen. The successor to the much vaunted but entirely ineffective Eskom 'war room' was the 'political task team' headed by Deputy President David Mabuza. The first meeting of the task team that I attended took place around February 2020 at Tuynhuys, the presidential residence adjacent to Parliament.

The night before the meeting, I received a call from Gordhan regarding the presentation I would make the following day. He made several suggestions to improve it. One of the underrated skills that I acquired during my career was a familiarity with PowerPoint, so I was able to update the presentation quickly and send it back to Gordhan in record time. This speedy response clearly impressed the minister, who was used to the glacial pace at which the bureaucracy produces documents. The closest he got to giving me a compliment was saying, 'You and I synchronise well.'

After cooling our heels in a waiting room in Tuynhuys the following morning, chief operating officer Jan Oberholzer and I were eventually ushered into an impressive conference room filled with an assortment of ministers, officials and minions.

Eskom operates in an ecosystem of competing and sometimes openly conflicting policy directions, driven by different ministers and their agendas. It was therefore not surprising to hear the gruff voice of Gwede Mantashe whenever I touched on something that he regarded as his territory. This proved to be a consistent theme in my dealings with the minister, who wanted me to stay in my lane and leave the politics to my elders and betters. Whenever he tried to muscle in on Eskom, Gordhan leapt to our defence.

After I made my presentation, I was subjected to some vigorous questioning by Ayanda Dlodlo, minister of state security, who had a particular fondness for clean coal technology. The proponents of coal had successfully sold the myth that emissions could be captured and stored underground, thereby making coal 'clean'. Having investigated carbon capture and sequestration at Sasol, I knew that this was smoke-and-mirrors stuff, with horrible economics. Nonetheless, in an atmosphere of resource nationalism and tenderpreneurship, everyone was willing to clutch at straws to burnish the image of coal.

Mabuza, also known as 'The Cat' for his enigmatic and Machiavellian ability to survive all political challenges, led the meeting in a genial manner while giving his well-known smile. Minister of finance Tito Mboweni, whom I of course knew well from my Nampak days, focused on Eskom's debt and the difficulty of freeing ourselves from this albatross

around our necks. Nkosazana Dlamini-Zuma, minister of cooperative governance and traditional affairs, had the political responsibility – theoretically – of helping Eskom to collect debt from defaulting municipalities, invariably run by the ANC.

Eskom was interdicted from cutting off electricity supply to defaulting municipalities, which could therefore act with impunity by simply refusing to pay their bills. For a cash-strapped utility, the rocketing debt burden required a political solution. Dlamini-Zuma's reaction amounted to not much more than a shrugging of the shoulders. In her trademark soft-spoken monotone, she dodged all accountability, blaming the Constitution for taking municipalities out of her department's sphere of influence. The municipalities could do as they wished, and NDZ was, by her own admission, powerless to get them to pay up to Eskom.

Throughout the meeting, I sensed that the ministers were sizing me up. I was a different animal from what they were used to dealing with. I had plenty of other opportunities in the private sector, so I was not beholden to them for employment in the state sector. This was going to be my first and only government-related job.

Directors-general, however, are dependent on their political masters for their daily bread. Obsequious loyalty in defending and implementing the wishes of their boss therefore takes precedence. Unlike the civil service in the United Kingdom, where bureaucrats are career professionals who have a deep understanding of policy and administration, senior civil service appointments in South Africa are typically made on the basis of party loyalty and approved by the ANC's deployment committee.

Having miraculously cleared this process despite having no connection with the party, I now had a unique opportunity to challenge and question existing ANC orthodoxy. To give Gordhan his due, he was always receptive to new ideas, even though they were sometimes difficult to implement because of political constraints.

By August 2020, a cross-functional team from Eskom's finance department and the Eskom distribution division (who had the unenviable task of trying to collect municipal debt) had developed a comprehensive proposal for addressing Eskom's financial crisis through a combination of raising tariffs, solving the problem of defaulting municipalities and converting some of our debt to equity. By taking over municipal debt to Eskom, National Treasury would be able to exercise close control over municipal finances and use the lever of the 'equitable share' (a government contribution to municipal coffers) to ensure that money collected from paying customers in municipalities was paid over to Eskom, rather than being allocated to other, possibly more dubious priorities. After extensive canvassing and lobbying, we obtained support from the South African Local Government Association, NERSA and the Presidency, as well as three government departments: Cooperative Governance and Traditional Affairs, Mineral Resources and Energy, and Public Enterprises. Notably absent was National Treasury, where Eskom proposals foundered repeatedly in a bureaucratic quagmire. A key part of the plan hinged on Eskom assisting dysfunctional municipalities to improve metering, billing and revenue collection, as well as improving maintenance and operations of municipal distribution systems. When we put our non-negotiable demand, namely that the money collected should be paid directly to Eskom, and not to the municipality, where temptation to reallocate the proceeds could prove to be too strong, the plan was shot down in flames as a violation of the Municipal Finance Management Act. Even when

David Mabuza twice visited Maluti-a-Phofung, our most egregious non-payer, the municipality thumbed their noses at him, and proceeded not to pay Eskom. This impunity was the result of the cooperative governance model contemplated in the Constitution, which gives effective independence to municipalities, with national or provincial government being able to do little more than ask the delinquents to play nicely with Eskom.

Of course, the rational step for Eskom would be to simply cut off supply to a defaulting municipality. This course of action was denied Eskom by the Promotion of Administrative Justice Act, in terms of which an interdict could be obtained by a paying customer in a municipality to force Eskom to continue to supply electricity, even if the municipality didn't pay. The moral hazard that this legal conundrum created was invidious: the normal consequence of non-payment was obviated. To overcome this, Eskom had to get court orders to attach municipal bank accounts (some carefully concealed from the Sheriff of the Court), vehicles and other moveable assets, which gave rise to anguished calls to my cellphone from municipal managers who could not make payroll.

The municipal debt matter was only one instance where an Eskom proposal to resolve a critical challenge went into the bureaucratic equivalent of the Bermuda Triangle. Herding all these different government cats proved to be immensely challenging. I was used to private-sector timeframes for getting approval of projects. Of course, I knew from the start that the Eskom job would entail bureaucratic wrangling, but the sea of red tape was simply overwhelming. At times, it felt like I was running a marathon in mud.

The lack of integration and coordination in government policy made solving one of the most intractable problems in South African corporate history virtually impossible.

According to a possibly apocryphal story about imperial Russia, there was endless bickering between tsarist apparatchiks about the route of the Trans-Siberian Railway. Days were spent fighting about which towns should be chosen for stations. Losing his temper, the tsar – with bristling imperial whiskers – strode to the table, slammed down a ruler on the map and drew a line, saying: 'There is your route. Now build it.' I longed for such decisive leadership to cut the Gordian knot of bureaucratic indecision.

Endlessly seeking consensus has resulted in Eskom sometimes having electricity, but never any power.

The political aspect of my new job was of course not limited to dealing with government ministers and officials. Political parties and other interest groups also demanded my attention. My appointment had outraged everyone from the EFF to the unions to lobby groups like the Black Business Council and the Black Management Forum. Fortunately, the information that twenty-eight predominantly black executives had declined the Eskom job was starting to gain wider traction, and this helped to take some of the sting out of the racial attacks.

Two months into the job, at the end of February 2020, the EFF announced a march from the Johannesburg Stock Exchange to Megawatt Park, to protest my appointment and voice their displeasure about the electricity crisis.

EFF protests have turned violent in the past, so this was a big test for me. How would I handle it? First off, we decided to make water and toilets available outside the gate.

Especially during summer, you don't want people passing out from heatstroke. We generally try to make it as pleasant as possible for marchers at Megawatt Park, as it is also a way to keep the peace. It is more difficult to be angry at someone who is providing you with some measure of comfort.

When the day came, I followed the march on TV. It's a fair distance from Sandton to Megawatt Park, and I think they underestimated it a bit. At first it was hot and then it started to rain, so by the time they arrived, it was a wet, bedraggled bunch. Not everyone that started in Sandton finished the march. Perhaps some of the Fighters had been seduced by the Gucci boutique.

They parked their mobile stage in front of the gate at Megawatt Park. It was quite a sophisticated and slick operation. The truck-sized vehicle has its own speakers and stairs for walking on stage. From my office, I had a clear view of the EFF members singing and dancing. There were probably around 1 500 of them – a reasonable turnout, given the circumstances.

The security personnel at Megawatt Park were strongly opposed to my going outside to receive the EFF memorandum. I leaned the other way, as I didn't want to duck a challenge or send a signal of being afraid. I also caucused with a confidante who monitors social media on my behalf. I'm not big on Facebook, Twitter, TikTok and whatnot, so she keeps me abreast of anything that I should be aware of, including threats and possible libel against me. She knows the EFF well and was strongly in favour of meeting them outside. 'Whatever you do, you have to go,' she counselled.

To the consternation of the security personnel, I decided to venture out. Ultimately, it was about showing respect to a group of people, even though I might disagree with their political viewpoints.

The protestors stopped the security officials as I got close to the stage, so I walked alone through the throng, with their chants ringing out. 'Eskom must fall! CEO must fall! Eskom must fall! Jamnandas must fall!'

Jamnandas is a misspelling of Gordhan's middle name, and the EFF and the RET faction of the ANC like to refer to him by that moniker. As one of the foremost ANC figures in the fight against state capture, he is detested by these groups. A hateful effigy of Gordhan was also present at the march.

By now it had started to rain again. I was dressed in a collar shirt and jacket, no tie, and wore an Eskom cap to shield my eyes from the rain. I didn't want to give the impression that I was crying. I stood stoically on the stage for a minute or two while the singing and chanting continued.

Then EFF leader Julius Malema came onto the stage. We shook hands and he said, 'Thanks for coming.'

'Thank you for marching,' I replied. 'It is good that you are here, we take notice.'

While we stood there, we didn't exactly bond, but we were courteous towards each other.

When I went forward to accept the memorandum, the crowd suddenly grew more restless and started making intimidating noises. Malema's reaction was impressive.

Clearly annoyed, he made a single gesture with his flat hand, indicating that he wanted silence. In giving this signal, his hand didn't go much above hip height, but the crowd instantly picked it up ... and went as silent as the grave.

I thought to myself, 'Damn, this guy is a leader.'

Malema is charismatic, intelligent and disciplined. Underestimate him at your peril. He is extremely reasoned and sophisticated. Those who regard him as a buffoon and an ignoramus are in for a rude awakening.

After silencing the crowd, Malema gave his speech. 'Thanks to the CEO for respecting us today' was one of the phrases he used.

I then formally received their memorandum. I signed for it, but, being the lapsed lawyer I am, I added, 'Receipt of memorandum acknowledged; content of memorandum not agreed to' – just so that it couldn't be published later with the claim that I had agreed that everything must fall.

Malema was wearing his red EFF cap, and I thought, 'You know what, screw it; let's exchange caps.' He agreed. As I put the EFF cap on, I realised immediately this shouldn't be caught on camera, or I would be in for years and years of strife. So I quickly took it off, even as he kept the Eskom cap on.

Interestingly, since that day, Malema refrained from attacking me on social media, even though his lieutenants still savaged me. I think there was a moment of respect between us on that day. All because I chose not to hide in my office – where Malema's cap hung for the rest of my term.

Also within Eskom, my receipt of the memorandum brought me respect: I received an email from an Eskomite, complimenting me on the broad smile I had on my face as I walked away from the EFF crowd.

Following the relative success of the EFF march, the ANC in Johannesburg decided they wanted to get in on the act. Held under the banner of the 'Joburg Alliance', it was a damp squib compared to the march by the men and women in red. Its most significant consequence was that it led to my first and only visit to Luthuli House, headquarters of the ANC.

When I was summoned to discuss the concerns of the Joburg Alliance, I thought long and hard before accepting. As head of Eskom, I believed I should stay above party politics and avoid any potential conflict. In the end, I felt I could justify it as a way of defusing a potentially explosive situation. I would listen to what they had to say but not allow myself to be unduly influenced.

The inside of Luthuli House was more luxurious than I expected. You don't see the same decay that you see in many government offices. (You can draw your own conclusions.)

I was accompanied by Des Govender, Eskom's general manager for distribution in Gauteng, and Daphne Mokwena, one of our operations and maintenance managers. The fact that I arrived with a multiracial team probably helped. Des and Daphne take an even harder line than me on the payment of municipal arrears, so it was good to have two straight-talkers by my side.

We were ushered into a small conference room, where we spoke to Jessie Duarte, deputy secretary-general of the ANC, and Gordhan. Right at the end, President Ramaphosa also peeked in.

Duarte did most of the talking, saying we needed to give the people a chance to protest, but that Eskom and the government were inseparable, as it was a state-owned company. So now we had this strange situation where the governing party was

attacking the government of which it was a part.

Duarte also indicated that the ANC was going to put out a statement saying they were fed up with loadshedding and that we needed to figure out what is going on. Why, they wanted to know, do we even have loadshedding?

I wanted to say, 'Guys, you were in control for twenty-eight years and now you want to wake up and ask what is going on. We've had loadshedding for the past twelve years.' The lack of self-awareness from the ANC was astonishing. It was as though they didn't realise that they were the government that put in place the policies that led to loadshedding. It was as if all these bad things that were happening were somehow the result of other people's actions.

After all was said and done, it was a fairly inconsequential meeting that delivered plenty of platitudes but not much of substance. As my term of office wore on, I would come to realise that this was the rule, rather than the exception, for these kinds of meetings.

Shortly afterwards, I was summoned to a meeting with municipalities to discuss the debt issue. It was held at the Gauteng legislature in downtown Johannesburg and chaired by Lebogang Maile, the member of the executive council (MEC) for human settlements and infrastructure development. There I found the typical neglect one encounters at government buildings, with chairs that had seemingly been thrown down flights of stairs just lying there. It created an extremely poor impression of the seat of our provincial government.

The meeting itself was unremarkable, except for an unfortunate faux pas by me. While addressing the MEC and their worships the mayors, I referred to the municipalities as 'delinquent' instead of 'defaulting'. This provoked much ire and umbrage from the assembled dignitaries. I had to apologise by saying that English was only my third language, which elicited grudging laughter from a meeting conducted in South Africa's official language: broken English.

Though I managed to defuse the situation, I would have to watch my tongue much more carefully in future.

My crash course in politics had begun.

Ambushed by one of our own

One of the most nerve-racking moments of my Sasol career was appearing before a joint Senate and Congressional committee on Capitol Hill to sell the members on the advantages of coal beneficiation in the United States. Had I known what awaited me in our own Standing Committee on Public Accounts (SCOPA), I might have been less nervous.

My first appearance before SCOPA as Eskom CEO set the tone for what was to follow in all subsequent meetings: lots of political grandstanding and no attempts to get to grips with the heart of the matter. SCOPA was supposed to be Parliament's watchdog, but it wasn't acting like an oversight body. Rather, it was a platform for scoring political points in all directions. Few politicians can resist the temptation of live broadcasts, and SCOPA was no exception.

The background to my first and most contentious SCOPA appearance was an email I wrote to Jan Oberholzer and other senior executives early in my term, outlining how we could use resources from outside the organisation to establish a culture of operational excellence and to use data analysis to greater effect. For example, by mining the data we received from power stations it would be possible to see which parts of our operations were taking strain. This, in turn, would allow us to do so-called predictive maintenance – in other words, identify and address problems before they resulted in a catastrophic failure. I named companies that I had worked with before as examples of service providers that could be approached for proposals.

In the end, all that my starry-eyed plans achieved was to become an object lesson in how quickly a well-meaning initiative can become a political hot potato in the state-owned sector.

Appearing before SCOPA, I was surprised to learn that my email had found its way to the EFF. Dr Mbuyiseni Ndlozi, EFF MP, was determined to make as much political hay as he could with it. He claimed that I had handpicked the suppliers I mentioned in my email in order to subvert public procurement processes. Overflowing with faux outrage, voice breaking, he exclaimed: 'This is how state capture starts!' Ndlozi, who has a flair for the hyperbolic, had clearly watched too many American legal dramas on television and at one point exclaimed pompously (and erroneously), 'And I would like to remind you that you are under oath!'

While I had been warned that SCOPA would be a challenge, I was taken aback by Ndlozi's soapbox theatrics. I told him that at no point had I prescribed which companies should be appointed. I had merely given examples of the sort of companies that do this kind of work.

The meeting took an even darker turn when we were ambushed by a member of our own delegation, Eskom's procurement chief, Solly Tshitangano.

Prior to the meeting, we had finalised our presentation and the accompanying slides, with input and approval from all involved. But now Solly jumped in and said he had something to show the MPs. He displayed a screenshot of a contract with an American engineering firm to the committee. The firm, Black & Veatch, had been contracted to provide engineers and other specialists for the construction of Kusile and Medupi power stations. Solly's screenshot showed how Jan had signed for a modification of the contract during his previous stint at Eskom, more than a decade before.

It was a contract that had grown more than a hundredfold – from its initial R114 million to more than R14 billion. But the bulk of the increase had happened after Jan had left Eskom, and the contract amendment he had signed had been entirely within his mandate and with the concurrence of the relevant committees.

Solly, however, milked his flimsy 'evidence' to the fullest. He insinuated that Jan had been responsible for the exponential increase in the contract, even though the modification he had signed for was relatively minor and routine, and that Jan wasn't even at Eskom when the contract value ballooned. The accusation didn't die there. Repeated allegations were made against Jan, to the point where I had to write a lengthy report to the board, reporting on my investigation of the allegations, and fully exonerating Jan. Later that year, Jan would be formally cleared of any wrongdoing in a probe by Advocate Nazeer Cassim, a retired High Court judge. Still, however, the allegation refused to die, with a self-proclaimed whistleblower's report provoking yet more investigations. And so our time at Eskom passed – investigating spurious allegations while Rome was burning.

To see one of your senior managers throw another colleague under the bus in public is sickening. Jan and I had been completely blindsided by Solly's actions. Outwardly, I maintained my poise, but inside I was seething.

Given how events had unfolded, I now strongly suspected that Solly was the one who had leaked the internal email to the EFF and that he had possibly caucused with ANC members in the erstwhile Zuma faction, a ragtag group which had coalesced under the banner of so-called radical economic transformation. Mervyn Dirks, a card-carrying member of this faction, would become one of my fiercest critics on the committee.

I found the demagoguery and grandstanding by the ANC and EFF MPs disconcerting and deeply unimpressive. They were willing to take the flimsiest of evidence and flog it into a fake scandal. The level of 'debate' would make a high-school debating club blush. They twisted the facts and speakers' words. Straw men were erected left, right and centre, and then 'demolished' in an attempt to score cheap political points.

I voiced my displeasure about the day's events to Mkhuleko Hlengwa, the Inkatha Freedom Party (IFP) MP who chairs SCOPA. 'I am here in good faith,' I told him in a one-on-one conversation after the meeting. 'I'm trying to do a decent job. By all means, hold me to account, but please do not call my integrity into question without any justification. I expect you as chair to act appropriately.'

Hlengwa was flabbergasted, and the usually talkative MP, who has never met a microphone he didn't like, seemed at a loss for words. He was clearly used to a more meek and mild approach from the witnesses appearing before his committee. While

preaching accountability for others, the committee members had no wish to be held accountable themselves. As the old Latin saying goes: *Quis custodiet ipsos custodes?* (Who watches the watchdog?)

The person I felt most sorry for throughout the saga was Jan, who had been unfairly smeared for just doing his job twelve years earlier. Like me, he had been caught off-guard when Solly decided to go rogue.

Prior to his appointment at Eskom, Solly had been director of procurement compliance at National Treasury and before that a chief director in the Mpumalanga treasury. His history in this last post was somewhat murky, and at one stage he faced eleven charges of misconduct, relating to an allegedly irregular salary increase for himself, as well as allegedly abusive and insolent behaviour towards his line manager.

He liked to style himself as an anti-corruption crusader, and apparently managed to convince many of his former colleagues that his clashes with his superiors had to do with the rigour of his oversight, rather than any failings on his part. Given how reviled watchdogs were during the state capture years, it was certainly not beyond the realm of possibility that the charges against him had been manufactured. (Attempts to ascertain how the disciplinary case had unfolded proved unsuccessful.) Although I can't speak with authority on what exactly transpired in Mpumalanga nearly two decades ago, I was able to observe first-hand how he operated at Eskom.

Besides projecting the image of an anti-corruption crusader, Solly was also a self-styled governance guru. He loved quoting obscure regulations at length, all seemingly from memory, like a Talmudic scholar who has spent his life immersed in a religious text. It was easy to be impressed. Alas, I came to believe that this was also a facade. One day, Solly sent me an email in which he was once again quoting some government regulation. I decided to call his bluff and looked up the exact wording. Suffice to say that Solly's pontifications bore no resemblance to the actual regulation.

It should come as no surprise that he had an overblown sense of his own importance. 'It seems as if this man thinks he should be reporting directly to the president,' Eskom chairman Professor Malegapuru Makgoba once remarked in exasperation.

Solly's wild allegations before SCOPA should also be viewed within the context that I had already informed him of my unhappiness with his performance, and of my intention to sideline him as procurement chief and move him to the compliance division.

Although Jan kept a poker face during the SCOPA hearing, he was just as livid as I was. We were determined not to let it happen again. Once we were back at Megawatt Park, we convened a meeting with Bartlett Hewu, Eskom's head of legal, where Solly was also present.

The atmosphere in the meeting was tense. Jan is a large man, and when he is angry, he can be an intimidating figure. You don't want to catch the death stare from his piercing blue eyes.

Solly and Jan sat on either side of me. I was also figuratively in the middle. Although I had been just as upset as Jan about Solly's betrayal, I could not give the impression of being biased, and resolved to listen with an open mind to whatever explanation Solly gave.

Jan, however, did not have to hold back. 'I don't trust you any more,' he told Solly bluntly. 'You threw me and Eskom under the bus.'

In response, Solly claimed that he'd had no intention of stabbing Jan in the back, and, implausibly, that the slide had been chosen at random. He also tried the classic non-apology apology: If anyone took offence, I'm sorry.

Bartlett largely sided with Jan and emphasised that we should approach presentations like the one before SCOPA as a team, with no room for staff members to take pot shots at one another.

I concluded the meeting by saying that I would evaluate everyone's input and decide on the future procedure for SCOPA presentations.

We then convened a new, larger meeting where everyone involved in the process of preparing presentations was present. I told them that I was instituting a new rule forthwith: Any presentation before SCOPA had to be signed off by me personally. No other information would be given to the committee, either prior, during or after the meeting.

As someone who believes deeply in democracy, my first engagement with SCOPA had been a sobering experience. This was supposed to be one of the prime committees in Parliament, but they had turned it into a clown show. Walking out of the parliamentary venue that day, I couldn't help but think, 'Are these really the people running our country?'

The land of Porsches and Louis Vuittons

Watching the main exit gate of Megawatt Park from my third-floor window, I was astounded to see a number of Range Rovers, BMWs, Mercs and even a stray Porsche heading for the exit at 15:30 in the afternoons.

Did we really have that many rich employees? And, if so, why were we paying top dollar for workers who were already packing up an hour or two after lunch?

The flaunting of wealth wasn't limited to fancy cars. As someone who has spent more hours waiting at international airports than I care to remember, I have acquired a fair idea of the cost of luxury goods. Watching some of my relatively junior colleagues swan around clutching Louis Vuitton handbags, equivalent to a month's salary, and decked out in branded Hermes dresses, Panerai watches and Christian Louboutin shoes, made me wonder where on earth the money came from. I am not saying everyone driving expensive cars or wearing designer clothing obtained their wealth through illicit means, but considering the opulence displayed by employees of a state-owned enterprise, it was certainly suspicious. Either Eskom employees were living way beyond their means, or they had access to funds from other sources.

It didn't take Sherlock Holmes to figure out what was afoot.

Flaunting it was the way to go, because putting money in your bank account could attract the scrutiny of Eskom's internal audit department, the Financial Intelligence Centre or the South African Revenue Service (SARS). So, what do you do with R100 000 in hot, illicit cash? You go to the Louis Vuitton shop.

Similarly, it turned out that several senior Eskom managers were also gifted cattle farmers, registering farms in Limpopo in the names of cousins and other relatives. Doing anything in your own name or your spouse's name would be picked up in a lifestyle audit. As happens when a farmer tries to trap jackal, the ever-tightening anti-corruption net had merely resulted in ever-smarter criminals, skilled in evading detection. I was told of one less-than-honest Eskom manager who glibly boasted that a lifestyle audit wouldn't pick up the cattle delivered to your farm, as you could claim preternatural fecundity in your herd. Clearly, the deceitful habits formed during the state capture era had not yet been broken.

During this dark chapter in our nation's history, political interference and widespread corruption in state-owned enterprises was the norm. President Jacob Zuma and his cohorts, including the infamous Gupta family, infiltrated the highest levels of these organisations by appointing pliable deployees to key management and board positions.

Together with its state-owned sisters like Transnet and South African Airways, Eskom

bled a veritable ocean of money into the coffers of the state capture brigade. Calculating the total cost of state capture is a complex exercise, but some have estimated it as high as R1 trillion. President Cyril Ramaphosa put the amount at R500 billion but testified before the Zondo Commission that the full cost may never be known.

Eskom was a ripe peach waiting to be plucked. With a procurement bill north of R140 billion per annum and a capital expenditure budget exceeding R35 billion per annum (even following the completion of major construction activities at Medupi and Kusile), the opportunities for looting were everywhere.

The effective abandonment of all principles of good corporate governance made it possible for the Guptas to execute one of their most audacious schemes through the attempted capture of the Optimum colliery. Astoundingly, Eskom's board voted to aid them in this endeavour by rubber-stamping financial assistance of more than two billion rand. On 9 December 2015, the day before Tegeta (a Gupta company) concluded the deal to buy Optimum Coal Holdings (OCH) from Glencore, the Eskom board approved a prepayment of R1.6 billion to Optimum, using the ruse that this was for the supply of coal to Eskom's Hendrina power station. A day later, this payment was reclassified as a guarantee. On 11 April 2016, the Eskom board approved a further payment of R659 million, this time to Tegeta, purportedly for the supply of coal to Eskom's Arnot power station. Both transactions were a clever sham used by Tegeta to use Eskom's money to pay the purchase price for OCH. The Zondo Commission concluded that these payments 'were made with the single purpose of ensuring that the Guptas' deal in terms of which they acquired the Glencore coal interests did not fall through for want of finance on the part of the Guptas'. The Zondo Commission ultimately recommended that the National Prosecuting Authority (NPA) should prosecute Koko and Molefe for their involvement in numerous state capture matters.

When reading through the minutes of the board meeting that allowed all of this to happen, I was struck by the sheer sense of normality that had been created, as if these egregious acts were entirely within the normal course of Eskom's business. Board members displayed neither outrage nor courage. They didn't question these decisions and were only too happy to acquiesce in criminal acts.

Of course, the looting was not confined to the executive floor of Megawatt Park. Once it became clear that it was now open season, many employees, ably abetted by contractors and suppliers, gorged themselves.

In the governance vacuum created by the Zuma years, the floodgates were open to all and sundry to get their moment at the trough, with the Guptas only being the most prominent looters. Although they and Zuma hogged the headlines with the grand project of state capture, the millions of smaller and less visible corrupt acts were no less damaging. What they lacked in size, they more than made up for in numbers. Corruption permeated every level of government: national, provincial and local. As former president Kgalema Motlanthe memorably put it, 'There's a mini-Gupta in every town.'

At Eskom, no item was too small to serve as a conduit for the looting, even a humble single-ply roll of toilet paper. At the time, they cost around R5 each, but Eskom purchased them for R26 – a 420 per cent markup.

In all my discussions with exco members, the common thread was that procurement was one of our biggest problem areas. The division's information technology had been neglected, probably deliberately so. Master data had not been kept up to date, which meant that procurement officials were not constrained by item codes and could therefore pay R51 for a black refuse bag, which retailed for R2.99.

It soon became clear to me that our chief procurement officer, Solly Tshitangano, was completely out of his depth. On his watch, less than 35 per cent of items were purchased according to contract. The rest was on so-called free text on the vendor software system SAP. This is a fancy way of saying you could type in pretty much any amount you wanted. It creates the space for ordering a R238 000 mop, a purchase that was fortunately averted in the nick of time.

Solly felt that fixing this broken procurement system was purely the responsibility of our IT division, which was of course a clear shirking of responsibility on his part.

By bypassing Solly, I would eventually manage to push the figure of 35 per cent up to 95 per cent.

A visit to Kriel power station in Mpumalanga would also cast a harsh light on our procurement woes. When I arrived, I was greeted by an all too frequent sight. Rubbish lying everywhere, lawn not mowed, windows broken. 'How does your house look?' I asked the managers. 'If you have a broken window there, do you also just leave it?'

Much avoidance of eye contact followed.

Eventually Bruce Moyo, the cluster manager for the region, took me to the storeroom, and showed me some kneepads that workers use when performing tasks like welding and cleaning the insides of pipes, chimneys and other areas at power stations.

'Did you know we pay R80 000 for these?' he asked. 'Each!'

I was flabbergasted. You could buy a pair for around R150 at Builders Warehouse.

Back at Megawatt Park, I started asking questions. But I didn't receive any meaningful feedback and it didn't seem like the issue was being taken seriously enough. I instructed our forensic department to do a proper investigation. 'We can't allow these things to carry on,' I told Jan Oberholzer and Phillip Dukashe, the head of generation.

Still nothing.

Starting to grow more than a little irritated, I resolved that we would hold a meeting on this issue every week – until it was sorted out.

I wanted Jan and Phillip present at this weekly meeting, as well as our head of forensics and our head of security.

This was a clear case of micromanagement, and usually something that a CEO should try to avoid, but nothing else was working. I told my team that the last time I had operated in this fashion was when I was an assistant manager at Sasol. When I followed through, the embarrassment was enough to provoke action.

Chris Baloyi, who had just taken over as our new head of forensic investigations, got the bit between his teeth. He phoned the suppliers and within twenty-four hours one of them had returned nearly R1.2 million to Eskom. The alacrity was a clear admission of guilt that the money had effectively been stolen.

To add insult to injury, the supplier had not even delivered his overpriced kneepads. It also transpired that the company's sole director was a relative of an Eskom

employee.

The second supplier had also been paid over R1 million for stock that was never delivered. The third provided an invoice for her own procurement of the kneepads. It showed that she had paid R4 025 and charged Eskom R934 950. This supplier admitted that she overcharged Eskom and acknowledged her indebtedness.

In addition to launching attempts to recoup the outstanding money, we also laid criminal charges. I was intent on seeing an arrest, and a willing Chris obliged. The suspect, a contractor working in the procurement department, was arrested and loaded into the back of a waiting police van. The perp walk that I had wanted to instil some respect for law and order had occurred. I saw the video of the arrest as the suspect clambered into the back of the van, and gave myself a virtual pat on the back. Eskom 1, Crooks 0. But then I got a WhatsApp from Karen Pillay, our head of security, informing me that the suspect had been released by the police, 'on the instructions of a senior police officer'. I was outraged – and this was not to be the last time that Eskom's efforts to bring crooks to book were thwarted by apparently inexplicable police actions.

Although I was glad to have staunched some of the haemorrhaging, the amount of heavy lifting required to stop only one such cut-and-dried case of malfeasance was disconcerting, and even then no one landed behind bars. It was obvious that this was just the tip of a very large iceberg. For me to invest this much time and effort into every case of corruption was simply not sustainable or practical.

But at least this much was clear: while the Gupta family had been the shark swimming in the murky waters of state capture, the much smaller piranhas were feasting on Eskom's flesh.

I thought back to a meeting I'd had soon after taking the helm in January 2020. It was with Ben Theron, a freelance forensic investigator, who had done work with the Department of Public Enterprises, the Special Investigating Unit and Eskom itself.

I remember that Ben's opening remark had stopped me in my tracks. 'Congratulations, you are now the head of the largest organised crime syndicate in South Africa,' he said.

Feeling somewhat insulted, I maintained a straight face, but thought to myself, 'Surely, it can't be that bad. He's probably just angling for a job by exaggerating the extent of the problem.'

Ben unrolled a series of A3 printouts on my desk, detailing with spider graphs a web of connections that touched just about every part of Eskom. If this was to be believed, we had become the proverbial goose that laid the golden eggs for the corrupt and the crooked.

I was still a little sceptical. Could the looting really be as pervasive as the spider graphs indicated? It seemed scarcely believable that we could still be so captured.

But, as the months passed, I increasingly realised that Ben was one of the few people brave enough to speak truth to power. The parade of Louis Vuitton bags at Megawatt Park bore testimony to my naivety.

I was indeed the inadvertent Tony Soprano of the power industry.

11

Milked by the middlemen

I could scarcely believe what I was reading. According to the email from our HR department, someone had spotted me rushing towards a lift at Megawatt Park as the doors were closing. In so doing, I had apparently contravened a 'cardinal' safety regulation, leading an intrepid whistleblower to file a formal grievance.

The lodging of spurious complaints against me was a feature of my time at Eskom. But the prize for the most ridiculous had to go to this one, which had been filed by Nathaniel Kgoete, a shop steward from the National Union of Metalworkers of South Africa (NUMSA).

I wrote a forceful, if somewhat sarcastic, response to the grievance. The gist of it was: If Mr Kgoete was really so concerned about safety, he would have spent less time watching me and more time focusing on the actual life-threatening behaviour of some of his colleagues.

After my formal response, the matter died a quiet death, but it had achieved its main aims: firing a warning shot across my bow and wasting my time.

It was all part of a concerted effort to distract me. The more time I spent fighting these petty grievances, the less time I had to disrupt the networks of patronage that ran through the organisation. It was clear that I would need all my resilience to survive in this job. I was being tested and my opponents in Eskom were probing for any sign of weakness.

Strong leadership does not mean creating a climate of fear. But there must be accountability for poor work performance – whether it comes from a security guard or a power station manager. A weak leader shies away from these decisions that may create tension and confrontation. I resolved early on not to be intimidated by the attempts to derail my turnaround plans with trumped-up charges and grievances.

Although I was able to swat the ridiculous charge of 'running towards the lift' away fairly easily, some of the others were much more serious – and even potentially career-ending.

Three days before the official start of my term, I had clashed with one of the heavyweights on Eskom's board, Sifiso Dabengwa, a former CEO of MTN. It happened at a meeting of the board's powerful investment and finance subcommittee, of which he was the chairman.

One of the items on the agenda was a proposed increase of nearly 30 per cent in the five-year budget for fuel oil – from R14 billion to R18 billion. Fuel oil is a bit like Blitz for a power station; it is used to get the coal in the boilers burning.

With Eskom already in dire financial straits, blowing R4 billion over your initial budget

seemed like a big deal. Or, at least, so I thought.

According to the proposal before the subcommittee, Eskom had recently entered an agreement with a company called Econ Oil. It would supply Eskom with fuel oil to the value of R9 billion over the five-year period – half of the proposed total fuel oil budget of R18 billion.

The submission also contained one puzzling phrase. It noted that although Econ Oil had won the fuel oil bid, it 'did not have back-to-back agreements with the sub-suppliers'. It soon dawned on me what was happening here: the company was merely a middleman, adding no apparent value to the product they were selling. Aside from their own profit margin, of course.

Here was an opportunity for significant cost savings if we could buy the fuel oil directly from refineries, such as Total, Engen and Sasol.

There are different grades of fuel oil, but as long as the specs are the same, the product is fungible. For the award of the Econ contract to be justified at an inflated cost, very special circumstances would have to be found. In fact, I would discover quite the opposite: special circumstances that should have disqualified them from even bidding.

When I raised my initial concerns at the subcommittee meeting, they were summarily dismissed by Dabengwa, who intimated that I had no clue how things worked at Eskom.

As someone with a fair amount of boardroom experience, I was taken aback by his vehement response. Of course, a board or a subcommittee doesn't always end up agreeing with a chief executive, but it is highly unusual for their input to be rejected out of hand, without even being considered.

Perhaps Dabengwa felt that I was a bit uppity, a newcomer to Eskom who was trying to upset the applecart at my first meeting. Or perhaps he was just covering his own wickets, given that his subcommittee had approved the agreement with Econ Oil the previous year, apparently without doing their due diligence.

In any event, if Dabengwa had hoped to intimidate me into silence with his response, he was sadly mistaken. His attempt to slap me down only raised my suspicions further and prompted me to dig deeper into the details of the deal.

Soon after starting my enquiries, the first breakthrough came. Ezra Davids, chairman of the law firm Bowmans, invited me for a breakfast at the Mugg & Bean in Woodmead, where he told me of a draft report prepared by Bowmans that contained explosive information about links between Econ Oil and a key Eskom employee. However, the report was never finalised and formally presented to the board. Eskom informed Bowmans in May 2019 that no further work on the Econ matter was required – coincidentally, just at the time that its contents would have killed any chances Econ Oil had of being awarded the fuel oil tender.

Reading the Bowmans report in conjunction with another one by McKinsey that I also managed to unearth, the pieces of the puzzle started falling into place.

A key figure in the saga was Thandi Marah, a senior Eskom procurement official. The precise detail of her early years at Eskom were unclear, but as early as 2001 she had represented the company at a 'Women in Oil and Energy' workshop held in Durban. By 2008, she had reached an executive level in the department for commercial

procurement.

In the early 2000s, Marah and an acquaintance, Nothemba Mlonzi, had identified an opportunity to do fuel deliveries for Sasol. While being a full-time Eskom employee, Marah obtained the necessary technical assistance and details from Sasol and helped to put a deal in place.

Mlonzi registered Econ Oil at about the same time and served as its sole director and shareholder. Initially Econ added no value, even as a logistics company. It operated from inside Sasol's offices, all its deliveries were conducted through Sasol and presumably it did not have much start-up capital either.

Marah then became instrumental in bringing Econ Oil on board as a supplier to Eskom. Asked how this came about, Mlonzi said, 'The reason is Eskom policy – it supports black-women-owned and operated entities.'

During the 2000s, another senior Eskom official, Charles Kalima, arranged for the Econ Oil account to be moved to the department for commercial procurement – that is, Marah's jurisdiction. By then, Econ had been appointed as a supplier of fuel oil to Eskom – initially in respect of only two power stations.

After gaining this foothold, Econ managed to expand its business with Eskom further. In 2012 the company won a five-year contract to deliver fuel oil to fourteen power stations, with only two going to another company.

The fuel oil business was evidently very lucrative. During the period December 2003 to November 2018, Eskom paid Econ approximately R16 billion.

To add insult to injury, Econ Oil also overcharged Eskom – that's in addition to the reseller margin that they were already pocketing. Over just one period, from 2012 to 2016, this overcharging amounted to an eye-popping R1.2 billion – and that is only what Eskom's expert could verify. The actual amount may, as they say in American TV ads, be much larger.

Bowmans determined that Marah was an active director and/or shareholder in no less than thirty-three different companies, almost all of which were registered during the period 2000 to 2016. Her husband held interests in twelve companies as an active director. Her brother was the sole director of at least two companies that were also Eskom vendors.

Suddenly, the opulent lifestyles of people associated with Eskom began to make a lot more sense.

Bowmans found extensive evidence that Marah had interfered in the bidding process to help Econ Oil and that she had attempted to change the specifications of a tender to favour the company in relation to its competitors. Furthermore, she actively resisted any attempt by Eskom officials to subject Econ Oil's invoices to closer scrutiny.

Marah was suspended in December 2018, but was never formally charged with misconduct. Instead, she was allowed to retire quietly.

Considering everything I uncovered, I was now more convinced than ever that it was untenable to continue Eskom's business relationship with Econ Oil.

On 16 January 2020, six days after the subcommittee meeting, I took my case to the full board, where it unsurprisingly faced stiff resistance from Dabengwa, as well as Dr Pulane Molokwane, a former chair of the tender subcommittee. My resolution failed, but I kept at it. I prepared a more detailed presentation, and on 30 January the board

approved the cancellation of the Econ Oil tender as well as the strategy for sourcing fuel oil directly from refineries.

A livid Dabengwa accused me of misleading the board and providing 'false information' in an attempt to scupper Econ Oil. The matter was brought to a head when he formally raised these allegations in an email on 22 March and demanded action. It culminated in a formal inquiry against me, to be led by Advocate Wim Trengove.

The stakes were high. If Trengove were to find that I knowingly misled the Eskom board, my corporate career would be over.

Though therefore no laughing matter, the inquiry did lead to at least one light-hearted moment. While preparing my submission to Trengove, I phoned a friend of mine, Advocate Clive van der Spuy, to ask for his help. We've known each other since our school days in Bronkhorstspuit. Over a braai on a Sunday afternoon, we pored over my submission.

As we fine-tuned our strategy, Clive's wife quipped: 'Never mind the Stellenbosch Mafia ... Here comes the Bronkhorstspuit Mafia!'

In addition to the help from Van der Spuy, I also received a boost from a legal opinion submitted to Eskom by renowned corporate governance expert Professor Michael Katz.

Given Eskom's precarious financial position, I not only had the right to query the Econ Oil contract, but was in fact obliged to do so, Katz concluded. Had I ignored all the red flags, I would have been as guilty of failing the company as all those who had allowed Econ Oil to milk Eskom mercilessly for nearly two decades.

Fortunately, Trengove concurred, and in July 2020 I was 'unconditionally cleared' of the charge of misleading the board. 'Mr Dabengwa did not have a shred of support for his accusation of dishonesty. It was irresponsible of him to make it,' Trengove found.

A week after the ruling, the board adopted Trengove's report and passed a resolution expressing their full confidence in my leadership.

I had dodged the first bullet, but procurement chief Solly Tshitangano, the one who had stabbed Jan in the back at SCOPA, had not yet emptied his pistol.

Given Solly's role at Eskom, the Econ Oil matter fell squarely within his jurisdiction. A year previously, in fact, in January 2019, he had been mandated by the board to evaluate the option of purchasing directly from the refineries rather than working through a questionable middleman like Econ Oil. I asked Solly some pertinent questions about this and other Econ Oil-related matters, which he either didn't answer or batted away with barely disguised contempt. I told him straight up that he was basically telling me to pick a finger with the quality of his answers.

Solly had been aware of the serious findings against Marah and Econ Oil, as well as the exorbitant cost of the tender. As procurement chief, he should have been leading the fight against this wasteful expenditure. Instead, he continued to act as a cheerleader for Econ Oil and in 2019 had advocated that the tender of nearly R9 billion be awarded to them. In my book, this amounted to gross dereliction of duty that would ultimately lead to a formal disciplinary hearing in March 2021.

Feeling the noose tightening, Solly went on the offensive. He fired off letters to everyone except Santa Claus – including the chairman of the Eskom board, the Public Protector, the minister of public enterprises, the Auditor-General and the president. He

had a laundry list of wild accusations, but the most serious was that I was a racist who sidelined black-owned firms for no reason, while simultaneously turning a blind eye to the sins of white-owned companies.

In his letter to Pravin Gordhan, he summoned apartheid apparitions in a desperate attempt to play on the minister's feelings (he clearly didn't know the crusty minister too well).

One excerpt read (unedited): 'The activities that are taking place in Eskom reminds me of the painful past which I thought it is behind us, that period where colour was the determining factor on how one is treated and which rights one will enjoy. Minister, it is wrong that a white owned company is presumed innocent until proven guilty and that a black owned company is presumed guilty until it proves its innocence. It is wrong that a white owned company deserves the opportunity to make representations before an administration decision is taken against it whereas a black owned company does not deserve the opportunity to make representations before an administrative decision is taken against it.'

The public outcry following Solly's allegations was intense. Statements were made by the Black Management Forum, by political parties and by the media. In the court of public opinion, I had already been tried and found guilty. The narrative of a white boss taking action against a black subordinate was just too stereotypical not to be true. On a live interview with Radio 702's Bongani Bingwa, he asked me in his characteristic modulated tones: 'So are you a racist, Mr De Ruyter?' Despite my vociferous denials, the storm refused to die down. Predictably, SCOPA got in on the act, summoning me to explain the charges. My chances of a fair hearing in the febrile atmosphere of a parliamentary session were not much better than zero. But again bearing Sun Tzu in mind, and working with Clive van der Spuy, I prepared a comprehensive rebuttal of Solly's charges. It was great advocacy, and made it clear that Solly was the agent of his own demise. Mysteriously, and mischievously, my affidavit to SCOPA found its way to the press. It became clear that SCOPA would be the ones embarrassed by the inquiry, not me. The chair of SCOPA, Mkhuleko Hlengwa, ranted and raved about being gazumped by the leak, but he had been outplayed, and the summons to appear before SCOPA was quietly dropped.

Solly's charges would eventually lead to yet another formal inquiry against me, this one led by Advocate Ishmael Semenya. If anything, the stakes were even higher for this one. Had Trengove found that I had misled the board, I would have been hard pressed to find another CEO job or a directorship in corporate South Africa. Were Semenya to brand me a racist, my career would be over in an instant – and not only with respect to top-level jobs. No local company would dare to appoint a convicted racist in any position. I would be lucky to get a job as a car guard at the local mall.

A full day had been set aside for my testimony. Driving into Kyalami Business Park for the hearing at an attorney's offices, I was acutely aware of the pressure I was under. I entered the lawyers' chambers where Semenya and his panel were waiting. He was flanked by two advocates and two attorneys. There was also a stenographer present.

As I opened my laptop with my carefully prepared notes, I realised with a sinking feeling that the battery was flat. Trying to make light of the embarrassing situation, I asked the stenographer: 'Can I be an inyoka [slang for cable thief]?' My remark had the

desired effect. Everybody in the room laughed as he handed me his charging cable, and the ice was broken.

Prior to the hearing, I had reached out to my contacts in the legal profession to try to get a sense of who Semenya was. I was relieved to hear that his reputation for integrity was impeccable. I could not have asked for a fairer judge.

Solly had been testifying the previous day and a half. In an about-turn that Semenya would later describe as 'startling', he denied accusing me of racism – even though he had made multiple claims regarding my alleged targeting of black-owned suppliers in my efforts to clean up Eskom's procurement system.

In my testimony, I went into some detail about various policy decisions, attempting to illustrate that they were driven by sound management principles, and not race. Even though Solly had abandoned his accusation of racism at the eleventh hour, he had stuck to his guns regarding the charge that I had abused my power. With reference to Eskom's delegation-of-authority policy, which outlined the responsibilities of the group chief executive, I disputed this contention.

Even though the whole day had been set aside for my testimony, I was done in two and a half hours. It turned out to be a good omen.

In his ruling, Semenya said Solly's accusations were 'wrong, egregious, false, baseless and lacking any substantiation'. He mopped the floor with Solly, calling parts of his testimony 'bizarre'. The contention that I had abused my power was also summarily dismissed.

Running parallel to this had been Solly's own disciplinary hearing. He had finally been suspended in February 2021 over his role in the Econ Oil fiasco. This case did not go any better for the loquacious chief procurement officer.

Advocate Nazeer Cassim, the chair of the disciplinary inquiry, found that Solly had placed the interests of the oil company above those of his employer, Eskom. 'Tshitangano acted dishonourably and has exhibited all the qualities that makes him unsuitable for the position he occupies,' Cassim declared.

He recommended further steps be taken against those implicated in the matter, a suggestion that was duly followed by Eskom with the filing of criminal charges against Econ Oil and Marah.

All told, Solly was found guilty on five charges, including that he breached company regulations by bypassing internal grievance procedures. According to Cassim, 'His approach to the chair of the Eskom board, the minister, the presidency and Scopa were unwarranted in that matters which should have been dealt with internally were externalised for an ulterior purpose.'

For good measure, Cassim also found that the charges of racism against me held no water, saying that Solly had used them as a shield to evade accountability for his own actions. 'Race has nothing to do with this matter. The matter is about dishonesty and corruption. It is about competence and the kind of society we wish to live in.'

Further vindication would come later that year when the South Gauteng High Court formally set aside Econ Oil's contract. A cost order was granted against the company, which had opposed Eskom's application.

With all the charges swirling around my head, I was often asked by friends and acquaintances why I didn't just pack it in. They knew I wasn't short of other career

options. But I'm a difficult Dutchman. Attacks just make me more determined to stay the course. Commendations, rather than condemnations, would give you a better chance of getting rid of me.

If I had resigned in the face of the Dabengwa onslaught, I would have acknowledged that I was a liar. If I had resigned because of Solly's accusations, I would have acknowledged that I was a racist. If I had resigned because someone saw me running towards a lift, I would have acknowledged ... well, not much ... but I would have proved myself a fool.

In much the same way that running the Comrades takes a lot of preparation, I believe you have to become 'fit' before taking a job like this. That is why you need experience; you need to be used to managing a big company and dealing with high-pressure situations. This is what enabled me to become the longest-serving Eskom CEO in fifteen years. Sometimes, with a shrug of your shoulders, you should just say, 'It is what it is', and try to make the best of it.

A CEO, especially one operating in a stressful environment, needs to have the right emotional equipment. And having the right temperament for this kind of job doesn't always correlate with high IQ. Don't automatically appoint your smartest engineer as a manager. The candidate with the high EQ might be better suited. The clever guy probably just wants to be an engineer, doing engineering work, because that's what he's good at. When you take him out of his comfort zone and make him the boss, it can turn into a disaster for the organisation and the individual.

Throughout the whole Solly saga, I was grateful for the unwavering support of Professor Malegapuru Makgoba, the Eskom chair. He used much sharper language about the disgraced chief procurement officer than I ever did: 'That guy is useless!' Prof even summoned a meeting of the Eskom Executive Forum, an unprecedented step for a non-executive chairman. 'This board will not tolerate racism,' he said in his calm, measured tones. 'But equally, spurious accusations of racism cannot be used to hide poor performance.'

Prof had come through for me. We had built a foundation of mutual trust and respect – two men dedicated to a task that we regarded as important to the country.

In a board statement, Makgoba again warned against the worrying trend of Eskom staff playing the race card when held to account for their actions. There was indeed a pattern to these cases. Time and again, when negligent, incompetent or just plain lazy Eskom employees were taken to task, they would fight back with the lodging of spurious charges against their superiors, forcing the disciplinary wheels to grind to a halt. Sometimes they would stick around for years or, in extreme cases, never face real consequences – all while still drawing a handsome salary.

This may have been the end of Solly, but sadly not of his playbook.

Many more battles lay ahead.

One call opens a Pandora's box

'Boss, I have a problem,' the anonymous caller said. 'They want me to install this, but I can see it's not right. Nobody is listening to me, but I know if we install it, it will break. I know it will break. That is why I'm calling you.'

It was a Sunday afternoon in May 2020. I had just had a glass of red wine with my lunch and was feeling about as relaxed as an Eskom chief executive could, when my phone buzzed in my pocket. I hesitated slightly before answering, as the call came from a private number. I get a lot of phone calls, as my number isn't that difficult to find, and Eskom has seven million clients – most of them not too happy. I've been chewed out quite a bit. But you never know whether it might be something useful, so I usually end up picking up these kinds of calls when not in a meeting. In this case, I was extremely glad I did.

The man on the other end of the line identified himself as an artisan working at Tutuka power station outside Standerton in Mpumalanga. He had got hold of my number and wanted to warn me of a substandard piece of equipment that was about to be installed on Unit 5. It was a submerged scraper chain, used for removing ash from the boilers of coal-fired power plants.

I thanked the anonymous artisan for his warning and reached out to a senior maintenance manager at Tutuka, who immediately phoned the team on site to investigate and prevent the potentially defective equipment from being installed.

At this stage, I had been in the job for about five months. The call was worrying in several respects. Not only because of the submerged scraper chain being of poor quality, but also because the whistleblower had felt he had to bypass several layers of management and go straight to the CEO to be heard. In doing so, he had no possible motive for personal gain, as he kept his name secret. To this day, I have no idea who he was.

The call prompted me to delve deeper into the situation. I soon found out that submerged scraper chain failures were responsible for an inordinate number of power plant breakdowns. Why was nobody questioning the repeated failures of this key piece of equipment? It was almost as if it was just accepted as a 'fact of life' that submerged scraper chains break all the time. In a well-functioning company, it would not have been necessary for an anonymous whistleblower to raise the red flag, or for the chief executive to get involved.

I reached out to a former colleague at Sasol, who advised me to investigate the metal compound used to produce the scraper chains for Eskom. Besides ordering a full metallurgical report, I also decided to visit Tutuka myself. The power station clearly had

other problems as well, as it had gone from top achiever to problem child in a fairly short space of time.

At the plant's warehouse, I asked to see the submerged scraper chains that had been causing all the problems. My request was met with blank stares and much uncomfortable shuffling of feet.

Eventually, the warehouse clerks took me to where the chains were supposed to have been kept. They clearly had nothing to show me except for an empty space.

'Guys, I don't want to see where the chains should be. I want to see the actual thing,' I said, more than a little irritated.

The anonymous call had set off a 'chain' reaction – in addition to testing the troublesome equipment, we now had another avenue to investigate – the case of the missing scraper chains.

The metallurgical report soon confirmed that the chains had been made from an inferior metal and manufactured using a substandard casting process. At one stage they were breaking on an almost weekly basis. After we switched suppliers, the situation improved dramatically, with failures becoming the rare exception that they should be, at a rate of one or two a year.

Though we had located the source of the problem and fixed it, I was disappointed that it had taken so long. Just in 2017 and 2018, Tutuka had lost about 15 000 MWh of generation capacity because of boilers that were out of action due to submerged scraper chains breaking.

It transpired that the equipment had been purchased from a so-called emerging supplier, in keeping with South Africa's myopic industrial policy that drives local content at the expense of using parts from the original equipment manufacturer. They were substandard, kept on failing, and robbed us of generation capacity. While the new industrialists were being empowered, the country was being de-powered. The cost of this policy was economically ruinous loadshedding and the disruption of daily life, but hey, you can't make an omelette without breaking some eggs.

The absence of this key piece of equipment in the warehouse was likely only one piece of a jigsaw puzzle. I realised that we would need to do a full audit of Tutuka's massive warehouse. Unsurprisingly, it turned out that the missing scraper chains were just the tip of the iceberg. We ended up writing off phantom equipment to the tune of R1.3 billion, at Tutuka alone.

It was clear that Eskom needed much stricter warehouse controls. I demanded that we implement a bar-coding system which involved scanning equipment in as soon as it arrived. This would replace the archaic system whereby warehouse clerks kept track of deliveries on slips of paper. Only at the end of the day would this information be fed into a computer database, creating the risk for human error as the numbers were punched in.

Big and small businesses use a bar-coding system these days, so why couldn't an organisation like Eskom? Implementing it seemed like a no-brainer. But my plans surprisingly met with stiff internal resistance. Or perhaps it shouldn't have been so surprising. When your internal controls are centred on small scraps of paper, the opportunities for theft and corruption are so much greater.

When I finally received a plan to implement the bar-coding system, Tutuka was

surprisingly – or, again, perhaps not so surprisingly – listed as the last power station where it would be installed. As the plant with the biggest inventory crisis, it should have been first on the list. ‘Colleagues, surely you cannot be serious,’ I said. ‘We all know that this whole thing was precipitated by Tutuka, and, lo and behold, it’s now last on the list. The only reasonable explanation for this is that people want to continue to steal.’

At one stage the alleged ‘complexity’ of Eskom’s stock items was cited as one of the reasons why a bar-coding system would not work. I said this objection was nonsense. The pharmacy on the corner has around 20 000 stock-keeping units; as a big corporation, we should be able to manage. Yet still the obstruction was played. Excuse after excuse was found why controls could not be implemented. Software compatibility, Wi-Fi coverage, procurement delays, non-responsive tenders ... the creativity of the blocking brigade knew no bounds.

Recalcitrant employees were not the only obstacle to implementing something as basic as a bar-coding system. To do so we needed to go through the entire process laid out in the Public Finance Management Act (PFMA). Merely to get to the point where you can issue a request for tenders can take up to six months. In the meantime, the money was flowing out the door as Rome was burning.

In the absence of a bar-coding system, I tried to tighten controls, including through more regular audits of warehouse inventory. My predecessors had gradually weakened all these controls.

When I took over as CEO, one of the first people who informed me of their intention to leave was the acting group executive for assurance and forensic. We went through a recruitment process and managed to snag Nida Gafoor for the position. She had previously worked for Sasol and is known as someone with impeccable integrity, sometimes being such a stickler for the rules that it can get tiresome.

She had to appoint new audit personnel as there were a large number of vacancies. She also had to get rid of the bad apples, some of whom may have been complicit in the state capture years.

People sometimes wonder why it takes so long to see significant improvements at Eskom. One of the big reasons is that you have to rebuild everything from the ground up, including procurement governance, systems and people.

A team of auditors was sent to Tutuka, headed by the dogged Chris Baloyi, Eskom’s head of forensic investigations. The forensic team set up in a conference room and called in employees one at a time and went through the folders full of warehouse records one by one.

‘Tell us what happened here. Tell us what happened there.’

‘Why was this purchase order signed off on, but the item is not in our warehouse?’

Gradually they exposed the rot. Faced with the incontrovertible evidence, some broke down and cried as they confessed in that conference room.

Three people – two Eskom employees and one supplier – were arrested and eight staff members suspended.

A seemingly simple and straightforward enquiry to see a key piece of equipment had opened a putrid can of worms.

Warehouse management, like maintenance, is not a sexy discipline, but it is vital to

the health of a business. Thanks to my experience at Sasol and Nampak I learnt the importance of working capital. You don't want too much money tied up in equipment that is just sitting there. This kind of 'lazy' capital has an adverse effect on a company's liquidity. It's crazy to borrow more money at high interest rates while your capital is tied up in unnecessary stock.

We were frequently unable to complete maintenance because we had billions in spares but not the right ones, so it's a fine balancing act.

I once visited the warehouse at Majuba power station in Mpumalanga and was surprised to see the actuators stacked sky-high. An actuator is a component that is responsible for moving and controlling a mechanism or a system, for example by opening a valve. You shouldn't need to replace more than one or two a year.

When I asked the warehouse clerks, 'How many of these do you use a year?' they couldn't answer me. Any storeman worth his salt knows how many of a certain item he needs; what the value is; what the turnover is; how many he has in stock. Majuba had been ordering actuators in numbers that would last several lifetimes – and I had a pretty good idea that this was not mere incompetence at work.

After an audit of all our power stations' warehouses we found that each of them had between R1.3 billion and R1.6 billion of stock just sitting around. Multiply that by the number of Eskom power stations, and the impact on borrowing money to fund this non-productive working capital is immense; all while Eskom kept borrowing more and more from the capital markets.

Of course, compounding the problem at Eskom is that the purported stock is often not there (as was the case at Tutuka). Or the stock is there but it was purchased at hugely inflated prices. When walking through some of these warehouses, one realises that they are emptier than might be expected. The numbers on the system and the parts in the warehouses simply do not match up.

In the case of Tutuka, basically R1.3 billion had vanished into thin air.

A defective piece of equipment had been the proverbial canary in the coal mine, exposing two major problems that affected not only Tutuka but the whole of Eskom: submerged scraper chains of poor quality and lax warehouse controls. It would be no exaggeration to say that these two breakthroughs saved South Africa billions.

And all because one employee, another unsung hero of the Eskom struggle, had decided to do the right thing on a Sunday afternoon in May.

13

The hidden tenderpreneur tax

If Eskom wants to build a transmission line, we pay a whopping two and a half times more per kilometre than NamPower does in neighbouring Namibia.

It's one of the many poisonous effects of our government's insistence on local procurement.

As is the case with all dirigiste policies, it begins with a noble aim: protecting the local steel industry. Like motherhood and apple pie, something we can all get behind. But, as always with centralised economic command and control, it is blind to the unforeseen consequences.

In effect, the state is telling Eskom: We want you to pay more for steel and then recoup that cost in your tariffs for electricity. So, instead of protecting the local steel industry, the most significant consequence of this regulation is that it bakes in a higher power price – one of the key input costs for any business. The ripple effect makes everything more expensive. Ultimately, it has a detrimental effect on the whole economy, resulting in even more widespread unemployment – even though a few jobs in the steel industry may have been saved.

Our ironically titled 'industrial policy' is one of the main drivers of de-industrialisation.

The role of manufacturing in the South African economy has shrunk steadily. In 1994, when the ANC took over, it was 27 per cent of gross domestic product. Now, it is less than 13 per cent.

Mining was another huge job creator in the past. But because of government policy under Minister Gwede Mantashe, our share of global exploration projects has dropped to less than 1 per cent. Due to the long timeframes associated with big mining projects, this 1 per cent figure also provides a worrying look into our future. It's a leading indicator of what's coming down the pipeline, and the answer is 'not much'. Even if we were miraculously to get that figure up to, say, 5 per cent, it could take a decade to see the benefits of those exploration projects. In the 2021 Fraser index, which measures how attractive jurisdictions are for mining investment, South Africa ranked 75th out of the 84 countries surveyed. Since 2018, when Mantashe assumed office, our mining policy attractiveness had fallen off a cliff. It was the first time that we had featured in the bottom ten of the rankings.

Anti-business policy has consequences.

But for the ideological blinkers over our government's eyes, South Africa could do great things.

In *The Open Society and Its Enemies*, the philosopher Karl Popper writes about the Hegelian determinism that blinds almost all Marxists: they believe if they just keep on

doing the same thing over and over again, eventually the proletariat will triumph, because it is historically and dialectically predetermined. Meanwhile, history shows clearly that Marxism is a dead-end ideology.

Because of their myopic views, I find that debating with Marxists is like debating with members of the Flat Earth Society. You cannot win. They believe in their ideology like an evangelist believes in the Second Coming. Despite all evidence to the contrary, they strive for greater state intervention and greater state regulation.

In an avuncular moment, Pravin Gordhan once told me that business schools were teaching Marxist principles, and that the dialectic would prevail. 'Minister,' I replied, 'I also believe in a Karl, but it is a different Karl.' I don't think he got my allusion to Popper.

Just as troubling is the fact that President Ramaphosa allows each minister to cook their own broth as far as policymaking is concerned. There is no coordination or cohesion between the different spheres of government.

An organisation like Eskom sits at the nexus of at least five government departments that are all pulling in different directions like stubborn oxen: Mineral Resources and Energy, Public Enterprises, National Treasury, Trade and Industry, and Forestry, Fisheries and the Environment.

I once told Pravin Gordhan and environment minister Barbara Creecy about just one of my conundrums. On the one hand, environmental regulations required me to shut down 6 000 MW of capacity to cut down on carbon emissions. On the other hand, the Integrated Resource Plan of Gwede Mantashe's energy department forbade me to do it. And then, to top it off, the Public Finance Management Act said that if I complied with the environmental policy and built infrastructure to the tune of R330 billion to control emissions, I would be guilty of incurring fruitless and wasteful expenditure.

In George Orwell's 1984, 'doublethink' is one of the key concepts in the all-powerful state's official language, Newspeak. It refers to the ability to simultaneously hold two mutually contradictory ideas in one's head without difficulty. But even the renowned English satirist's novel would fall short in trying to capture our government's policy approach. Triplethink or quadruplethink would be more like it.

The hidden costs of our high unemployment rate, which is exacerbated by poor policy decisions, can be seen at Kendal power station in Mpumalanga. It is one of the hotspots for cable theft and corruption in Eskom.

The community next to Kendal is in dire straits. Their desperation has led to extreme militancy, as they have unrealistic expectations about what Eskom can do to improve their lot in life. In effect, they expect Eskom to hand out jobs on demand. While the power station managers try to work closely with the surrounding communities and empower them as much as possible, this is simply not a reasonable expectation.

The locals see a huge power station and assume there are a lot of jobs for the taking. Given the unemployment crisis, their feelings are understandable, but Eskom cannot solve all South Africa's problems.

I believe their frustration at being 'denied' employment contributes to the high levels of cable theft in the areas surrounding this plant. A rational organisation would dedicate its corporate social investment to alleviating poverty in the areas surrounding its plants. This is a well-known way to preserve a corporation's licence to operate. Eskom's CSI

budget, however, was focused on projects in the Free State and at Nkandla. For years, no money at all was spent on the community at Duvha power station, where roads were frequently blocked as part of protest actions. On the other hand, former president Jacob Zuma has a residence at Nkandla, but there is no Eskom power station to be seen. Clearly, political largesse was being dispensed via Eskom's coffers, instead of helping the communities around our plants. Changing this required extensive disciplinary processes, the usual grievances and complaints, and a restructured board and new CEO of the Eskom Foundation. All in all, this took just under three years. Nothing happens quickly or easily when the taps of patronage are being closed.

A lot of the infrastructure damage we see is not necessarily high-level sabotage or organised crime, but merely a man looking to feed his family. If your children are hungry and you see a piece of steel that can be sold to buy a loaf or two of bread, it's difficult to resist the temptation. But unfortunately, this act of theft, multiplied a thousand times across the country, weakens Eskom's ability to supply a steady stream of power, which in turn hurts the country's economy, which in turn leads to the unemployment crisis that led to the theft in the first place. It is a classic vicious cycle.

In my heart of hearts, I can't blame someone who is so desperate. Who I do blame is the scrap-metal dealer who deliberately sets up shop right outside an informal settlement where unemployment is at 60 or 70 per cent. And I blame the police who allow that scrap-metal dealer to get away with it.

I am sympathetic towards the argument that we should have a universal basic income grant to help people in this kind of desperate situation. The advantages in terms of social stability are alluring. However, I am ultimately opposed to this policy intervention. Firstly, it is unaffordable, and, secondly, it would entrench dependency on the state even further.

What the state should be doing is removing obstacles to job creation and investment.

To cut more off the shrinking cake to distribute is simply not sustainable. We have to start baking a bigger cake.

A basic income grant would be like putting a plaster over a gaping wound. Joblessness needs to be tackled structurally with an industrial policy that actually makes sense.

Part of the blame for our situation lies with the destructive role played by the labour unions. Our unions are all proponents of policies that are fundamentally anti-job-creation, including demands for unrealistic wages and protectionist policies. In many respects, they enjoy the same rights as unions in countries with near-full employment. But this is untenable in a country with an unemployment rate of more than 40 per cent.

Ultimately the unions represent those who have work, not those who don't.

One point on which we do agree is that Eskom is not nearly as overstaffed as is often believed. A few years ago, a now largely discredited World Bank study claimed that Eskom's personnel, which then numbered 42 000, should be closer to 33 000. However, it did not factor in a number of unique conditions in South Africa, including the fact that our ageing fleet of power stations is a lot more labour-intensive to maintain. I believed we should aim for somewhere around 39 000. When I joined, the number of staff was 46 900. Now it is down to a shade over 39 000, very close to the ideal number. We lose around 1 500 employees per year, due to retirements and voluntary severance

packages, so Eskom has to keep on recruiting and training to replenish the pipeline.

One needs to tread carefully with voluntary severance. The staff taking these packages are usually the people with the most years of service, experience and skills – and Eskom already has a shortage of these. And Eskom also needs to build new capabilities to cope with the future demands of running a much expanded transmission grid, and an electricity market.

For the past two decades, Eskom has followed a policy of transformation at all costs. The sole focus was on getting the numbers in line with government's requirements for employment equity.

As someone who is intensely aware of the historic privileges white people have enjoyed in South Africa, I am a passionate supporter of transformation. And I'm proud of my record in this regard at Eskom, where representation of designated groups at senior and executive levels improved after I joined. But when transformation simply becomes a numbers game, the warning lights start flashing.

Managing any complex organisation is about balancing a wide variety of variables and limited resources. As soon as you start focusing on one single variable, to the exclusion of all others, you find yourself on shaky ground. For example, let's say I own a coffee manufacturer and decide to focus exclusively on increasing my profitability. I start to skimp on raw materials to bring down my costs and retrench half my staff. In the short term, I'll make a killing. But it won't take long for customers to figure out that my brand's quality has dropped like a stone, and soon I'll be out of business. Fixating on only one aspect can be deadly.

In much the same way, the focus on a single variable at Eskom weakened the organisation. Ironically, the precipitous manner in which transformation was implemented also harmed many of the new appointees, robbing them of the chance to learn from some of the old hands.

'We've suffered a large-scale depletion of skills,' I once told Pravin Gordhan. 'We have people working in the Philippines and Vietnam – who should be operating our power stations.'

The minister immediately grasped what I was saying. He replied, 'I had exactly the same problem at SARS and I deliberately teamed up experienced employees with new entrants – in order to incentivise them to transfer skills.'

It is not a racial issue – it's an experience issue. If I appointed a white English-speaking engineer fresh out of university with a cum laude, he or she would need the same mentoring as a candidate of colour.

Another part of the skills problem arises from the fact that BTech degrees have been placed on an equal footing with university degrees. I know this is a controversial viewpoint. The BTech guys like to present themselves as engineers, but they are not really engineers. They are technicians. It suits everyone to believe this fiction – because it allows you to play the numbers game with a degree of success.

What it really leads to is a decrease in the level of knowledge in your organisation.

An engineer is trained differently than a technician. An engineer learns another way of thinking, another way of approaching a problem. It's a little bit like saying: I've got a doctor and I have a pharmacist. And now I'm going to allow the pharmacist to perform open-heart surgery.

One is not inferior to the other, but they have different skills.

The closure of our technical colleges, and the resulting poor training of artisans, has also exacerbated the problem.

One of my other big policy frustrations was procurement regulations at National Treasury that tied our hands.

The author of the Public Finance Management Act is Treasury veteran Ismail Momoniat, someone for whose intellectual integrity I have a lot of respect. The PFMA was a law that was adopted with noble intentions: theoretically it should prevent the coffers of the state being looted by unscrupulous businesspeople and politicians.

One day, Portia Derby, CEO of Transnet, and I were in a meeting with the team from Treasury and the Department of Public Enterprises where we were trying to find solutions for the procurement problems. At one point, an exasperated Momoniat said to his colleagues, 'You have completely undermined the purpose of the PFMA! What the chief executives of Eskom and Transnet are asking is exactly how the Act was written. What you've done is to create something that was never intended.'

In effect, an extra layer of ad hoc regulations and bureaucracy had been added to the Act through the issuing of departmental directives.

On the surface, the tightening of controls may look like a good idea, especially given the history of rampant corruption in state procurement. However, these measures can result in some unforeseen drawbacks. In the case of Eskom, it can lead to a Treasury official with little or no technical knowledge having to make a judgement about highly specialised equipment or services.

The bureaucrats charged with adjudicating Eskom's requests have, at best, a theoretical knowledge of business. It would be like me trying to make a call about an IT tender relating to intricate computer software. My children would probably be better placed to make an informed judgement.

Portia faces the same problem.

At one point, Transnet bought four transformers for their locomotives; they then realised that they needed a fifth. But rather than just buying it from the supplier who won the first tender, Treasury insisted that Transnet 'test the market' prior to procuring the fifth one.

It's the same at Eskom. When you operate, say, a Siemens generator, it clearly would make sense to request Siemens as the original equipment manufacturer (OEM) to provide the spare parts and services for the plant. But the law requires Eskom to 'test the market'.

This is akin to putting an ad in the classifieds for open-heart surgery and taking the lowest bid, not necessarily the most competent one. And then, while you're lying on the operating table, you're told to 'test the market' – let go of the low-cost surgeon who is up to her elbows in your chest, and replace her with a new and lower bidder. And in come the bakkie brigade, because they put in the lowest bid. But it's worse than that. The OEM, knowing that it is unlikely to get contracts to provide spares and services, scales down on its spares and its training. It doesn't hire and retain the best engineers, because the OEM can't offer them a career with good prospects. So ultimately everyone, but especially Eskom, loses.

What we have here is a classic case of 'bureaucratic creep'. Rules and regulations are

a bureaucrat's bread and butter. That means they are always looking for new ones to enforce – and regard it as a measure of their success and importance. The more rules I make, the more power I gain.

Overregulation like this has a stifling effect on the efficiency of state organisations and, ultimately, on the economy of a country as a whole. Of course, it is a fine balancing act, and too little regulation can lead to a Wild West where the crooks run rampant and the cowboys are easily overrun. But bear in mind that all these strict regulations were in place when state capture was in full swing.

During my term at Eskom, I felt that the regulations were too burdensome – and one of the main reasons that I had underestimated the scale of the challenge at Eskom.

In the private sector, it was simple and quick to get things done. Now, I was dealing with the red-tape brigade. They have never made anything, they have never sold anything, and they've never sat across from a customer who wasn't beholden to them. The consequence of this is that decisions are made that, in theory, have some passing merit, but in practice are disastrous for efficiency. It was only in April 2022 that Eskom received an exemption from National Treasury to buy goods and services from OEMs, and even then, procurement teams at power stations regularly decided to stick to their tried-and-tested middlemen – for reasons that we can only speculate about.

Added to this are the onerous burdens of the Preferential Procurement Policy Framework Act (PPPFA). This Act requires that tenders be awarded according to a points system to ensure that a wide variety of interest groups benefit from each contract awarded, for example women, veterans, the youth and people with disabilities, to name but a few. At Eskom, this led to the creation of a whole ecosystem of middlemen who were adding little or no value to the organisation. Econ Oil, which featured in Chapter 11, is a prime example.

The Act and its regulations also required that goods and services be procured locally as far as possible. At Tutuka power station, for example, this would mean sourcing supplies from businesses in Standerton. In theory, this policy would support struggling local economies. But, as is so often the case with regulations that interfere with natural market forces, they always come back to bite you.

Goods and services ended up being bought at wildly inflated prices. I discovered bearings worth R110 000 being purchased for more than R400 000. At one power station we were billed R370 000 for a compressor refurbishing which should have cost R40 000. A hydraulic oil pump costing R295 000 was bought for R650 000.

Sham companies founded by tenderpreneurs would spring up overnight in rural areas; primed to exploit the well-meaning but ultimately naive policy of localisation.

When a request went out for a highly specialised piece of equipment, like a transformer, the tenderpreneur would get a quote from a supplier sitting in one of the big metros, add a healthy profit margin and submit his bid to Eskom. Thanks to its supposed local roots, the business would then win the tender. In many cases, the actual supplier would deliver the goods directly to the power station – without it even passing through the hands of the pop-up company. But there was one function that these sham businesses did not outsource: the invoicing. Their grossly inflated bills were paid even though they contributed nothing of any value throughout the whole process.

We crunched the numbers and found that, on average, these middlemen were

pocketing around 30 per cent of every tender – effectively an extra tax on the citizens of South Africa.

They never make anything and never risk anything for their spectacular rewards. I have received many entreaties from the frustrated suppliers to these middlemen who query why Eskom doesn't buy directly from them, at a much-reduced price. When an Eskom tender goes out, a swarm of middlemen approach these suppliers, asking for a quotation.

The lawmakers clearly envisioned entrepreneurs setting up factories in depressed rural towns. But the reality is completely different – yet another example of how the ANC's lack of business acumen has led to counterproductive legislation.

Even President Ramaphosa, widely regarded as a successful and wealthy business magnate, is not someone who has hands-on experience of building an enterprise from the bottom up. Shrewd corporate dealmaking, lubricated by favourable black empowerment legislation, built his fortune. He ran little to no entrepreneurial risk.

The dearth of business experience in its top echelons means that the ANC consistently fails to understand what moves investors. Our strict procurement and labour laws poison the well and have them heading for the hills.

Bid windows for renewable energy with a predetermined local content are another disincentive for business. In the heady days when South Africa was at the forefront of international bid rounds for renewable energy, manufacturers were keen to set up shop on local shores to make the components required. After all, they were going to have a market, and a growing one at that, for decades to come. To sensibly commit the capital necessary to build a factory, you need a twenty-year view of future demand, not a small window of a year or two. A market that is subject to regulatory whim entices no one. This was illustrated when Brian Molefe and Matshela Koko declined to sign the power purchase agreements for Bid Window 4. The procurement process ground to a halt, the component market dried up overnight, and the factories were shut down. And once bitten, investors don't return.

The DCD Wind Towers facility in the Coega industrial development zone near Port Elizabeth has stood empty since November 2016 as a result of Eskom's refusal to sign agreements to buy power from South Africa's renewable energy sector. The plant can produce up to 200 wind towers a year.

The R536-million factory was a joint initiative between the DCD Group and two state-managed entities, the Industrial Development Corporation (IDC) and the Coega Development Corporation. This meant government-funded industrial development projects were being undermined by its own parastatals.

DCD sold its stake to the IDC for R1, and eventually the plant was shut down, never to be reopened. And because of the decision by Molefe and Koko not to sign the power purchase agreements in 2016, loadshedding was a lot worse than it needed to be. A 2022 study by Meridian Economics showed that as much as 96 per cent of loadshedding could have been averted if Eskom had signed. Instead, the South African economy suffered massive damage while Molefe presided over the stillbirth of a nascent industry.

Telkom is able to dodge the onerous requirements of the PFMA and the PPPFA because it is listed on the JSE. This has enabled it to turn its business around.

The advocates of strict procurement legislation would argue that it is the duty of

state-owned enterprises to act as agents of transformation. Even if this did happen in practice, which is questionable, you have to appreciate that over time the higher margins charged as a result of this type of social engineering, and the resulting higher prices paid by state-owned enterprises, become embedded in your input costs right across the economy. Electricity becomes more expensive. Rail transport becomes more expensive. And, as a result, your economy becomes less and less competitive. This in turn leads to lower investment and lower job creation. The higher costs for critical business resources, for example electricity and rail transport, snowball through the economy. In effect, we are entrenching uncompetitiveness.

The rallying cry from government sounds noble: 'We have to use our state-owned enterprises to drive transformation!'

But the way we implement these policies ends up with the cash-strapped consumer eventually footing the bill for the short-sighted actions of government.

In February 2022, in a case brought before the Constitutional Court by Fidelity Services and others, the court held that the regulations under the PPPFA were inconsistent with the Act. Confusion ensued, and eventually Eskom obtained the right to write its own PPPFA policy, which was much more conducive to the nature of its business, while still allowing for transformation and development to be pursued. This policy was implemented in January 2023, as I was headed for the exit.

Port tariffs are another example of government dropping the ball. Keep them as low as possible so that businesses can import and export cheaply. This benefits the entire supply chain in an economy. But port tariffs are substantially lower for exports that have little value added, and therefore created fewer jobs. Tariffs for labour-intensive value-added goods are much higher. In the Ports Regulator's own words, 'This is clearly not in line with SA's economic development policies' and 'clearly not aligned with the country's industrial objectives'. But this is how we roll.

In my view, the purpose of state-owned enterprises should be to have the lowest possible input costs for the economy. Costs like harbour and electricity tariffs set the baseline for a country's economy. If these are too high, any business enterprise is building on a shaky foundation and starting off on the back foot.

Investors, especially those from overseas, are choosy. And no aspect of our industrial policy is geared towards making South Africa an attractive destination for them.

After the heady days of the Mandela era, the ANC still labours under the misconception that there is some kind of 'South African exceptionalism'. The sooner they disabuse themselves of this notion, the better. Investors today have many alternatives across the globe. They are not going to pay a mythical 'Rainbow Premium' to be associated with South Africa.

The idea that somehow the Western powers 'owe us' because of the legacy of colonialism and apartheid is incredibly widespread in the ANC. This is even the line pushed by Naledi Pandor, our minister of international relations and, theoretically, the cabinet member who should have the strongest grasp of global realpolitik.

Ebrahim Patel, minister of trade and industry, also believes that the West owes us some form of reparations for the sins of the past. Maybe they do, maybe they don't. But it is an entirely irrelevant debate, because even if they do, how are you ever going to enforce collection of that debt? And if a country can do business with another

country with no chip on its shoulder, no matter how historically justified, do we really think that they will prefer South Africa?

Big capital is, at its heart, a cowardly beast. To coax this creature out of its lair, one needs to cultivate fertile soil and hold out the carrot of rich returns to compensate for the risk of losing it all.

President on the line

One day in June 2021, while I was cooped up at home with Covid, I received a phone call from an unknown number. I rolled the dice and answered.

I'm fairly brusque when I answer these sorts of calls, because I don't have time for 'Hello, how are you?' and so on.

On this occasion, the person on the other end of the line also had little time for niceties. Clearly assuming that I would recognise the number, he simply said, 'We need to talk.'

The voice sounded like that of Ezra Davids, the chairman of Bowmans, who had helped me get to the bottom of the Econ Oil mess, and I assumed he had a new number.

'Oh, has there been new information?' I asked.

He talked a bit more ... and it began to dawn on me that it was not the chairman of Bowmans on the line.

'Wait a minute, to whom am I speaking?' I enquired.

'This is the president,' the deep voice said.

I immediately jumped up and stood to attention.

'Excuse me, Mr President! I didn't recognise your voice ...'

I had been in the job for about a year and a half, but this was our first one-on-one talk. All our other engagements had been in larger gatherings or on Teams and Zoom calls. Pravin Gordhan, as minister of public enterprises, was the cabinet official who had direct oversight of Eskom, so most of my direct communication with government had run through him.

The reason for the president's call was that he wanted to invite me to his house for a one-on-one meeting.

'We need to talk; you have to come to the farm. We'll have something to eat and then we'll talk,' he said, emphasising the last word.

'Mr President, the invitation is a great honour, but there is one difficulty: I have Covid.' It isn't every day that one has the opportunity to turn down an invitation from the president, even if I had the best possible excuse – a positive Covid test.

'No, no, stay away, stay away!' he said half-jokingly.

After I had recovered from Covid and shortly after the riots that had set the country ablaze, I sent the president an SMS: 'Evening Mr President. Thank you for calling me. I've since recovered from Covid. If it is convenient for you, I would like to schedule a meeting if your invitation still stands. I do believe that SA and Eskom have a significant opportunity for COP26 if we play our cards right.'

COP26 was the 26th United Nations Climate Change Conference, which was due to be held in Glasgow, Scotland, in October and November of that year.

The president and I scheduled our meeting for 3 August. It would be held at his private residence in Hyde Park, Johannesburg.

Driving up to the house I was relatively surprised at how light the security seemed to be. It's a lot more difficult to get into Megawatt Park!

There were two policemen at the gate and some metro police on motorcycles outside. But they just glanced at me and made no attempt to search the vehicle or my bag. Usually, when you visit a government department, they stop just short of a full-body cavity search.

I was received at the door by one of the president's assistants, a young lady, formally dressed. She ushered me into a lounge where I sat cooling my heels. I am a little obsessive compulsive and couldn't help but notice that one of the paintings was hanging slightly skew. I had to suppress the urge to straighten it. If the president walked in while I was moving his stuff around, it might have been more than a little awkward.

The house reminded me of one of those residences loved by the nouveau riche Afrikaners. It was built to impress rather than to be liveable. The original owner had gone for the Douw Steyn approach. Make it big! Make it big! A whole convoy could park in the porte-cochère. The lounge where I was waiting was also huge.

When the president finally entered, he greeted me warmly. Another assistant brought us some tea. Then we got down to business.

One of the first questions he asked was, 'Do you have the right skills at Eskom?'

I replied, 'Mr President, we've lost many key skills.'

I did not mention the elephant in the room: the role that rashly implemented transformation measures played in driving many of our most experienced workers out of Eskom, many of them overseas. It wasn't necessary, as he grasped the thrust of my remarks immediately.

'But we need to bring these guys back!' the president exclaimed, echoing what Pravin Gordhan had also expressed.

Top of my agenda were the negotiations in the run-up to COP26, because I knew that South Africa had a chance of securing major funding to help finance a quicker transition towards green energy. This was in large measure thanks to the sterling work done by Mandy Rambharos, Eskom's head of climate negotiations. Believing her department to be crucial to Eskom's future, I had revised our corporate structure so that Mandy fell under the office of the group chief executive. Previously, decarbonisation had been an afterthought.

Fortunately, I knew that Ramaphosa was sympathetic to our cause. When I had visited Luthuli House for a meeting with the ANC in March 2020, he had pulled me aside afterwards and said, 'All this renewable energy ... you must make sure Eskom is a major part of that.'

It was a sentiment that was not universally shared in his party, and I wanted to make sure that we could count on his political support in getting the climate deal over the line.

At the time, there was widespread scepticism about South Africa's ability to secure

the funding. I wanted the president to know that I differed from this view, and that the climate deal was by no means a pipe dream if we continued with the right strategy.

The most likely stumbling block was politics. The Department of International Relations and Cooperation regarded the climate funding offered by the Western nations as a neocolonial plot, a nefarious ploy to negate South Africa's God-given mineral resources.

Gwede Mantashe, minister of mineral resources and energy, distanced himself from the process completely, saying in effect that we should burn coal until there's nothing left.

I faced a lot of opposition. Gordhan was, at best, on the fence. The minister was especially concerned about the wider implications of accepting the loans. He kept asking, 'What are the geopolitics of the deal?' He was clearly worried that South Africa ran the risk of ceding too much influence to Western funders.

But he was probably also keeping a close eye on matters nearer to home and the possibility that a decreasing emphasis on coal could unsettle the party's alliance partners, such as the Congress of South African Trade Unions (COSATU).

Perhaps, in the end, it was more about internal ANC politics than geopolitics.

We did have strong support from environment minister Barbara Creecy, but trade and industry minister Ebrahim Patel was a liability in the negotiations.

At one key meeting with the climate envoys, he threw his toys out of the cot because he (incorrectly) thought we were being lowballed. To the astonishment of the envoys, he told them, 'It's just as well that I'm wearing a mask – so that it can hide the disappointment at the numbers you are offering us.'

While this approach may have worked well in the trench warfare of union negotiation where Patel had learnt his bargaining skills, it left the envoys nonplussed. Arriving with a very generous offer of concessional financing, they were faced with a beneficiary who wanted to pull the very teeth out of the gift horse's mouth.

Later, when we had a debriefing session with the climate envoys, John Murton, the British representative, said, 'Minister Creecy was very supportive, very receptive. Minister Gordhan was strongly in support' – and in the diplomatic understatement of the year, he added, 'but we don't quite know how to read Minister Patel ... because he made a few peculiar statements.'

Given the distrust in the ANC towards renewable energy, the most important thing to come out of my meeting with Ramaphosa was that the groundwork had been laid for the climate transaction. As we'll see in Chapter 17, this would turn out to be crucial.

Loadshedding was fairly under control at the time of the meeting. It was winter, and the coal stockpiles in the northern part of the country were dry. The cool winter air also made the cooling systems in our power plants a lot more effective.

When we walked out onto the stoep, Ramaphosa asked me, 'How high do you think you can get your EAF?' EAF refers to energy availability factor – one of the key metrics of power plant output.

Perhaps I should not have been too surprised that the president was au fait with this fairly technical term. He was once the chairman of the so-called Eskom 'war room'.

In effect, the president was asking me for a loadshedding outlook. The higher the energy availability factor, the less chance that emergency measures would be needed.

I told him in no uncertain terms that we would not see an energy availability factor north of 70 per cent again (at least not with our current fleet of power stations). The president was clearly disappointed by my answer. He had expected a better number.

I am seldom in the habit of sugar-coating a bad situation. It usually doesn't take long for the lie to be exposed, in any event. Best to get busy looking for solutions immediately.

I had to manage the president's expectations. He nodded contemplatively while I gave him the bad news.

As I headed to my car, he said, 'Do your best; just do your best.'

Overall, I found the president impressive; he grasps detail very quickly. When I mentioned the key points of the climate plan, he immediately understood the attraction of the deal – even though it was almost certainly the first time that he had received in-depth information on what was a fairly complex subject.

He grasped the essence of the transaction immediately, asked questions that spoke of insight, and pinpointed possible weaknesses and snags.

Over the phone he was perhaps slightly brusque, but in person very charming – someone you could have a beer with and a lekker kuier, as we say in Afrikaans.

The president is not a great orator and doesn't have a ton of charisma on the stage, but in smaller and one-on-one engagements like this one, he is extremely affable. Throughout our meeting, which lasted forty-five minutes, he projected the image of a statesman firmly in charge of the facts and the issues, in a way that outshone his cabinet ministers.

It was a constructive meeting and there is no doubt the president is shrewd and capable. But I could not escape the conclusion that in running the country he was more of a genial country-club manager than a decisive leader. As long as he could keep the golfers and the bowls players out of each other's hair, he was content. In other words, a leader who wants to be all things to all men.

You can play darts, I can play golf, someone else can play tennis – and as long as everyone is happy and wearing the same green, black and yellow T-shirt, the president is happy.

It's a great way of managing a country club but no way to run a government.

At some stage a president needs to say, 'I've heard all your input, but here's what we're going to do.'

A good illustration of how the competing forces in the ANC sometimes cause Ramaphosa to backpedal occurred shortly after the 2021 State of the Nation Address.

During the address, Ramaphosa acknowledged that the role of government is to create an environment in which the private sector can create jobs.

'Hallelujah!' I thought. Finally, our government gets it.

But alas, the tension in the ANC over the role of the state and the role of the private sector had not really been resolved. After an outcry from within the ANC alliance, Ramaphosa backtracked, saying he still believed in the 'developmental' state, where it fell to government to create jobs.

It's nice when one can keep the peace between the bowls players and the darts players, but it cannot come at any cost.

South Africa needs decisive leadership. And decisive leaders must be prepared to

make some people unhappy – like the proverbial tsar with the ruler mentioned in Chapter 8.

Some maintain that because of the deep divisions in the ANC, the president has little choice but to adopt an equivocating style of leadership. If he overplays his hand, it could tip the balance of power back to the RET faction, with potentially catastrophic consequences for the country. ANC realpolitik therefore dictates a cautious approach, or so the thinking goes. Some hardcore Ramaphosa fans have even gone as far as suggesting that one votes for the ANC in order to strengthen the president's hand in the internal ANC war.

I have little time for this argument. The lack of service delivery is precisely because of the equivocation that has characterised the ANC's long term in office. Wanting to be all things to all men. Wanting to be a broad church that accommodates all opinions. A country club that welcomes all comers, even those who just want to sit at the bar and drink.

Whereas what we need is firm, clear and unambiguous policy. The crisis we are facing is so grave that we have to keep our eyes firmly on the bigger picture and not on the managing of tensions within the ANC. Other world leaders are judged on how well they lead their own countries, not the extent to which they maintain unity within their own parties – and it's time to start judging Ramaphosa by the same yardstick.

Lighting a billion rands on fire

The number leapt off the page. One single power station, Tutuka, was burning no less than 43 per cent of all the fuel oil purchased by Eskom.

'What's going on here? This cannot be,' I said to the board members of Eskom's generation division during a meeting in April 2020.

There was much umming and aching around the table. The old favourite, 'No, you don't understand ...' was trotted out, but I kept on hammering and probing, also in subsequent meetings.

Fuel oil is used to get the coal in the boilers burning again after an outage or a plant trip. In the jargon of power station workers, this is known as 'putting fires in'. In some instances, where coal quality is particularly poor, operators add fuel oil to boost combustion. Even bearing in mind all of the trips at Tutuka, and its poor coal quality, it was simply impossible that one power station could legitimately be burning nearly half of all of Eskom's fuel oil purchases. Bear in mind that Tutuka is only one of our fifteen coal-fired power plants. One would therefore expect the percentage to be around 7 or 8, maybe 10 per cent if you wanted to allow for some kind of special circumstance.

While everyone else was seemingly taking the shocking statistic in their stride, I was happy to be the little boy pointing out that the emperor was wearing no clothes. Repeatedly.

Once, to really drive my point home, I said, 'Guys, if you were truly burning this much fuel oil, Standerton would be permanently covered by a black cloud. It would look as if the Israelites were being led to the Promised Land.'

Over the course of many months I persisted in asking questions about Tutuka's improbable fuel oil usage. I asked for analyses and comparisons, and eventually Jan came round to my point of view. Something was clearly wrong with fuel oil at Tutuka. The breakthrough only came once we appointed one of our best and brightest, Sello Mametja, as power station manager. Sello had a fifteen-year track record at Eskom, with ten in various senior management positions.

At the same time as his appointment, we had started disciplinary action against one of his predecessors, an appointee of former Eskom boss Matshele Koko. Prior to Jabulane Mavimbela taking over in June 2017, Tutuka had been one of Eskom's best-performing power stations with an energy availability factor of 84 per cent. Within a year and a half, the EAF had dropped to 34 per cent.

Sello agreed that something was amiss with Tutuka's sky-high fuel oil usage and took a personal interest in investigating the matter.

In interviews with the websites News24 and Netwerk24 as well as the Sunday

newspaper Rapport, he later recounted the dramatic events of 21 April 2021 that led him to solve this long-standing mystery. In the early hours of that morning, he was summoned to the power station after two units had tripped.

He left his house in Witbank, about 120 kilometres away, at around 02:30, as power station managers are contractually obliged to be on site after more than one unit trips, no matter the time of day. Arriving at the power station, he was informed that the fuel oil levels were low – even though they had received no less than thirty-six deliveries within the past twenty-four hours.

Sello noticed that one fuel tanker was busy unloading – or, at least, appeared to be unloading. The truck driver peered through a hatch in the tank, as if to make sure that it was empty. He told Sello that he had completed his delivery. But the quick-thinking power station boss had smelt something fishy. ‘I just had a feeling,’ he said later.

As the truck drove off, Sello noted that the level of fuel oil in Tutuka’s tanks had barely budged. He took a split-second decision to chase after the tanker in his own vehicle, accompanied by a security official who he had alerted. In the heat of the moment, Sello probably didn’t fully grasp the great personal risk he was taking. He didn’t know yet that he was chasing down two members of an organised crime syndicate. Following in a normal vehicle, Sello and the security official would have been in trouble if the driver of the hefty tanker had decided to pull some aggressive driving manoeuvres to avoid being flagged down, or if the two men inside had been armed.

Fortunately for Sello, the men in the tanker put up little resistance when he and the security guard pulled them over. ‘They told a whole lot of stories,’ he said.

Neither this truck, nor the others that day, had delivered any fuel oil. Later, when looking at the CCTV footage from the delivery area, Sello noted that all the trucks had switched their headlights to bright, so that their number plates would be less visible. The truck drivers all wore caps or hats that were pulled over their eyes.

Tutuka was being robbed blind by a fuel oil syndicate.

The suppliers had been indulging in so-called ‘round-tripping’: fuel tankers would drive over the weighbridge, but never offload their cargo. The driver would collect his delivery note, exit the gate, drive around for a bit, and return later, hence the name round-tripping. Of course, the suppliers would get paid for the fuel oil that was never delivered. Do not pass go but do collect R100 million per month.

It goes without saying that this kind of corruption requires the collusion of a whole chain of power station workers. From the security guard at the gate to the weighbridge operator to the supply chain worker at the fuel depot: they all have to be in on the scheme.

It’s a South African axiom that where you have a weighbridge, you will have theft and fraud. If you need to do a forensic audit, start at your weighbridge.

After his heroism, Sello now walks around with a permanent bodyguard and wears a bulletproof vest. His wife and family are driven around by bodyguards, to protect them from the very real threat to their lives. As someone who took an annual income of R1.2 billion out of the pockets of an organised fuel oil syndicate, it’s safe to assume there is a target on his back.

His actions led to the suspension of twenty Eskom officials, while two others were arrested for fraud, corruption and theft.

Some time later, on a site visit, I talked to the person in charge of procurement at Tutuka. 'Ever since we've implemented controls, the fuel oil levels in our tanks are far higher,' he said.

This was despite the fact that, on paper at least, Tutuka had drastically reduced its purchases of fuel oil. They bought less, but had more.

Tutuka only needed around six deliveries of fuel oil per day. But the previous management had signed a contract for thirty-six.

Looking at the graph of Tutuka's fuel oil usage, you could see it gradually ramp up as the criminals got greedier and greedier – and more emboldened by what they were getting away with. If they'd had a modicum of self-control, they could probably have got away with it for far longer. But, as is almost always the case, the greed was all-consuming.

One year into my term of office, I had seen enough to realise that Standerton was the Palermo of Mpumalanga. It was the heart of organised criminal activity in the province – and our power stations were the breeding ground.

At R100 million per month, the saving in Tutuka's fuel oil bill was staggering, but also sickening if you thought about what it implied: for years, this was the amount that had flowed out of Eskom and into corrupt coffers. Just at Tutuka, the annual cost of the round-tripping of a single commodity was a staggering R1.2 billion. Now remember that this was far and away not the only nefarious activity going on at the power station. And that this had been going on for several years. Add in the fact that we had fourteen other coal-fired power stations, none of which were 100 per cent untainted, and you start to get a sense of the scale of the corruption. If you also consider the effect that loadshedding and higher electricity prices have on the economy and the consumer, the cost to the country of embedded criminality in Eskom is truly incalculable. In the absence of law enforcement pursuing the crooks, it was left to Eskom management to play policeman in order to save taxpayers billions.

The scale of the rot was deeper and more systemic than many people realised – myself prime among them. I thought that with people like Koko, Brian Molefe and Anoj Singh out of the way, the worst was over. I was wrong. The corruption had metastasised to permeate much of the organisation.

The tale of Tutuka is also the story of two power station managers – and one of them, at least, embodies hope for the future.

Sello's bravery saved South Africa billions. He is the kind of manager who takes immense pride in his work. On his first day at Tutuka, two months before he uncovered the fuel oil syndicate, he put on his overalls and got stuck in on ground level – to the evident surprise of his colleagues.

What he found shocked him. The plant was dirty and the ash build-up enormous. In some areas it lay six metres deep, covering doors, stairs and equipment, he told Netwerk24.

In one section, where the ash had hardened into a thick concrete-like layer, he saw a piece of metal sticking out. He ordered the area cleaned, and the layer of ash revealed its secret: a back actor used for shovelling earth had been almost completely submerged under the blanket of ash. The only telltale sign was the tip of its hydraulic shovel sticking up out of the ash like a scorpion's tail. Eskom had been paying millions

in rent for this 'missing' piece of equipment. I could not wrap my head around the mentality that would knowingly cover a piece of yellow plant in ash – and simply didn't give a damn.

But, gradually, Sello managed to turn the tide and clean things up. 'I really love my plant,' he told Rapport. 'I love walking the floor.' His efforts unfortunately didn't translate into Tutuka performing any better. The plant remained a perennial underperformer, with its EAF hovering under 20 per cent.

In a private-sector company, it would have been a no-brainer to shut down the plant. Its cost of production was much higher than the tariff we received, and it required enormous maintenance and capital expenditure to keep running and remain compliant with environmental regulations. And years of systemic neglect and corruption had rendered the plant beyond redemption. During a visit to Tutuka by Ramaphosa, Gordhan, Mantashe and Bheki Cele, the minister of police, Sello laid out in gory detail the corruption that had emasculated the plant. The president was aghast. His ministers displayed a range of reactions: Gordhan had been briefed previously, and nodded knowingly. Cele got a vindictive gleam in his eye; the lassitude of local law enforcement clearly irritated him. Mantashe shot me a significant look and I had to wonder what it meant.

Walking around the plant, I pointed out a battery of hired compressors to the president.

'How much are we paying for those?' he asked.

'Millions per month, Mr President.'

'And why don't we fix the ones we own?'

'Because people have an interest in our compressors being broken.'

It would appear to be a moment's work to figure out who was responsible, but so insidious and invidious was the embedded corruption, and so complicated it was to fire the suspects, that the fight against the crooks was like holding back a tsunami with my bare hands. Ramaphosa knew what to look for; he had been in coal-fired plants in China and Japan where he had been issued with white gloves and asked to find a speck of dust. Trudging through a slush of ash, fine coal and mud, he was able to see with his own eyes what I was up against. Fixing Tutuka was mission impossible for Sello, for Jan and for me. Without the ability to hire and fire at will, without the support of law enforcement, without the ability to bring in skill and discipline, and facing hostile unions, point-scoring politicians and a workforce that no longer knew what good looked like, it was clear that our best intentions weren't going to do the job.

As for Jabulane Mavimbela, he became a case study in how tough it can be to get rid of non-performing employees in a state-owned corporation.

Jan began by removing him from Tutuka and said he couldn't manage a power station any more. Jabulane was redeployed to an equivalent position within the group capital division, from where he undermined and opposed our plans for green energy. That is, when he wasn't busy accusing me of racism in WhatsApp messages.

After we instituted a disciplinary hearing, he came up with formal grievances against me, Jan and Phillip Dukashe, the head of generation. By this stage, Jan and I were pretty much taking racism accusations in our stride, but I think it's fair to say that as an African man, Phillip had not been expecting the race card to be played against him.

Racism charges had become a dime a dozen. At one stage, Eskom chair Professor Malegapuru Makgoba spoke to the Executive Forum and basically said: We need to end this nonsense – stop playing the race card when you are held accountable for poor performance.

With his Black Consciousness background, Makgoba almost takes it as a personal insult when someone tries to cover up their own incompetence with accusations of racism.

In Jabulane's case, it was classic Stalingrad tactics. By filing these spurious grievances, he was hoping to delay his own fate.

So, as was the case with Solly Tshitangano and Sifiso Dabengwa earlier, Eskom once again had to bring in a senior advocate at great expense to hear the matter. The three of us had prepared our defence and were ready to cooperate with the process. What else can you do? However, at the very first sitting, Jabulane upset the applecart. To the astonishment of Advocate Fana Joe Nalane, the chair of the hearing, he claimed that the grievance procedure was unlawful and unjust. 'But Mr Mavimbela, you initiated the procedure. It is, to say the least, irregular for the person who initiated the procedure to object against it?' Nalane said, clearly struggling to keep his composure.

The hearing was held on Microsoft Teams, and Jabulane blabbered non-stop. At one stage, the exasperated Nalane just held his head in his hands and said, 'Mr Mavimbela, please. Explain to me why we can't go ahead with these proceedings? Why can't we continue with these proceedings?'

Unsurprisingly, the grievance went nowhere but it had succeeded in delaying Jabulane's own case. He then further stonewalled the process by bringing Labour Court actions against us.

At one stage, I asked our HR department, 'When do we fire this guy? Because we pay him a big salary and he does nothing ...'

Sometimes I wish I was an American CEO that can just call in someone and say, 'You're fired! The security team will escort you out.'

Of course, we need fair labour practices, but there needs to be a balance.

At the time of writing, Jabulane was still clinging to his job, and still getting paid to sit at home, more than three years after presiding over the demise of one of Eskom's best power stations.

From CEO to spymaster

In accepting the Eskom job, I thought I knew what I was signing up for. I would be the equivalent of an emergency-room doctor, trying frantically to breathe new life into an ageing and dying patient. I had no idea that I would soon be pulled into a world that was completely foreign to me: a world of bodyguards and bulletproof vests, of spies and safe houses.

At the end of my second year at Eskom, I was advised by our security department that a personal risk assessment had uncovered some concerning threats to my safety. The corruption merry-go-round had been slowing down, and the pressure was building to remove the spoilsport causing all the trouble. Threats on social media were reaching new heights, both in number and tenor, and security experts had also picked up chatter on the 'dark web'. In November 2021, Vusi Khoza, the leader of the EFF in KwaZulu-Natal, tweeted that people should drag me out of my house and 'moer' and 'bliksem' me. 'This thing of load-shedding and Eskom will only stop when we stand up,' he said.

Following the threats of violence, I laid a criminal charge and obtained an interdict, restraining Khoza from coming near me and prohibiting him from issuing threats on social media. In typical EFF fashion, he claimed that he had meant everything metaphorically.

In light of the worsening situation, Eskom security chief Karen Pillay recommended that my personal protection be beefed up. Until that point, I had been assigned a single driver from our internal security department. He was competent, but close to retirement, and wouldn't stand much chance should someone launch an organised hit. The risk assessment team felt the matter was so serious that armed personal bodyguards were warranted. Eskom did not have these specialised skills, so Karen contracted Bidvest to provide us with three bodyguards. They would work in shifts of two.

The guards assigned to me were former policemen and soldiers with experience of security work in hotbeds like Iraq and Afghanistan. I had a lot of faith in them, and we forged a warm working relationship.

Leaving the house for work or any other kind of activity now came with a whole lot of rigmarole. For ad hoc appointments, for example over weekends, I had to WhatsApp the guys and arrange for them to accompany me outside. Two of them stayed in Centurion, and the other in Pretoria North, so we had to make the arrangements well ahead of time. Although they were way too professional and courteous to even dream of mentioning it, I knew that every weekend or evening appointment I made would have an impact on them and their family lives. I was also cognisant of the fact that they

were limited in the amount of overtime they could claim.

In deciding whether to venture out, these kinds of factors weighed on my mind, sometimes subconsciously, and often led to me staying home instead. Having bodyguards necessarily invades your privacy and curtails your freedom of movement – although, occasionally, I would be ‘naughty’ and slip out to meet a friend for a burger and a beer, unaccompanied.

For weekdays, we had a set routine. In the afternoon, the guys (or Dad’s dudes, as my children called them) would ask me what time we were going to leave for work the next morning. It was usually around 06:30. I arranged for all three to have security clearance at the Dainfern gate, near my home, so they’d be waved through without having to go through the whole process of signing in. Typically, they arrived in two rented white Toyota Fortuners, which they also used to transport me to work. Initially, they used a BMW 3 Series, but it was too cramped in the back for my 1.95-metre frame.

From Dainfern, we’d drive in a mini convoy to our first destination of the day, which was usually the Eskom head office. We took different routes every day, so as not to be too predictable in our movements. We also used different entrances at Megawatt Park to further break our routine.

I usually sat in the back of one of the Fortuners. Sometimes, if only one of them was on duty or on weekends, I’d sit in front with him, but it depended if I wanted to work or not. The forty-minute drive to Megawatt Park was a good opportunity to catch up with the latest news, which I read on my cellphone. The security measures had their drawbacks, but I must confess that it’s nice to be driven around and have someone else deal with the stresses of Joburg’s morning traffic. On most days, we arrived at the office just after 07:00. From the underground parking, we took the eight flights of stairs to my office. In the beginning, the bodyguards were a bit out of breath by the time we reached the top, but they soon became fitter. The guys had a small office in Megawatt Park where they’d sit and wait. In the mornings, they’d ask, ‘Any movements today, sir?’ When we left the office, they’d be with me the whole time, even when I walked to a meeting in Megawatt Park. It all felt a bit excessive and bordering on paranoia, but I did not want to ignore a potential risk.

On holidays, I was also required to have close personal protection. In December 2021, for example, we went to Champagne Castle in the Drakensberg, and from there to our holiday home in Onrus, near Hermanus in the Western Cape. We drove down in our white Volvo, with two of the bodyguards following us in a Fortuner. They stayed close to our holiday accommodation, and if we were going anywhere, we had to tell them.

In the Drakensberg, we communicated on radio due to the poor cellphone reception. My call name, I’m ashamed to say, was cheesy beyond belief: Eagle One. They assigned it; if it were up to me, it would have been something more tongue-in-cheek, like Pylon One.

Despite the intrusion on privacy, our holiday arrangements did have their perks. When going to a wine farm, for example, we didn’t have to worry about a designated driver. But they did keep an eye on me. I’m a keen motorbike rider, and one day during the December holiday I felt the call of the open road. I decided to take an unauthorised

ride to the Hemel-en-Aarde Valley. You couldn't get anything past those guys, though. Afterwards, one of them gently admonished me, 'Ah, I see someone went for a motorcycle ride without telling us!'

My bodyguards also recommended that I get a bulletproof vest. I had to measure myself and fill out a form, and soon two Kevlar jackets arrived. I kept one in my office at home, and another in my vehicle. They are strong enough to stop a bullet from a 9 mill but probably not from an AK-47. Fortunately, they were never called into action.

I was now being accompanied by armed guards in constant radio contact, with a bulletproof vest at the ready, while my wife went shopping at Woolies with a close protection officer pushing the trolley. Although intrusive, these extraordinary measures bore testimony to the progress being made in the war against corruption.

Sometimes, I wondered whether it was all overkill, but with the benefit of hindsight, I realise it would have been naive to continue with business as usual.

At around the same time that my personal security was being increased in 2021, I received a call from a trusted friend and top business executive. He didn't want to give too much away over the phone, but said in an urgent tone, 'I need to see you.'

We agreed to meet at the Woolies coffee shop in Woodmead. He took out a document containing his handwritten notes of a meeting he'd had with a 'source' at Eskom, as he termed it.

The informant had told him of a plot to destabilise Eskom, forcing the implementation of Stage 6 loadshedding. A group of Eskom workers in the generation division, including power station managers, were allegedly planning this together. The project even had a name, 260122, a reference to 26 January 2022, when the plan was supposed to take effect. My source was privy to some detail about the meetings held by this group, and the information appeared convincing. At the very least, it had to be investigated properly.

The group's goal was to create as much chaos as possible. The ANC's elective conference was due to be held in December 2022, and loadshedding was by far the most effective stick the RET faction had to wield against President Cyril Ramaphosa. There were indications that the plotters may even have included some members of the ANC's eighty-member national executive committee. Besides the group's political aims, a second concurrent goal allegedly was to get rid of senior Eskom executives, like me and Jan Oberholzer – so that the corruption gravy train, which was in danger of derailing, could get back on track.

The information shook me. I'd known this business executive for a long time as someone of impeccable integrity. He was not prone to alarmism and conspiracy theories.

I now faced a conundrum: What should I do with this explosive information? In a well-functioning democracy, the answer would be easy. Report it to law enforcement and let the police and the National Prosecuting Authority do their thing. It was also serious enough to warrant the attention of the State Security Agency.

But by this stage, I had seen enough evidence of how the police operated, especially in Mpumalanga where most of our coal-fired plants were based, to know that this was not an option, at least not immediately. On several occasions, we had caught corrupt Eskom employees and contractors red-handed and presented them to the police for

arrest and prosecution, only for dockets to mysteriously go missing or the suspects to be released on derisory bail, sometimes as low as R500.

If the police and the NPA could not even prosecute these open-and-shut cases we were handing them, how on earth were they going to unravel a complex plot that allegedly stretched from the lowest levels of Eskom to the highest structures of the ruling party?

In August 2020, a senior officer in the Hawks made an appointment to see me at Megawatt Park. Over the phone he had been quite mysterious, but I have learnt to trust my gut when deciding whether or not to meet people. An honest and dedicated officer, he had approached me out of frustration because his attempts to combat corruption at Eskom were being thwarted.

Over the course of an hour's meeting, the officer told me how his superiors actively stymied his investigative efforts. He did not get resources to assist him in processing dockets. He did not get vehicles to travel to power stations, and his requests to initiate investigations were repeatedly denied. He was told by his commander to desist from pursuing certain lines of investigation, with the implication being that it would be detrimental to his health to persist. This all dated back to the Zuma era, the officer continued, when the state's law enforcement agencies were stacked with loyalists to the then president, to ensure that inquiries could be managed by trusted comrades to avoid embarrassing findings. These loyalists were still in place, and had their lines back to Nkandla.

His message to me was that I should not expect help from the Hawks in Mpumalanga in my fight against corruption. It was clear that when it came to busting crime, Eskom was on its own.

I discussed my concerns with Pravin Gordhan, my political principal, who said we needed to gather more information. I told him of my distrust in the police and the SSA.

With my lack of faith in the capacity of our law enforcement agencies as the starting point, the rough contours of a plan started taking shape. I realised we would need to bring in investigative skills from the private sector. Although the explosive information I had received at the breakfast meeting was the prime driving force behind this plan, several other factors had also made me more inclined to pursue this course of action.

One of these was conclusive evidence of sabotage at Eskom.

How much of Eskom's troubles had to do with criminality and how much with incompetence and ageing equipment is difficult to calculate exactly. If pushed, I would probably venture that around two stages of loadshedding could be ascribed to sabotage, theft and corruption. However, I was always hesitant to play the sabotage card in public, unless I had concrete proof. One such clear-cut case happened near Lethabo power station in the Free State on 17 November 2021.

On that evening, a pylon carrying power lines that fed Lethabo's overland coal conveyor was sabotaged when the steel rods supporting it were cut. To make matters worse, the pylon was pushed over in such a way that it fell on the backup power line, meaning that the conveyor ground to a halt at a critical point. At that stage, Lethabo's coal supplies were low. The act of sabotage had been committed by someone with intimate knowledge of our vulnerabilities.

There was no evidence of any corrosion at the pylon's base. Pictures showed that the

sturdy supporting rods, which were 24 millimetres in diameter, had clearly been cut by an instrument such as a hacksaw or an angle grinder.

Media reports at the time called the pylon 'gravity-defying' as it 'fell' uphill.

At a press conference after the incident, I explained: 'The tower was pushed over onto the other line, and nothing was stolen. So this is not an economic crime, this was clearly an act of sabotage and I think we can call it such.'

Had it not been for the actions of our quick-thinking distribution team, which rerouted a third line to supply the conveyor, Lethabo would not have been able to keep operating, plunging the country into three additional stages of loadshedding.

With a distribution network spanning 390 000 kilometres, Eskom had no chance of preventing these kinds of incidents without intelligence support.

By this stage, we had already deployed drones and canine units at Tutuka and Kendal power stations to combat cable theft and the sabotaging of coal conveyors, but following the tip-off I received, I realised this was not enough. I discussed the matter with Jan and he agreed with my assessment that we would need some kind of intelligence-gathering operation if we were to have any hope of winning the war.

I knew that I would have to tread exceedingly carefully in establishing any kind of intelligence-driven operation. Working in the state sector, it was a legal and political minefield. If I put the slightest foot wrong, my opponents would seize on it. After the South African Revenue Service established a perfectly legitimate and necessary intelligence-gathering operation in 2007, it was subsequently portrayed as a 'Rogue Unit' by sections of the media. If I tried to use Eskom money for the planned operation, it would be Rogue Unit 2.0 in next to no time.

In the state sector, normal security measures like bodyguards and access control are perfectly fine, but the moment you stray into intelligence-gathering, you find yourself on shaky ground. I needed to be the Teflon man, orchestrating everything yet never getting directly involved. It goes without saying that this was a difficult balancing act.

Because the use of state funds would be impossible, the question of financing was going to be especially tricky. If government wasn't going to do it, that only left one real alternative, the private sector. I decided that I would raise the matter with an influential member of the organised business community whom Jan and I both trusted. On a Saturday morning in December, the three of us met at the Dainfern clubhouse, a discreet and quiet venue near my home.

We shared the intelligence we had received and said that if the plans of the 260122 grouping materialised, the country would be in serious trouble. The business sector would, of course, not be spared in the fallout. Fortunately, our pleas fell on fertile ground.

A virtual meeting with the wider organised business community was set up, and early in December we discussed the proposal for a private investigation on Signal. Senior members of the financial services and mining industries joined us on the call.

I emphasised that we needed intelligence capacity so that we could predict and prevent sabotage, instead of just operating reactively all the time. I also shared my distrust of the police and the SSA.

Most of the attendees were receptive to our call for funding, although some red flags were raised. One top mining executive, for example, said he would need to discuss the

matter with his own head of security. A slightly wimpish executive in the financial services industry equivocated and seemed to be looking for every reason not to get his hands dirty.

Luckily, the majority were in favour, and it was agreed that a contract would be concluded between a business organisation and a yet to be determined service provider. I made it clear that I didn't want anything to do with the selection of the investigating company or the contract negotiations, and, of course, that none of the funds should ever touch me or Eskom. My only goal was to get actionable intelligence. Because we weren't using state funds, we avoided the red tape of the Public Finance Management Act and the various Treasury regulations.

The funding would come from both personal contributions and the business organisation's own war chest.

One evening, we had a meeting with the aforementioned mining executive's security chief. As a former policeman, he was a stickler for rules and argued that we couldn't bypass the South African Police Service (SAPS) in this manner. I sensed that he had been given a mandate to look for reasons why a private investigation couldn't work. Eventually, though, my arguments won out and the security chief recommended a private investigating firm that the business organisation could submit to a due diligence process.

I knew the head of the firm myself and said I would reach out to him to make a preliminary introduction. However, I made it clear that I would not be involved in the negotiations.

As far as the private investigation was concerned, I was the matchmaker, but I wouldn't be present on the wedding night.

By the end of 2021, the deal had been signed, sealed and delivered, and the investigators would begin in earnest in January 2022. Their mandate was purely focused on Eskom and Eskom-related crimes.

They established a safe house in Pretoria as their headquarters, and this was where I would attend briefings on their findings.

The investigating team consisted of around fifteen core members and included former National Intelligence operators, policemen and even psy-ops specialists. Their goal was not only to gather intelligence but also to work proactively and spread the word that sabotage and corruption were no longer as lucrative at Eskom. In this respect, it was also a counter-intelligence operation.

They soon built up a network of around forty informants, some of whom received some form of compensation for their involvement. It's a murky world, but the team operating in Mpumalanga were highly skilled and experienced, and knew how to gain the confidence of informants.

In this section of the book, I have to be deliberately vague about the identities of the investigators and the businesspeople funding their operations. As the investigation is still ongoing, I don't want to reveal any information that could jeopardise it or provide clues about the identities of the investigators and their informants. For them, it is quite literally a matter of life and death.

Although I am not privy to the exact financial details, I've surmised that the total cost of the investigation ran to approximately R3 million per month. The informants were

also compensated from these funds.

It didn't take long for the investigators to uncover bombshell information. They identified no fewer than four criminal cartels exploiting Eskom. These cartels had their own identities: the Presidential Cartel was led by a supercar-loving gent, with a host of companies to his name, and focused on Matla power station outside Kriel. The Mesh-Kings Cartel operated out of Witbank, with Duvha under its control, and also had its own favoured corporate entities to funnel money out of Eskom. The Legendaries Cartel, which had Tutuka in its grip, was based in Standerton, where they operated businesses with contracts with Eskom, suppliers and local structures. Their members were embedded firmly in political structures in the town, and higher up in Mpumalanga. The Chief Cartel operated out of Newcastle, and thus had domain over Majuba, with a focus on coal supply by road. Again, there were close ties to politically connected individuals. Other cartels are said to be operating elsewhere, and are in the process of being uncovered.

Like any good organised crime structure, the cartels have delineated their areas of operation, and generally get along without overt conflict. They have 'soldiers', a term familiar to anyone with a predilection for mafia movies. And tribute gets paid to higher structures, so that the capo dei capi can secure his share of the revenue stream. The modus operandi is pretty standard, almost as though there is a communal exchange of ideas in pursuit of excellence in crime. The cartel leader or his subordinates typically approach a specific end-user, who could be an Eskom engineer or manager, to begin the illicit process. The end-user, who is authorised by the Eskom delegation of authority to place orders on the procurement system, creates a fictitious demand for goods or services, with the purpose of defrauding Eskom. He receives a substantial amount in cash, including extra funds to pay an upfront bribe to a key store official at the power station.

The store official then verifies how much of a specific type of equipment is available on inventory to be covered in a purchase order. Should the equipment to the value of the intended purchase order be available in stock, the existing equipment in stock will be hidden or displaced somewhere in the power station to justify the purchase request.

Next, the end-user approaches the procurement contact, or an employee referred to as a mphati who works in collusion with the cartel and is an influential contact at the power station. The procurement official receives an upfront inducement that serves as an acceleration fee to facilitate a purchase request. The illicit procurement process is set in motion. The procurement official arranges for the financial department to approve the expenditure that must, according to Eskom's supply chain directives, have the signatures of both the end-user and the store manager.

The purchase request is then taken to a senior buyer who will receive their share of the bribe. After that, three compulsory quotes are obtained – ostensibly to ensure competition. But it is all a sham. The process is rigged so that all three quotations originate from the same cartel. The vendors manipulate the quotations so that a specific pre-chosen company is inevitably appointed as the supplier, and a purchase order is issued accordingly. In addition, the buyers often create a false sense of urgency by sending official emails to the vendor to expedite delivery, which will then be used to justify a higher price.

Once the order is ready, the cartel, through the appointed vendor, arranges for delivery during a specific security shift at a particular time. A vehicle with a ghost delivery arrives at the power station gate. The security guard, an accomplice who is paid for his services, signs the delivery note and verifies that the equipment was inspected at the main gate.

The end-user and store official purport to receive the ghost delivery and sign the receipt for the non-existent equipment. The hidden equipment is retrieved from where it was concealed and placed back into storage as if the new equipment had been delivered. There is no link to the actual requirements of the power station – making it clear how billions of rands of inventory could be accumulated at each power station, with no hope of the spares ever being used.

All the procurement documentation from the purchase request to the delivery note will procedurally correspond with the equipment on inventory, making it difficult for forensic audits to identify fraudulent practices except by doing a physical stock count, a discipline that had also been left to wither as the floodgates of corruption opened.

The acceleration fee to the mphati or procurement official ensures that payment to the cartel is made within one week instead of the usual thirty days. This procurement process is repeated at various power stations and amounts to millions of rands of fraudulent transactions per month per power station. Easy money, and very difficult to detect.

Upon receiving payment from Eskom, the vendor or soldier who owns the ghost company that successfully tendered for the business retains his allowed portion of the money and delivers the bulk of the funds to the leader of the cartel. The leader retains his allowed portion, and the balance is handed to a trusted intermediary who also receives a portion for services rendered. The intermediary then delivers the rest of the money to the obscure initiators.

No wonder that measures to implement controls – better use of SAP, barcoding, inventory controls, outsourcing of procurement – are actively resisted and undermined, even at Megawatt Park. Time and time again, goods and services are procured outside of group contracts that are supposed to leverage Eskom's buying power. Instead, the usual three unknown local companies are approached for bids outside of the contract. The geese that lay these golden eggs must be protected, after all.

To create a supplementary business to supply essential components or to renew or continue maintenance contract works, the cartels also collude with insiders to ensure the destruction of equipment such as conveyor belts and gearboxes. The breakdown is then used to justify repairs or the supply of components via the cartel vendors.

In addition, the cartels are involved in the sabotage of railway lines feeding power stations to ensure the survival of their trucking companies that transport coal to Eskom. The damage they cause to the country is of little concern to these criminals.

It's clear that the coal value chain is uniquely lucrative for the cartels – which must at least be part of the intransigent resistance to renewable energy. Sun and wind are much more difficult to steal.

One of the cartels had a 'hit squad' consisting of sixty members, while another had a so-called 'seductress' in their employ. Her love nest had an urn standing in the corner where 'offerings to the ancestors' could apparently be made. A certain car dealership in

the coal belt specialised in housing fancy vehicles on behalf of their owners so that they didn't show up in lifestyle audits. The vehicles, always held in the name of the dealership, would be available on demand, should the actual owner wish to take his Lamborghini for a spin on the potholed roads of Mpumalanga. The banal decadence was shocking. As Jan often remarked, 'Greed is an incurable disease.'

The investigators mapped out the links within the cartels on a huge diagram that we termed the 'building plan'. It consisted of the full names of the cartel members, as well as personal information such as cellphone numbers and, if possible, a picture.

The cartel members revelled in displays of obscene wealth, sometimes washing their hands in fifteen-year-old whisky to show that money was no object.

The informants included employees of Eskom and members of the criminal networks. One power station employee, who is also a union leader, claimed that orders to trip units came directly from Megawatt Park. At the time of writing, this allegation was still being probed but it squared with the information that had sparked the investigation in the first place, namely that plant breakdowns were often orchestrated in order to precipitate loadshedding.

By far the most explosive aspect of the investigation was the intelligence that started to emerge that the Eskom crime syndicates potentially stretched right into the upper echelons of the political establishment, with two senior politicians said to be ultimately benefiting from the corruption through a web of interlinked interests. I have decided against naming them publicly at this stage, or giving too much detail away, as the investigation was still under way at the time of writing.

Many of the investigators' findings offered an explanation for some of our operational struggles. Poor-quality coal, for example, was a huge issue at most of our power stations. Following a tip-off I had received, the investigators uncovered a 'coal mafia' that was operating in our northern provinces. It was in cahoots with transport companies. After the good-quality coal was dispatched from the mine, the truck driver would go to a so-called 'dark site' where he would swap his load for low-quality discard coal. The discard may have had a lump of coal here and there but was not much better than rock, wreaking havoc with our boilers and coal mills when we tried to burn it.

The good stuff remaining at the dark site could then be resold or exported, creating stratospheric profits.

One modus operandi of this criminal network was to sabotage the conveyor belts taking coal directly from a mine to a power station. This would ensure that the coal had to be transported by road, translating to higher profits for trucking companies – and, of course, more opportunities for corruption by dumping the coal at the dark sites.

The person who gave me the original tip-off was terrified for his safety. 'If they find out I'm talking to you, they will kill me,' he said.

At times, it felt like we were engaged in low-grade civil war against criminals threatening to overrun the state. This was no normal turnaround job.

When we eventually shared some of our findings with the SSA, they were blown away by the information, which was an indictment of the state's own intelligence-gathering. I wanted to say: You are the State Security Agency. How can you be so oblivious as to what is going on in the energy heartland of South Africa?

Unsurprisingly, given what we knew about the 'disappearance' of Eskom-related

cases, the investigators identified one town in Mpumalanga's coal belt where both a senior magistrate and a prosecutor had been compromised. In police stations in the province, their tentacles reached into the ranks of senior officers.

In November 2022, we caught a truck driver red-handed transporting stolen coal at Camden power station. He confessed, and unsuccessfully offered one of our security personnel R50 000 to let him go. But, after being handed over to police, he was released on the instruction of a public prosecutor in Belfast. As the driver is a Zimbabwean citizen, he is probably long gone by now. Our security team was understandably despondent at this turn of events.

I raised the Belfast incident and other cases with Advocate Shamila Batohi, the head of the NPA. To her credit, she immediately issued an instruction that all Eskom-related cases were to be centralised and managed through her office.

Mpumalanga truly was the Wild West in terms of the law. In the winter of 2022, Eskom held a stakeholder engagement at a guesthouse in Middelburg. I suggested beforehand that they serve a plated starter (as opposed to a starter from the buffet) to save time. Arriving at the dinner I found only serviettes on the plates, with no starter in sight. When I enquired why my request had been ignored, I was quickly informed that buffets are the only option for this kind of dinner in Mpumalanga because individually plated meals open the door for poisonings.

At the same event, I gave a speech about how corruption in the coal value chain was crippling our ability to generate electricity effectively.

The snazzily dressed Vusi Mkhathshwa, MEC for finance, economic development and tourism in Mpumalanga, spoke after me and had clearly been caught off-guard by the matters I had raised. Feeling the need to respond, he said he knew the guys doing the coal deliveries and would ask them not to steal so much. Many a true word is spoken in jest ...

While the investigation was doing well operationally, financially the storm clouds were brewing. The more the sleuths uncovered, the more uncomfortable the senior business leaders became. In April 2022, I was called to a meeting by the group of businesspeople funding the operations. Here, a few key attendees expressed their discomfort with the direction the investigation had taken. As the funders, they had been receiving regular reports and would have known that senior leaders in Mpumalanga were being implicated.

Big business can often be disappointingly cowardly, and its lack of courage was on full display at this meeting. As in the apartheid years, when many business leaders were scared to rock the boat, these businesspeople didn't want to upset the ANC government too much – lest it harm their chances of making a buck.

'This is turning into a rogue unit,' one said. 'We never signed up for any intelligence-gathering. This was just going to be a desktop exercise.'

I was taken aback at this version of events. This person had been present at several meetings where it was made crystal clear that the investigation's *raison d'être* would be the gathering of intelligence. But once the business leaders realised how wide, how deep and how high the investigation went, some of them lost their appetite to continue. Some brave individuals, however, were prepared to continue to provide funding, understanding the cost of corruption to Eskom and the country.

Everyone knows about cadre deployment in government, but don't lose sight of its equally dangerous twin in the private sector. Companies in industries that are dependent on government regulation are sensitive to hints from the ruling party about who they should appoint to their boards. And when these deployees get wind of something that could damage the party, their defensive instincts kick in.

My suspicion was that the business leaders initially thought this would only be about pursuing a few cable thieves and one or two corrupt officials. They had no inkling that it would uncover a potentially much wider-ranging criminal network stretching very deep, and very high.

There was some pushback from other members, but in the end, they were outnumbered by the naysayers. One member who had been instrumental in setting up the deal and in negotiating with the private investigators was thrown under the bus. 'You acted ultra vires. You never should have signed this agreement. This was never what we discussed,' came the accusations.

The cynicism was breathtaking. Big business likes getting on its moral high horse, but in the end it's all just about money. They will accept the cadres and kiss the ring if that's what it takes. Fortunately, as we'll soon see, there are exceptions.

The upshot of the meeting was that organised business would fund the investigation for only three more months and then they were done.

One of the funders, in particular, had not swum along with the tide during the sometimes heated gathering. He reached out afterwards and said he was willing to continue supporting the initiative in his private capacity. He came from a family with a rich history of philanthropy, and it showed. This was a massive commitment, but I realised it would not be sustainable for one person, however wealthy, to keep on funding the investigation indefinitely.

So, I added a new string to my bow, that of chief fundraiser. I started making the rounds to South Africa's super rich, with my begging bowl figuratively tucked under my arm – and the 'building plan' literally. Whenever Corné saw me venturing out with the long cardboard cylinder housing the plan, she knew that I was digging for dollars. The stakes were high – I was fighting for the survival of an investigation that was critical to keeping South Africa's lights on.

One wealthy business magnate who saw the building plan asked how it was possible that nothing had been done by the state to stop the corruption. 'In my job, I see many PowerPoint presentations,' he said. 'But I've never seen one picture that has blown me away as completely as this one.'

The cloak-and-dagger aspect of my job wasn't limited to the private investigation. In September 2022, my gardener was cleaning out my Volvo shortly before it would be sent in for a service. While he was busy removing the sunblock, caps and other items from the car, he found a small electronic device in the back.

I showed it to my bodyguards, and they said it looked like a listening device. It was small, about the size of a postage stamp, and consisted of a microchip with a microphone and antenna attached. We sent it off to a forensic firm run by former police chief George Fivaz for formal analysis. One member of his team, a former member of National Intelligence, said it was a high-end piece of equipment. This wasn't planted by an amateur PI who bought it at the local spy shop.

Following the Fivaz analysis, the bug was handed over to the SSA for further investigation. I'm told that a senior spy turned pale when he saw it. I also received a phone call from someone who works for the inspector-general of intelligence. My source had also recognised the device as one of theirs.

Questions were raised in the media, with some outlets claiming the bug was actually a Volvo tracking device, or part of a remote control for a gate. To allay this allegation, I obtained a letter from Volvo, disavowing any knowledge of this kind of equipment. And the detailed forensic investigation of the device proved that it was a sophisticated tracking device – very different from a gate remote.

The matter is still under investigation, but it is worth noting that the experts in the media were working off pictures of the device and didn't examine it first-hand. To my mind, this smacked of a classic disinformation campaign in response to a very concerning find. In the meantime, the private investigation was teetering on the brink of collapse due to the desperate state of its finances. They were living from hand to mouth and the head of the firm had to dig into his own personal funds to bridge shortages in their cash flow. The philanthropist who had kept things running all by himself had – quite understandably – reached the end of his tether. He was still willing to contribute but felt we also needed to get some other donors to step up to the plate.

One weekend in September 2022, I was flown by private jet to a secluded Bushveld hideaway to meet with a top executive who I thought might be receptive to our request for funding. At the small airstrip, I was picked up in a Land Cruiser and ferried to the retreat.

After sharing a meal and a bottle of wine, I rolled out the building plan on a billiard table, weighing down the corners with four red snooker balls. It filled the whole surface.

The executive was shocked and angered by what he saw, and, after some critical questions, pledged his financial support.

The businessman told me he drives everywhere in a bulletproof vehicle, and that it costs nothing, because his company's key man insurance pays for it. Wow, I thought. They have key man insurance, for someone who is an unlikely target? The executive was surprised to hear I was driven in a soft-skinned Fortuner and word soon got around. By January 2023, I was being driven in an armoured Land Cruiser that had been lent to me by a wealthy supporter.

Fortunately, the financial tide turned, and I started having greater success in my fundraising endeavours, restoring my faith in the altruism of the South African business sector somewhat. Once again, the value of connections forged over time became apparent. When one executive who knew me heard that I was involved, he immediately gave his vote of approval.

Another breakthrough came when a big global firm with local roots jumped in. They conducted a full due diligence of the investigation, with their head of security flying out to South Africa to personally meet with our investigators. As the former head of police of a European country, he got on famously with our guys, who included many ex-cops. He was impressed by the quality and depth of their work.

The global giant subsequently got their legal department involved and established a trust from which the money would in future be paid. I was overjoyed at this development, as it placed the funding of the investigation on a more solid financial and

legal footing. It also meant that the trustees were now doing the heavy lifting and that I could relinquish my role as fundraiser-in-chief. I'm cautiously optimistic that the intelligence operation and its trust fund have enough momentum to continue after my departure.

If so, it will be one of my most significant legacies in the fight against corruption.

The green gospel

The Western climate envoys who came to South Africa in September 2021 were career diplomats, highly skilled in the art of keeping a poker face and hiding their emotions. They would sooner walk over a bed of hot coals than show displeasure with their hosts. But even they could not hide their amazement at how our government had treated them.

Here they came bearing suitcases figuratively stuffed with cash, just wanting to nail down the details of how they were going to give it to us. And our government looks at the \$8.5 billion and says, 'Meh, is that all you've got?'

The long road to South Africa's blockbuster climate deal would not be an easy one, not least because of the distrust, and sometimes outright hostility, that key cabinet ministers displayed towards green energy projects.

One of my main objectives in taking the Eskom job had been the belief that I could help kickstart South Africa's adoption of renewable energy. As someone who spent a large part of his career working in the fossil fuel industry, it gave me a chance to be on the right side of history for a change.

But more important than any personal goals were the imperatives for the country.

As the world's twelfth biggest emitter of greenhouse gases, South Africa shares responsibility for exacerbating the climate crisis and poisoning the well for future generations. Our carbon emissions are twice the global average on a per capita basis, and one and a half times that of China. And in a world where our major trading partners are all committed to combating climate change, intransigence will merely lead to ostracism, with little sympathy for exceptionalism.

We are sure to come under even more global pressure to wean ourselves off coal. Already, 46 per cent of all exports from South Africa are exposed to proposed Carbon Border Adjustment Mechanism levies, equivalent to a CO₂ tax, due to stricter environmental regulations, especially in Western countries. All of our export sectors are at risk: industrial, mining and agricultural, largely because of Eskom's excessive reliance on coal. Because electricity is used in almost every export product, the attributed carbon content of our exports will be commensurately high, and therefore susceptible to carbon border taxes. Should South Africa not decarbonise its electricity supply as a matter of urgency, our exports will once again be shunned. The international trend is going in only one direction – towards ever harsher penalties for countries with high-carbon economies. This presents an existential danger to South Africa's competitiveness, which is not exactly in rude health as it is.

The coal lobby would like to portray this trend as impinging on South Africa's

sovereignty, on its energy independence, and on its freedom to burn every last lump of coal. This may well be true, but we are dependent on the rest of the world to buy our exports. If we penalise ourselves by refusing to decarbonise, we cannot expect much sympathy for our cause in a world increasingly afflicted by the ravages of climate change.

Additionally, we urgently need more megawatts on the grid. The notion that this could come from our sickly and ageing cluster of coal-fired power stations is fanciful. Green energy is the only answer that makes sense from a financial and operational perspective. To extend the life of Grootvlei power station for a mere five years, for example, would cost R21 billion, and that for only 700 MW of capacity. At Hendrina, it would be R16 billion for 400 MW. And these calculations don't even include the possible cost of extra emissions controls that are required by environmental regulations, or of the coal that we would have to procure from ever more distant mines. Building a new coal-fired power station is another fanciful idea: even if South Africa could get finance from carbon-allergic lenders, it would take more than a decade to build. Eskom has received notification in writing from its key technology providers making it clear that we would not be able to buy turbines, generators, transformers or switchgear for a new coal plant. And our insurers have become increasingly averse to providing cover for our plants – carbon emissions cause climate events which lead to inflated insurance claims – a very understandable position for them to adopt.

Over the past decade, the world has seen a revolution in electricity generation technology analogous to the well-known Moore's law in computing. Since the first renewable energy was procured in Bid Window 1, the unit cost has plunged due to improvements in both wind and solar generation. The bids for Bid Window 6 came in at a tenth of the cost of the first round, and this was in nominal terms. Discounting the effect of inflation, the cost of green power had plummeted to a twentieth of its cost ten years ago. This is truly a staggering revolution, especially since fossil fuels have only become more expensive, with ever more onerous emission restrictions. The business case was therefore clear – but we needed money to pay for the transition.

My first green energy goal as Eskom CEO was an ambitious one. I wanted to announce a South African climate deal at COP26, in Glasgow. Originally scheduled to be held in 2020, it had been postponed to the end of 2021 due to the Covid-19 pandemic.

In April 2020, four months into my new job, I met with Barbara Creecy, the minister of forestry, fisheries and the environment, to share my vision with her. We talked on the veranda of the Dainfern clubhouse. I disclosed my green ambition to her, with the gist being that Eskom would access billions of dollars in concessional financing in exchange for retiring its ailing coal plants, and be able to demonstrate that the transition would be a just one. Being an astute politician, she got the essence of the proposal immediately. Even though she thought it was audacious, and would face tough opposition from the coal lobby, she promised to support Eskom in pursuing this objective.

It turned out that the postponement of COP26 was fortuitous. Looking back, I don't think we would have got the deal over the line in 2020, given the political opposition we had to sidestep.

If Gwede Mantashe's job title as minister of mineral resources and energy were

accurate, it would have featured the word 'coal' somewhere. A former coal miner himself, he was viscerally opposed to green energy and reducing our dependence on carbon. This meant that the two elements of his portfolio were at odds with one another. His desire to protect jobs in the mineral-resource sector at all costs undermined our long-term energy future. Ironically, Eskom's green energy projects would show that it was possible to both deliver a net increase in the number of jobs and accelerate the transition to renewable sources of power. The key is retraining workers in the coal value chain so they obtain the skills necessary to swap their pick-axes for precision tools.

Obtaining mandates for the engagements with lenders was going to be a challenge. The number of ministers and departments that had to give their blessing for us to engage was a bureaucratic alphabet soup: DPE, DMRE, DIRCO, NT, DFFE and the Presidency. Committees are where good ideas go to die, and I knew we were going to get mired in endless consensus-seeking, while the clock to COP kept ticking loudly. To get things done, I had to 'go rogue', working behind the scenes without a formal mandate until I informed my political principal, Pravin Gordhan, at the end of 2020.

My partner in crime was Mandy Rambharos, Eskom's green energy chief. She headed up a project known as the Just Energy Transition (JET), one of the many pockets of excellence that sometimes go unnoticed in the flood of negative news flowing out of Eskom.

For months, Mandy and I had virtual meetings with the ambassadors of the USA, the United Kingdom, Germany and France, pitching our plans for reducing South Africa's carbon footprint by increasing Eskom's capacity for renewable energy. In lockdown, our meetings were all virtual, and we spent many evenings speed-dating diplomats and aid agencies with our plan to come up with a groundbreaking deal in time for COP.

One Saturday morning I mapped out the principles of an Eskom climate loan facility on my whiteboard, and without waiting for a mandate, converted this into a draft agreement, which I shared with the Western negotiators. It would secure a loan at highly favourable terms so that Eskom could accelerate the shutdown of coal-fired power stations while protecting jobs and creating new green energy capacity.

Our credibility was hard-won. From the word go, I made it clear that uppermost in my mind was entrenching good governance and control over the funds to ensure that they were spent properly – in other words, this would be no Arms Deal 2.0.

A continuing question from our counterparts during these negotiations was the position of Mantashe, who had repeatedly expressed his opposition to accelerated decarbonisation.

South Africa's long-term energy plans fell under the auspices of his department, whose official policy document on the energy mix in South Africa is known as the Integrated Resource Plan (IRP) 2019. This document stipulates in detail when and how much capacity generated by coal, wind, hydro and solar will be brought online, and which coal-fired power stations will be retired after reaching the end of their useful lives.

The IRP is a ten-year plan, meant to reach fruition in 2029. It provides for such exotic ideas as 2 500 MW of hydroelectricity from the Congo River in the Democratic Republic of the Congo (DRC), and two brand-new coal-fired power stations. It explicitly does not

provide for new nuclear generation capacity, but merely states that this would be considered at a 'pace and scale that the country can afford'. The plan was outdated almost as soon as it was published, and while it should have been updated annually, it was left as an official position on the energy mix and a reference point that everyone had to use.

To my mind, the plan did not pursue decarbonisation aggressively enough. It was also highly unlikely to convince any First World countries to part with their cash. But, like it or lump it, it was official government policy, and I could not change it.

So I had to go around it.

The key that ultimately unlocked the treasure chest was to ramp up the shutdown of coal-fired capacity after 2029 – because the IRP, being a ten-year plan, did not extend that far into the future. With my hand on my heart, I could claim that except for one power station, Tutuka, I was fully compliant with government policy – at least with the letter if not the intent. This sleight of hand irked Mantashe and his department no end, but they had in effect been sidestepped.

After the plan was formally presented to government at the end of 2020, we had to deal with significant concerns emanating from cabinet. A recurring refrain was that South Africa had been blessed with bountiful coal stockpiles, and that it would be foolish not to exploit this to the maximum. Ministers like Pandor and Mantashe feared that we were being bullied into squandering this rich inheritance. My response to these concerns included one of my favourite sayings: 'The Stone Age didn't end because of a lack of stones.' Neither would the coal age end for a lack of coal. Global climate politics cared little for our sentiments about coal. We might not like this, but it was a reality we could not change. Transitioning to renewable energy was the right thing to do – morally, financially and strategically.

Despite my arguments, the high-level opposition to the plan led to some uncomfortable meetings between the cabinet and the Western climate envoys. John Murton and his team would later share their befuddlement that our government had to be dragged kicking and screaming towards a deal that made sense on so many levels.

Fortunately, we had built up enough momentum and credibility by this stage that the political sniping did not derail our plans. The meeting I had with President Cyril Ramaphosa at his home in Hyde Park – where climate issues were a central focus – also turned out to be crucial. At a cabinet *lekgotla*, as well as an ANC NEC meeting, he backed the deal strongly. His support was pivotal in getting it over the line, given the strong internal opposition in the ANC.

Two years of planning and negotiations culminated in the deal announced at COP26 on 2 November 2021: South Africa would receive highly concessional funding of \$8.5 billion – more than R150 billion – to pave the way to a greener economy. The money would be invested in renewable energy and the development of new sectors like electric vehicles and green hydrogen, and the repurposing of decommissioned coal-fired power stations.

The multibillion-dollar partnership with the USA, Britain, France, Germany and the EU was hailed as a model for other countries. Ramaphosa called it a 'watershed' moment, while US president Joe Biden emphasised that the deal would ensure that coal-industry workers were not abandoned.

Jesse Burton, an energy policy researcher, said it was 'a first of its kind agreement between a coal-intensive developing country and a group of donor governments to work together and fund a just transition away from coal. This is a big deal.'

The climate agreement was probably my proudest moment as Eskom CEO. But government being government, Eskom got no credit while the honourable ministers basked in the glory of a groundbreaking deal between the rich North and the developing South. I didn't even crack an invite to the signing ceremony.

Government had seen the cash and wanted to control how it would be spent. Every department suddenly came up with a pet initiative that would qualify for a part of the funds. Creecy, however, was staunch. Eskom was the major contributor to emissions, and as such would need to get the bulk of the funding.

One of the frustrating parts of my job was that you had to fight for every inch of territory and often found yourself up against a brick wall when proposing initiatives.

Ebrahim Patel, the minister of trade and industry, was a frequent stumbling block. Early on, I had reached out to him to suggest a special economic zone for the manufacturing of renewable energy components in eMalahleni (Witbank) to reduce the economic impact of the decommissioning of coal-fired power plants in Mpumalanga. By showing people that you care about the impact on their livelihoods, you build trust and make it easier to bring about change. He told me it would be impossible because there is already such a zone in Atlantis in the Western Cape. Now, the last time I checked, I didn't see many destitute coal miners wandering the streets of Atlantis.

At one high-level meeting with cabinet ministers, Patel insisted that we 'demand' long-term agreements from foreign governments to fund our proposed green hydrogen plants – in addition to the money they were already giving us. 'This is a bargaining process,' said the former trade unionist, seemingly forgetting that you need something with which to bargain.

Fortunately, Creecy interjected and reminded everyone that we were in a competitive situation. At a meeting in the DRC prior to COP27, she had seen that countries like Senegal, Egypt and Kenya were all busy with 'muscular positioning', as she put it, with regard to foreign investment in green hydrogen projects. We were competing with other nations, but Patel thought the world owed us something. South African exceptionalism writ large. I was regularly astounded that this was the man driving our industrial policy. He was keen to secure funds for the auto industry to build electric cars, and said as much to foreign officials. They patiently explained that it would be kind of difficult to justify funding subsidised by German taxpayers to be used to preserve jobs in South Africa, making cars for export to Germany. 'Ah,' he retorted, 'but the shareholders of BMW and Mercedes will benefit.' So the argument was that German taxpayers would dispense largesse to German car companies via subsidised financing to South Africa – great for South Africa, but politically untenable in Germany.

In the meantime, Eskom's plan to switch off Komati power station in Mpumalanga and repurpose it to provide green energy faced stiff opposition. People thought it was crazy to decommission a plant when we already faced a critical shortage of megawatts. 'Okay, let's cast the country into darkness because De Ruyter wants to be green,' was the gist of the criticism. But the plain truth is that Komati was so old I would have been breaking the law had I done anything else. To keep the sixty-year-old power station

running, we would have had to transgress a host of safety and environmental regulations.

Keep in mind that any piece of mechanical equipment has a limited life expectancy. This can be further shortened by poor maintenance. My old Land Rover is about the same age as Komati. Am I going to travel to Botswana in it? No, because it is simply not reliable any more.

In order to address the gaps in the strategy, and also to reassure myself and the board that I wasn't letting a green agenda get in the way of good business decisions, I asked Matthew Mflathelwa to do a bottom-up strategy. I roped in our energy planners, our corporate finance specialists and our best operations people. I asked them to look at how much coal we actually had, how long our plants would still be able to limp along, what the best energy mix would be to minimise capital expenditure on emission control, and what combination of assets would yield the best net present value to get the best bang for the Eskom (and hence the South African) buck. More than a hundred different grid scenarios were run to get to the most stable grid with the least cost. In a Copernican shift, I instructed the planners to ignore the artificial constraints of the IRP, which unleashed an extraordinary amount of value by lowering power generation costs and accelerating the resolution of the crisis. An incredible amount of work was done, with no assistance from external consultants. The Eskom team did a brilliant job – when BCG reviewed our work for a funder, they did not make any suggestions for improvements, but rated it the best strategy work they had seen. I, personally, regard it as the best piece of business work I have ever delivered – the 2035 Plan, as it became known, made sense for the country by solving the energy crisis, safeguarding our exports, enabling the economy to grow, creating employment, cleaning up our environment, and doing it all in an equitable manner so that the legitimate concerns of coal miners could be addressed.

The 2035 Plan revolved around the shutdown of 22 GW of installed capacity by 2035, avoiding negative return capital expenditure running into hundreds of billions of rands and reducing carbon emissions by more than 100 million tonnes per annum. When I first heard how much water Eskom consumes, I calculated the water saving brought about by implementing the 2035 Plan. Closing down old water-cooled power stations would free up 40 billion litres of water every year, enough to provide 220 litres of water per day to 200 million people, or three times the population of South Africa. The resilience this would provide South Africa against expected megadroughts brought about by climate change was underlined by the excitement from agricultural experts. The Vaal River irrigation system has enough capacity to double its use, but we don't have enough water. And the best part of it is that the Grootdraai Dam is already there, ready to deliver the saved water to thirsty cities and farms.

The more I looked at the benefits of the 2035 Plan, the more I became convinced that this was the right plan, not only for the future of the electricity industry, but also because it presents the best opportunity for South Africa to attract substantial foreign direct investment, decarbonise its economy and clean up its environment, while banishing the spectre of loadshedding forever.

For Eskom's coal-fired power stations to comply with minimum emission standards, we would need to invest significant capital. The process would include the retrofitting of

flue gas desulphurisation units at a cost of some R40 billion per power station, greatly increasing water consumption by about 16 billion litres of water per annum in an already water-stressed country and producing a huge amount of gypsum. Flue gas desulphurisation entails a series of processes through which sulphur dioxide is removed from the emissions of coal-fired power stations.

Although complying with the letter of the law, the environmental benefit of this process would be modest, and would not result in any discernible improvement in air quality for residents of the surrounding areas. These units would also consume 10 MW of electricity per power station when we are already short of capacity. The total cost would exceed R300 billion, yield no return on investment, and create mountains of gypsum and debt.

If Eskom does not comply by 2025, the utility will be required to shut down 24 000 MW, or roughly half of its installed capacity, in order not to violate the law. A far smarter approach, surely, would be to integrate energy policy and environmental policy, to allow for an orderly but accelerated transition from coal-fired generation to greener technologies. When confronted with a R300-billion bill to be recovered either through substantially higher tariffs or contributions from the fiscus, the response of National Treasury is that this is not their area of responsibility.

To fit the flue gas desulphurisation units is the power station equivalent of overhauling a car and stripping it down to its chassis. We simply do not have the time or the money. By appealing against the instruction from the National Air Quality Officer, we were able to obtain a stay of execution while we made representations to a committee appointed by Minister Creecy and headed by Peter Harris.

Focusing on cheaper, greener alternatives that will create more jobs, attract foreign investment and stimulate manufacturing seems like a no-brainer. Unfortunately, few members of our cabinet are schooled in good business practices, to put it politely. The impolite would say financial illiteracy is rampant in the upper echelons of government.

The ideology of resource politics overrides common sense.

Every year, 29 000 South Africans die prematurely because of air pollution. This is a national health crisis, but leading government figures like Nkosazana Dlamini-Zuma are only concerned with people smoking.

'Burn, baby, burn!' is our mantra.

Only if you look at the bigger picture does the love affair with coal make sense. Coal is seen as a tool of creating economic growth and black economic empowerment. Never mind that gender exclusion rates in Mpumalanga are among the worst in the country, youth unemployment the highest and unemployment higher than the national average. The powerful coal and transport lobbies see coal as their road to riches, and any decarbonisation effort will lead to the money flows being choked off. Add to this revenue stream the abundant opportunities for corruption, theft and fraud, and it becomes clear that green energy will be disturbing an ecosystem in which many interest groups have a stake. Politically, a move to accelerate the shutdown of coal-fired power stations will be a hard sell to the vested interests in Mpumalanga, made even more complicated by the nexus that appears to exist between these value chains and senior politicians.

While Mandy and I struggled to spread the green gospel locally, we continued to

have much more success globally.

During the first week of September 2022, we visited the World Bank in Washington DC to ask for more funding for the repurposing of Komati. By that stage, the decommissioning and repurposing process was already under way, and the power station would formally be shut down at the end of October 2022.

On the morning of 8 September, I received a series of urgent WhatsApp messages from Ayanda Dlodlo. The former cabinet minister was now the bank's executive director for Africa. She wanted to see me.

As minister of state security, Dlodlo had been a member of the panel that interviewed me for the Eskom job. She is well known as a strong proponent of using clean coal to generate power. For many years, carbon emitters around the world have punted the alluring prospect of clean coal. It is as oxymoronic as it sounds. Capturing carbon emissions, collecting them, compressing the gas and building a pipeline to a suitable geological structure where the carbon emissions could be stored underground only makes sense where you have existing infrastructure, like the depleted oil and gas fields in the North Sea. Doing it in South Africa for plants that are decades old is literally a pipe dream. That does not prevent coal advocates from punting this as an alternative to prolong the life of coal – but it is an argument with no substance and no semblance of economic reality, particularly when compared to the immediately available and cost-competitive alternative of renewable energy.

We met at the offices of the World Bank, where Dlodlo indicated that she was on her way back to South Africa. She expressed her willingness to help navigate some of the political obstacles facing us. It was a friendly and constructive talk, but in the back of my mind I kept thinking of her close relationship with Mantashe. Anything I said would be relayed to him.

I explained to her why I supported nuclear power but stressed that it would take fifteen years before we reaped the benefits. Our needs were so urgent that nuclear could not be the only solution. Unsurprisingly, she brought up clean coal, upon which I pointed out the high initial cost of that method. The price we pay currently for generating power with 'dirty coal' is already higher than that of renewable energy. With clean coal, it would be prohibitive.

After the meeting with Dlodlo, we attended a World Bank panel discussion on our Just Energy Transition programme. The 156 attendees lapped up our presentation. Representatives from the bank labelled it a 'world-leading innovation' with regard to energy transition, while delegates from India, Indonesia and Vietnam said they wanted to learn from us.

Next followed a series of meetings with, among others, Victoria Kwakwa, vice president of the World Bank for Eastern and Southern Africa, and Axel van Trotsenburg, managing director of operations. Van Trotsenburg asked me to open proceedings with a general introduction. I said we had the option to put a lock on the gate at Komati and to walk away, but we didn't want to do that. We had a moral obligation to the workers and the surrounding communities. We wanted to create a new future for them, specifically in Mpumalanga. The ideal region for generating solar power is the Northern Cape, but you cannot expect a million people to uproot themselves and move there. It's just not going to happen. And we would create huge social instability and misery if the

coal-fired power plants were shut down with no substitute to fill the economic void they would leave.

Van Trotsenburg's reaction to my off-the-cuff speech was short and to the point: 'Well, after that tour de raison the only question I have is: Can we do this more quickly?'

The World Bank's one point of concern was the conflict between what I was proposing and the public pronouncements about Eskom's future made by South Africa's cabinet ministers, Mantashe prime among them. Questions about Mantashe's statements often popped up in these kinds of forums. I wasn't prepared to lie and defend him, but just answered as honestly as I could. In this case, I replied that we could not ignore him, since he was the energy minister, but that we did not think his plans were feasible. These included converting coal-fired plants that were nearing the end of their life cycle into gas power plants.

I told the bank officials that burning gas at 1 600 metres above sea level is far from ideal. You lose about 20 per cent of the plant's potential efficiency due to the lower air pressure and oxygen levels. In addition, you have to pay a transmission fee to use the gas pipeline, increasing the price of electricity substantially. And then there is the immense cost of converting the current system. We had crunched the numbers, and they just didn't add up.

If your intention is to retain the power station as a facility, our proposal of repurposing for renewables is the way to go. You can stimulate economic activity in the surrounding areas by using wind and solar power and establishing training and manufacturing facilities. That makes more sense than bringing gas in, which is just another fossil fuel in any case.

My answer seemed to satisfy Van Trotsenburg and his colleagues. I found it interesting that many of the international role-players caught on fairly quickly and didn't really take Mantashe too seriously. For example, they would say, 'We know it won't work, but what do you think of his plans?'

Our allies abroad are rather sympathetic about the situation. Their general attitude is: We know you have politicians that make it impossible to do your job. We have that as well.

The trip to Washington ended up being an unqualified success, with the World Bank pledging \$497 million (nearly R9 billion) to fund the repurposing of Komati. So keen were the top officials that they fast-tracked the approval of the financing so that it could be announced before the COP27 summit held in Egypt in November 2022.

South Africa scored a further success by being awarded \$500 million in concessional financing from the Accelerating Coal Transition fund. The money came at an interest rate of less than 1 per cent, with an eight-year payment holiday. Driven by Eskom, with support from the Department of Forestry, Fisheries and the Environment, South Africa prevailed over fourteen other countries, with a compelling submission that persuaded major donors like the US, Germany, Canada and France that Eskom had the best plan for the just transition of Camden, Grootvlei and Hendrina – the three power stations that will be gradually shut down over the five years to 2028. Again, the life of these power stations cannot be extended, they cannot be made environmentally compliant, and their operating costs are ballooning as maintenance and coal become ever more

expensive. By planning for the mitigation of the negative social and economic impacts of the shutdown, and starting the construction of replacement capacity in good time, we were managing a difficult transition as best we could. The flagship JET project, where the proof of concept would be delivered, was Komati.

In announcing the Komati deal on 2 November, the World Bank emphasised that the power station's repurposing could serve as a trailblazer for future projects in South Africa and the rest of the globe.

Following its decommissioning as a coal-fired power plant, Komati is now home to several renewable energy programmes, including projects to build 150 MW of solar power, 70 MW of wind power and battery capacity of 150 MW. With plenty of spare capacity to connect to the national grid at Komati, the private sector is considering embarking on major wind-power projects in the vicinity. A modular microgrid assembly facility has been established on-site, while a training school for teaching Eskom staff new skills is also in the works. We have to beat those coal shovels into wind turbine blades.

Even though some snide remarks were made about my travels abroad, the Eskom JET team succeeded in delivering close to \$10 billion in climate financing deals for South Africa in a year – not a bad return on the cost of a couple of plane tickets. Despite our success in yet again obtaining funding on the global stage, some in government seemed intent on crashing the JET. Mantashe explained that Eskom's ageing power stations would be the core assets for many years to come, and would be converted to natural gas, a plan that coincided with a visit by Sergei Lavrov, foreign minister of Russia, which was suddenly long on gas following its invasion of the Ukraine. This regressive move back to fossil fuels, coupled with South Africa holding joint military exercises with Russia and China on the anniversary of the Ukraine invasion, was a prime example of how government thought it could stick out its forked tongue to the West, while at the same time demanding cheap money for decarbonisation. Much diplomatic muttering followed, with the US making it clear that its funding would only go to the private sector, a distinct vote of no confidence in the governance of government. Mantashe had a scathing interaction with a senior German minister, who made it clear that if South Africa was not prepared to play ball, the funding would be withdrawn. Bully tactics aren't a great way to persuade people to do business with South Africa. Privately, the funders expressed their cognitive dissonance to me, especially given the energy minister's palpable hostility towards decarbonisation. It was clear that government was suffering from what Aristotle called *akrasia*: the unerring propensity to always make the worst possible decision.

Not only was government shooting itself in the one foot that wasn't in its mouth, but it was also lurking in the shadows on the fringes, sometimes literally.

At the COP27 summit held in Sharm el-Sheikh, I was giving a talk at the South African Pavilion when I noticed a senior director of the State Security Agency in the back, loitering with intent. I knew the agent, Dr Jaco Schoeman, from previous engagements, and sauntered over to greet him.

'Hi Jaco, what are you doing here?'

He mumbled something noncommittal, clearly ill at ease.

Schoeman always reminded me somewhat of a funeral director. He had a pale and

lugubrious look and was a fairly taciturn character.

He ended up attending all my presentations and public talks.

Though he didn't give anything away when I talked to him, I suspect he was there to monitor me, making sure I wasn't 'selling out' the country to the nefarious West.

When one of my acquaintances asked him what the SSA was doing at COP27, he replied, 'Checking up on the big guy.'

He also requested copies of all my presentations, but always worked through someone else, never asking me directly.

The government's distrust of all things green was reaching absurd heights.

During one of the panel discussions at COP27, I warned that South Africa's exports were at risk of attracting even more CO₂ taxes, as coal was such a large part of our energy mix. We would need to pick up the pace with our decarbonising initiatives.

A young lady, representing 'South Africa's youth' in the discussion, took issue with this statement. She dug up the tired argument that green energy is just part of a Western conspiracy to prevent developing countries from exploiting their natural resources. Their economies had grown big and prosperous on fossil-fuel energy, but now they didn't want Third World countries to enjoy the same privilege.

My reaction to these theories was as always: We may not like it, but there it is. It's a fact. I would love to be able to fly, but gravity holds me down. We have to do the best with the hand we are dealt.

I pointed out that South African companies were already losing market share overseas because of the negativity surrounding their huge carbon footprint. A company like Vodacom, for example, takes a lot of heat from its global parent, Vodafone. Due to Eskom's overwhelming reliance on coal, Vodacom is responsible for more than 80 per cent of the carbon emissions of the entire Vodafone group. With the rise of sustainable investing, and with executive remuneration increasingly linked to meeting environmental targets, Vodacom was under instruction to decarbonise, and quickly. But this was not so easy: with more than 4 000 masts spread throughout the country and embedded in municipal grids, Vodacom couldn't sign a power purchase agreement, because it didn't have a single offtake point. But the company was committed, wanting to buy renewable energy to meet its corporate targets.

To tackle the problem, Vodacom CEO Shameel Joosub and I worked out a plan to establish a virtual wheeling platform. 'Wheeling' allows privately generated electricity to be transmitted across the national grid to customers who want to purchase it, no matter how far they might be from the source of that power. For example, a company that comes under international pressure because of its carbon footprint could conclude a power purchase agreement with a private supplier of renewable energy. Distance is no object, as the national grid is used in the transmission of the power, and electrons are infinitely fungible. A company in Durban could purchase electricity from a business generating solar power in Upington. By wheeling and dealing in this manner, Vodacom can use its strong balance sheet to sign a power purchase agreement with an independent power producer, and get credits back from Eskom for the monies that it pays to municipalities, net of their distribution costs. By looking at the challenge as a commercial rather than a technical one, Eskom and Vodacom made it possible for the

mobile company to reduce its carbon footprint in no time ... and keep its British dad off its back.

Even mining companies are getting in on the act. Anglo American, which has several green-power projects in the works, knows it will struggle to find buyers for its resources if it keeps on relying on 'dirty' Eskom for power.

Another minerals processing and mining giant, South32, has found itself losing market share in recent years for aluminium produced at its Hillside smelter in Richards Bay, because of the Eskom-attributed carbon intensity of its operation. I proposed that they consider purchasing nuclear power from Koeberg as a way of making their aluminium 'greener', and negotiations in this regard have started.

At its results presentation in February 2023, South32 CEO Graham Kerr told News24 that green aluminium is already fetching a premium of around \$10 per tonne – and that this could even rise as high as \$40 over time. 'We have a view that places like Europe ultimately will not take aluminium that's not green.'

South32's huge Hillside plant is Eskom's largest industrial customer and is eyeing around 50 per cent of Koeberg's output of 1.8 GW.

It costs Eskom around 45 cents per kilowatt hour to produce nuclear power – less than half the cost of R1 per kilowatt hour for coal-fired stations. Kerr has indicated that South32 would be willing to pay a premium for nuclear power, because green aluminium is becoming ever more valuable.

Such a step would also benefit companies downstream, such as Hulamin, which sell rolled aluminium products in the European market.

So South32, in partnership with Eskom, is already planning for a greener future.

In the same manner, our government needs to become more forward thinking; more aware of the impending crises waiting around the corner. You know the CO₂ crackdown is only going to get worse. So act accordingly. The same could be said of other important utilities, like water supply and sewage management. You have to invest in infrastructure before the need arises, to stay in front of the curve of development and population growth. But for government, the here and now takes precedence. The result is leadership that is purely reactive.

In the meantime, Mantashe was becoming more overt in his personal animosity towards me. On 3 June 2022, at the signing ceremony for 160 MW of contracts with renewable energy company Scatec as part of the Risk Mitigation IPP Procurement Programme, he spotted me in the gaggle of spectators waiting for proceedings to start. Ambling up to me in a manner that belied the feline grace of his nickname, the Tiger, he stood very close to me, so that for a moment we were alone in a crowd of people. In his characteristically gruff voice, he growled menacingly at me: 'CEO, you'd better fasten your seatbelt. This ride is going to get bumpy from now on.'

As someone skilled in the art of political equivocation, Mantashe had made a statement that could be interpreted as anything from a threat to a commitment to accelerating the pace at which renewable energy contracts would be signed. He truly was the master of plausible deniability. But he revealed his true colours by making a major policy statement distinctly at odds with what South Africa was telling prospective investors in our decarbonisation programme.

While COP27 was in full swing, Mantashe gave a speech in Parliament and said South Africa's energy transition would be based on coal, gas, nuclear energy and hydroelectric power. He essentially renounced all new sources of green energy. Tone-deaf doesn't even begin to describe it. As with Mantashe's previous pronouncements, it once again led to embarrassing questions for South Africa's representatives abroad. While we were singing from the green hymnbook, the false notes coming from back home threatened to drown us out.

When events like this happened, I often found myself hovering on the edge between hope and despair. We dare not squander the golden opportunities before us.

Yes, South Africa has rich coal reserves, but we are also blessed with abundant sunlight and wind. To illustrate the promise that renewables hold, I like to refer to the five Es. In one fell swoop, we can protect the **environment**, provide **energy** security, create **employment**, grow the **economy** and safeguard our exports, and secure an **equitable** transition to other power sources.

I believe that South Africa has one chance to deliver itself from the shackles of loadshedding, grow our economy, attract investment and create jobs, all the while reducing our unsustainable impact on the environment. That chance may be slipping through our fingers as our foreign partners lose patience with the broad-church policy incoherence that characterises our government. We need to act soon – if we fail to seize this moment, and continue our obsession with coal above all else, our economy will continue its downward spiral. Our country has a promising future, but we need to wake up, and quickly.

The price of power

Electricity is the ultimate grudge purchase. Advocating for higher power prices is like pleading for lower taxes on billionaires. You're not going to find too many people lining up behind you. In the eyes of the public, I was the one pummelling the punch-drunk South African consumer by requesting ever higher price increases from the National Energy Regulator of South Africa.

Although the price of electricity has risen by 365 per cent over the past decade, much faster than inflation, Eskom's tariffs are still not that high compared to global norms. The perception that our electricity is excessively expensive has more to do with the high markups that municipalities place on the power they purchase from Eskom.

For example, one analysis done by my team showed that the ANC-led Sol Plaatje municipality (which includes Kimberley) was charging some unfortunate electricity users up to 121 per cent more than the Eskom tariff during the winter months. When I tactlessly mentioned this to a journalist, I received an outraged call from Patrick Mabilo, the executive mayor of the municipality, claiming that I had caused serious political problems and that he was taking heat from his constituents. My response was simply to ask whether he disagreed with the facts.

'It's your markup, not mine,' I told him.

'Yes, but I inherited it,' he replied.

'Then do something about it. You can change the policy!'

The spat once again illustrated the advantages of not being a deployed cadre. Unlike some of my predecessors, I was completely immune to pleas along the lines of 'Listen, comrade, you must cooperate; don't hang me out to dry, because you make me look bad.'

He contacted me a few times after that, asking me to stop mentioning Sol Plaatje as 'it's putting us in a bad light'. However, I stuck to my guns: you take the decision, you take accountability.

Ironically, it was the poor who suffered most under the Sol Plaatje price regime. The people who use the least electricity pay the highest markup. Big electricity users such as shops and factories sometimes pay less than the Eskom tariff. If the ANC's rhetoric had matched its actions, one would have expected more policies favouring the poor, but here they were helping the capitalists.

Of course, municipalities need to be compensated for the cost of their distribution network. They have substations, staff and meters. We have calculated that a fair markup for these services would be in the vicinity of 18 per cent. But you can't add 121 per cent.

It's difficult to escape the conclusion that electricity tariffs are a cash cow used to fund the high wage bills of our local councils. In general, South Africa's municipalities spend way too much of their income on salaries, and not enough on infrastructure and maintenance.

The discrepancy between salaries and money spent on infrastructure is a theme at every single level of government, from the biggest national department to the smallest municipality. Our state-owned corporations such as the SABC and Transnet sometimes operate more like employment agencies than anything else. Economists argue that a healthy economy allocates 30 per cent of its gross domestic product to infrastructure – this includes building new capacity and maintaining existing structures. We are sitting on a measly 13 per cent.

For a municipality hungry for cash to pay its huge wage bill, electricity is an easily enforceable and dependable source of income. If you cut someone's power off, they have little choice but to pay. It all comes back to NERSA, which doesn't regulate municipal tariffs as it should. It's much easier to just worry about Eskom's tariffs and not try to regulate each of South Africa's 257 municipalities.

This is how you end up with a 121 per cent markup in Sol Plaatje and 8 per cent in Nelson Mandela Bay. There is no rhyme or reason to our municipal tariff structures.

And, as in Sol Plaatje, it is the poorest consumers paying the price.

Now, if all this money was used on maintaining electricity infrastructure, rather than exorbitant wage bills, it would be less of an issue. But the reality is that the municipalities often don't even pay Eskom, resulting in an unpaid bill of R57 billion at the time of writing. The actual amount is far higher, as this figure doesn't take into account the billions already written off. Also, the interest on unpaid bills may not exceed the total of the capital – another factor keeping the figure artificially low.

At the heart of the issue lies a misguided approach to regulation. For years, since the 2010s, it was a point of pride for NERSA to award Eskom below-inflation tariff increases. It tried to project the image of a consumer champion fighting off the evil and greedy Eskom.

But their approach was never sustainable because the bill was always going to become due at some stage. The day of reckoning came earlier than expected because of the enormous cost of Medupi and Kusile power stations, as well as the Ingula Pumped Storage Scheme. To fund their construction, Eskom had to take on billions of rands in loans.

National Treasury was unwilling to stump up the capital, and said the cost had to be recovered through higher electricity tariffs. However, NERSA didn't get the memo. As an independent regulator that doesn't take marching orders from anyone, it simply went ahead and kept on setting electricity tariffs that didn't reflect the true cost of generation. In the meantime, the debt and interest snowballed. We were battling that most formidable of foes: compound interest. With Medupi, Kusile and Ingula way behind schedule, they could not generate income to service the loans. And even when they were finally up and running, if that is the right word, their performance was so far below par that it did not justify the massive investment in their construction.

So, we started to borrow money to pay the interest on our debt. It's like using one credit card to pay off another credit card. The snowball picked up pace and Eskom's

debt reached nearly R500 billion. Interest payments became our second-largest expense, trumped only by coal purchases.

And as our credit risk worsened, the cost of our interest went up.

From an income statement perspective, Eskom is doing much better, and we would be near break-even if not for the ruinous interest payments. If we could get the debt under control, a dividend might not be out of the question in the foreseeable future. Giving some money back to the South African taxpayer would be a small gesture of atonement for Eskom's decades of disaster.

I once had an interview with Bloomberg's bureau chief in South Africa, who told me that in thirty-five years of reporting on company results worldwide, he had never seen such a nightmarish balance sheet.

When Hendrik van der Bijl started Eskom in 1923, he had a very specific strategy: to use our abundant coal reserves to generate a competitive advantage for South Africa by providing low-cost electricity. The plan worked. But now we are at a stage where coal-fired power is no longer competitive. Technology changes. As illustrated in the previous chapter, the environmental cost becomes huge. Capital costs skyrocket because you need to install expensive emission controls. In the old days, they just didn't care about pollution.

Although electricity prices have increased, one must also look at what the tariffs are in so-called 'constant dollars', because that is especially important to exporters. If you export a product to be sold on the international market, you sell it in dollars. This is the game Sasol played for many years. You hope the rand weakens faster than the inflation differential, because then you get more in rands while your costs increase at a lower rate. This strategy is often successful because of political instability and perceptions about South Africa. On a graph, the lines indicating the exchange rate and the inflation rate frequently diverge, giving you a built-in margin because you sell your products internationally.

What we say to these exporters is: Don't complain if we link your tariff increase to a dollar rate. In dollar terms, our tariff increases did not even keep up with American inflation. So, if you were a dollar-based company, which Sasol essentially was, selling almost all its products in dollar-denominated prices – chemicals, fertiliser, petrol and diesel – you were sitting pretty.

It's a false economy built on the assumption that the exchange rate will always weaken at a faster pace than indicated by the inflation differential.

Big industry and big mining became accustomed to cheap electricity as a subsidy to hide their other inefficiencies, for instance labour costs that increased at a higher rate than inflation. But now that electricity costs need to reflect the true cost of generation, it is very painful to adapt.

Ever since the days of Van der Bijl, South African companies have had the attitude that they need cheap electricity to be competitive. We've neglected investment in new technology, which is more energy efficient than old equipment. Organised labour has been placated with unsustainable wage increases. But instead of tackling these issues, it's much easier to blame high electricity costs as the reason we can't compete with countries like China.

The low price of electricity historically enabled some dominant companies to indulge

in uncompetitive practices. They could get away with granting high salary increases that weren't matched by higher productivity. Eskom in effect subsidised companies by generating electricity at a loss for the sake of the economy.

As our coal has become more expensive, so this false economy has come under pressure. One of the reasons is that former Eskom boss Brian Molefe insisted on procuring more coal from junior miners so that we could puff up our empowerment scorecard. The junior miners were more likely to use road transport than the big boys whose conveyor belts fed directly into Eskom's power stations. This resulted in dramatic price increases in the name of empowerment. Stricter environmental measures also raised costs.

When you build a new power plant, the costs can be plotted on a bathtub curve – with two spikes, one in the beginning and one right at the end – with a long flat line in the middle.

In the beginning you have high maintenance costs as you suffer what are known as infant failures – the tendency of some new parts to break. Once these are replaced, the maintenance cost drops off and for a long time your costs are low. Then, as the equipment nears the end of its life cycle, the maintenance costs ramp up once again.

It's worth noting that if you neglect the required ongoing maintenance for the majority of the life of a plant, things can go south fairly quickly. This is essentially what happened with Eskom's coal-powered plants. Maintenance either wasn't done, or – because of the PFMA- and PPPFA-induced bakkie brigades – was done badly. Midlife refurbishments were postponed or just not done. In essence, deferring maintenance is like taking a loan at an extortionate interest rate. You keep your costs low now by borrowing (deferring cost) from the future. When that loan falls due, the cost of repairs and maintenance becomes ruinous. In this scenario, the spike right at the end of the equipment's life cycle is brought forward by several years, requiring the company to dig deep into its profits much earlier than expected.

In the apartheid years, sanctions and cheap electricity protected our manufacturing industry against foreigners wanting to eat our lunch. With the advent of democracy, we prematurely opened our economy to international competition, with the equipment in our subscale and uncompetitive factories several generations behind the rest of the world. We exposed ourselves to global competition at just the time that China rose to be the workshop of the world.

As the tide went out, we stood naked, leading our manufacturing industry to shed nearly a million jobs since 1994.

But, as far as electricity prices are concerned, there is at least a small glimmer of light at the end of the tunnel. Our tariffs are only 20 per cent away from reflecting the true cost of electricity, meaning that the end of the seemingly never-ending cycle of huge increases is at least in sight. After that, we should be able to simply track inflation.

The other good news, unsurprisingly, relates to renewable energy. At about half the price of coal-fired power, it can mitigate price increases in the years to come, provided we grasp the opportunity. Green is also the colour of money.

We are f***ed. Maybe.

At age sixteen, a friend and I hatched a plan to hitch-hike down to Durban during the school holidays. Those were different times, but it was still regarded as a risky endeavour, and we had to cajole our parents into allowing us to go. Fortunately, they agreed, and it turned into a memorable summer holiday.

Of course, it was not always plain sailing. As we approached Pietermaritzburg, it started raining heavily and we were feeling more than a little miserable about life. Luckily, a Zulu gentleman in an avocado-green Austin Apache took pity on the two drenched teenagers on the side of the road and pulled over. With his grey beard, long coat and tie, he had a distinguished look about him.

He smoked Craven 'A's. It's easy to recall because we gave our benefactors along the way nicknames according to the brand of cigarette they smoked. For example, 'Gunston helped us with this' and 'Chesterfield helped us with that'. Clearly, smokers tended to be a more hospitable bunch than their more abstemious brethren.

In any event, we were very relieved to be picked up.

While heading to Pietermaritzburg, we suddenly heard an unearthly grinding noise from under the bonnet, followed by complete silence. It was clear that the engine had seized, and that the Apache was not driving further any time soon.

The man brought his vehicle to a halt, looked over at us and, in an even voice, said, 'I think maybe the engine is fucked.'

Maybe.

The more I peeked under the Eskom hood, the more I was starting to feel like that Zulu gentleman.

In August 2021, Unit 4 at Medupi was destroyed in a catastrophic explosion. Visiting the scene of the accident, I soon realised it was a miracle that no one was killed. Steel sheets were ripped apart like paper. Massive rods snapped as if they were toothpicks. The cast-iron housing of the generator, several inches thick, was blown to smithereens and would have to be replaced.

The explosion had occurred during an attempt to pinpoint an external leak. The process involves the displacement of hydrogen with carbon dioxide and air respectively. In this case, the air was introduced prematurely. It mixed with the hydrogen, creating an explosive cocktail which then ignited.

Surveying the damage, my first question to the Medupi managers was whether a permit had been issued for this process. At Sasol, it would have been required, as it is an inherently dangerous activity.

'No, it's not necessary to have a permit for this process,' came the reply.

'Wait a minute, why do you say that?' I asked.

'It's a routine activity.'

'How routine?'

'Once a year.'

'I see. Once a year per unit, or once a year across the whole of the plant?'

'The whole of the plant.'

My irritation level was starting to grow. This was clearly not a 'routine' activity.

'Let's do the math,' I said. 'You have six units at this power station. You do it once a year across the whole of the station. You have four teams working three shifts every day. What are the chances that one member of your team performs this activity more than once every three, four years? How many of your workers are even around for that long?' A baleful silence ensued. Point made.

With the bit between my teeth, I moved onto my next query. Could I see a copy of the procedure for this process?

There was none, save for a copy of the original instructions from the manufacturer. Eskom had never written its own procedure.

They had been winging it based on external instructions – and the price tag for Eskom, and the country, would be more than R2.5 billion and a two-year-long loss of 720 MW of generation capacity at Unit 4.

It also emerged that the manager 'responsible' for the process had told his subordinates that he was going home and that they should continue without him. Adding another layer of complexity to an already tricky activity, the process of purging the hydrogen and replacing it with carbon dioxide and air stretched over two shifts.

Correct procedure dictates that another permit should be issued for the handover – to ensure that the new shift knows exactly what they should be doing. Needless to say, it had not been done in this case. Where a risky procedure is carried out over two or more consecutive shifts, the risks increase exponentially. But management were either unaware or didn't care.

The complacency and arrogance of the senior managers who were supposed to be overseeing this kind of work was a cause for huge concern.

The incident also showed the high cost of the erosion of institutional memory. Like a giant oak tree that had been hollowed out by termites, Eskom was still standing, but it was brittle and could not survive a storm.

Another incident that left me nearly incredulous occurred around March 2022 at Medupi's sister station, Kusile, which had been built on the doorstep of the huge New Largo coal reserve. Power stations are usually built close to coal supplies so that stock can be brought in via conveyor belt, bringing down transportation costs and reducing the pressure on overused road networks. New Largo used to be an Anglo American mine before it was sold to Seriti.

During the construction of Kusile, the puzzling decision was taken that New Largo would not be utilised. Instead, smaller mines would be given the opportunity to supply it – by road. A significant portion of the coal that is currently being delivered to Kusile comes from these junior mines. Some of these are members of the coal mafia, and some of the transporters are part of the trucking mafia, operating in cahoots with one another. The decision not to use New Largo was engineered by them and by their

contacts in the name of empowerment but at the expense of power generation.

As the different generating units at Kusile steadily became operational, Eskom started burning more and more coal. Quite logical. One day, I was shocked to notice in a report that the plant only had twelve days' worth of coal reserves left. This was a disaster in the making at one of our key power stations.

I sat down with our head of power generation and asked him how on earth this was possible. How could we allow ourselves to have so little coal at a power station? He explained that an algorithm determined the projected coal needs of the plant, based on past usage. I realised the algorithm had been basing its calculations on Kusile's usage before it was fully activated. It was never adjusted to take account of the new units coming online.

If I didn't happen to spot that, Kusile could have run out of coal.

It was the responsibility of the station manager to manage coal supplies. I had previously drawn up, out of pure frustration, a list of daily responsibilities for power station managers. Right at the top of the list was: Is there enough coal?

It's not rocket science. You run a huge coal-fired power plant. Perhaps you should make sure you have enough coal. My sense of frustration was enormous. Was there no system or procedure that I could rely on? Did I have to check everything myself?

Even the housekeeping at Kusile was shocking. It was a new plant, but was already filthy and neglected, with weeds growing everywhere.

Neglect often starts small – deceptively small – until it becomes so deeply ingrained in the culture of an organisation that there is no turning back. And then, one day, it explodes – sometimes literally, as in the case of Unit 4 at Medupi.

Flying by helicopter to the Merensky substation in Mpumalanga one day, Jan Oberholzer and I found a plant that looked like an unkempt smallholding on the East Rand. The grass was standing tall, with scrap iron strewn everywhere.

'Let's start over there,' one of the managers said, trying to shepherd us away.

'No, let's start over here,' I replied, pointing at a drum marked 'chemicals' that looked out of place. 'What's this doing here?'

The answer was: not much.

The drum contained no chemicals but was filled with cables and other trash.

At the Drakensberg Pumped Storage Scheme, I found more of the same. Being 1.95 metres tall, I can see on top of the big steel cabinets. These surfaces were filthy and basically treated as rubbish dumps. When you opened the cabinets, the tools were just lying loose at the bottom.

As for the toolboxes, they were empty.

The concerning aspect of many of the problems I noticed was the implication behind them. How many layers of management have to fail before the group chief executive notices that a workshop is dirty, that a toolbox is empty or that a power plant is running out of coal? It is simply not sustainable for someone in such a senior management position to micromanage every boiler room, every workshop, every control room. At some point, the power station managers and middle managers have to step up to the plate.

Compounding the problem are the structural and systemic issues Eskom is facing. Even with perfect management, they would be close to insurmountable.

How did we get into this situation? And why is it so difficult to turn this big eighteen-wheeler around?

Essentially, we have been driving with the rev counter in the red since 2004. Initially you run on the momentum of enough capacity and good maintenance, but before long, output starts to suffer because of bad management and a lack of maintenance. It takes ages to regain that upwards momentum. In fact, I'm not sure it is even possible, given the current circumstances.

It's like driving a cheap, rundown bakkie. It is, in fact, on its way out. You could spend R100 000 to fix it, yes, but shouldn't you rather take that money and buy another bakkie? You can't drive to town and back to the farm in first gear all the way. And, in addition, you need an oil change but you can't do it, because the bakkie needs to work all the time and you cannot afford the downtime.

It's the same at Eskom. When we switch off the ignition to service its engines, loadshedding is the result.

The government has an enormous responsibility in this regard. And they have to own up to it. Every now and then we would appear before Minister Gordhan or Parliament. The public have the right to know about electricity.

'We've had loadshedding for fifteen years now. When is it going to end?' they ask.

Well, fifteen years ago Professor Anton Eberhard told South Africa in no uncertain terms that a storm was approaching. The government's response was to say, 'Don't worry, it's okay.'

Politicians have very short time horizons. A utility company thinks in terms of twenty years, but a politician wants results within three weeks. If you put someone like that in charge of an entity with a long horizon, he will inevitably start compromising and making decisions affecting that long horizon.

Instead of allowing the technocrats to do their job, the politicians back then said: 'No, we're not going to build new power stations now. It's unnecessary, the lights are on.'

We consequently lost nine years before the green light was finally given to build Medupi and Kusile. But it amounts to much more than that, because during those nine years our power stations were red-lined the whole time. Had they started building new stations back then, we would have had the leeway to maintain our ageing power stations now.

Maintenance was neglected systematically. Eighteen per cent of our system should be off-grid at any given time for maintenance. It is necessary because of the age of our fleet of power stations. We are talking here about a planned capability loss factor (PCLF) of 18 per cent – that much of our total installed capacity countrywide should be shut down for maintenance.

Initially, Eskom had an energy availability factor that was above the norm. We were producing more power than our peers. But that was also an indication of the abuse we were putting the system through. We were creating 'virtual capacity' by doing less maintenance and running our plants harder than we should.

The aspect you should be looking at is the energy utilisation factor (EUF), which is an indication of how hard you are running the system.

In other words, the EAF is the speedometer and the EUF is the rev counter.

If you have a high EUF in a system that has been well maintained, you can keep up

the pace, keep on driving it hard – for a while. However, eventually the bakkie starts struggling, slows down and can even seize.

At one stage in the early nineties, power generation chief Bruce Crookes ordered a downtime ratio of 90/7/3. That is 90 per cent EAF, 7 per cent PCLF and 3 per cent UCLF (unplanned capability loss factor, in other words, allowance for breakdowns).

Nigel Volk, an engineering maintenance specialist, told Deon Joubert, a long-serving corporate specialist at Eskom, that they had determined a 'true bottom limit' of planned maintenance back then to only stabilise the decline of the power plants. According to him, that bottom limit of PCLF was 11 per cent.

When they compiled a sustainability strategy for Eskom, he was forced to lower it to 10 per cent to be able to generate the catchy phrase '80/10/10'. That is 80 per cent actual power delivery, 10 per cent planned maintenance and 10 per cent allowance for breakdowns.

Joubert wrote in an email to me that he had attended a meeting at NERSA where Thava Govender, the then power generation group executive, presented this 80/10/10 strategy. NERSA's permanent member for electricity, Thembanani Bukula, was 'very angry' about that figure and insisted that the PCLF be limited to 9 per cent due to the short-term risk of loadshedding at 10 per cent.

'However, such a low PCLF would obviously increase the long-term risk of loadshedding,' Joubert wrote. 'Govender never got past the second slide of the presentation.'

In other words, the national regulator was also focused on the short term, and also told Eskom in effect not to do too much maintenance.

According to Joubert, 'History shows that since 2012, there were only three years where PCLF exceeded 11% – in 2016, 2017 and 2021. Three other years managed to reach double digits, but were still below the determined minimum of 11%. All the other years were below 10%. In hindsight Nigel's analysis has proven to be quite accurate, in that the inevitable, unavoidable consequences of insufficient system space and funds to perform the required maintenance will lead to continued deterioration in plant performance. But there were other factors as well: Whether we got a rand's worth of maintenance for a rand's worth of spend.'

Another expert, who worked for the utility company during CEO Brian Dames' tenure, said they had calculated they needed a PCLF of 18 per cent to halt the exponential increase in UCLF. He said they could do it with 13 per cent, but it would take longer, and anything less would not resolve the issues at the plants.

'In the end, effectively, Brian Dames ruled that we could have 10 per cent,' this expert said.

In other words, little more than half of what was needed.

We need to remember, however, that these figures are not set in stone. The bathtub curve, mentioned in Chapter 18, is again relevant.

Just after a plant has been completed and put into production, there is a lot of maintenance to be done – because of so-called 'infant failures'. Thereafter, after all the niggles have been sorted out, required maintenance will decrease. But as you near the end of the lifetime of any plant, maintenance has to increase. Now, if you do not spend anything during the time of low maintenance needs, the upturn (the foot-end of the

bath) will effectively be brought forward. In other words, should you neglect maintenance during the lower phase while still running the plant at capacity, the need for higher maintenance will arise earlier.

Preventative maintenance is unfortunately a much-neglected discipline in South Africa.

That target of 80 per cent power delivery is a thing of the past. Our goal now is to just maintain an EAF of 70 per cent, but the actual delivery struggles to breach 60 per cent. Between 11 and 12 per cent of our capacity is shut down for planned maintenance (PCLF) and the rest – approximately 27 per cent – is off-grid because of problems (UCLF). This figure is catastrophically high and hence: loadshedding.

Also, because they are unplanned, these shutdowns contribute to the unpredictability and unreliability of the system. In other words, you are driving to town in your bakkie, but it can break down at any time.

We also do not have the power generation headroom to take enough units offline to reach a higher PCLF. That headroom wasn't created earlier, when our power system was still at the bottom of the bathtub.

Look at it this way: if you need a PCLF of 18 per cent and you have unplanned stoppages of 5 per cent, that means you need about 25 per cent spare capacity at any given time.

One of the areas where maintenance is most crucial is the cooling systems – this was where previous management skimmed the most on costs. Some of our cooling towers – for example at Tutuka – are barely functional. The internals of these towers basically need to be rebuilt.

At Kriel and Matla, which work with water-cooling systems, the cooling towers are also highly ineffective due to years of poor maintenance.

Ineffective cooling leads to build-up of residue in the towers – which decreases the supply of water. This makes it difficult to get enough steam on the turbines, decreasing the power output of the plant.

This is a huge problem that cannot be fixed overnight. To fix the cooling system or to perform proper maintenance, you have to commit to an outage of at least 100 days. But you cannot take out all the units simultaneously for 100 days, because you don't have enough spare capacity in the system. So you have to plan for the outages over multiple years, while your reliability trends inexorably downwards.

Neglect that has built up over years cannot be fixed in a year or two.

In essence, the decisions taken twenty years ago are the decisions preventing us from cancelling loadshedding now.

Shortly after I took over, at my first media briefing on 30 January 2020, I said South Africa needs to get extra generating capacity of between four and six gigawatts as soon as possible. Gordhan called me and said I couldn't state figures like that in public.

I insisted that it was the truth. Shortly beforehand, in December, we had experienced Stage 6 loadshedding, the worst ever. How could anyone have even thought we had enough capacity?

It is very disappointing to see how unwilling politicians are to hear inconvenient truths. And it is not necessarily a feature only of the ANC government. That's just the way all politicians are. It's the nature of the beast.

The problem is we do not have a strong civil service, like in the United Kingdom. There the civil service, despite political volatility, ensures that the ship of state sails forth placidly. They can resist a minister's most populist impulses. Our civil service, however, has been politicised, through political appointments and cadre deployment. This has allowed our ministers to meddle in administrative issues and decision-making.

I also need to add that even if we had the capacity now to achieve a PCLF of 18 per cent, we still wouldn't manage it because it takes a large maintenance force, and a lot of money, to keep it up.

And we haven't got that.

We need time, we need money, we need people.

And we don't have any of those luxuries.

It could even be argued that we should have started with loadshedding earlier, in small doses, to give ourselves sufficient headroom to carry out maintenance. Instead, the instruction was: 'Keep the lights on.'

Quite simply because, politically, it was the more popular thing to say.

It's like life savings: the earlier you start, the less you need to save later on. Years down the line you can save up to 50, 60 per cent of your salary, but it still won't be enough for a proper pension. Small amounts early on make it easier to achieve your target later on.

The fact of the matter is the ANC government sowed the seeds of our energy crisis in 1998 already. Their decisions back then are bearing poisonous fruit now. Political pressure has had a huge effect on the eventual reliability of our system.

Putting a new farmer in doesn't automatically make your crops grow when your fields have been exhausted. You can't blame the seventeenth 'farmer' trying his best to at least produce a harvest.

I think there are, at the very least, some mitigating circumstances for that farmer. Because on top of it all, he is also faced with corruption, state capture, the loss of skills, a lack of funds for proper maintenance and instability on management level.

Just about every switch that could ruin Eskom has been thrown. The fact that the lights are on at all is testament to the heroic efforts of a few souls battling away bravely in our power stations, on our transmission lines, in our control rooms and in our distribution business.

Corruption: the gift that keeps on giving

In April 2022, the self-proclaimed high priests of public probity, otherwise known as SCOPA, performed a three-day oversight visit at Medupi, Kusile and Megawatt Park. I excused myself from the first two days because of other appointments that had been organised long before. This irked the committee members, who accused me of not respecting them – a charge that I have to confess was not completely without merit. My prior dealings with this parliamentary committee had convinced me that they were more interested in political grandstanding than any true desire to perform their vital constitutional duty as a watchdog – perhaps not entirely unexpected, given the nature of the political beast.

Professor Malegapuru Makgoba attended the first two days on behalf of Eskom as chair of the board. On Friday 22 April, the committee members held a sitting at Megawatt Park where the board and I would be present. Prof couldn't make it, which worried me. The propensity of SCOPA to blame current management for all of Eskom's ills often gave rise to tongue-lashings and political point-scoring, without any attempt to grapple with the very real legacy issues and current challenges. The presence of cameras was sure to raise the temperature of the debate. In Makgoba's absence, Professor Tshepo Mongalo would act as the lead representative of the board, and given his amiable nature, I was not convinced that he would present a strong defence of management when things got heated.

So I decided to phone the fearless Busi Mavuso, the CEO of Business Leadership South Africa, to discuss our strategy beforehand. I felt that she would be the board member most likely to show some backbone when confronted by SCOPA. Without trying to dodge accountability, I argued for making the point loud and clear that we had inherited the Eskom mess and were trying to fix it. Hammering us might bring the committee some momentary satisfaction but would achieve little else.

I was asked a question by an EFF member of the committee, Omphile Maotwe: 'This management, and this board, what are they doing?'

I gave our version: 'We're working hard, these are our challenges, but we're fixing this and that.' I emphasised that the process would take time, acknowledging the impatience and irritation of the general public. I then turned to the chair of SCOPA, Mkhuleko Hlengwa, and said: 'Honourable Chair, the honourable member did ask for an opinion from the board, perhaps we can ask one of the board members to respond on behalf of the board.'

That's where Busi came in. I was sitting next to her, and I could sense her irritation

at the relentless lambasting of Eskom. As she spoke, she became more and more strident.

'What we will not accept and what we will not agree to, in spite of all the challenges we are facing as an organisation and all the efforts that have been put in place, is to have this board and André as the fall guy for the mess that this organisation is currently experiencing,' she said. 'Because the reality of the matter is that this is not our mess. We have been brought in to clean it up.'

With her concluding sentence, she really stuck the knife in. 'Honestly, we cannot be the fall guy for this ANC-led government.'

The inclusion of the word 'ANC' in the last sentence was like a splash of cold water in the face of the committee members. Everything she said was true, but it was considered politically incorrect to point out the role of the ANC in Eskom's demise while party members were sitting opposite her. Putting responsibility where it belonged was anathema to the politicians, who preferred to blame anyone but themselves.

Hlengwa, a member of the Inkatha Freedom Party, was shocked that Busi had dared to pin the blame on the ANC, while Bheki Hadebe, an uninspiring ANC member of the committee, feigned outrage.

'Ma'am, this is unacceptable, unparliamentary,' Hlengwa said.

As he berated her, he tried to draw a contrast with the 'decent' interactions the committee typically had with Makgoba.

'You will not come mid-stream of our oversight of Eskom, which began in earnest in 2019, with these kinds of theatrics,' the SCOPA chair raged.

He threatened to hold Busi in contempt. 'Either behave yourself or excuse yourself from this meeting.'

Busi didn't need to be asked twice. She stormed out of the room, her stilettos clicking in the stunned silence following the exchange.

That evening, Pravin Gordhan phoned me. 'What happened today?' the phlegmatic minister of public enterprises asked. He didn't sound too angry.

I told the story from my perspective, and Gordhan made it clear that he thought Busi was out of order. I surmised that he was under pressure from the ANC to act.

Gordhan informed me that he would issue a statement condemning Busi. In it, the ministry said her conduct as a board member of Eskom had been 'unbecoming'.

'It is unfortunate that Ms Mavuso brought party political issues into a process where SCOPA, as a Committee of Parliament, was exercising its oversight responsibilities.'

But, of course, there was no way that you could separate 'party political issues' from the power crisis if you were doing truly honest oversight. Busi was like the little boy pointing out that the emperor was wearing no clothes. She was tired of the charade of ANC members pontificating about the power crisis while the party's policies were still stifling Eskom's recovery.

What Gordhan should have said was 'Eskom has an independent board, with independent directors, and we won't always agree with what the directors say. In this case we don't agree, but we respect the independence of the board.'

In this way, he would have defended corporate governance while still defending his party.

While Prof supported Busi, Mongalo headed for the hills. He wrote a letter distancing

himself from Busi's statements and said that she didn't speak for the board. It was disappointing that he could not summon more intestinal fortitude to support a fellow board member.

In the aftermath, Hlengwa himself came in for criticism for what many regarded as his paternalistic and chauvinistic handling of the matter. Busi took to the airwaves, telling Radio 702, 'I am not going to be told to behave as if I am a naughty twelve-year-old schoolgirl.'

Following a meeting of the national executive committee of his party, the IFP, Hlengwa was forced into a climbdown. 'The party asked me to reflect on the manner in which these [parliamentary] rules were applied, and to give due regard to how Ms Mavuso may have felt, considering the sentiments she expressed on Radio 702 on Monday, 25 April 2022,' he said. 'I have done this. Accordingly, I wish to express an apology to Ms Mavuso; which I will convey to her in due course. I accept that the situation could have been handled better.'

But what of Busi's central charge? Was it still fair to blame Eskom's problems on the ANC in April 2022? Or were we just trying to evade accountability by passing the buck?

One could write a whole book about the ANC's complicity in the energy crisis, and some people have, but let us take a deeper look at just one telling example, which ended up having a devastating effect at Medupi and Kusile, the two power stations visited by SCOPA that April.

In 2007, the French company Alstom won the tender for the construction of the boilers at these two new plants. This was unsurprising, as Eskom had a long and fruitful working relationship with them. A letter of award was issued, while Alstom's rival bidder, Hitachi, received a letter of regret.

It's at this point that things get murky. As a politically well-connected company, Hitachi didn't take the loss lying down. After all, their BEE partner was none other than Chancellor House, the ANC's investment firm. In 2005, Chancellor House gained a 25 per cent shareholding in local subsidiary Hitachi Power Africa, which had been formed with an eye on the huge Medupi and Kusile tenders that were coming down the pipeline.

Chancellor House paid just R1.2 million for its shareholding – a bargain basement price considering the value of the contracts Hitachi was targeting.

When I started looking into the matter, it soon became clear that information had been flowing from the Eskom board to Chancellor House, and vice versa. ANC deployees close to the board informed Chancellor House that the initial discussions with the successful bidder, Alstom, were not going well.

It's fair to assume that this information was then also relayed, via Chancellor House, to top Hitachi officials.

At a meeting at O.R. Tambo International Airport in September 2007, Klaus-Dieter Rennert, a senior executive at Hitachi Power Europe, urged Chancellor House chair Professor Taole Mokoena to apply pressure on Eskom to reopen the tender process.

The chairperson of the Eskom board at that stage was Mohammed Valli Moosa, a former cabinet minister under both President Nelson Mandela and President Thabo Mbeki.

With Chancellor House acting as the conduit, Hitachi warned the Eskom board about

the 'risk' of appointing a single supplier for the boilers and the turbines. Commercial information, including advice on how to conduct pricing strategies, was then relayed from sources with intimate knowledge of board proceedings to Hitachi, in an apparent attempt to aid the ANC's partner in submitting a more competitive bid.

But even with this direct and improper influencing of the tender process, Hitachi's bid was still inferior and more expensive than Alstom's.

It was at this point that the Eskom board decided to unashamedly put their thumb on the scale.

The first step was to raise concerns about Alstom's boiler designs. Eskom said they were too short, and that Alstom needed to adjust their bid to allow for taller boilers. This complaint was actually spot-on – the boilers were too short. The problem was that Eskom only required this change from Alstom, and not from Hitachi – a clear-cut case of double standards that allowed Hitachi to tender for a cheaper boiler. But even this favouritism was not enough. Alstom's bid was still cheaper and better.

To add insult to injury, the bid evaluators then unilaterally and arbitrarily added a price adjustment of 6 per cent to Alstom's bid. To this day, no one can explain where it came from. The decision was apparently taken at a 'meeting', but it wasn't minuted and the reasons were never put in writing. When you're working with tenders of this magnitude, you don't just make adjustments on the fly. You formalise them, with a clear paper trail. Unless you have something to hide.

The 6 per cent increase imposed on Alstom was, at last, enough to drag Hitachi's bid over the finishing line, sputtering and wheezing. The company's R38-billion payday had arrived.

The senior Eskom engineer heading up boiler design was one Matshela Koko. His signature appears on the final design document. And the boilers he signed off on had fundamental design issues – a fatal flaw that would cost the country billions in repairs, delays, diesel and loadshedding.

The irregularities didn't end there. We later found that there were other substantial defects in Hitachi's tender documents. The company was not registered at the Construction Industry Development Board, the bare minimum before bidding for this kind of job. Eskom routinely disqualified many smaller tenders because the companies weren't registered. But for one of the biggest construction contracts in Eskom's history, this key requirement was conveniently ignored.

Claims that were later exposed to be inaccurate also featured in their bid documents, including statements that Hitachi had already entered into agreements with boiler and construction contractors, when it turned out that these were only entered into later. Hitachi's bid should have been disqualified due to these and other irregularities in their tender documents, but instead they were rewarded with the contract for the boilers for both stations – after they had initially only hoped for one.

When Alstom was still the preferred bidder, Eskom took its sweet time in conducting the negotiations, which dragged on for months and eventually opened the door for the tender to be revisited. But as soon as Hitachi had elbowed out Alstom to become the frontrunner, the process miraculously kicked into high gear. It took only two weeks to push the approvals through the necessary Eskom committees. The Eskom team adjudicating one of the largest tenders for the new power stations showed a distinct

lack of due diligence; in fact, in retrospect it appears as though Eskom was bending over backwards to ensure that the contract was awarded to Hitachi and its ANC partner.

Chancellor House was ultimately rewarded with R97 million for greasing Hitachi's path to the tender – a handsome return on its initial investment of just R1.2 million. The R97 million included a 'success fee', dividends and eventually a share buyback.

In 2009, Hitachi paid \$19 million in a fine to the US Securities and Exchange Commission (SEC) for contravening the Foreign Corrupt Practices Act. Shockingly, or perhaps not, this development was never investigated further by the South African authorities.

'During the bidding process, Hitachi was aware that Chancellor House was a funding vehicle for the ANC,' the SEC stated in a court filing. 'Hitachi nevertheless continued to partner with Chancellor House and encouraged Chancellor House's use of its political influence to help obtain the government contracts.'

This smoking gun was not enough for South African law enforcement, and the matter was quickly swept under the carpet. One would have to be hopelessly naive to believe that this had nothing to do with politics.

Due to the faulty boiler specifications, Medupi and Kusile soon became Eskom's terrible twins, wreaking havoc with its finances and operational efficiency.

For the ANC's 97 million pieces of silver, the taxpayer is paying billions. Because of Kusile's design flaws, we've lost around 2 100 MW of generation capacity during 2023, enough to eliminate two stages of loadshedding.

To fix only some of the boiler mistakes will cost R4.2 billion, and we've already burnt R30 billion of diesel due to lost capacity.

Measuring the indirect costs, like the loss of investors and job opportunities, is almost impossible.

The decisions taken in 2007 will haunt South Africa for decades to come. And these are not the only decisions that have conspired to condemn South Africa to fifteen years (and counting) of loadshedding. Again and again, all the spin-doctoring and obfuscation in the world can't hide that there is one common denominator to all these events, whether through policy failings, incompetent execution, state capture or corruption. When President Ramaphosa wrote to his ANC colleagues on 23 August 2020 that the party's national conference had already noted in December 2017 that 'there is an increase in corruption, factionalism, [and] dishonesty' in the ANC, he was reminding them that the 'African National Congress has been and remains deeply implicated in South Africa's corruption problem', with South Africans concerned about 'our role as a movement in corrupt activities'. The leader of the ANC acknowledged that the party and its leaders stand as 'Accused No. 1' in the dock, 'accused of corruption'.

But it is only the ANC that can indulge in this frank appraisal. All others who dare point out what the president himself has acknowledged are publicly excoriated and calumniated. The space for public discourse about Accused No. 1 remains very constrained, whether it is Busi Mavuso or I pointing out inconvenient truths.

Eskom, guard thyself

In twenty years in the oil business I had never heard of the company. Yet, here was Eskom's procurement department, recommending that we award them a fuel oil tender to the tune of R432 million. It stank to high heaven.

I first noticed the company during a meeting of the board of Eskom's generation division in April 2022. Looking at the bidders' list submitted by the procurement department, I quickly realised it was nothing more than a shelf company, and a close corporation to boot.

Another company on the list was also distinctly dodgy: a quick Google search revealed that they were under US sanctions from the Office of Foreign Assets Control – or OFAC, which precipitated a suitably onomatopoeic moment.

After some discussion, Mel Govender, group executive for legal and compliance, suggested that we conduct a due diligence on the suppliers to ensure that there was nothing untoward about any of them. The OFAC-sanctioned firm was eliminated, and a legal firm was appointed to do a thorough due diligence on the remaining bidders.

In the run-up to the next board meeting, I noticed that the due diligence report on the unknown shelf company was not part of the board documents. I repeatedly had to ask for it to be sent to me. On the morning of the board meeting, I was finally sent the report, which was protected by a password. More angry emails followed, and the password eventually arrived in the nick of time. The voluminous report was sent belatedly, clearly in the hope that I would not have time to read the documents before the meeting. But I paged directly to the key section, and it became clear what was happening.

Chairing the board meeting, I welcomed the three procurement officials presenting the tender award document, and innocently asked them if the due diligence had revealed anything untoward.

'Well,' one of them said after some thoughtful consideration, 'there was a possible conflict of interest with a Sasol director, which we were able to resolve.'

I asked about the shelf company. 'Anything to be concerned about?' I asked, feigning ignorance.

'Nothing at all, they are good,' was the response.

One of the key requirements of a successful cross-examination is to know the answers beforehand to the questions that you're going to ask, and then pay out enough rope for the witness to hang himself.

'Interesting that you say that, since this is a one-man close corporation. The proprietor has had his car repossessed for failing to pay his instalments, and he is

behind on his payments for his house. Do you think he is a good counterparty?' I asked, very calmly. 'Can he afford to pay his suppliers? Can he finance working capital for our payment terms?'

'We have no problem with this company – we do business with companies like this all the time for SD&L [supplier development and localisation] purposes,' was the glib response, hiding behind the facade of empowerment.

'So, when I looked on Google Earth at the company's address' – startled looks of alarm – 'it is clear that he operates from a suburban house in Alberton. I don't see any fuel oil tanks. Did we do a technical due diligence to confirm?'

'Yes, they completed a form that said they had access to tanks.' There was some perspiration beading on furrowed brows by now.

'And you visited these tanks?'

Muttering and obfuscation made it clear that no company visit had taken place, that the due diligence report had been ignored and that our one-man show was a stalking horse for another supplier, lurking in the background.

'So what conclusion am I to draw from this?' My tone had by now become angrily sarcastic. 'This is clearly a company with no substance, no facilities, no finance and no credibility, acting as an intermediary for someone else. Is this a case of monumental incompetence, or is this merely a precursor to corruption?'

After this exchange, the recommendation to award the contract was rejected by the board, and the three officials were suspended, one resigning with immediate effect, saying that Eskom was no longer 'a safe space'.

Indeed. The comfortable cronyism that had enabled corruption to fester was fast coming to an end – the space was no longer so safe for the enablers of dodgy contracts. But if it hadn't been for Mel's and my persistence, no one would have been any the wiser. Again, multiple layers of management had malfunctioned, leaving me as the last line of defence in the fight against corruption. And as a result, the space for me was also becoming progressively more risky.

Stopping the rot of tender corruption was only one way of sorting out Eskom's problems. In May 2022, after the reintroduction of loadshedding, I spoke to Pravin Gordhan about what we could do about it. I told him that we had to bring back experienced managers, which was code for white managers when one spoke to government.

Two and half years earlier, shortly after I took office, I'd received a touching letter from seventy-two Eskom pensioners, who had held a meeting and were willing to come back to work, saying they wanted to do their bit to help solve the energy crisis. When I responded positively, it created a political firestorm. The EFF went ballistic and labelled me a racist. No sooner has a white man taken over than he's bringing back the old white people, they complained. Pravin Gordhan had no stomach for this fight and instructed me to reject the pensioners' offer.

Now, in May 2022, it was interesting to hear the minister of public enterprises singing a different tune.

'You must do what is needed,' he responded.

After being afraid of the political fallout in January 2020, the minister was now essentially saying: So what if the EFF throw their toys?

During the same conversation, I lifted the lid slightly on what the private investigators had uncovered. 'The problem is Mpumalanga,' I told him. 'The corruption and the syndicated crime networks run very deep there.'

I paused and looked at him, before continuing: 'And it goes very high.'

Without saying anything, he looked me straight in the eye and nodded.

That same Friday evening, he called and asked me to come to his house in Pretoria at 12:00 the following day. While I was on the way, he sent me a WhatsApp. 'Please let your driver drop you off, don't park in front of my house,' the message read, with the implication that we might be watched.

The minister lived in a relatively modest suburban home in Groenkloof. I went in and introduced myself to Phindile Baleni, director-general in the Presidency, who would also be attending. We sat there with our masks on, as we knew the minister was not in good health and had reason to be concerned about Covid-19. Even with a cold front, the windows were open to get fresh air filtering through.

Gordhan ushered me to a particular corner on his couch to maintain maximum social distancing between the three of us. After introductions, his wife offered us some coffee and tea (being a good Afrikaans boy, I took the tray from the lady), and some excellent samoosas. After instructing us to switch off our phones, Gordhan took them to an adjacent room and put them next to the television, with the sound on loud.

I told him of the sabotage and schemes that Eskom's security team and the private investigators had uncovered. Loadshedding was not a coincidence. Apart from poor maintenance and management, corruption and other crimes were conspiring to keep the performance of the plants in the doldrums.

'This is an orchestrated campaign,' I said. 'This is a low-grade war we are engaged in, and we get no support.'

I told Gordhan there was more than one mafia-type network still active inside Eskom. At one stage, no fewer than five of the sixteen power station managers had allegedly been compromised. It's impossible to turn a utility company around if you cannot trust the general managers of your own stations.

I also spoke about the resistance we were meeting in government circles, even in National Treasury. Gordhan, as a former minister of finance, was somewhat protective of his old department.

'Treasury?!' he asked querulously.

I told him there was a bureaucrat in Treasury who had supplied false information in a letter that Dondo Mogajane, the director-general of Treasury, had signed. The letter concerned the appointment of a contractor to install coal-unloading equipment at the Majuba power plant's railway line. The Treasury official had alleged that the contractor was blacklisted by the Auditor-General, but when we contacted the AG's office, they made it clear that they had done no such thing. I informed Mogajane, who was very apologetic but took no action against the official.

'Give me a name, give me a name!' Gordhan demanded.

I duly supplied a name.

Before Gordhan could answer, Baleni said, 'Oh, I know them. During the PPE procurement for Covid, they tried to intervene and tried to push through a transaction that we had to stop because it was clearly irregular.'

This was quite the revelation, especially in one of the departments generally thought to be immune to the travails of state capture.

Baleni said they often investigated key figures in government and the state-owned enterprises with the help of the State Security Agency.

She smiled over the rim of her glasses and said, 'We investigated current management. And you're clean.'

'Thanks very much for that!' I replied.

We spoke about all the stumbling blocks to solving the energy crisis. We spoke about Minister Gwede Mantashe who went on eNCA and claimed we had capacity for 15 000 additional megawatts that we were choosing not to use, possibly because my team and I were 'intent on subverting the state'. These were extraordinary claims, made either because Mantashe had no understanding of the issues involved, or because he was cynically intent on scoring political points. This made life very difficult for Gordhan, who as a disciplined party member refrained from public criticism of his colleagues, except in the most oblique comments. The president did little to discipline wayward ministers, who greatly contributed to doubts among foreign investors and lenders that South Africa had a grip on the electricity crisis.

We spoke about industrial policy and how Minister Ebrahim Patel's myopic regulations were discouraging investment in South Africa. There were many examples, some of which I've mentioned earlier in this book, but on this occasion I chose to focus on the production of components for renewable energy.

South Africa has only one locally owned manufacturer of solar panels, with the rest being imported, mostly from China. The maximum yearly capacity of this manufacturer is 325 MW worth of solar panels. Because this procurement is done through the Independent Power Producers Procurement Programme Office, a part of the Department of Mineral Resources and Energy, all bidders are required to abide by Patel's local content requirements. That means it'll take this company twenty years to make all the solar panels for Bid Window 6 in the procurement programme for renewable energy. The local content requirement is intended to attract more investment, but after so many manufacturers were left high and dry when the IPP programme stalled under Koko and Molefe, no one is prepared to return, especially since China is outcompeting the rest of the world. Rather than solving the country's urgent need for more generation capacity, Patel wants to promote local manufacturing where there is little or no capacity, and where investor appetite is low to non-existent. And because local manufacturers are destined to be more expensive when compared to imports, you are baking in higher electricity costs for every electricity consumer in South Africa, making the rest of your economy even less competitive. When your policy is this short-sighted, you're not truly willing to solve the energy crisis. We're losing many more job opportunities than we're protecting with these kinds of regulations.

I explained my views with an analogy. If you're an unscrupulous game farmer (and I have no specific game farmers in mind with this analogy), you put salt licks on your entire farm before you put up the fences, so that animals are attracted to your territory. Once your neighbours' antelope are safely on your land, then you put up fences, also known as tariff barriers. In South Africa, we turn this analogy on its head. We have one antelope on our farm ... and we fence this lonely creature off. Our lone antelope

wanders the farm forlorn, miserable, and not procreating. Then we ask why the other antelope aren't coming to our farm, and attribute it to Afropessimism, or a conspiracy by the Global North, anything but acknowledging that our policy is a dismal failure. The reason the animals aren't coming is because they are being chased away through daft policy decisions. Made by Patel, by Mantashe, by Treasury.

In South Africa we are prone to 'policy creep'. We are forever loading more and more requirements onto a specific policy. We want to solve the energy crisis, but then we also want to protect local industry, we want to promote BEE, we want to give opportunities to women, the youth and people with disabilities. I told Gordhan and Baleni we were like a mountain climber who loads up his backpack with nifty gadgets before going on an expedition. Individually, none of these gadgets is heavy and each one has something to recommend it, but when you put them all together, you stumble out of your tent with a backpack weighing forty-five kilograms. It can get so heavy that you fail to reach your destination at all.

At the heart of the problem lies our government's devotion to discredited Marxist principles – and especially the Marxist view of the world in terms of class differentiation and the distribution of wealth. Ludwig von Mises, a member of the Austrian school of economics, was the first to clearly point out the inherent flaw in the Marxist argument. The unequal distribution of wealth had nothing to do with class. It had to do with demand and the individual consumer, and the value he or she attaches to certain things. The amount of labour that the proletariat puts into the production of something is totally irrelevant to the final value of the product. Von Mises uses the following example: You can spend twenty years building a steam-powered tricycle, but if nobody wants a steam-powered tricycle, your twenty years will count for nothing, because there is no demand for your product.

It's a harsh and uncomfortable truth that the value of your labour is not determined by the length of your labour. That's why it helps little to rage against the injustice of CEOs earning much more than workers on the ground level. You can just as well complain about gravity. It drags all of us down, but it's a fact. It's a law of nature, and one has little choice but to accept it.

At the Union Buildings in Pretoria, yellow lines and a wheelchair icon demarcate the parking spaces reserved for people with disabilities. Perhaps we also need bays marked with red lines and the hammer and sickle – so that those with ideological handicaps can find a parking space close to their office. The ANC is a party stuck in the past. Guys, it's the twenty-first century; why are you still addressing each other as comrade? Your ideology has been completely discredited. Yet you bow before the great gods of Marx and Lenin.

In my view, communism is inherently an amoral ideology. Stalin lived by the creed that 'the death of one man is a tragedy; the death of a million is a statistic'. If you don't have a moral compass, then you're comfortable with that. That's how you start to think about the world. That's why the ANC can be so uncaring about the dire circumstances of millions of its citizens. If you lack morality, bribes aren't a problem. Even murder isn't a problem. One of the many reasons for Russia's struggles in the Ukraine is corruption in procurement processes. The soldiers are battling with equipment that doesn't work.

The world has taken note of South Africa's ideological blinkers. Many ambassadors

have asked me privately, 'Why on earth is your government supporting Russia in the war?'

Gordhan, a former communist himself, strikes me as a man with integrity. But he also comes across as someone with the cynicism of the disillusioned believer, one who has realised that the ideology in which he believed his whole life, and which he fought for, has been revealed as a chimera. I think that takes a toll.

For the bravery he displayed in taking on President Jacob Zuma and his cronies, Gordhan deserves the nation's thanks. But it's difficult to escape the conclusion that he is being hamstrung by his loyalty to the ANC. He knows something is amiss, but after more than fifty years in the struggle, it's not easy to admit.

But more important than the ideological jousting between me and the minister was the point I wanted to drive home about the lack of support Eskom was receiving from law enforcement. It took scarcely two weeks after the meeting with Gordhan for my arguments to be reinforced in stunning fashion.

Early in June 2022, I attended a meeting at the Union Buildings with the presidential task team under the chairmanship of Deputy President David Mabuza. The room was a rotunda with beautiful sculptures and panelling, but it also showed signs of decay. Water damage stains dotted the walls. The PA system didn't work, so someone sat there with a boombox connected to a microphone to make sure everyone could hear. All the ministers attended virtually; the minions were there in person. Following my briefing, Gordhan made a strong plea for greater protection of Eskom infrastructure, specifically our power stations, and asked for the support of the police.

Next to me sat Major General Pushkin Skhosana, who is responsible for national key points, which include Eskom's power stations.

Skhosana proceeded with a presentation that left me flabbergasted. He said the issue of guarding national key points was actually very simple. The owner of the national key points must safeguard their assets to the satisfaction of the commissioner. If you don't take those steps, it's your problem, and then the commissioner will talk to you until you do it. In effect, he was saying, 'Listen guys, you must sort out your own shit.'

The police officer in charge of protecting national key points was essentially washing his hands of the matter. He thinks his job is only to coordinate. It's a bit like a firefighter rushing out to a burning building and saying you urgently need to procure a fire extinguisher.

I texted Gordhan about the puzzling presentation. He agreed it was unacceptable, and promised to talk to the security cluster. Soon the wheels began turning.

That Friday afternoon, I received a call from Karen Pillay, our security chief, saying that General Fannie Masemola, the national police commissioner, had requested an urgent meeting the following day at Megawatt Park. I, of course, welcomed the chance to have a discussion following the concerning events at the Union Buildings.

On the Saturday, Masemola arrived with Skhosana and several other senior police officers, as well as three senior members of the State Security Agency. From Eskom's side, it was Karen, Jan Oberholzer, head of legal Mel Govender, and me.

I told Masemola of the criminality and corruption crippling Eskom. He said he had been contacted by the Presidency, and that he took notice of the sabotage with which Eskom was dealing. He bemoaned the general lack of crime intelligence at his disposal,

a stunning admission for the national police commissioner to make.

Thanks to the private investigation, I was sitting on more actionable intelligence than the country's police chief. I tried to give them a primer on corruption in the coal value chain, but I didn't want to play all my cards. Between the senior police officers and the SSA agents, they were quite a large group, and I wasn't sure who I could trust.

In Mpumalanga, several cases relating to coal theft and the dumping of stock at dark sites were never prosecuted because a specific senior police officer had personally intervened. He had also allegedly ensured that the routes along which the syndicates transported cash were clear of any roadblocks.

On one occasion, some of the coal trucks took a different route than usual, via Middelburg, and ran into a routine police roadblock. The officers on the scene allegedly received a phone call from the Union Buildings asking them, 'Don't you have better things to do than to stop coal trucks? Let them go.'

So I had good reason not to give away too many details. In any event, it looked like the police were learning about much of this for the first time, so too many facts would probably just have overwhelmed them.

After I had spoken, Jan also made some remarks, emphasising that the high levels of loadshedding were probably a consequence of sabotage.

Karen gave a few examples of how the police at station level had failed miserably at even the most basic tasks. An outfit called the Standerton Youth Forum had occupied roughly 100 Eskom houses unlawfully. A grand total of four arrests followed. Apparently taking their cue from leaders like Skhosana, the local police had said it was Eskom's problem to evict the illegal squatters and washed their hands of the matter.

After Karen had finished, Masemola made another stunning admission. He said everything we had told him was new, from the sabotage to the coal theft. He had no inkling that any of this was going on. I didn't expect him to know as much as our private investigators, who had immersed themselves in the netherworld of the Mpumalanga Mafia for months, but even by just following news reports, he would have been aware of several incidents of sabotage that were a matter of public record.

I think he really was totally in the dark – and who could blame him? A senior official from the National Prosecuting Authority told me privately that the wheels have come off at the police. It's completely dysfunctional. Masemola probably gets soothing reports from his underlings every day. He would probably be better served just reading the daily newspapers.

Shocking as Masemola's admissions were, there were yet more surprises. A learned doctor from the SSA was up next. In essence, his message was: Ja-a-a-a-a-a, we've known about this stuff since 2019 ...

Following the Stage 6 loadshedding of December 2019, the SSA had launched an investigation into possible sabotage, the results of which Eskom still hadn't received. Now the doctor was saying that the information we had uncovered was consistent with the SSA's intelligence. So why had nothing been done for two and a half years? The official said something about a joint task team being established but then being derailed by the pandemic. I knew that for the better part of two years, Covid-19 had been used as a get-out-of-jail-free card for anyone wishing to dodge accountability, but this was ridiculous. I wanted to say, 'Come on, guys, our country is burning, and you allow a

virus to prevent you from acting on a key threat to national security?’

A dossier was assembled, but it was never shared with Eskom because a highly placed politician had said it should be given to him, and only him. Following the meeting of the presidential task team the previous day, the same politician had once again requested that all information be shared only with him. Key information that could help Eskom and the security services to curtail crime was being quarantined and not shared with the national police commissioner, and hence not acted on.

One of the police officers said Eskom’s controls were insufficient. I completely agreed. I had received information from a trusted source that you could unload coal of any quality at Kusile for a bribe of R200 000. What incentivised the syndicates to pay such a large amount? The biggest reason was price differential. Eskom pays almost R350 per tonne of coal. But coal that is in line with Eskom’s specifications could be exported at up to \$320 per tonne, due to the Ukrainian war. The arbitrage is just too large and juicy for criminals to resist.

If you can take Eskom’s coal, export it, and pay someone to go and offload stones at Kusile for which you also get paid, your profit margins will be off the charts. For someone with no moral compass, the R200 000 is an excellent investment.

Now I can hear people saying: What are you doing with this information, De Ruyter? My answer is: What can I do with it? Where do I report it? The police? They mishandle even the simplest and most clear-cut cases that we present to them. The SSA? They’ve just admitted that they’ve been sitting on explosive information for three years without doing anything about it. Should I tell the government? Well ... senior government officials might be involved themselves. So, what should I do? One even runs the risk that the police may share crucial information with the syndicates. Their leaks could endanger the lives of whistleblowers.

What I did do was to tighten up our controls over coal quality. I was aghast to find gaping holes in our controls, with even the rudimentary ones in place being ridiculously easy to circumvent. Despite repeated exhortations to gain control over coal, our single most important process variable, little progress was being made. My repeated questions to Snehal Nagar and his team in our primary energy division, responsible for buying coal, met with very detailed but ultimately unsatisfactory answers. Frustrated, I took a walk to their offices in Megawatt Park, and it was like boarding the Mary Celeste – not a soul in sight. I picked up a supposedly confidential coal contract lying on a desk in an open-plan office, and requested the team to come to my office so that I could hand them the file – and a furious dressing down. Eventually I resorted to my tried-and-tested weekly meeting with Snehal and the team, and we started making progress. New technology was deployed, weighbridges were calibrated and used as checks, coal quality management was improved, security was tightened and arrests followed. So brazen were the crooks that soon after commencing with a project to install sophisticated load cell technology on coal trucks, one of the contractor’s senior managers reported being approached with a bribe.

Back at the Megawatt Park security meeting, Skhosana admitted that cases weren’t being pursued by detectives when they were reported. This is a general in the police force and he’s sitting there saying in effect: Yes, Eskom, you’re right, nothing is being done.

Skhosana's overall tone had changed considerably since his disastrous presentation the previous day. I suspected some hard words had fallen. Like Masemola, he admitted intelligence failings. And on the rare occasion that good intelligence was received, it usually wasn't acted on.

The next spy to speak certainly looked the part: he arrived dressed in a trench coat and polo neck. He said Eskom was a priority and that the SSA would improve its vetting processes. Bear in mind that my own vetting process had still not been finished. I had been in the CEO position for more than two and a half years, and they still didn't know if I could be trusted with highly confidential information.

'People are reluctant to deal with political issues in an election year,' said the spy, referring to the upcoming ANC leadership election in December. So, while you are experiencing crippling loadshedding, precipitated by sabotage and crime, your country's national security agency is saying: Wait, it's a bit politically sensitive, let's stand back for the next six months until the ANC has elected its new leaders.

Can you imagine this happening in any other democracy?

Masemola promised that he'd come back to us after a week – 'after strategising'. That never happened. He said he'd get former KwaZulu-Natal Hawks chief Johan Booysen to help, because he was working for Fidelity as a consultant. Nothing came of that.

After the meeting, I spoke to one of the senior police officers who had accompanied Masemola. He confided in me that the corruption at station level was so entrenched that he couldn't see a way out.

The meeting at Megawatt Park confirmed everything that I had long suspected about the SAPS – we were pretty much on our own. During this part of my term, law enforcement issues were taking more and more of my time and energy. Besides my meetings with Gordhan and the police chief, I also raised my dissatisfaction on a public forum. I singled out the NPA, saying in a media interview that we would need to consider private prosecution if they didn't step up to the plate. Private prosecution is no simple matter. You have to get a nolle prosequi certificate from the NPA (confirming that they have declined to prosecute), and you must have locus standi – in other words, you must be able to prove that you're the aggrieved person. For a private individual, that's certainly possible. But there is no legal precedent for Eskom getting involved in private prosecution. The mere fact that I spoke about it publicly made the NPA very uncomfortable. I received a letter from Advocate Shamila Batohi. This was after Hermione Cronje had already departed as head of the Investigating Directorate and Andrea Johnson had been appointed in her place. In the letter, Batohi asked if we could discuss the issues I'd raised, so that we could work together.

On a Monday morning, I drove to the NPA head offices in Silverton. I was accompanied by our head of security and the head of the audit and forensic department.

I was received heartily. NPA officials came to meet me at my vehicle and accompanied us into the building. Security was tight. It's clear they protect themselves well. They don't order food to be delivered; they rather go out and buy from a random shop. That way no one can sneak something into their food. Everyone is jittery.

To prevent bugging and recording, we were requested to hand in our cellphones, and

I walked into Batohi's office for our private meeting. She has a beautiful office. Bright sunlight shone through the windows. We made conversation; she told me why she had taken this job despite having a sought-after position at the International Criminal Court in The Hague. Her son had told her she must do the right thing and come back to South Africa.

I told her how I was struggling to have certain state capture cases prosecuted.

'This is the first I've heard of it,' she said.

I told her that we'd had in-depth discussions with the Investigating Directorate. We'd offered to help with computers and office space. Matthew Chaskalson SC had even offered to help with the drafting of indictments, free of charge.

Batohi acknowledged that the Investigating Directorate had not been functioning as it should, but expressed confidence in Johnson's ability to turn things around.

The NPA boss had bunches of flowers in her office ... but they were old and withered. So, I told her I'd make her a deal – if she made progress with the state capture cases, I would buy her some new flowers for her office. She had a good laugh at that.

We left her office, and I met her staff before going into a large conference room, with about seven NPA personnel and the three of us from Eskom. Pictures of struggle heroes in the legal profession, including Griffiths and Victoria Mxenge and Ismail Mahomed, hung on the wall – all a bit skew. I have OCD, so it took all my willpower not to stand up and ask, 'Can I please just straighten out the pictures?'

It was a good meeting, but I sensed that the NPA had similar problems to Eskom. They also struggled with procurement, appointments and budgets.

Johnson was clearly a tough-as-nails prosecutor and she intimated that we should leave them to do their jobs. 'We are the NPA, and you shouldn't mess around here by bringing private prosecutions,' was the message I got.

I informed Batohi and Johnson that Eskom had lodged 104 cases with the police but that there had been only twelve prosecutions at that stage. We also discussed cable theft, noting that the National Non-Ferrous Theft Combating Committee had stopped functioning altogether. Cable theft is a national crisis, but this committee isn't meeting any more. There's just a supine indifference.

They told me that a new criminal code had been created for infrastructure and cable theft: 3200. That code means that it is a priority crime, and that all information should be passed along the chain of command, because it's an urgent matter. However, this is bypassed by policemen who use a different code, with a lower priority. So, it doesn't get reported. The police stations, deliberately or not, are busy sweeping these serious crimes under the carpet.

Driving back to Megawatt Park after the early-morning meeting, I could not help but feel somewhat cynical, having heard all these assurances before.

Fortunately, I was wrong, and when the first high-profile arrests were made, a congratulatory bouquet of flowers made its way to 123 Westlake Avenue in Silverton.

Week from hell

It was a late evening at Megawatt Park and, after a long day of negotiations, Irvin Jim had just put a new demand on the table to end the wildcat strike that was crippling Eskom.

'Just don't fire our people who threw petrol bombs,' the union leader said.

We were seated around a table in the office of Elsie Pule, Eskom's head of human resources. The date was Wednesday 29 June 2022, slap bang in the middle of one of my most challenging weeks in the Eskom hot seat – and that was saying something.

'But, Mr Jim, how can I condone that?' I replied. 'How can I just turn a blind eye to that?'

'Ja, but these were not proper petrol bombs,' he declared, with his characteristic mischievous grin. 'The fact is there was petrol in it and it was in a bottle ... but the fact is they didn't explode. These guys don't know how to make petrol bombs. I know how to make petrol bombs. If I had shown them, they would have been proper.'

Sometimes I wonder whether I'm not too reflexively anti-union, whether I'm not too blinded by my own capitalist biases. But then interactions like this happen.

This last week of June 2022, going into July, had turned into a week straight out of hell. It had started with Stage 2 loadshedding and would progress to Stage 6 for only the second time ever, due to the effects of the strike.

With no inkling of the gathering storm, I had travelled to Sun City on Thursday 23 June to address a conference of the Agricultural Business Chamber. My presentation was well received, and I was also able to do some media interviews.

In one of these, I had said I saw no reason why Eskom, with its sky-high debt levels, should build any new power generation if the private sector was primed to jump in and build it themselves. I used the example of how we had made land around our Mpumalanga power stations available for independent producers to build new generation capacity as soon as possible. These projects would provide 1 800 MW of renewable energy to the grid. The first round was four times oversubscribed, and we could pick and choose from credible contractors.

The beauty of these kinds of deals is that they require no capital outlay from the cash-strapped Eskom. This, in turn, means the government doesn't have to provide security for a loan – a burden that would eventually fall on the taxpayer. It's a no-brainer.

Within six months, Eskom had managed to secure deals for the 1 800 additional megawatts of green energy. Compare that with the measly 150 MW that the Department of Mineral Resources and Energy had secured in three and a half years.

This sharp contrast left the state with egg on its face. Of course, the underlying reason for their tardiness was that energy minister Gwede Mantashe was no champion of renewable energy, and wanted to prolong the use of coal for as long as he could.

As I was driving back from Sun City that Thursday afternoon, Jan Oberholzer phoned me and said, 'Listen, we've got big shit.' It had become clear workers were staying away. They were on an illegal strike.

On the Friday morning, we immediately obtained an interdict against the strike – not that this was necessary, because it was automatically illegal.

The union leaders professed to have no control over their members. I asked NUM president Dan Baipile, with whom I have quite a good relationship, for help. I told him, 'This is trouble. Help.' I said that Irvin Jim, the general secretary of NUMSA, had already ground South African Airways down, as well as Comair, and now he wanted to apply his reverse Midas touch to Eskom. Baipile offered his help, but the tide was just too strong.

The problem is energy has become so politicised that a union boss like Baipile has been stripped of much of his authority. His members were being egged on by outside forces in the run-up to the ANC's leadership election. It was in the interests of the RET faction to cause as much chaos as possible for Cyril Ramaphosa's government.

While all this was going on, I had to attend to a roundtable discussion with the Eskom board that had been arranged some time before. Experts – both international and local – had been flown in to make presentations, so postponing the discussion was not an option. The experts differed on nuance, but their overarching conclusions were very similar: We needed to add new generation capacity. Immediately. To achieve this, you have to use whatever resource is available – whether it's from the private sector, or spare capacity that Eskom could somehow find somewhere.

In my presentation, I conveyed two uncomfortable messages to the board that I don't think they had heard before. It was time to speak truth to power. The first message was that the energy availability factor – a measure of how well our power stations were performing – would not and could not improve. 'The only thing we can do really is to slow down the tempo of its decline somewhat by doing maintenance. But we are on an inexorable downward curve and it cannot be reversed. It cannot.' And then I told them: 'If you want us to pretend this can be done, then this board must get another management team. Because we cannot and we will not deliver something that is impossible.'

The other message I conveyed was: 'Essentially, government has to get out of the way.'

The reason why we can't connect even the few hundred spare megawatts available is because we need approval in terms of the Public Finance Management Act and the Preferential Procurement Policy Framework Act, we need approval from NERSA, and we need approval from the minister of mineral resources and energy in terms of section 34 of the Electricity Regulation Act. We get caught up in a web of regulations, wherever we turn.

Board member Dr Rod Crompton (a former deputy director-general of the Department of Mineral Resources and Energy) advocated strongly for a market-related solution with all the fervour of one converted from socialism. Busi Mavuso, CEO of Business Leadership South Africa, immediately gave her support. A third board member,

Professor Tshepo Mongalo, said, 'Yes, but wait, you have to improve the energy availability factor, you have to improve the energy availability factor.' Interestingly, this echoed the drumbeat which had been coming from the Department of Mineral Resources and Energy for some time.

Dr Wale Aboyade, formerly of USAID's Power Africa and now the Global Energy Alliance for People and Planet, a philanthropic group, made an insightful remark. He said one of the reasons why we were struggling so much to convey our message was that I – with my race as the subtext – was the messenger: 'You should be aware that it is not so much about what you say but about who says it.'

Aboyade's statement was tough to hear but hit the mark. Any effective communicator must consider how their message will be received, and it's possibly something I neglected in this instance. Perhaps I should have ensured that it was not delivered by a white person, although that route would have come with its own set of questions: 'But where are you? Why aren't you saying it? What is your opinion about this?'

During the conversations, I noted down: 'I'm starting to understand that this is fundamentally an ideological debate. Marx holds that control over the means of production and resources is the way for the proletarian revolution to succeed. Solar and wind are uncontrollable resources and therefore cannot be owned by the proletariat. Therefore, renewable energy is to be opposed and coal favoured.'

I mentioned something along these lines during the roundtable, but it fell flat – I suspect because most people don't think in terms of theoretical frameworks like this.

Meanwhile, Mike Teke, CEO of Seriti Resources, whom I regard highly, embraces renewable energy with open arms. While making windfall profits with coal exports, he is investing in the future of energy by building a huge wind farm near Tutuka, right in the heart of coal country. He is not ideologically driven – as one would expect from a businessman. He sees an opportunity to make a buck, and he does it. And although he is primarily motivated by profit, his endeavours in this regard will end up helping the wider South African society – precisely how a capitalist system is supposed to function.

During breaks in the roundtable, I tried to keep tabs on the strike. Besides reaching out to Baipile again, I also phoned police commissioner General Fannie Masemola and asked him to send additional forces to quell the strike and, especially, put a stop to the widespread intimidation of Eskom employees.

But, of course, that was easier said than done because you couldn't put a policeman at the house of every Eskom staff member. That's where the intimidation was happening. That's where petrol bombs were thrown through people's windows. That's where tyres were slashed. The words 'Eskom house' were painted on the homes of staff; and if that house was empty, the mob would know they had a 'traitor' on their hands. The strikers were out of control, and we reached the point where Stage 6 loadshedding became unavoidable. We simply didn't have enough capacity.

I was supposed to fly to an investment conference in New York, but I cancelled the trip. The CEO of Eskom could not be out of the country while the nation staggered under Stage 6 loadshedding, finish en klaar.

And amid all this, Eskom had to do a presentation on how we were going to implement the recommendations of the Zondo Commission into state capture.

So, you have a strike, you have Stage 6 loadshedding, you have to host a roundtable

to get buy-in for what everyone knows needs to be done, you've got Zondo, and you have to negotiate with the unions.

On Tuesday 28 June, I again met with the two general secretaries – William Mabapa of NUM and Irvin Jim of NUMSA. I told them, 'Your members are now busy sacrificing this country for the sake of their own interests.'

They reiterated that they were not in control of their members. But if we gave them a 7.5 per cent increase and changed a number of conditions of service, they thought they could sell it. We did some calculations – I mean, these are big amounts of money. To meet these demands, it's R1.6 billion a year of extra cost for Eskom, which we don't recover in the electricity tariff. So now I needed to search for it somewhere else, and I didn't have a sofa stuffed with cash sitting around.

It was common knowledge that Eskom workers were well remunerated, and the union members did not gain much public sympathy. Even Jim admitted it: 'Yes, Eskom pays well.' During the meeting, Mabapa was slumped in his chair, busy on his cellphone all the time. While we were busy talking about one thing, he would suddenly enter from left field and go off on a tangent that had nothing to do with the topic under discussion. Even Jim was moved to say, 'Maybe Mabapa doesn't understand this.'

In the meantime, we arranged a media update to answer questions from journalists who, respectfully, aren't always well informed. Sometimes it was painful to hear the questions. Where were these people in the past ten years? It's as if some of them started out yesterday.

A TV journalist asked, 'But why don't you do anything about it [the Stage 6 loadshedding]?' And I said: 'Hey, just wait. You have to go ask the unions who petrol-bomb people's houses. Go ask people who are intimidated in their houses why we have Stage 6 loadshedding. Ask that guy. He will tell you the cause.'

That same Tuesday, Pravin Gordhan came to Megawatt Park. Say what you want about Gordhan, but he handles crises well, he stays calm, he doesn't start banging on the table. He understood the issues, so he was very supportive, by and large. He was fixated on every unit, and with every power station he wanted to know exactly what was happening. This wasn't really necessary, and it could also divert his attention from the bigger picture. He got so caught up and entangled in the detail that in the end he did things on the basis of 'Let's just do this for three months'. No, we need to do things now for the next twenty years. In the ANC, Gordhan is regarded as the big strategist. I don't think he is particularly strategic. I think he is very tactical, very short-term, but what is lacking is the perspective of 'Okay, just wait, if we want to solve the crisis for the long run, then we need to do the following now'.

Gordhan and I had an online meeting with President Ramaphosa to inform him of the strike and the fact that we were bleeding generation capacity. To the surprise of no one, Ramaphosa didn't really tackle the problem forcefully.

'This is of course completely unacceptable and really our colleagues in organised labour must instruct their members to not engage in these activities,' was the best he could muster.

This was once again Ramaphosa the country-club manager coming to the fore. Yes, the tennis players had somewhat of a rough party last night, but we still need their membership dues. So, it's okay, we'll just have a little chat with them, and ask them not

to be so rowdy next time.

As always, the president was managing the competing interests in the ANC alliance. It would take a major crisis for him to say, 'I'm picking up the phone and I'm telling my generals I want troops in the street. Wherever Eskom people live, you patrol. If there is trouble, then you sort it out.' A Maggie Thatcher moment to confront an illegal strike had gone begging.

The intermingling of unions with government structures just doesn't work. It can't work because government can't act against its own allies. Whoever cooked up that unholy alliance deserves to be locked in a room with Jim and Mabapa for a day or two.

On Wednesday 29 June, we made a counter-offer of a 7 per cent increase to the unions. They reacted positively and Gordhan held a media briefing that evening to convey the good news.

It was then that Jim suddenly submitted his new demands, including his proposed amnesty for petrol-bombers. We had once again reached an impasse.

As the strike wore on, Cas Coovadia from Business Unity South Africa and Busi Mavuso asked me to keep business informed, a request I gladly agreed to. They also wrote a letter to the president, pleading, 'Please intervene.' They asked him to 'debottleneck the regulatory process'.

Their letter read, 'Unfortunately, efforts to this end over many years have either failed or not gone far enough to resolve the underlying challenges: operational, financial, and structural afflicting Eskom and the broader energy ecosystem. Urgent action is now required, and we appeal to you as President of the country to act firmly and decisively to address this national crisis.'

I regarded the business lobby as one of my core constituencies. My consistent message to them was, 'Please, I need more advocacy. It cannot only be me. You have to join if you want to solve this crisis. If you don't agree, then you can do as you wish. But if you agree, you can't sit there doing nothing.'

The letter showed me that they were starting to take my exhortations to heart.

NUM, NUMSA and the ANC Youth League scheduled a march to Megawatt Park for Friday 1 July, when the negotiations with the unions were set to continue. My management team said, 'Oh, you have to come to Megawatt Park to receive the memorandum.'

When the EFF came marching early in my term, I was the one who had argued in favour of accepting their memorandum. But this was different. 'No way,' I said. 'I'm not going to legitimise this illegal action by receiving a memorandum from people who are striking illegally, who have plunged the country into Stage 6 loadshedding. I refuse to do that.'

And if they claimed I didn't respect them, the answer would be: 'Yes, I don't respect you. I don't respect the fact that you are throwing petrol bombs. I don't respect the fact that you are slashing people's tyres, that you intimidate people, and I don't respect the fact that you've embarked on an illegal strike that has deliberately deprived South Africans of electricity.'

At some stage, a chief executive has to draw a line – preferably with a ruler.

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A day in the life of an Eskom CEO

On the morning of Friday 1 July, a red-letter day for the strike, I was wide awake by 02:00.

This was not unusual during my time at Eskom, even though my alarm clock only went off just before 05:00 on most weekdays. Try as I might to get some more sleep, I would usually lie in bed and grapple with the seemingly intractable problem of wringing more megawatts out of the grid.

On this winter morning, my mind was also occupied by two other matters: the ongoing industrial action and, most of all, a worrying meeting that had taken place in Pretoria the previous day.

For some time, I had wanted to discuss the explosive information unearthed by our private investigation with the police. However, given the sensitivity of the matter, it couldn't be just anyone; I was looking for someone I could trust without question. Through two contacts with in-depth knowledge of the police force, I managed to arrange a meeting with a senior officer with a reputation for impeccable integrity. As he is still an active member of the SAPS, I have to protect his identity.

I informed my bodyguards that the meeting was set for 15:00 on Thursday, and after lunch we departed for the safe house in Pretoria, where our investigators would be waiting. In setting up the meeting, I could already tell that I was dealing with a policeman of stature. He had the kind of voice that made one want to stand to attention when you talked to him.

In person, he also exuded a sense of authority. He was a big man, and was wearing an open-necked khaki shirt and a sports coat. After a vice-grip handshake, we got down to business.

We gave him the broad outlines of how our investigation had proceeded and explained the modus operandi of the criminal networks operating within Eskom.

I thought I was dropping bombshells, but the officer didn't seem too surprised. He said what I was describing was standard practice in all government institutions. A need would be created artificially and then fulfilled in a corrupt way. Unless there was convincing evidence to the contrary, he worked on the assumption that there was widespread corruption in any state-related entity.

Shockingly, this also extended to the SAPS itself. The officer said his own organisation was hopelessly corrupt. As one of the few who tried to hold back the tide of dirty money, he had made himself very unpopular – another reason why I have to withhold his name.

I told him of my frustration with the Investigating Directorate of the National Prosecuting Authority. They had been moving so slowly with Eskom-related prosecutions that I suspected something underhand. But in this case, the officer told me, it had more to do with certain elements of the directorate's top leadership simply being out of their depth. A lack of experience in how to manage teams and investigations had hamstrung this branch of the prosecuting authority. He also felt they were tactically naive, giving away too much information to the defence in the initial stages of their investigations. His statements aligned with what Shamila Batohi had told me about the Investigating Directorate and increased my confidence in the prosecuting chief further. She had also pointed out how broken the police service was, which often meant that cases were built on sand.

For the kind of investigative effort we were mounting, the officer said one needed a dedicated team of sleuths, with members being vetted and polygraphed monthly as a precaution against bribery.

As the meeting drew to a close, he agreed with my assessment that we were in the midst of a low-grade insurrection, with Eskom as one of the key battlegrounds. Loadshedding had been turned into a political weapon, one of the few trump cards that the RET faction had to play against President Ramaphosa. It was in their interests to throw as many stumbling blocks as possible into Eskom's path. As their *bête blanche*, I was not only a proxy for Ramaphosa's reform agenda, but also the antithesis of everything the RET crowd wanted in Eskom, not least because of my anti-corruption crusade.

But, of course, this was only one element of my job. I still had plenty of other balls to keep in the air that Friday.

Lying awake in the early hours, I would usually look at the operational information rolling in on my phone to orientate myself for the day ahead. The senior management of Eskom receives continual updates on the Microsoft Teams platform about the health of our system: which plants have tripped, which units have come back, what the diesel and the dam levels look like.

The outlook for the first week of July was dire, regardless of whether we could resolve the strike that day.

Eventually I managed to nod off for an hour and a half's worth of light sleep. I would need it.

Most mornings, I'd wake up at 05:00 and get the kettle boiling for tea – on the gas stove if there was no power. Jan Oberholzer, who is probably the hardest worker I've ever come across, slept even less than me. In an attempt to restore control over the power stations, and because he woke up at 03:00 anyway, Jan had scheduled a daily 05:00 Teams call with the station management and the key generation executives. To ensure that I knew what was going on, and to demonstrate solidarity with a meeting at such an ungodly hour, I would dial in most days. The meetings went through the power stations alphabetically: 'Arnot, what's the situation with Unit 3? You promised to bring it back in time for evening peak, but you slipped – what's the problem?' An explanation would follow, Jan would grumble and growl, I would provide some mild exhortations, and we would move on to Camden, Duvha and so on, until we got to the level of dams and diesel at the open-cycle gas turbine plants. In between, I would make my tea and

grab a quick breakfast.

If necessary, Jan would drop me a WhatsApp message to debrief. 'May we chat, please?' Then I'd call him, and we'd discuss the status of the system and the outlook for the day.

If I could, I'd try exercising a little, as I have a small home gym with loose weights and an exercise bike. As my term progressed, it felt like there was less and less time for these kinds of activities, so I soothed my conscience by taking the stairs at work every morning.

On this Friday morning, there was again no time to exercise. I usually shaved in the shower before getting dressed. My morning routine took me exactly twelve minutes to complete, exercise excluded.

Whenever Corné woke up early enough, she'd cook me some eggs. At one stage, I tried banting, but I wasn't disciplined enough to keep it up. When the temptation became too great, I would tell the guys to stop at McDonald's and buy me an Egg McMuffin for breakfast.

During our drive to the office, I would sit in the car and reply to WhatsApps, taking care to send messages to friends and family members on their birthdays. Having bodyguards can be an inconvenience, but being driven around gave me the chance to get some work done in the car. At meetings I was usually the chair, so it was essential to be well prepared and have questions ready. The time in the car was ideal for reading documents and getting some pre-meeting prep done. Someone who is ill-prepared for meetings is soon found out.

For informal early-morning meetings, I liked to go to the Riboville restaurant at Waterfall Estate, which was conveniently close to Megawatt Park. Some of my regular breakfast buddies included Dan Baipile, president of NUM, Rudi Dicks of the Presidency, and Daniel Mminele, head of the presidential climate finance task team and former Absa CEO. The bucolic setting in the middle of the big metro was the ideal place to have relaxed, off-the-record conversations. I'm a great believer in breaking bread with someone. Even in the era of Teams and Zoom calls, nothing beats an in-person meeting.

If there was no Riboville detour, I'd be at work by 07:00. Then I'd get a shot of caffeine, the first of two or three coffees of the day. I'd consume them in quick succession.

Typically, there was an operations meeting at 07:30. If I had the time, I'd attend it to keep abreast of what was happening with the nuts and bolts of our business.

In between, I'd deal with a flood of emails. If you don't keep up with them, they get out of hand quickly. Between forty and fifty of them would demand immediate attention. I also received plenty of emails from people complaining about not having electricity. I got a fair dollop of hate mail, too – to the extent that I opened up an eponymous subfolder in my mailbox. My personal assistant, Zodwa Mantyi, helped by filtering out a lot of the complaints and referring them to the relevant people.

This particular Friday was a Riboville day, even though I had resolved not to go to Megawatt Park due to the planned march by the striking workers. Ramaphosa had challenged us to come up with proposals to put more megawatts on the grid, and I was going to caucus with Rudi and Daniel about how we could get it done. Perhaps it was a

result of a week of tension, but I remember that Rudi was unusually fussy at breakfast. He had a long list of instructions about how everything should be cooked, and swapped menu items left, right and centre. So demanding was he that Daniel joked, 'Rudi, are you getting an induna complex?'

On the matters at hand, Rudi was also a bit bolshy. I was lobbying for raising the limit on the amount of power a private entity could generate without a licence. Obviously, the more electricity produced by businesses – either for their own use or for selling back to Eskom – the less pressure on our own constrained generation capacity.

The cap had a political history. For a long time, it had been pegged at a ludicrous 1 MW, and the private sector had fought hard to have it raised. As always, energy minister Gwede Mantashe was an obstacle on the road to progress, wanting to retain the maximum amount of government control. Eventually, he had magnanimously agreed to raising the threshold to 10 MW before an all too rare intervention by Ramaphosa led to it being raised to 100 MW. 'The president was twisting my arm,' Mantashe confessed at the time.

Now, I wanted it raised even further, to 1 000 MW. 'Ja, but it won't really make a difference,' Rudi said, referring to the fact that independent power production was still in its infancy, having been unnecessarily stifled for so long. And 100 MW was already a decent amount, enough to power two large mines.

'I know it won't really make an immediate difference,' I replied. 'But it would send a clear signal that the market is truly open now. It just removes all the stumbling blocks completely.'

In general, Rudi and I had a great relationship. He was one of the sharpest people I knew in government, with a quick grasp of detail. He looked beyond the political implications of policies and considered their real-world impact. Sadly, this is far from the norm. Rudi became my go-to guy in the Presidency, and we collaborated frequently and fruitfully. Officially, he was part of Operation Vulindlela, a policy unit in the Presidency tasked with identifying key structural reforms and accelerating their implementation. It was especially focused on modernising and transforming the so-called 'network' industries, including electricity, water, transport and digital communications.

For some time, Daniel had been hesitant in relinquishing control over financing for green energy projects to Eskom. Given the excellent work done by Mandy Rambharos and her team, I had long argued that we were best placed to allocate these funds. Now it appeared as if his resistance had suddenly crumbled.

'We have got \$300 million from the Germans and \$300 million from the French,' Daniel said. 'We need to give them projects as soon as possible, please, because they want to announce projects now.'

It's amazing what a burning platform can do.

The three of us also spoke about the broader political environment, with Rudi acknowledging that Mantashe was a major stumbling block in solving the electricity crisis. In South Africa, we've become so accustomed to the schizophrenia of the ANC that we don't fully realise how unnatural this is. For your minister of energy to be the main cause of perpetuating an energy crisis that's been going on for fifteen years is beyond words. It was a stunning admission from the heart of government.

After returning home to avoid the protestors, I had an online meeting with Peter

Attard Montalto of Intellidex. By this time, his opposition to my appointment had evaporated. He was involved in negotiating Ramaphosa's proposed 'social compact' between government, business and society and was seeking my counsel. In general I'm not a fan of the concept of a social compact. It requires a homogenous society with shared values to work – and as the most unequal society in the world, South Africa is not fertile ground for a binding consensus.

At 11:00, we had an hour-long media briefing on the ongoing strike and the latest bout of loadshedding. You have to be quick on your feet during these engagements. The questions would come thick and fast. For example, 'How much diesel did you burn?' I didn't always have the exact information to hand. So I'd sit there and WhatsApp one of our financial guys: 'Carl, how much diesel did we burn? What did it cost? How much compared to the budget?' Quick as a flash, Carl would come back with the detail, and I would look suitably well informed.

Terence Creamer, editor of Engineering News and one of the top journalists in his field, asked two run-of-the-mill questions before getting to his third one: 'Do you have any comments on calls for your resignation?' I just said, 'Terence, on question number one, this is the answer, question number two, that is the answer, question number three, no.' Being terse is an art too seldom used.

Meanwhile, the much-vaunted march to Megawatt Park fizzled out completely. All of twenty-five people pitched up. If I had gone to the office that day and given notice of my intention to meet with the strikers, it would more likely have been a circus, with a larger crowd and TV cameras.

On a normal day, I would usually have lunch around noon, in between everything at the office. Zodwa and I had an arrangement: I gave her an amount of money and she would go out and buy me something for lunch. We got along tremendously well. Every now and then she would come into my office and say: 'André, your money is finished. I need more.'

At this stage, I was on a salad with avocado and pieces of chicken or something like that on top. I would just tell her, 'Zodwa, salad.'

Or, sometimes, I would tell her, 'This has been a rough day. I need a burger.' Nothing fancy. I'd usually go for a Steers burger because their chips are the best: good, traditional slaptjips. Washed down with a Coke Zero.

If the damp squib of a protest march to Megawatt Park that Friday did achieve one thing, it was to save me some carbs. Had I gone to the office, it surely would have been a burger day – with chips.

After the hour-long media briefing, I went straight into a noon meeting with the president and four ministers: Mantashe, Pravin Gordhan (public enterprises), Barbara Creecy (forestry, fisheries and the environment) and Mondli Gungubele (minister in the Presidency).

Mantashe demanded a chance to speak to the power station managers themselves to find out what was happening. He felt he was only speaking to 'technocrats' like me, who apparently had no idea how to engage with the 'workers'.

He intimated that I was misleading them about the situation, making it necessary to go directly to the station managers.

Mantashe once again emphasised his unhappiness about my pleas for greater private-

sector involvement in power generation. Eskom can't give market share away like this, he said. Eskom has to build more power stations.

So I told him, 'It's fine, but we can't build power stations if you don't give us a section 34 determination. We can't build power stations if we don't get money from Treasury. We can't build power stations if we don't have cost-reflective tariffs.'

This silenced him, at least temporarily.

Ramaphosa reiterated that we had to find additional megawatts urgently. After the meeting, I sent out a message to senior management, telling them to gather all possible proposals to purchase power – and to do so quickly. If ever you had an idea that you thought might be politically impossible, now was your time to shine.

I personally phoned Johan de Vos of the energy firm Gigajoule – whom I've known for many years – and asked him, 'Johan, how can we get power from Mozambique? Can we get containerised gas turbines from Mozambique quickly?'

He jumped on it immediately, and by 17:00 that afternoon, I had a proposal. I forwarded it to Rudi, along with those I had received from the rest of the team.

Meanwhile the negotiations with the unions were still ongoing, and in between I received constant messages and updates from our HR team. 'May we concede this? May we concede that? Give us a mandate to do this. Here is our proposal. Can you talk to me quickly?'

So, I was negotiating with the unions, briefing the president, briefing business, dealing with the media. And as if this wasn't enough, I also received a phone call with a special request from Gordhan, who had been summoned to talk to the ANC's national executive committee that Sunday.

'I need a presentation on the electricity crisis, please.'

Apparently, there was no one in his department who could do it. So in between everything else, I also had to be his personal assistant who prepared his presentations for him and handed him his notes.

I duly prepared the slides and sent them to him.

'Thank you very much for the presentation, but will you just remove the Eskom logos,' came the reply. The skills shortage in government departments clearly extended to PowerPoint.

So, what does the CEO of Eskom end up doing during a week of labour turmoil and loadshedding? He's fine-tuning other people's PowerPoint presentations.

That Friday night, we had a long meeting of almost two and a half hours to comply with Mantashe's request to talk to the station managers themselves. From the Eskom side it included me, Jan, Rhulani Mathebula (acting head of generation) and several power station managers and other executives. From government, Mantashe, Creecy, Gungubele and Deputy President David Mabuza attended.

One after the other, the power station managers explained the maintenance backlog, the impact of corruption, the sabotage, the lack of spare parts and how government's procurement rules had forced us to appoint incompetent suppliers.

They pointed out that the policy of preferential public procurement had compelled us to go with the so-called 'bakkie brigade' – contractors that sometimes couldn't even weld properly. That's why the quality of maintenance was so poor. And in the end, it's the electricity consumer that pays the price.

I was proud of the way our power station managers got their point across to the ministers. They were calm, relaxed, rational, detailed, and not at all intimidated.

Then Mantashe took over.

He repeated many of his themes from earlier in the day, saying Eskom had to build more power stations, and often appealing to Mabuza for help.

'It is very worrying to hear the CEO advocate that the private sector should invest. Eskom should invest, not the private sector. The private sector must not control the supply of electricity. It must be controlled by the state ...'

Mantashe also returned to his bugbear: 'Why is Eskom pushing renewables? We need baseload in this country to drive our industry.'

The fixation with baseload had reared its head again. South Africa's electricity system was designed in the 1980s, with heavy industry in mind. The big mines and factories used vast amounts of electricity 24/7 – the so-called baseload demand. The largely white domestic sector was small, and morning and evening peaks could readily be handled by the system. But three decades later, industry had shrunk, while the domestic market exploded. For the energy minister to advocate for more baseload generation when we required more peaking power showed a fundamental misunderstanding of the situation.

Once again, I patiently explained: 'We do not have money. No one will lend us money to build a coal-fired station, and even if we did get the money, we couldn't get insurance. And even if we did sort that out, our suppliers have told us they won't supply equipment for new coal. And it will take ten years to build a coal plant, compared to two years for wind and solar, at a third of the cost. And we can't do it without section 34 determinations from the department.' Even for an environmental agnostic, the business case for renewables was compelling.

Mantashe said he needed to talk to the engineers – 'the people who actually know what's going on at the plant'. The implication was that I and the power station managers didn't.

Knowing Mantashe's predilection for coal, I pointed out that corruption in the coal value chain adversely affected our power stations' performance. Some of the coal delivered to our plants was closer to rock than anything else – and rock doesn't burn so well.

In my notes from the meeting, to reflect Mantashe's intransigence, I wrote: 'Gwede is completely terrifying.'

Regarding the debate about the role of the private sector in power generation, I jotted down: 'Control over resources is the key issue in the debate over economic transformation. But historically, there is no better allocator of resources than the market. Wherever governments have allocated resources, it has been an abysmal failure.'

After the meeting, which had started at 19:00 and ended at 21:24, I decided to phone Gordhan. Even with everything else going on, my thoughts kept returning to the meeting the previous day, and I wanted to discuss it with the minister.

I sent him a message on Signal, which is more secure than plain text messages and WhatsApp. I requested a meeting with Gordhan, national security advisor Sydney Mufamadi and the DG in the Presidency about the information we had obtained.

He replied: 'Okay, I'll call you on Signal.'

Although we had previously talked about the private investigation in broad strokes, I shared more details with him on this call.

'This is a proper intelligence-gathering exercise,' I said. 'We've got sixty operatives on the ground in Mpumalanga.'

His response to the bombshell was to ask for time to consider. 'I'll get back to you,' he said. This wasn't entirely surprising, because the intelligence was highly sensitive and required careful consideration.

The so-called 'good guys' in the ANC have a difficult balancing act to maintain. Loyalty to the party demands that it shouldn't be brought into disrepute. But knowledge about alleged corruption brings them to a critical dilemma: how to ensure clean governance while avoiding exposing the party to accusations of corruption. Gordhan had proven his mettle by bravely standing up to Zuma and the Guptas – would he do the same with this information? My biggest fear was that it would be swept under the carpet.

While I was on the phone with Gordhan, Elsie Pule, our head of HR, kept calling from the bargaining council.

After I finished my Signal call at about 22:15, I phoned Elsie back.

She and Thulane Ngele, general manager of employee relations, were already in the car on their way back from the wage negotiations. They had finally reached a deal for a 7 per cent wage increase.

'I suppose you're not at the top of Irvin Jim's Christmas card list,' I said, drawing a laugh from the two weary negotiators.

'Well done, go buy yourself something to eat. I'll pay.'

It was around 22:45 when we finished talking. Hopefully by then something more than an Egg McMuffin was still to be found.

At 23:00, I got into bed. I like to read a little to wind down after a long day. Ironically, given the cloak-and-dagger business I had been drawn into, I was reading Stasi: The Untold Story of the East German Secret Police, by John Koehler.

Thirty minutes later, I was asleep.

And so ended a day that had begun at 02:00. It certainly did not want for variety. I had been given the opportunity to be a spymaster, a crisis manager, a strategic planner, a public relations executive, a stakeholder manager, a wage negotiator ... and a PA.

The next day I slept in – until 07:20.

Cutting the Gwedian knot

President Cyril Ramaphosa could not hide his dismay. 'Rudi, frankly, this is disappointing. If I say this, people will not be impressed because it's just not enough to solve the crisis.'

For a soft-spoken leader like Ramaphosa, this was a harsh rebuke.

It was Saturday 2 July, and Rudi Dicks, the head of Operation Vulindlela in the Presidency, had just gone through the list he and I had compiled of possible extra sources of electricity. Everything together was perhaps a thousand megawatts. It was 100 MW you can buy here, 100 MW you can buy there. Ramaphosa had wanted to make a big announcement the following night to show that he was serious about solving the electricity crisis – and this was not going to cut it.

Rudi replied: 'Well, Mr President, we've looked at all the options and this is what we can do within three to six months.'

Also present at this virtual meeting, the third within a week with the president, were Gwede Mantashe and his director-general, Jacob Mbele, as well as ministers Pravin Gordhan, Barbara Creecy and Mondli Gungubele.

The previous day had been eventful, with the strike finally being resolved and Mantashe getting the meeting with the power station managers he had demanded.

Following the exchange between Rudi and Ramaphosa, Mantashe jumped in with a statement so disingenuous and dangerous that it took my breath away. 'Mr President, last night we spoke to the power station managers and I now know that if we increase our planned maintenance from 10 per cent to 14 per cent in a month we will have restored normality.'

It was neither true nor what the station managers had said. What they'd said was: What we need now is to increase planned maintenance to 14 per cent, but if we increase it to 14 per cent, we will have permanent loadshedding – because we don't have the headroom to take units offline to do proper maintenance, because we don't have enough capacity, because you, Mr Minister, did not procure enough capacity. Also, maintenance of a power station isn't carried out in a month: an outage typically takes more than four months. The oversimplification was a dangerous one. Without more spare capacity (which the energy department needed to procure), there was no way that Eskom could maintain itself out of the crisis.

Before he could be challenged, Mantashe excused himself to attend to a party matter.

His parting shot elicited no response from Ramaphosa. The president was visibly under pressure.

Ramaphosa's disappointment in how few megawatts we could put on the table was a

rude awakening. I had expected he would have understood one cannot conjure up two, three, four thousand megawatts within three months' time. Had they heeded our warnings two years ago, the president's dream could have come true.

Following Mantashe's departure, Creecy made a noteworthy admission for an ANC minister. 'This loadshedding has nothing to do with Eskom,' she said. 'It's all about the politics in the run-up to the internal [ANC] election.'

As for me, I usually kept my head down during these kinds of large meetings where every minister got a chance to say his or her piece. ANC ministers, for the most part, didn't like being challenged when they dispensed their wisdom to us lesser mortals.

This 'wisdom' was on full display during the many meetings we held in the run-up to Ramaphosa's long-awaited power plan.

At one such meeting, Deputy President David Mabuza proposed returning Orlando power station to service, even though it had already been decommissioned in 1998. Its cooling towers are now used for bungee jumping. Virtually nothing of value remains and you might as well just build a new power station from scratch.

Finance minister Enoch Godongwana took a different tack: he advocated for the sale of some of Eskom's power stations. I tried to explain that it would be disastrous to sell a power station while non-cost-reflective tariffs were in effect. By definition, an asset could never generate a return if its costs were higher than its revenue. Any prospective buyer (assuming one could be found) would therefore low-ball you on the purchase price. Given the overspend at Medupi and Kusile, which no one would pay for, Eskom would have to take a massive impairment on a sale, further plunging it into the red. We had a fleet of unsaleable assets. But Godongwana insisted: 'Test the market.' Not wanting to embarrass Eskom and government with a wild-goose-chase enquiry, I got an investment bank to confirm my advice to National Treasury – it was a strategy that could not work.

Trade and industry minister Ebrahim Patel felt strongly that Eskom should be subjected to independent, external audits of its power stations. I'm still not sure to what end.

During one meeting, Patel pondered a vexing question.

'The unplanned outages ...' he said contemplatively, 'why do they vary?'

Where does one even begin to answer a question like that?

Perhaps my irritation with the whole process had something to do with the fact that I had been banging on about the need for new sources of power for nearly two and a half years.

On 31 January 2020, when I had been in the job for two weeks, I said we needed to get four to six gigawatts on the grid as urgently as possible. If we had started then, we would have had the first megawatts on the grid now.

And what has government done? Not a single thing. The head of your power utility says: 'Please, give me more power.' Firstly, Gwede Mantashe says: 'Stay in your lane.' And secondly, Pravin Gordhan phones me and says: 'Oh, you can't say these things on a public platform.'

Two years later, the president says in Parliament: 'Yes, we need four to six gigawatts.' It just shows the inertia, the tardiness and the ineptness of those mandated to handle energy policy.

Back in 2020, I had put together a small team to identify ways of adding generation capacity. The team, consisting of Eskom strategists and external experts, had come up with a comprehensive plan to open up the electricity sector, accelerate unbundling and roll out a range of interventions to address demand-side management, create incentives for energy efficiency, and rapidly improve the availability and reliability of electricity. Somewhat grandly, the plan was called 'Ending the Electricity Crisis: An Imperative for Change'.

By 13 December 2020, having worked weekends and nights to finalise the plan, we had shared it with the Eskom exco and obtained comment from Eskom directors. On that Sunday evening, I sent an email to Pravin Gordhan, asking for the opportunity to discuss this with him. I briefly entertained the notion of issuing the proposal to the public as an Eskom discussion document, but recognised that this would be courting the wrath of the politicians. And indeed, Gordhan's comment was that we should steer clear of policy matters, clearly recognising the need to get a recalcitrant Mantashe on board.

The policy paralysis was made more evident when I presented essentially the same plan to President Ramaphosa in February 2021. He reacted enthusiastically but no concrete action followed. Vigorously opposed by Dr Nobuhle Nkabane, acting minister of mineral resources and energy, the plan was kicked into the political long grass, until Stage 6 loadshedding reared its head again in the middle of 2022. Government's strategy was a relentless push to improve the performance of the coal plants – a plan proven by hard data not to be a reliable one. It was as though people could not understand that mechanical equipment has a finite life: after all, how many fifty-year-old cars trundle along our roads? By not building new plants soon enough, we had run out of capacity, and now we needed to galvanise the private sector to fill the gap.

In the meantime, Eskom did everything it could within the existing legal and policy framework. We halved the time it took us to approve grid access. We made land available for renewable energy projects with the potential to add 1 800 MW to the grid.

Revisiting my correspondence and documents for this book, I came across a prophetic line in an email I had sent in 2020. It was addressed to two fellow Eskom executives. I told them that Gordhan had requested more time to read our plan and that he expressed his wariness of Eskom 'intruding on the policy space'.

I concluded, 'I did point out to the Minister, however, that the question will be asked of Eskom when the lights go out: "What and when did you know, and what did you do to prevent it?"'

While the ministers were pontificating in their regular talk shops, the real work on the president's power plan was being done behind the scenes by me and Rudi.

Rudi and I formed a warm working relationship, despite our ideological differences. He is someone who smiles easily, talks comfortably and exudes confidence. Rudi immerses himself in a topic, going to the trouble to look at the facts. Together with his colleagues at Operation Vulindlela, he roots his viewpoints in data – an all too rare attribute in our government. Most ANC officials base their decisions on ideology. Despite this, he still has a good reputation within the ANC. Pravin Gordhan describes him as 'a good comrade'.

Gwede Mantashe, though, can't seem to stand Rudi. It shows that people are aware of Rudi's influence, but they don't know what to make of it.

We were an unlikely pair of collaborators. He came from the trade union movement, and I came from management, but we strove towards the same ideals – we wanted to fix the crisis, we wanted to create jobs, we wanted to grow the economy. We had the ability to talk about issues in a clinically rational manner. We exchanged ideas. He is someone who, with his soft-spoken, understated disposition, has found a way to still make himself count.

You could almost call him my stalking horse in the Presidency, but as long as he could identify with it and it was data driven, he didn't mind. It worked. When you had a request, you got a quick answer. It was a yes or a no, but at least there was a response.

One of the central tenets of my proposed plan for solving the energy crisis was lifting the cap on the private generation of electricity. But it was a politically sensitive matter, with Mantashe loath to relinquish his control over the energy market. Rudi backed liberalising the market, exhorting the ministers to 'open the floodgates' at one of our meetings.

On 9 July 2022, during one of the task team meetings on the power plan, Mantashe remarked that the current cap was 100 MW, and that there wasn't even a sign of 1 MW on the grid. Somewhat petulantly, he added that we might as well scrap the cap completely because it wouldn't make a difference either way.

Ramaphosa took the gap like a Springbok centre. 'Then we'll lift the cap entirely!' he proclaimed.

In one fell swoop, the president had cut the Gwedien knot and taken a huge step towards lifting the cap on own generation, thereby defanging Mantashe's department and effectively liberalising the electricity market.

Still smarting from this blow, Mantashe complained at the next day's meeting that Eskom and Operation Vulindlela had taken over renewable energy policy in a 'smash and grab'.

Perhaps it was this turn of events which led to one of the strangest proposals I've ever come across. With the planning still going full steam ahead, I was scrolling through the news on my phone one day, when my eye caught a bizarre headline mooting something called 'Eskom 2.0'. As the CEO of Eskom 1.0, I thought I would at least be kept in the loop if my company was going to be cleaved in two.

It transpired that this was Mantashe's plan to essentially create a second Eskom that would house his beloved, old coal-fired power stations. 'WTAF!?' I texted Jan Oberholzer, along with a copy of the News24 report. The proposal was widely ridiculed and went nowhere, but it was once again instructive of how the ANC and cabinet operated. While we were going in one direction, a minister could go off on a tangent and essentially propose something diametrically opposed to the plan, without consequence.

Mantashe's gambit had little immediate effect, and by 25 July, Ramaphosa finally felt comfortable enough to go before the nation with his plan – a full two weeks after he had initially proposed doing it.

Some of the key points included:

- Lifting the 100 MW cap on the generation of own power completely;
- Accelerating the procurement of new generation capacity;

- Incentivising businesses and households to invest in rooftop solar;
- Cutting red tape that makes it difficult for Eskom to procure maintenance spares and equipment timeously;
- Recruiting skilled personnel, including former senior Eskom plant managers and engineers from the private sector;
- Buying surplus capacity from existing independent power producers and from existing private generators such as mines, paper mills, shopping centres and other private entities that have surplus power;
- Importing power from neighbouring countries through the Southern African Power Pool arrangement;
- Transferring a chunk of Eskom's debt to National Treasury;
- Using climate funding to repurpose power stations that have reached the end of their lives;
- Doubling the amount of new generation capacity procured through Bid Window 6 for wind and solar power from 2 600 MW to 5 200 MW;
- The establishment of the National Energy Crisis Committee (NECOM) to coordinate government's response to the electricity crisis;
- Reducing the regulatory requirements for solar projects in areas of low and medium environmental sensitivity;
- Establishing a single point of entry for all energy project applications, to ensure coordination of approval processes across government; and
- Completing the restructuring of Eskom into three entities, one for generation, one for transmission and one for electricity distribution, something that had been government policy since 1998.

Ironically, most of these had been part of the plan I originally proposed, back in December 2020, and on many occasions subsequently.

Of course, I was happy that they were finally being implemented, but why did it have to take so long?

Jan Oberholzer had been at it even longer than me. After the Stage 6 loadshedding of December 2019, he had sat with Mantashe, Gordhan and the president and told them, 'We need additional capacity urgently.'

Like mine, his warnings had fallen on deaf ears. That's where the disillusionment set in: no matter how many red flags we hoisted, no matter how many red flares we fired off, no matter how many times we ran into the theatre and shouted, 'Fire! Fire!', nothing happened until government literally had no other option.

Even though his hand has been forced by a crisis, I believe that Ramaphosa gets far too little credit for implementing the plan. This was a bold and audacious liberalisation of the electricity sector. Roger Baxter, CEO of the Minerals Council, called it 'the most significant structural reform in the past decade', which was no exaggeration. It did, however, create a regulatory anomaly: Eskom still had to obtain approval in terms of section 34 of the Electricity Regulation Act, but its competitors were now free from regulatory shackles except for a short registration process with NERSA. If government had intended for Eskom to play a bigger part in new generation, this intervention had the opposite outcome.

During the negotiations leading up to the plan's announcement, there was a telling exchange with Thabang Audat, a deputy director-general in Mantashe's department. It revealed everything that was wrong with government's approach to the energy crisis.

'Let's talk less about the future and more about the present,' Audat demanded.

'No, Thabang,' I shot back. 'We are where we are because in the past we spent much less time talking about the future than we should have. So, let's talk about the future.'

The man in the arena

On a winter's day in August 2022, Corné and I sat in a packed Ellis Park, watching the Springboks take on the All Blacks. The Boks had fought back brilliantly to take the lead, but late in the second half the tide was turning against them. One spectator who had spotted me earlier in the day turned around and looked up to the top of the eastern pavilion where we were seated.

In Afrikaans, he shouted, 'André! Sit af die ligte!' (André! Switch off the lights!)

I burst out laughing along with the rest of the spectators.

Although going out to social events was now accompanied by extra security arrangements, it was like a shot in the arm whenever I got the chance to interact with regular South Africans.

People came up to me randomly, pleading, 'Please don't give up, just keep going.' I felt pressure not to let them down, and not to resign in a huff when I got gatvol.

One day, I was standing at the baggage carousel at Lanseria Airport, having just returned from a trip to Cape Town. A short woman with reddish-grey hair, probably in her late fifties, approached me.

'Excuse me, are you Mr De Ruyter?' she asked, holding out her hand.

'Yes, I am,' I said, as we shook.

'I just want to say thank you. I'm praying for you; keep doing what you're doing.'

My response in such situations was: 'Thank you very much, I appreciate your support, and I'm trying my best.'

My bodyguards usually blended in with the crowd, so people felt free to approach me. But their unobtrusiveness belied the extensive arrangements that preceded all my outside social engagements.

Zodwa Mantyi, my PA, shared my Microsoft Office diary with them, normally a week in advance. This enabled them to plan ahead, although plenty of ad hoc appointments would still crop up. They would check out the location of the appointment ahead of time to get the lay of the land and make sure everything was in order from a security standpoint. They would scout the parking area and note the entrances and exits.

For example, one evening I had a dinner appointment at Montecasino with a former Nampak colleague, Glenn Fullerton, and his wife. The bodyguards went to the restaurant beforehand, checked everything, and even arranged an alternative entrance just for us – so we'd have the shortest possible distance to the car and I wouldn't have to walk through the entire complex. They organised everything with the casino's security team and we were able to use a service entrance. We parked in the area for delivery vehicles. On occasions where parking was not readily available, one bodyguard

would drop me off while the other accompanied me inside.

The Montecasino appointment was around the time when I first started receiving threats of violence. Initially the experience felt odd – I was used to walking where I wanted to go and moving around freely. Now I had to make an active effort not to become antisocial. Once I felt like attending a motor show at Kyalami on the spur of the moment, but it was just too much effort, because now I'd have to arrange with the bodyguards, disrupting their lives too.

On the day of the All Blacks test, which we attended with some friends, we decided to first have lunch at Parreirinha, a Portuguese restaurant famous for its prawns and peri-peri chicken. It was in Rosettenville, a slightly dodgy suburb in the south of Johannesburg.

Driving into Rosettenville in one of the Fortuners, I could hear the bodyguards muttering to each other about how bad the neighbourhood was. They checked out the restaurant before we were allowed to enter. We were among the first patrons there. The only other people were sitting at the bar, looking like retired mafiosos. The restaurant quickly filled to the brim with fans in Springbok jerseys. Many of them recognised me and wanted to make small talk.

I think when the bodyguards saw all the Springbok jerseys, they knew everything was fine. They relaxed and went to sit outside.

After lunch, we drove to the stadium, where the guards conveniently dropped us off. One of the perks of having bodyguards is no parking worries. Sitting in the stands, I saw the spectators next to us watching me intently. After a while they mustered up the courage to introduce themselves. 'We are boere here from Bethal,' they said. 'You must stand firm, we're behind you. Please, just don't quit!'

About fifteen rows below us was a guy who'd had a few beers too many. He looked at me and shouted: 'Hey, Mr De Ruyter! How are you?' I gave him a friendly greeting while the rest of the spectators stared.

After the match, the bodyguards picked us up again just outside the gates. As I was walking out, I could hear the murmurs. 'Hey, is that De Ruyter?' I usually stand out like a sore thumb due to my height.

Back in the Fortuner, I told the guys to take a shortcut through Hillbrow to avoid the worst of the post-match traffic. It's not every day you have two highly trained armed guards to keep you safe in the dangerous areas of Joburg, so I had to make hay while the sun was shining.

Driving back to Dainfern, I was re-energised by the outpouring of goodwill I had experienced on my rugby outing. Despite all our troubles, South Africans have retained their sense of good humour.

Some of my fondest memories at Eskom include those times when I had the opportunity to play some small but meaningful role in people's lives, both employees and customers.

I had been in the hot seat for about six months when I received an email from an eleven-year-old schoolgirl. She had an assignment on green energy and wanted to get my thoughts on the matter. It was 15:00 on a Sunday afternoon, and after a long week I could easily have just let it slide, but I decided to respond. I typed out my response, addressing her very politely and formally as 'Ms'.

A few months later, I made a speech at the JSE. Afterwards, people came up to me, wanting to have a word on this and that. One guy was especially persistent and when we finally had the chance to have a word, he said, 'Let me just tell you, you're my daughter's biggest hero.'

It turned out the girl's father was the general manager at Mitsubishi South Africa. He said that when she received my email, she burst into tears, because she hadn't expected a response.

Schools are moving with the times, it seems. The same way we had to write letters in creative writing class back in the day, they now write emails. This girl's class had to write emails to submit to their teacher, but she decided to go one step further and actually send hers after she searched for my email address online.

I have a good memory and when her dad started talking about the assignment, I remembered it vividly. He was very impressed by the details I recalled and asked for a selfie to show his daughter.

I think if you're just halfway decent with people, you can build bridges that make our society stronger. Replying to her email was something I did without expecting anything in return, but it ended up bringing me much unexpected joy.

I also received a lot of invitations from all sorts of organisations, including the Men's Prayer Circle of the Dutch Reformed Church in Kempton Park East. Of course, I couldn't accept every single one, but I did try to say thank you for each invitation.

In September 2021, I delivered a speech to school principals at a conference of the South African Teachers Union. The understated theme was 'Leadership in Difficult Times'. Delivering any kind of speech takes time. You have to think about what you want to say; you must prepare. You can't just walk up and start talking; you have to deliver something meaningful.

All this helps to build a support base, slowly but surely. The girl to whom I wrote the email most likely spread the word. If you isolate yourself, and you think you're high and mighty, the opposite happens, and your base is eroded.

I was always heartened when I saw South Africans supporting me online, despite Eskom's struggles. Of course, there were always critical comments, understandably so given the power situation. 'Why do we still have loadshedding when he promised it's going to come to an end?' was a frequent critique on news websites. This referred to an ill-judged undertaking I gave early in my term. The promise was made before I grasped the full extent of the challenges at Eskom.

But there are always readers who take on the critics. On the Afrikaans news site Netwerk24, 'Skillie' took to the comment section to say how useless I was and that I never should have taken the job. One of the other readers sarcastically replied, 'Yes, I always thought Skillie should get the job, he was perfect for the position. Skillie, where were you?'

In an interview, Francis Herd of the SABC asked me what I had to say to my critics. I replied that they were armchair critics, who hadn't raised their hand to do a thing. The Americans call them 'Monday morning quarterbacks'. They stand by the watercooler, and they know everything – how the game should have been played and which pass should have been thrown. I would have gladly stood aside if there was anyone more competent to take the job.

One quote that has always resonated with me comes from the famous 'Man in the Arena' speech by former US president Theodore Roosevelt in 1910. I've even made it my WhatsApp profile pic on occasion.

It reads, 'It is not the critic who counts: not the man who points out how the strong man stumbles, or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood; who strives valiantly; who errs, who comes short again and again because there is no effort without error and shortcoming; but who does actually strive to do the deeds; who knows great enthusiasms, the great devotions; who spends himself in a worthy cause; who at best knows in the end the triumph of high achievement, and who at worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who neither know victory nor defeat.'

I was especially encouraged when people showed support for my long-term plans, even while the present situation was dire.

On another occasion at O.R. Tambo International Airport, I was approached by a gentleman in his mid-thirties just after I'd gone through security. 'My wife works for Matthew,' he said, referring to Matthew Mfathelwa, the leader of our strategy and planning team. 'I just wanted to say, she believes in you and your vision. She really thinks that for the first time Eskom has a plan.'

I desperately didn't want to let these people down, but by mid-September 2022, I had started to get the feeling that my situation was becoming untenable. The government was under immense pressure from certain opposition parties and the ANC's RET faction to be seen to be doing something drastic about the power crisis.

I could feel the political support eroding beneath my feet. My relationship with Pravin Gordhan went through a rocky patch. The minister would go directly to the middle management of power stations to get information, preferring not to consult with me and the chair of the Eskom board.

At a meeting between the board and the Department of Public Enterprises on Saturday 17 September, Gordhan unloaded on us. We were in the grip of Stage 4 loadshedding, and the minister said it was unacceptable.

At four the next morning, my phone rang. It was Jan Oberholzer, who gave me the calamitous news that Kusile had lost two generating units overnight. The system operator on duty suggested we go up to Stage 7. We only just managed to avoid what would have been a historic nadir, and at 04:19 that morning Stage 6 loadshedding was instituted. That Sunday morning at 10:00, I briefed the media.

I was in the Cape at that stage, and before flying back to Johannesburg, I met briefly with the Presidency's Rudi Dicks in the Mugg & Bean at Cape Town International to brief him on the latest events. I told him I was willing to step down if that was what was required. He implored me not to.

While I was in the business lounge, waiting for my flight home, I got a message that the president had called an emergency meeting with the cabinet. I was instructed to cancel my flight so that I could attend virtually. I did so and tried to book a later flight, but few were available. Eventually I had to settle for an SAA flight at 21:30 that Sunday evening.

I joined the Zoom meeting from the lounge, wearing my headphones and cupping my hand over my mouth when speaking to ensure no one could overhear. Gordhan was present, as well as Gwede Mantashe, who said loadshedding was going to cost the ANC at the polls. He made the charge that it was part of a deliberate effort to harm the party.

Ebrahim Patel, minister of trade and industry, was also present. A silent Barbara Creecy also sat in, as well as Edward Kieswetter, who had turned the South African Revenue Service around after the disastrous Tom Moyane years. He had been a power station manager early in his career and was becoming more involved in energy issues. During the discussions leading up to the power plan announced in July 2022, he headed up one of the workstreams. I suspected he was angling for the Eskom job, although he subsequently denied it.

Kieswetter made a few suggestions, including some that I knew I would not be able to implement. Meanwhile, SARS owed Eskom R4.7 billion in excise payments, but whenever I said, 'Can Eskom get its money please, Ed?' there would be excuses about documentation and reconciliations. We desperately needed the money to buy diesel.

The president remained calm and wasn't unreasonable. I told him that in the past seven days, our generation units had tripped ninety-seven times. He wanted to know how it was possible to have that many units tripping in such a short space of time.

'That's what I also would like to know, Mr President,' I replied.

After the virtual meeting, I sent Gordhan a WhatsApp message, saying I was quite prepared to resign 'if it will be helpful'.

The next day, Monday, I had breakfast with Jan Oberholzer, who told me that if he didn't receive a contract for two years, and a salary increase, he would leave at the end of the year. Jan was working around the clock, seven days a week, and did yeoman's work to keep Eskom afloat. However, given the loadshedding situation at that stage, it was politically impossible to arrange any kind of bonus or meaningful increase for senior management, myself included.

Later that day, I had a tense performance-review meeting with Gordhan at the offices of the Department of Public Enterprises in Pretoria. He told me I should listen more and speak less. I was quite taken aback.

'I'm more than prepared to step down,' I reiterated. 'The only question you have to ask yourself is who you will put in my place. Maybe you've got someone lined up, maybe it's Ed Kieswetter. That's fine. But that is the only thing I would like you to think about.'

During an earlier meeting with Gordhan, when I had also been taken to task, I had said, 'Minister, I have to run a part-time security and intelligence operation as well because the police are not doing their job. There is the legacy of corruption, caused by contracts that were awarded corruptly, as well as a legacy of government policy which resulted directly in us not having the required capacity. I am also burdened by employees with a political mandate to block me when it comes to renewable energy. Minister, we are trying our best, but please understand, we are operating within a certain context.'

On Tuesday, I spoke to Pat Davies, a former boss of mine at Sasol. He was sitting on his boat in Croatia ... so I think it's fair to say his situation was slightly more

comfortable than mine at that stage.

We have a great relationship, and I often sought his counsel during tough times. He is wise and values-driven; characteristics that are invaluable in a trusted counsellor. I told him at length about the difficulties I was facing, and that I thought the time had come to leave.

I sometimes wondered if I was legitimising criminality by staying on, given what our private investigation had uncovered. I recalled Ben Theron telling me I was now the head of the largest organised crime syndicate in the country. At the time, I thought he was exaggerating, but I was wrong.

Though I didn't specifically raise it with Pat that day, one of the other factors I had to consider was the impact the job was having on my family life. Weekends had become a foreign concept, and I was missing out on family events and holidays. Even when I was present, the pressures of Eskom always lurked nearby. My daughter had to pass up a golden opportunity for an internship at Genesis Analytics because the company did business with Eskom. We could not even risk the appearance of impropriety. Once, when I was dropping off one of my sons at his university residence, he politely asked me to remain behind at the car.

'I don't want them to see you're my father,' he said. His anonymity was important to him, too.

I told Pat the political pressure was only going to increase, and on top of that there was the issue of personal safety. I'm far from paranoid, but the murder of Babita Deokaran, a whistleblower in the Gauteng Department of Health, and the subsequent assassination of Cloete Murray and his son, show what the consequences can be when you rupture the pipeline of dirty money flowing into the sewers of corruption.

The next day, I received a message from Pat with suggestions of what I should put in my resignation letter.

No time for smiling

I was in a foul mood when I rose at 04:00 to get ready for my helicopter trip to Mpumalanga. My discontent on the morning of 21 September 2022 was rooted in the sense of failure I was experiencing – Eskom was letting the country down. Adding to my grumpiness, I was about to fly out to the power station that had precipitated that month's Stage 6 loadshedding crisis: Kusile.

Just after 06:00, I arrived at the Grand Central Airport in Midrand, where Eskom's helicopters were housed, accompanied by my bodyguards. They set off separately to Kusile by road, while I went by helicopter. Mist delayed our departure and we only got going at around 07:00, but fortunately the flight takes just twenty minutes.

Because it was a site visit, I was dressed in my overalls and safety boots. Kusile's plant manager, on the other hand, was dressed to the nines, welcoming me in a fancy suit and pointy shoes. He had failed to read the room.

'I thought we were doing a site visit,' I said icily, and he rushed off to go change.

We were taken to a large conference hall, with two long tables in a U-shape in the middle. Along one wall was a table stacked with eats and treats – much more than I deemed necessary. The senior staff members, between fifty and sixty people, were standing around chatting, piling food onto their plates.

Don't we have a sense of urgency? I wondered.

At one stage I called out rather loudly: 'Can we get going, please? Stop feeding your faces and let's get this meeting going.'

It was a cold and wet day; the air was nippy. And during the meeting more and more messages started coming in on my phone about generating units failing at power stations.

Including Kusile 1 ...

So I said: 'You are in charge of the flagship power station, and while we are sitting here, your generating capacity is at only 30 per cent. What are you planning to do about it? I don't see any sense of urgency. Do you realise I get calls from factory owners asking me what they should do? They are retrenching workers. Is it going to improve?

'I get calls from gogos in the townships telling me about the insulin in their fridges – they suffer from diabetes and must inject themselves.

'What do I tell them? What do I tell them? Do I tell them our team at Kusile is engaged, motivated and working hard? Or that they have no sense of urgency? That they are not doing their jobs. That they are not getting the units back online.'

I was exasperated and agitated, something I don't often become.

'I've heard your excuses, but what are you doing? You are in charge of this plant.'

They replied they were struggling with coal quality.

I asked who the coal manager was and asked him some pointed questions, but he kept on eating while I spoke to him.

I lost my temper. 'I see you are very hungry this morning. What's wrong with you?' I asked bluntly.

At that moment, I felt like another person. I was becoming rude – something I had never been.

Not that my rudeness had much effect – the guy just kept feasting.

Only afterwards did he approach me and apologise. He said he did not mean to disrespect me. But I was too livid to be placated so easily.

I stepped right up to him and pointed my finger at him. 'I'm going to make it my business to ensure you are doing your job, because I have to tell you, you aren't doing it currently. You are failing this plant. You are failing this country.'

Poor-quality coal was an issue that affected all our coal-fired plants to a lesser or greater extent. The most important metric for measuring coal quality is called 'calorific value'. Ideally, we shouldn't burn any coal with a calorific value lower than eighteen megajoules per kilogram.

Sometimes we didn't even reach half that, with the number dipping as low as seven or eight.

We were trying to burn rocks.

When coal is washed in a beneficiation plant, it is mixed with a magnetite solution and filtered by a spiral mechanism. The poor-quality coal is spun outwards and collected. These contain a few usable chunks, but you wouldn't be able to burn them at home. They are stockpiled on discard dumps. As our private investigators uncovered, this is where the coal theft happens.

The good coal is certified at the mine, but along the way the truck stops at a discard site, and its original load is either wholly or partially replaced by the low-quality stuff.

The truck driver gets R5 000 per load for his part in the scheme.

The ultimate result is broken mills at the power stations. Our boiler tubes spring leaks because the hard, rocky 'coal' erodes them much faster, and the variable heat value subjects the boiler tubes to thermal stress, accelerating metal fatigue. Burning discard also produces more ash, increasing emissions and constipating our ash handling facilities.

To get the poor-quality coal burning, the power stations require huge amounts of fuel oil, creating another target for corruption, as we saw with the tankers engaged in round-tripping at Tutuka, as described in Chapter 15. Not all of them are as brazen and greedy as the Tutuka swindlers, which makes them harder to catch. Some suppliers would bring 25 000 kilograms of fuel oil but only deliver 20 000 kilograms. The remaining 5 000 kilograms would then be resold to us later, adding a juicy profit margin to the supplier's operations. To combat this, we instituted extra controls. We had patrols, we had drones. But the additional effort and expenses were huge.

The quality of coal seemed to be the go-to excuse during the meeting in the Kusile conference room. I asked what measures they were taking to stop poor-quality coal from ending up on their stockpile.

The reply was that spotters were employed to check the coal being delivered.

'Look, I know coal,' I said. 'You may not know this about me, but I sold coal internationally for a number of years. And I've never come across an individual, no matter how talented or intelligent, who can tell you the calorific value of coal by just looking at it. If this is the best quality control you've got, what are we doing here?'

I informed them that I had begun the process to switch to automatic quality-control machines that would take testing by humans out of the equation.

I then read an email from one of my coal specialists out loud. He said Kusile's coal housekeeping 'leaves a lot to be desired'. Furthermore, the email stated, by 2025 Kusile would require a truckload of coal every fifty-four seconds.

'How are you going to manage that?' I asked. 'What steps are you taking to build that conveyor from the New Largo mine?'

There was simply no strategic thinking.

As a plant manager, there are a few self-evident truths you should always keep in mind. You should have coal coming in, you need water, and you're sending electricity out. You are also generating emissions and ash. Those are the streams going in and out of a power plant which you have to control.

I reminded them of the crisis that had been averted only a month earlier, when Kusile had just twelve days' worth of coal left. The coal manager replied it wasn't his fault; it was the primary energy division's problem because they purchase the coal. So I turned to the plant manager and interrogated him further. Surely, it was ultimately his responsibility to ensure a sufficient coal stockpile?

'It's a good point,' he conceded generously. 'But we now have coal.'

They had coal because I had done seven backflips and gone into hysterics a month earlier!

It got to me every time: the failure of layers and layers of management. These problems shouldn't even have reached my desk.

Kusile has been dawdling for two and a half years to build a simple ash conveyor belt.

The explanation for the delay was that the company that was supposed to build it could not fulfil the contract any more and that it had to be put out to tender again. Which was only going to happen in another two months' time.

I replied that they should just award it to the second-lowest bidder and I would approve it. If I were to get the sack because of non-compliance, so be it. But at some stage, we had to start acting.

When we went on our tour of the plant after the meeting, it was evident that Kusile now indeed had a huge stockpile of coal. Standing at a lookout point, I could see workers in white coveralls trying to dig out a large weed in a concrete drainage canal running next to the coal heaps.

'Did that weed get to that size overnight?' I enquired.

There was also a huge rock in the canal, partially blocking the drainage so critical during the rainy season. The explanation was that it 'must have fallen off a truck'. Of course, a rock like that should never have been on a coal truck in the first place, but that's another story.

The weighbridge was a ramshackle affair that took much longer than fifty-four seconds to handle a single truck. It was only a temporary structure and a new one was

still to be built, I was told.

'No, build the coal conveyor from the mine,' I replied. 'It's the only way.'

When inspecting the coal heaps, I noticed they weren't being stacked in a chevron pattern. If you dump coal in the wrong pattern, it is much more difficult to reclaim it afterwards. Stacking it in a chevron pattern also decreases the chances of it combusting spontaneously.

The coal manager explained that it was impossible to use a chevron pattern because one of the stackers was broken and they were waiting for a cable from Germany. I said it beggared belief that they could not find a suitable cable in all of Eskom.

Next, we passed a strategic stockpile of coal that was recently started. I noticed the coal was reddish brown and told the driver of the minibus ferrying us around to stop. I got out and started picking out rocks from the coal.

'Where are your spotters?' I asked.

Those rocks go into our mills, into our kettles, into our filtration plants and into our flue gas desulphurisation plant.

The worst was in fact waiting for us at the latter.

The flue gas desulphurisation plant is dominated by a ball mill. Simply everything was covered in ash, which shouldn't even escape the mill. Absolutely everything. It was ankle deep on the floor and there were little pyramids of ash on the instrument clusters on the wall.

I gave a pep talk to the station manager before leaving and told him we would give him all the support he needed. I said we would kick down doors for him, but he shouldn't allow problems to escalate like this.

He was bright and highly intelligent but lacked managerial and leadership skills.

From Kusile, we departed for Kendal by car, as the two power stations aren't very far apart. My mood lifted slightly when we arrived. Upon entering the station, you could see proper housekeeping was being done. The lawns were cut, the flower beds were neat and there was relatively little litter. That says a lot.

You should be able to see, as soon as you drive through the gates of any power station, that external rules do not apply there. 'Here we do things differently' should be the motto.

There must be evidence of discipline and professionalism. When working there, you should be inspired to shift up a gear as soon as you arrive. If it looks like a dog's breakfast inside, why would you be inspired to do better yourself?

The plant manager was on his second tour of duty at Kendal. He was one of the old guard who had been called back from overseas to come and help. He'd only been back in his old position for two months, but already one could see the difference. His predecessor had been hopelessly inefficient.

We met with his managerial staff, and I gave them the best inspiration that I could.

After the meeting, we embarked on our plant visit. Heavy rains had dislodged heaps of ash the previous evening and had washed it over the coal conveyors. There was still some litter between the coal dumps.

The plant manager admitted that there was still 'a lot of work to be done'. He said he didn't recognise the power station in its current state. It saddened and disappointed him because the Kendal he remembered was gone.

The visit to Kendal ended with a mass meeting with around 800 workers, including staff from the Matla and Duvha plants. I played my patriotism card, asking the workers not to let the country down by allowing loadshedding. Afterwards, it was time for questions. One section of the audience, consisting of union leaders, was clearly determined to make me sweat. They posed a series of questions designed to catch me out. I had to wait for each question to be translated from the vernacular before answering as best I could.

Then one of them, slouching back in his chair, said in English, 'We are not happy. And as long as we are not happy, your plants will not run well.'

It was a stunning admission.

'Do you think sixty million South Africans are happy with Eskom's performance?' I fired back. 'Do you think sixty million South Africans will be happy if I give you a raise because you are unhappy? You embarked on an illegal strike with intimidation, damage to property and violence, which forced me to give you a 7 per cent increase. Do you think people will be happy if I now say, "Oh, sorry, but NUMSA at Kendal is not happy, so I have to give them more?" The gogos, the matriculants in the townships who cannot study because you are not doing your job, because I am not doing my job, because we are not doing our job. How do you explain it to them?'

He had the grace to look at least a little embarrassed, but I couldn't help but wonder if there was any chance of saving Eskom if members of its staff were willing to essentially admit to engineering underperformance of power plants on a public platform, because of dissatisfaction with conditions of service. Never mind the country; just pay us more.

Was it entirely coincidental that loadshedding miraculously eased, at least for a short time, within weeks after my resignation? Or did the instruction go out to those workers that the goal had been achieved? A friend reminded me that I had said in August 2022 that loadshedding would ease when I left Eskom. Prophetic words, but words that don't augur well for an organisation that needs to make some tough calls going forward, calls that the workers may not 'like'.

A unit manager at Komati relayed to me how she had improved the EAF of her plant from 56 to 72 per cent in a matter of months – but then, as improved performance bit into overtime and maintenance contracts, she received death threats and had to be issued with bodyguards. When performance and supplying electricity to the country are secondary to overtime and kickbacks to contractors, we have a major problem.

After flying home late that afternoon, I quickly briefed the board of directors on the loadshedding situation.

Next up was Majuba power station between Volksrust and Amersfoort in Mpumalanga. Majuba's biggest operational challenge was the state of its coal mills. They had been damaged by poor-quality coal, as well as poor maintenance and lax operational procedures. Thomas Conradie, at the time chief engineer of our generation division, had told me earlier that the workers would allow a mill to become so hot that its 450-millimetre-thick central axle began to corkscrew. On my site inspection on the Thursday, I raised the issue with management.

Corruption in the procurement process also emerged as a problem. The purchasing of important parts was being stonewalled so that the mills were not fully operational,

which meant the plant remained reliant on co-firing with fuel oil to supplement coal. The theory was that someone at the station was in cahoots with the fuel oil suppliers.

We walked through the plant, which was pleasingly neat. Then I saw a door that was slightly ajar. It was a maintenance workshop of Eskom Rotek Industries. We entered and I opened a tool locker. Inside was pure chaos.

Other lockers were dirty and full of rubbish. A group of people were standing together in a far corner.

'What are you doing?' I enquired. 'It looks as if you are on lunch but it's too early for that.'

No, they replied, they were having a meeting.

'I don't think so,' I said. 'I think you are hiding. Can we get back to work, please?'

Of course, the problem is that the Eskom CEO can't micromanage a workforce of 40 000 people.

Next on our itinerary was the Kriel plant. Its housekeeping is exemplary these days. It won the award for best-maintained power plant after I insisted we reinstitute awards for excellence. I had seen trophies with inscriptions dated 2001 in plant control rooms and asked why the practice had been stopped. A trophy costs next to nothing but can be an important motivational tool. Napoleon claimed that a soldier would fight long and hard for a piece of coloured ribbon, and a plant would likewise put in an extraordinary effort for a trophy. Problem was, we had stopped giving them, because awards ceremonies were considered fruitless and wasteful expenditure in terms of the Public Finance Management Act.

It was quite the turnaround at Kriel. On my first site visit, I had been dismayed. The windows were broken and rubbish was everywhere around and in the plant. But a new station manager, Morongwe Raphasha, grabbed the plant by the scruff of its neck and changed the culture. Remember that this was the power station where they paid R80 000 for a pair of kneepads.

If ever anyone was going to dispense with the poisonous fallacy that excellence has anything to do with gender or race, it was Morongwe. It has everything to do with attitude, purpose and mentality. The battle raging in Eskom is one between integrity and corruption, between excellence and incompetence, between good and evil. And there are people of all races and genders fighting on each side of this divide.

I then had a constructive conversation with the local labour union representatives at the plant. They conveyed their apprehension about what increased decarbonisation would mean for the continued employment of workers in the coal value chain. I told them we should have communicated our vision for the retraining of staff much more clearly.

The unions' national leadership also bear responsibility for this. They do not want to keep their members fully informed about opportunities in the renewable energy sector, perhaps because they see it as a threat to membership numbers, or perhaps because they have an interest in the endemic corruption in the coal sector.

One of the exceptions is Dan Baipile, president of NUM. His background is in the platinum sector, so he does not share the attachment to coal displayed by some of the other union leaders. He is not part of the coal mafia. He thinks strategically and says, 'Wait a minute, if we can create 200 000 new jobs, my membership can benefit from it.'

Most of the other union bosses are more myopic and worry only about decarbonisation killing their golden goose.

On Wednesday 28 September, a week after my power station visits, we were hit with another body blow. The entire Camden power station in Mpumalanga had to be taken offline due to water contamination.

September 2022 truly was the month from hell.

I immediately smelt a rat. The timing of the incident matched up almost exactly with what one of our private investigators had predicted, as explained in Chapter 16. I spoke to Jan Oberholzer, who said the initial indications were that someone had opened a valve that let dirty water into the system.

In a coal-fired plant, one needs to demineralise the water that is used to create the steam that spins the turbines, or else it starts clogging the whole system. The water is kept as clean as possible by a water treatment plant. If not, you could lose the whole plant, as apparently happened in this case. If unpurified water is let into the system, you have to shut down and embark on a time-consuming process to flush the system repeatedly until it is clean again. In engineering terms, the water plant is a 'single point of failure'.

At that stage, I was in Cape Town for a conference. Early the next morning, a Thursday, I contacted my PA and asked her to book me a flight back. I wanted to get to Camden. I could not sit in the shadow of Table Mountain while Rome was burning.

At the airport, a middle-aged blonde lady approached me and held out her hand. She wished me luck in Afrikaans and said: 'Mr De Ruyter, we are praying for you.'

I was going to need all the prayers I could get, I thought grimly.

I went to the Mugg & Bean, accompanied by a bodyguard, to have lunch while I waited for my flight. A second woman approached me and begged me not to give up.

'There are lots of people behind you, supporting you,' she said.

On our way to the gate, a man in his sixties did exactly the same.

The next morning, my bodyguards drove me to Camden, which is around fifteen kilometres outside Ermelo.

When we were about halfway, the plant manager called me and said he wasn't on site, as he was 'resting' at his home in eMalahleni. It was around 09:00 on the Friday. At Camden's biggest moment of crisis, its leader was absent. The plant manager said he had heard I was on my way and generously offered to come into work.

Rather curtly, I told him he could stay at home and that I would speak to management on site and handle it myself.

Unsurprisingly, housekeeping at the station left much to be desired. On top of everything, the security guards at the gate did not want to allow us in. I had to ask them to call the duty manager to gain entry.

I asked to go directly to the water treatment plant. A whole team was busy cleaning up, which made me think they had been called in advance and warned about my imminent arrival. The water purification plant manager wasn't there. She had worked night shift, I was told, although she did join us soon thereafter.

I asked to see the problematic valve and noticed immediately it was quite far away from the water flow and on another pipeline completely. I enquired if it was possible for someone to be confused between the different valves. The middle managers present

replied they could not believe it.

One of the managers, a chemical engineer, said he was sorry I had to travel all the way to the plant. 'We see you on TV defending us and apologising for loadshedding and then we make things difficult for you.'

I thanked him but added, 'Guys, please. You can't let me down like this. You can't let the country down. You must understand, this type of thing is causing sixty million people anguish.'

I asked whether Camden's station manager had been at the water treatment plant, and they said yes.

'When?' I asked.

'Right after the incident.'

'And before the incident?'

They looked at each other and shrugged their shoulders in the universal gesture of 'I don't know'. It turned out he had never been there.

Now remember, I had compiled a checklist for station managers. In fact, they had to certify daily that there was enough coal and that the water supply was being managed properly. The fact that the station manager had never been in his own water purification plant, a critical part of the operation, told me there was a complete lack of leadership.

When I asked how an incident like that was at all possible, I was informed that an electronic switching system that was supposed to eliminate human error had not been installed because the project had been canned.

It transpired that the project task team had identified the water treatment plant as a possible single point of failure. That, ironically, had led to a lot of people knowing correct water flow was critical ...

So, a possible problem was identified, the project intended to circumvent it was cancelled, and then a 'mistake' was made at that very point in the system. Maybe I'm connecting too many dots, but you never know.

Some time before, I had instructed all stations to identify possible single points of failure and to install preventative measures. I don't know whether the cancelled project was a result of my instruction, but it is quite possible that it had actually led to that valve being opened.

In the end, sabotage could not be proven, and an investigation exonerated the employee who opened the valve, but the accumulation of 'coincidences' was eye-popping, starting, of course, with the prediction made by our private investigating team three weeks earlier.

I toured the rest of the water purification plant, which was in a shambles. While the floors were clean, they were wet, betraying an urgent cleanup effort. Behind filters stacked in front of a fire extinguisher (a big safety no-no), the floor was still covered in an inch of pigeon droppings. 'And this? How long has this been here?' My glowering look persuaded them that I wasn't going to entertain the excuse that this had happened since yesterday. In other corners lurked discarded helmets and rubbish. Without speaking, I picked up the rubbish and showed it to the team. Their embarrassment was obvious.

The power station was in the same condition. I asked to speak to the relevant section

manager each time, and each time the blame was shifted to someone who was not present. 'But I'm not the responsible person,' I heard again and again.

'The age of a plant is no excuse,' I told them. I had seen that in Germany where I was in charge of a plant that dated from 1936 and was still in great condition, running perfectly. It was so clean you could eat off the factory floor.

I challenged the line managers to accompany me on a Gemba walk – a very specific, very structured inspection of a plant according to a checklist and with a notebook in hand. Right off, I grabbed a plastic bag and started collecting rubbish. Eventually one of them sheepishly took the bag from me and usurped my role as Group Chief Garbage Collection Officer.

'Have you been told how to do a Gemba walk?' I enquired. 'Yes,' was the response, 'but we thought we were supposed to focus on strategic matters, not housekeeping.' What these mysterious strategic matters were remained unclear. When I went into a workshop and started picking up discarded cold-drink bottles, rags and rubbish, the responsible foreman at first tried to tell me that this had all happened since the day before. I then requested him to walk with me, and pointed out more and more rubbish, some of it coated in a layer of dust. 'And this, also since yesterday?' His look of annoyance and irritation told me all I needed to know. Management was entirely absent from key areas of the plant.

We reached the control room, where process controllers were hard at work, trying to manage the crisis. No station manager, no oversight, no support for them. The room was dirty and dusty, with a half-eaten packet of peanuts, an empty Energade bottle and old documents from 2018 still lying on top of a cupboard. The controllers insisted, however, that they regularly cleaned their workspace.

'I can see you are vertically challenged, but maybe you should just walk with one of your taller colleagues and check on top of the cupboards,' I told the controller in charge. They all had a laugh. Before we left, they asked whether they could take pictures of us together. It was the first time a group chief executive had been in their control room. They asked me to smile for the camera, but I replied: 'Sorry guys, but today is not a day for smiling. I am really, really fed up. I have to defend you when you are not doing your jobs.'

They apologised and looked suitably ashamed.

While on an outside walkway, I observed some contractors lounging about on the grass below, eating from polystyrene containers at 11:00 in the morning. They returned my scrutiny with supreme indifference. When I took out my phone to take a picture, however, they scurried away with sudden alacrity.

After the Gemba walk, we went to the power station manager's empty office for our debriefing session. The managers said they had thought you looked at the 'big stuff' during a Gemba walk, but I had looked for small problems.

'Well, remember the motto: A clean plant is a safe plant is a productive plant. If you don't start with the basics, you can't fix the big problems,' I replied.

I asked them whether their homes were also in a shambles.

Basically, I got the impression that they felt leaderless, and appreciated guidance and attention. It just shows to what extent Eskom's skills have been eroded. Not only hard engineering skills, but the soft skill of leadership and the institutional knowledge of what

good looks like.

'If you walk past a problem, your subordinates will too,' I said. 'Lead by example.'

But the problem was that in this instance Eskom's leadership was at home, resting.

After our talk, the water purification plant manager, a young lady, approached me. She told me in private that she had previously been in charge of Kriel's water plant. I knew from my recent inspection that it was in excellent condition.

She said she had noticed a change of attitude among the Camden workers a couple of weeks earlier – they suddenly did not want to follow orders any more. That time coincided with more than one plant having problems and the subsequent raising of the loadshedding levels. Once again, I do not wish to sound paranoid, but I found it very interesting that she should just volunteer that information. Three months after my visit, she sent me a series of photographs – the Camden water plant had been fixed. But if I hadn't paid them a visit? Probably not.

As we departed, I wondered whether we were ever going to turn things around. The failure on different levels of management was astounding.

I felt like I was manning the controls of a Boeing 747 with all four engines aflame. Trying to fix it in-flight was a fool's errand. The best I could hope for was to perform an emergency landing with minimum loss of life.

The sword falls

After Eskom's month from hell, the politicians and social media were baying for blood. Professor Malegapuru Makgoba and the rest of the Eskom board would be the sacrificial lambs.

Pravin Gordhan was under intense pressure to act. It mattered not whether his actions would improve Eskom's fortunes; he just had to be seen to be doing something.

In the run-up to Friday 30 September, rumours were rife that the sword was about to fall on the board, but I was never formally consulted.

However, I was aware that Gordhan had scheduled a media briefing for 15:00. As I watched the livestream on News24, the minister apologised and said he had to do something first before continuing. Soon, my phone buzzed with a WhatsApp from Gordhan. He had paused the briefing so that he could send me a list of the new board members. Just so that he would be able to say I had been informed before he made it public. I found the move rather cynical.

Prof was replaced by Mpho Makwana, the chairman of Nedbank, who more than a decade before had been acting CEO and chairman of Eskom.

As the rumours were swirling that either Prof or I (or both) would get the chop, we had supported each other. I'd said I didn't need this in my life, and he'd replied that neither did he. 'What will be, will be' summed up our approach. If the guillotine fell, we would be at peace with it. We weren't going to kick up a fuss.

Prof called me afterwards and wished me luck, while I thanked him for all the support he had given me through the years.

'We did our best as the board without any support from the shareholder,' he told me. 'We had been waiting for four years for certain vacancies to be filled, and now they hold us accountable for underperformance while they didn't equip us with proper resources.'

A journalist asked Gordhan during the press conference why he had allowed key board seats to remain empty since his appointment as minister of public enterprises in 2018.

'It doesn't help to talk about the past,' he said, clearly irritated. 'It's done now.'

Yes, Minister, it certainly was.

Gordhan had strengthened his hold on the board. Many of the new appointments were confidants of the minister. The board would have a mandate to be 'activist', meaning that they would be required to be involved in the guts of the operations – very different to the mandate of a normal non-executive board.

The minister was already in the habit of getting involved in operational minutiae. He would think nothing of phoning a middle manager at Koeberg to verify something that I

had told him – in the process bypassing (as shareholder) the board, the group chief executive, the chief operating officer, the chief nuclear officer and the plant manager.

Whenever I heard of him double-checking my statements with Eskom employees, it left a bad taste in my mouth. If you don't trust me, fine, but tell me and then fire me.

In doing this, I don't believe Gordhan had any sinister motives. He was just so steeped in the ANC's history of factionalism and plotting that he believed you had to be distrustful to survive. And in the case of the ruling party, he wasn't necessarily wrong.

But good corporate governance requires the shareholder to work through the board. His number-one contact point was supposed to be Prof. They often clashed over the fact that Gordhan bypassed the board.

'Minister, why do you want to talk to me now when you usually contact the CEO directly,' Prof would ask. 'You complain I do not keep you informed, but you've already cut me out.'

It reflected the fundamental misunderstanding in the ANC of concepts like corporate governance. They regard state-owned corporations as their fiefdoms, rather than as companies that have to be managed in accordance with sound business principles.

In his first communication with me, Mpho sent me a couple of text messages, asking me to send him my CV. I found that rather strange.

'Dear Andre, this is my number,' he wrote. 'This is Mpho. What is your weekend like? Also, can you please send me your full CV so that I can familiarise myself with your career history. I first met you when you were at Sasol. My email address is [so and so].'

I updated my CV and sent it – which in itself was a good exercise at that stage of the game; so I suppose I have to thank him for that.

That Sunday, Mpho came to the Dainfern country club, and we met at my usual table there. Brian the waiter brought me a Coke Zero without me having to ask – he knows me by now.

Mpho was wearing a double-breasted satin navy blazer, with a red silk handkerchief in his pocket. As an adherent of the Zionist faith, he wears a Star of David, and said we couldn't meet on a Saturday, because he observes the Sabbath.

After some small talk, I told the new chairman three things.

Firstly, if he had a mandate to fire me, let's get it done; let's not waste each other's time. I'll go. I didn't want a golden handshake; I would take a month or two's notice payout and go quietly.

Mpho laughed and said, 'I have no such mandate.' He said we would 'see how it goes' and then take it from there.

His reaction had the effect of raising my suspicions further. If you're an incoming chair, and you have a chief executive that you want to keep, you tell him that. You tell him you know it's a difficult and confusing time, everyone is unsettled, but you're here to help him – let's work together.

He asked how old I was, and I told him I would turn fifty-five in March.

'I understand one's outlook on life changes,' he said. 'Maybe you want to do something else, or spend more time with your family ...'

As he was speaking to me with veiled eyes, it was difficult to escape the impression that he was not being entirely candid with me.

The second point on my agenda dealt with the increasing claims emanating from

government circles that an energy availability factor of 75 per cent was possible with our existing power stations. I said if they believed the experts pushing this fallacy, rather than Eskom's management, they should appoint these people to run Eskom. If they were right, they were clearly much, much smarter than me.

'No, no, no,' Mpho parried. 'We must first have a look and set the right targets.'

Thirdly, I shared my conviction that we had the correct long-term strategy in place. It was focused on renewable energy, the increased use of private generation and on repurposing our old coal-fired plants that had reached the end of their lifespan. If that was off the table, then sorry; clearly the board and the CEO are not aligned and, in those circumstances, it wouldn't make sense to continue.

Again, he said he wanted to take a look at it first before deciding and didn't want to commit to any strategic goals. Next, he made the rather puzzling suggestion that we should have weekly goals. At the start of each week, we should say what we wished to achieve by the end of the week, and at the end of the week we'd reflect on our progress. Firstly, Eskom is not the sort of business where weekly targets make sense. Secondly, this is how you treat an assistant manager. Mpho was the non-executive chairman; I was the group chief executive. His role was not to micromanage me on a weekly basis, but rather to focus on long-term strategy, and then judge me within that broad framework. He couldn't hold me accountable for what I did in a week.

When Mpho spoke to the media later that week, it certainly seemed like he had some specific ideas. What he said to my face on that Sunday afternoon did not square with what he told the press. He spoke at length about strategy, even though he had not consulted with Eskom management. When you are in a new environment, surely you ask for a presentation and notes from management before you make specific public statements.

It was as if he was channelling energy minister Gwede Mantashe, word for word.

Mpho said, 'Yes, we must decarbonise, but we can't do so at the expense of our own resources.' Same as Mantashe.

'We have to balance our emissions with our growth.' Again, same as Mantashe. And the opposite of what Eskom management had been saying.

'There are ten coal communities in Mpumalanga.' That's what Mantashe says all the time.

As far as the new board was concerned, the early signs were not promising.

At Eskom there are letters that need to be signed all the time. According to protocol, I wasn't allowed to sign a letter to the minister. This had to be done by the chairperson. With Prof, this process ran smoothly with regular Thursdays devoted to signing letters to ministers.

Early in the week, I sent Mpho a letter that I wanted to send to Gordhan. The letter was to inform him that we were negotiating with Anglo and Électricité de France to build a hydro-pump system in south-eastern Limpopo, and that we'd like to announce something. In the letter I gave some specifics about how the project would work.

Mpho replied that he was not going to sign it; it had to go to the board first. But it was just a letter to notify the minister; we weren't asking him for anything. I said in that case I'd address the letter to the director-general of public enterprises, which only I had to sign. He told me I should rather come and do a strategy presentation to the

board. I said that's a good idea and put it on the agenda – only for Mpho to take the company secretary to task. 'Where does this come from, who gave permission for this to be added to the agenda?' he said in an email.

Look, if I were an incoming chairman of a board, I'd ask the chief executive officer to prepare five slides on his strategy, the chief financial officer to tell me in five slides what's going on in his department and the chief operating officer for five slides on the main issues on his turf.

Mpho took a different approach and carried on with media interviews, without ever asking our input. He did one with the Sunday Times, where he spoke about performance targets that were set to be introduced, made public and measured quarterly. It's unheard of that the CEO's performance reviews are made public on a quarterly basis.

To Business Day he expressed his surprise that Eskom didn't have a chief marketing officer. He had identified that as one of our most pressing issues. I haven't heard a thing about it since, and at the time of going to print, five months after the interview, nothing had been done to fulfil this allegedly urgent need.

The next snag involved an invitation I'd received to travel to Washington DC. As recounted in Chapter 17, Eskom had provisionally been awarded \$500 million by the Accelerating Coal Transition initiative, but the loan still had to be ratified by the board of the Climate Investment Fund. Because the trip involved international travel by the CEO, Mpho and Eskom's chief financial officer had to sign off on it. Usually, it's a fairly routine and painless exercise.

I wrote to Mpho, motivating why I should go on this trip. Prof would usually approve things like this straight away, and then my PA, Zodwa Mantyi, would proceed with the reservation.

Our chief financial officer signed, but I didn't hear anything after that. I asked Zodwa what was going on, and she said the process had stalled on Mpho's desk. Apparently, the trip had to wait for approval from the full board.

I was taken aback. The trip was a no-brainer. To gain the funding, we'd had to compete against thirteen other countries, including Indonesia, Vietnam and the Philippines. Our business plan to accelerate South Africa's decarbonisation through the repurposing of Hendrina, Camden and Grootvlei was judged the best and we were awarded the nearly R9-billion loan. The interest rate was below 1 per cent and Eskom would have a payment holiday of eight years before having to start paying it back. It was as close to free money as you're ever going to get, and critically important for the conversion of the three power stations.

Having to explain to Eskom's counterparts in DC that my travel was not yet approved was puzzling to them, and embarrassing to me.

On the morning of Thursday 13 October 2022, Mpho arrived at Megawatt Park for the first meeting of the new Eskom board, but first he came to speak to me. I told him, 'I find this absolutely extraordinary, that overseas travel is now the subject of a board discussion.'

He responded with an anecdote from 2010 or 2011 when he was acting CEO of Eskom and Barbara Hogan was minister of public enterprises, which held little relevance to the matter at hand: 'Oh, no, but you need to understand – I was travelling to Davos

and when I landed, Barbara Hogan was looking for me and she was upset. So it's very important to do everything right. This will be the only time.' Clearly, instructions had been issued to rein in the CEO.

We carried on with an 'alignment discussion', as he called it, one on one in my office. It was scheduled to start at 07:00 but he was ten or fifteen minutes late. I could live with that, but then he drawled on for the better part of forty-five minutes, taking precious time out of what was already a busy day.

Mpho took me through something he wanted to show the board. It was a warmed-up presentation he had done in 2010 about stakeholder management in the build-up to the FIFA World Cup. It didn't appear to have been updated much, as the dates hadn't been changed. Its relevance was not immediately apparent, and lenders, those people with the knives to our throats, weren't even included as stakeholders. Perhaps stakeholder management had been Eskom's most pressing issue in 2010, but in 2022 we had much bigger problems.

The board meeting started at 09:00. We went around the table, and everybody introduced themselves. A few people weren't present – Rod Crompton, the only holdover from the previous board, had leave scheduled, and Tryphosa Ramano was half an hour late. The problem with such a new board is that you sit with people without any institutional knowledge. In the private sector, you rotate a third of the board every three years or so, in order to achieve continuity. There are a few people on the board who always know what's going on at management level, which projects are running, what funding is awaiting approval, and so on. But now everyone had to start from scratch. I had to explain everything again. And it's a complex business. Some of the board members were not up to speed with energy issues, and I had the sinking feeling that I was starting at square one with a new board.

The board table is in a U-shape. The chair sits at the bottom of the U. I sat on his left, in the turn of the U. He asked me, 'Why do you sit on the edge like that?'

'Well, Chair, at this stage I'm living on the edge,' I responded. At least that made the board laugh.

One of the items on the agenda was an armed robbery at Hendrina, where R100 000 worth of copper was stolen. I had sent Mpho a WhatsApp about it, just so that he would be aware of it. The issue came nowhere close to rising to the level where any sort of board involvement was required, yet here it was, on the agenda. A pattern was starting to develop.

Mpho kicked things off with his World Cup presentation about stakeholder management. As he ground through his slides, I wondered if I was the only one concerned that this could not possibly be the board's top priority.

Here he was walking into one of the biggest storms in corporate South Africa, and the best he could put on the table was a presentation from 2010, which he apparently believed was the panacea for Eskom's ills. I sat there, trying to maintain a neutral facial expression. I saw the highly competent Fathima Gany glancing over at me with a mixture of quizzicality and concern. I think we were both having a WTF moment.

Next up was one of the few items on the agenda that actually made sense – determining the composition of the various board committees. What was noteworthy, however, was the decision to have a business and operations committee. For a non-

executive board, that's highly unusual. It reflected a fundamental misunderstanding of the roles of the shareholder, the board and management, and was another indication that Gordhan intended the board to play an even bigger role in micromanaging Eskom's operations.

Thereafter we went through my monthly board report, which was usually discussed only briefly. That would not be the case this time.

One of the new board members, COSATU general secretary Bheki Ntshalintshali, said he didn't want to be caught 'off-guard' by the implementation of loadshedding, so it should be preceded by a board decision.

It was such a ridiculous suggestion that I felt compelled to interrupt: 'If this board thinks it can manage the system operator by board decision – it is impossible. I can't even tell the system operator what to do. The system operator is empowered to make decisions in order to protect the grid from a total blackout. And those decisions are their decisions. I don't interfere. We do what is in the best interests of the grid and the country. If the phone rings at two in the morning, there is no time for a board meeting; we need to decide there and then. I'll communicate as early as I can, but we simply can't do it that way.'

Mpho was seemingly annoyed with me: 'Nobody said that, André.'

Former chief nuclear officer and new board member Clive le Roux jumped in: 'As someone with forty-one years of experience, can I just say that if this board thinks it can manage electrons flowing at the speed of light, it needs to reconsider. This board should concentrate on medium- and long-term issues and leave the short-term issues to management.'

Dr Tsakani Mthombeni from Implats, who is chairman of the Energy Intensive Users Group of Southern Africa, made an excellent suggestion: 'What I suggest the board should do, as part of its induction, is go to the national control room and see the pressure under which the system operator works to balance the system all the time.'

Fortunately, the suggestion that the board get involved in loadshedding decisions was shot down, but that it was up for discussion at all was worrying. Clearly the new board was going to be a different proposition entirely.

After I had spoken a bit about our financial situation, Fathima asked what Eskom would do with the planned equity injection we were anticipating to get from National Treasury.

After some technical details about the complexity of the arrangement, I added, 'And something else to take note of: If we don't get tariffs at the same time that are cost-reflective, we'll be back at the Treasury with the begging bowl in three years.'

Next, we spoke about vetting by the State Security Agency. Two officials from the SSA were brought in for the agenda point, and Mpho wanted them to do a presentation to the board on the topic. Vetting is a bureaucratic process. It's not mission critical, or important enough to warrant an agenda item at a board meeting. Perhaps, however, it was a precursor to the sudden focus on vetting me, after nearly three years in the job.

Having worked with corporate heavyweights like Reuel Khoza and Tito Mboweni, I sat there very discomfited by the proceedings. What distinguished them was a laser-like focus on the key issues. Khoza, for example, could receive a presentation on a topic that he knew little about – and almost immediately raise red flags and spot the weak

points in the argument.

The new board was not speaking about strategy, energy availability factor or coal quality. Instead, we were talking about stakeholder engagement, small-time theft and vetting – and were about to move onto the riveting topic of my travel arrangements.

Mpho got us going: 'André was a bit surprised that this comes to the board, but as I explained to him ...' – and then he repeated his marginally relevant story about Davos before saying, 'I feel it's important that board members know where the CEO is, and what's going on.'

It goes without saying that there are plenty of ways to achieve these aims, of which holding a full board discussion ranks fairly low on the list of effective solutions.

Despite being duly rubber-stamped by the board on Thursday morning, the matter still dragged on to the next day. On Friday, Mpho told me that he had spoken to Pravin Gordhan about the trip. The minister apparently said he knew nothing about it and that nobody had told him about the loan. If that was indeed what he said, it was totally untrue – the deal was eighteen months in the making; it was in all our presentations; and it was on the agenda for the inter-ministerial steering committee on the Just Energy Transition, on which Gordhan sits. He'd been told about it numerous times.

I told Mpho all this, but he just said I should keep the director-general of public enterprises informed, 'so that they know what's going on'.

Mpho finally signed the letter late on the Friday afternoon. But in the meantime, there were three other routine letters awaiting his signature. They had been submitted on Tuesday already. When I asked Zodwa what was going on, I was told that Mpho wanted to take them to the board.

The handbrake was being pulled up.

The increasing state control manifested in different ways. During a discussion between the World Bank, National Treasury and Eskom's communications department, the Treasury officials asked us not to send out a press release on the \$497-million loan because it might impact the ANC's leadership election, which was scheduled for December 2022. The loan was positive news for the country, but they felt it would play into the hands of the RET faction, because the funding would be used to close coal-fired power stations.

Unsurprisingly, given the warning signs that had emerged at the first meeting, the new board soon showed its meddlesome streak. Board members often called employees on middle management level, several tiers below the board, to find out how things were going.

This is a vote of no confidence in top management. In effect they were saying: We don't trust the chief executive and the chief operating officer; we don't think they are doing their jobs, and maybe we can find ways to second-guess them.

It upsets the chain of command and is, quite simply, out of order for a non-executive board. It also wastes a lot of time. For example, they would contact someone who is an expert in their narrow field but who doesn't see the whole picture. That employee is flattered by the call and enjoys the attention, but the board member arrives at our meeting with incomplete information or a one-sided point of view. Then I would have to explain the bigger picture – which they could have ascertained by asking me directly in the first place.

In the meantime, the warning signs with regard to our green energy projects were everywhere. In a media interview, Mpho said we should refurbish our coal-fired plants and return them to service. This was singing from the Mantashe hymnbook and went directly against the conditions of our climate loans – a fact that doesn't go unnoticed by the funders.

By October, the first draft of my resignation letter had been written. I couldn't see a way of working with the new board.

One person already heading for the exit was Mandy Rambharos, the head of our green energy programme (or Just Energy Transition) and a key player in our successful climate deals. She announced her resignation in early October, after landing a plum position at the Environmental Defense Fund in Washington DC.

Mandy and I had had a great working relationship, and I was humbled when, in a post-resignation media interview, she called me the most supportive boss for whom she had worked.

The government, on the other hand, took her for granted. I said as much to the Presidency's Rudi Dicks when he complained that we hadn't kept them informed about her plans to resign. He implied that they could have tried to retain her.

But why wait until then? If you have identified that one of your staff members is a key employee, you should put them in golden handcuffs and make it clear how much you value them. Instead top government officials treated her like an administrative assistant while they made all the important decisions.

Not one top government official sent her a message thanking her or wishing her well. It was typical of the way that ministers treated the minions.

Gordhan, for example, would often expect you to keep your whole day open if he wanted to see you. You just had to clear your entire schedule and wait for a meeting at short notice.

Rudi even went so far as to tell Mandy they had the power to 'stop' her from leaving, implying that they could exert pressure on her new employer not to appoint her. Of course, he was suffering from delusions of grandeur. But let's say for a moment that government could block her appointment. How motivated is an employee going to be in that situation? It spoke to government's ignorance of the basic principles of human resource management.

Their HR skills seem to be limited to dealing with cadres seeking deployment.

Mandy and the green energy initiatives that she initiated were the envy of the world, but in South Africa her efforts were widely under-appreciated. As the biblical saying goes, no prophet is welcomed in their own hometown.

Given how Mandy was treated, it should come as no surprise that the old Eskom board didn't get much thanks either. To make up for this, I organised a farewell dinner for the former directors at the Riboville restaurant in Waterfall Estate. Touching, if slightly awkward speeches were made, as the management team had the distinct feeling that their number would be up next.

While the boardroom battles were raging, the operational disasters kept piling up. In early November, Unit 1 at Kusile, which had been producing power since 2016, suffered the catastrophic collapse of one of its flue gas ducts. With Units 2 and 3 also taken offline so that they could be inspected to pre-empt a similar collapse, it meant we lost 2

400 MW of capacity, equivalent to nearly three stages of loadshedding.

Kusile and Medupi, the two power stations built on the current government's watch, were erected hastily and shoddily, with (as we have seen) alleged corruption in the awarding of key contracts. As a result, critical errors were incorporated in their designs.

Kusile has flue gas desulphurisation plants, essentially slurry beds to filter sulphur out of emission gases. It is basically a bed of liquid limestone through which the gases are pumped: think of a huge bubbling pot of porridge. However, you do not want the limestone particles to rise up into the cooling towers. Water is therefore sprayed on it to ensure it stays liquid and falls back into the slurry bed.

The flue gas desulphurisation plant at Kusile had been put out to tender as part of the original construction of the power station. But this was first-of-a-kind technology for Eskom, and the project team relied heavily on the input of General Electric (GE) for design and construction, and even commissioning. Due to coal not being bought from New Largo as assumed in the design base, and lower-quality coal as a result of corruption, the ash load was higher than the design catered for, increasing the risk of ash carryover into the stack. The higher exhaust gas temperatures due to the boiler defects, and the operating practice of adding cold air to the flow to protect the downstream bag filters, all added up to higher exhaust gas velocities, which in turn increased the risk of more ash and slurry carryover into the stack. Perhaps an experienced operations team would have anticipated the risk. The Eskom operations team, however, was only involved when the flue gas desulphurisation unit was handed over, leaving the unit in the hands of an ill-trained and inexperienced team.

Because the sprayers were not able to cope with the higher ash, limestone and gypsum loads, some particles went up into the stack and formed deposits inside a lobster joint – a series of overlapping plates creating a bend in the chimney. There is a valve at that turn, in case of a build-up of dust. However, that valve could not be opened, simply because it wasn't connected to the flue duct itself. Another company had built the flue duct while GE did the rest and they clearly did not liaise properly. If Eskom had adopted a conventional project execution strategy, and appointed a managing contractor to manage interfaces and different work packages, the snafu could have been avoided. As it was, Eskom did not have the expertise, having not built a new power station since the construction of Majuba in the 1980s. No one (and it should have been Eskom) took overarching responsibility for work package integration during the building process. That equals poor project management.

All of these factors compounded led to a huge build-up of gypsum, ash and limestone in the lobster bend, which became so heavy that it caused the lobster joint to collapse. In collapsing, the flue duct of Unit 1 impinged on the ducts of Units 2 and 3, causing all three units to shut down. Repairing the units requires the construction of temporary flues, a derogation from emission limits and a delay of a year, during which more than 2 000 MW would not be available, equivalent to two stages of loadshedding.

If the mass balance of the system had been determined, the disaster could have been prevented. Volume-wise you should subtract what comes out of the system from what went in. If there is a discrepancy, you know something is still inside the system. Chemical engineering 101.

Eventually, Eskom will be able to sell off the gypsum to the manufacturers of ceiling

and partition boards. We might not generate much power, but we may be well on our way to becoming the gypsum kings of the world.

The end of days

The 12th of December 2022 was destined to be the day that would bring matters to the boil. As I did my morning exercises, I knew of one pivotal moment, little knowing that there would be many more that day.

At 07:30, I met Mpho Makwana for my six-monthly performance appraisal. The Dainfern clubhouse, where I had first met him, was in a state of disarray at this early Monday hour, with cleaning crews polishing floors, and noisy leaf-blowers operating outside. Having a formal performance review was a rather unusual exercise at the level of CEO, although HR policies required these processes.

More importantly, in appointing the new board, Pravin Gordhan had promised the country that all executives would be subject to rigorous performance reviews, to establish a culture of accountability. The minister also promised to share the results of these performance reviews with South Africa, which threatened to turn into an unappetising exercise, not of public accountability, but of scapegoating. I therefore had less than my usual relish for the engagement, but I also had an ace up my sleeve.

With his characteristic fondness for all things digital, Mpho flipped open his iPad Pro, and opened my performance contract, which had been agreed with the previous chairman.

Before he could even launch into the performance review, I interrupted him, 'Chair, I think the discussion may be rendered redundant by this', and I slid a letter across the table to him.

I had been polishing my resignation letter for some weeks, it having become clear that there was no reasonable prospect of working productively with the new board, and with political support evaporating. The wholesale firing of the previous board, with the sole exception of Dr Rod Crompton, was in my view a grievous error of governance. I had to again start from scratch to explain the strategy, the turnaround plan and, for some of the directors, the very basics of the business. This was an energy-sapping process, particularly when sniping comments were made by board members, or snap opinions based on an incomplete understanding of the issues.

We had to explain why Koeberg 1 had to go on an outage, we had to defend our request for cost-reflective tariffs, and after cursory visits were made by directors to power stations, opinions were formed without any reference to management. Particularly galling was the quick and effective sidelining of chief operating officer Jan Oberholzer. It was clear that he had become persona non grata. After more than a hundred days in office, the chairman of the board still hadn't spoken to him or asked him for his views on operational matters – a galling display of disrespect.

The board had adopted a peculiar governance construct, called being an 'engaged board', based on an old Harvard Business Review article. This was in response to an exhortation by Gordhan for the board to be 'an activist board'. What it meant in practice was that the board very quickly started to blur the lines between non-executive directors and executive management.

Instructions were given to employees several levels below the executive, without informing me or the line managers. The demands of the board went further, with the newly established board operations performance committee requesting reams of information to conduct their own analyses, and asking to get involved in outage management, something that was being done at plant level.

With the chain of command being bypassed, I was having to handle increasing frustrations from exco members, even as I myself was bypassed and excluded. Professor Malegapuru Makgoba had been a diligent chairman, dedicating Thursdays to signing documents. My office and the chairman's office, under the capable stewardship of Zodwa Mantyi, had run like a well-oiled machine, with letters to ministers (which for protocol reasons I was not allowed to sign) being churned out as well as requests for exemptions from Treasury, reports to the Department of Mineral Resources and Energy on Koeberg, and correspondence to the chairs of parliamentary portfolio committees – all the bureaucratic baggage so favoured by the satraps and panjandrums in their dusty Pretoria offices.

Mpho had none of this dedication to efficiency: he would sit on letters and documents for months, both incoming and outgoing. At one stage eighteen documents were in limbo – not being signed, and not being actioned. He also didn't wish to sign even self-explanatory letters and documents without these being syndicated by two or more board committees. It was particularly galling for the management of Eskom to be exhorted by both President Ramaphosa and Minister Gordhan to display a greater sense of urgency when we were at the mercy of the 'activist' and 'engaged' board under a go-slow chairman.

On 30 November, Zizi Kodwa, the deputy minister responsible for state security, had told SCOPA that I had refused 'since June' to share information with the SSA to enable them to vet me. Vetting is a process where employees have to submit to rigorous checks into contacts with foreign governments (I had a lot of those) and time spent in foreign countries (I had lived in three foreign countries and had visited a score of others), and to disclose in-depth financial information. Knowing the adversaries roosting in the SSA, I had very little appetite to give them personal financial information. After all, the SSA was one of the state entities which regularly used listening devices identical to the one found in my car.

Instead of gathering intelligence on saboteurs and coal thieves in Eskom power stations, the SSA had dispatched an agent to Sharm el-Sheikh in Egypt, where I spoke at COP27 about the Just Energy Transition at several engagements. I found this to be quite bizarre, as I had been CEO for three years, and now, of all times, I was being followed by the SSA, probably bugged, and going to be subjected to onerous vetting. If I had been trustworthy enough for three years to head up Eskom, what had suddenly changed that warranted this level of scrutiny? The only possible reason to my mind was that the intelligence services were discomfited by what I had been uncovering in

Mpumalanga.

Instead of acting on this intelligence, the SSA decided to investigate me – a clear indication in my view that what they considered the bigger danger was an investigation into the networks feeding off Eskom, rather than trying to prevent crime and corruption from playing a pivotal role in loadshedding. Clearly, to their principals, this was an intolerable situation. Kodwa said, 'We were promised by Mr De Ruyter that by the beginning of June, he will give us the outstanding documents.'

I had made no such promise, and in fact had not even heard from the SSA that they wanted to vet me. Only in October, with the arrival of the new board, was vetting put on the agenda of the first board meeting and I was sent the Z204 form to complete. Of course, with its customary alacrity, SCOPA jumped on the bandwagon and expressed its alarm that unvetted executives were in charge of Eskom.

On 29 November Gwede Mantashe bizarrely accused me of behaving 'like a policeman' who 'must chase the criminals' instead of fixing the utility. Either the minister was displaying breathtaking ignorance of the enormously negative impact of crime on Eskom, or he thought that I should rather allow the crooks and comrades to continue to eat.

This attitude reminded me of a discussion with a senior government minister on the COP26 deal to get \$8.5 billion to support Eskom's JET. When I expressed my concern that Eskom was being pushed to one side to circumvent my uncompromising stance on good governance, the minister breezily replied: 'You know, you have to be pragmatic – in order to pursue the greater good, you have to enable some people to eat a little bit. Think of the bigger picture!'

In a similar vein, when I asked a colleague who has brilliant insights complementing my blind spots, why I did not get support for my strategy to implement JET to address capacity shortfalls and clean up the environment, she chuckled at my naivety and said, 'But André, you are not showing the comrades a way to eat!'

The only conclusion is that profit-sharing by criminal and corrupt elements has become so normalised that it is self-evident: it is no longer questioned, and it has to be incorporated in plans. Without largesse being dispensed to the comrades, plans will fail, sometimes by being deliberately undermined. Now, I am not naive: I understand that in every society there is a certain level of corruption. Whether in the US, France, Germany or the UK, corruption seems to be a ubiquitous phenomenon. The difference is that even if a corrupt official abroad takes a 5 per cent bribe, the bridge still gets built, the power plant still gets repaired. In South Africa, corruption has become so overwhelmingly dominant that the system feeding the corrupt has begun to fail.

Saliem Fakir, an experienced academic and environmentalist, penned an influential piece in 2017 that distinguishes between political entrepreneurship and productive entrepreneurship. While the latter relies on innovation, skill and acumen to generate profit, the former relies on political connections to gain preferential access to government allocations of resources. Inevitably, political entrepreneurship creates fertile ground for corruption, as those allocating the resources (individuals in government and state-owned companies) are seldom content with assisting the enrichment of others. BEE is a race-based form of political entrepreneurship. As Fakir says, 'not all BEE is corrupt' but it is particularly susceptible to rent-seeking for little effort. When rent-

seeking becomes devoid of links to tangible outcomes (think coal that doesn't burn or power stations that don't work), it degenerates into what is termed 'piracy', which ultimately can lead to state failure, as institutions are systematically denuded and resources stripped by rent-seekers.

The notion that the state capture project ended when the Guptas' ZS-OAK departed Lanseria, allegedly laden to the gunwales with loot, is sadly mistaken. Like a cancerous tumour that has been removed, the residual corruption has metastasised and spread even more widely through South Africa's body politic. The collective sigh of relief that everyone heaved after Ramaphosa's 2018 victory at Nasrec, and the notion that we could start on a clean slate, with the original sin of the ANC forgiven and forgotten, has come to naught.

My efforts to combat corruption were clearly becoming too successful for some comrades' liking. Despite the supine attitude of the SAPS and the SSA, I had been sharing the details of our private investigation with a few officers who were prepared to take on difficult cases. I had also informed the chairman of the Eskom board.

And, perhaps most crucially, in July 2022 I had decided that it was time to tell Gordhan. On the advice of the head of our investigation, I requested that Dr Sydney Mufamadi, the national security advisor, also be present at the meeting in Megawatt Park.

In the vacant office of the Eskom chairman, I told Gordhan and Mufamadi what the investigators had unearthed, but paused before dropping the biggest bombshell – the fact that two high-ranking politicians had been implicated.

'Can I name them?' I asked Gordhan, who was also accompanied by one of his advisors.

The minister indicated that I should go ahead.

I expected him to be shocked, but instead his reaction surprised me.

Gordhan looked over at Mufamadi and said, 'Well, I guess it was inevitable that it would come out.'

They had known, or at least suspected, all along.

When government and the ANC later tried to disavow all knowledge of how high the Eskom corruption stretched, I could only shake my head in amazement. Surely there is a point where complacency becomes complicity. But party unity was to be protected über alles.

In any event, by November 2022, it was clear that news of the investigation had reached the ears of the corrupt cartels. It was therefore quite extraordinary that Mantashe accused me of behaving too much like a policeman who is focused on chasing criminals instead of fixing the power stations. The subtext here is quite alarming: stop chasing the crooks, but nevertheless end loadshedding. The apparent inability to be able to connect crime to loadshedding is a rather depressing scenario.

Knowing that ground zero for corruption in Eskom lay in the heart of the coal value chain in Mpumalanga, which is overseen by the Department of Mineral Resources and Energy in its role as mining regulator, made Mantashe's next move all the more galling.

At a signing ceremony for new independent power projects at the IPP Procurement Programme Office in Centurion on 8 December, Mantashe made the astonishing statement that Eskom was 'actively agitating for the overthrow of the state'. The Eskom

representative at the signing ceremony sent me an alarmed WhatsApp, saying that the minister's statement was so incredible that he wasn't sure that he had heard correctly. He conferred with Terence Creamer of Engineering News, who confirmed that he had heard the same thing.

Following Mantashe's speech, Creamer asked him if he considered this a responsible statement to make. Unrepentant, and in a combative mood, Mantashe doubled down and reiterated the claim. Apart from conflating the party and the state, it was an outrageous statement for a minister to make. If he had been minister of family planning, he could maybe have hidden behind ignorance of the energy portfolio. But this was the minister of energy himself, effectively accusing Eskom management, and by implication me, of high treason. While Mantashe has never developed a reputation for diplomacy, this accusation plumbed new depths of disingenuous diversion from the repeated failings of his own department to come to grips with the energy crisis.

In a meeting with Gordhan at a secure location in Pretoria the following day, where we discussed progress on intelligence-gathering in Mpumalanga with a senior police officer and intelligence operatives, I expressed my concern at the looming SSA fishing expedition, where my personal details would be at the mercy of people who had demonstrated no interest in my welfare. When I walked with Gordhan to our vehicles, I told him that Mantashe's statements were unacceptable. I told him that I was considering resigning because I did not want my integrity impugned. Gordhan's response was characteristic: 'Hold on,' he said, 'I will tell you when it is time to go.'

My response was blunt: 'No, Minister, I will tell you when it is time for me to go.'

We left, and I polished my letter that evening, making sure that it was definitive but dignified, by not stooping to the petulance that sometimes characterises letters of resignation.

On Monday 12 December, at the Dainfern clubhouse, Mpho read my letter. He looked at me and said, 'This is sooner than I expected.' He did not ask me to explain my reasons, or to reconsider, but did request that I stay on for another month after my notice period, to give the board more time to find a successor. I acceded, thereby confirming that the two months' notice period in my contract, with no retention mechanism, was singularly inappropriate for such a senior executive position.

After the meeting, I was driven to Megawatt Park. A sense of quiet relief filled me. The die had been cast – I would go.

The poisoned chalice

Arriving at Megawatt Park that Monday morning, I was in a rush. I eschewed my usual walk up the eight flights of stairs, so that I wouldn't be out of breath when my meeting started.

It was an important engagement, with the president and several ministers, including Pravin Gordhan, Gwede Mantashe and Barbara Creecy, scheduled to attend. The start of the online meeting was repeatedly delayed, due to the president being otherwise engaged. The topic, inevitably, was loadshedding, and what could be done to resolve the problem.

The president spoke first, and gave us all a gentle tongue-lashing, requesting more urgency and asking what more could be done. He then asked me for an update on the progress made by the National Energy Crisis Committee, and what further assistance we required.

Giving an overview of the three main Eskom businesses, I emphasised (as I had been doing for the past three years) that the country required additional generation capacity. I also made a statement that I knew would be a red rag to Mantashe's bull – that Eskom was not, and had not been for some time, the supplier of last resort of electricity to South Africa. This meant that Eskom didn't have the responsibility for ensuring that the country had an adequate supply of electricity, since it was unlawful for Eskom to either build or buy its own capacity without the consent of the Department of Mineral Resources and Energy. This had been government policy since the publication of the 1998 Energy White Paper. Government's repeated procrastination and prevarication on the roll-out of new capacity had made the problem grow to the point where it posed an existential threat to the South African economy. This meant that the responsibility for a shortfall in generation capacity lay with Mantashe and his department, and not with Eskom. No wonder the minister did not like this fact being pointed out to him.

I also took issue with the notion that Eskom staff should be collectively punished for the failure of the generation division. People are motivated by incentives – this is taught in every Economics 101 course. Driving behaviour by rewarding incremental moves in the right direction is elementary management – yet, as part of government equity conditions, we were prohibited from paying incentives to managerial staff. For people working at high-performance stations, such as Matimba and Lethabo, this meant that they were penalised by the performance of Tutuka and Majuba, hundreds of kilometres away.

This creates an environment where mediocrity is encouraged and excellence remains unrewarded, and the performance of the worst determines whether or not incentives

are paid. Trying to drive a high-performance culture in such circumstances reduces management to exhortations and appeals to loyalty and patriotism. Added to this was the risk that our skilled staff were highly sought after internationally.

I even had to override a National Treasury instruction against giving the power station general managers the authority to hand out a boerie roll and a Coke for small achievements by teams at plants: this was regarded as fruitless and wasteful expenditure and was therefore considered taboo. In such a micromanaged environment, the power station managers were emasculated to the point where they displayed all the symptoms of acquired helplessness.

When Mantashe's turn came to respond, he did not hold back. He expressed his amazement that Eskom wasn't building new capacity, and that it wasn't doing more to get extra megawatts on the grid. This was an extraordinarily cynical position to take, given the responsibility that he had in terms of section 34 of the Electricity Regulation Act to approve all new capacity, until the president defanged him by lifting the cap on own and embedded generation. In fact, his own department and regulator had delayed an Eskom project to build a 3 000 MW gas-fired plant in Richards Bay for more than a year. If Mantashe was not being cynical, he was demonstrating a breathtaking lack of understanding of the legislation for which he himself was responsible.

He also said that asking for incentives during loadshedding was unacceptable: the beatings would continue until morale improved. Once again, the collectivist approach that characterises so much of union thinking was prevailing: equal pay for equal work, opposition to incentives that could perhaps break the tyranny of the lowest common denominator in terms of productivity.

I held my tongue, knowing that I had submitted my resignation, and that picking a fight on a Teams call was not going to get me anywhere. In any event, the more Mantashe railed, the more his colleagues realised (or so I hoped) that he was not interested in a solution to the problem but fascinated by the apportionment of blame on anyone other than him and his department. And thus the meeting ended: little prospect of a solution, but scapegoating of Eskom achieved.

Now, I acknowledge that I am a caffeine addict. I need my three cups of strong coffee in the morning just to function. My habits are well known. For Father's Day in 2022, my sons bought me a mug boasting the Afrikaans inscription 'Ek is jammer om van jou kak te hoor', which translates into 'I'm sorry to hear about your shit'. Whenever a team member got too whiny for my liking, I would point to the mug and ask what they wanted to do about solving the problem, rather than merely complaining about it. Everyone in Megawatt Park knew about my mug, and no one would have dared use it.

When Zodwa Mantyi, my PA, came into the office to ask if she could get my instant coffee from my drawer, because the machine was being serviced, I immediately said yes, because I felt my caffeine deficiency kicking in. She had left my mug at the coffee machine, unattended. When she came back, it seemed that the machine was working again, because she had my customary cappuccino in hand. Apart from the foam being somewhat thicker than usual, I noticed nothing amiss. The taste was normal, and I gulped it down quickly, keen for my fix.

Within fifteen or twenty minutes of drinking the coffee, I started feeling quite sick. I was dizzy and nauseous. I went to the bathroom and put water on my face. I was

gasping for air and starting to move stiffly. A colleague, Anton Minnaar, came into my office. For a moment or two, I tried to focus on the topic of the meeting. When I could not find the words for a power station, calling it a petrol station, and then a filling station, it became clear that something was very wrong. I was becoming increasingly confused.

Alarmed, Anton decided to call a doctor. Not getting hold of one, he called his wife's gynaecologist, who – perhaps fortunately – was in theatre. I then called John Grobbelaar, who had been my family's GP for many years. He knew that I was no hypochondriac, and when I told him I needed to see him urgently, he cleared his appointments and told me to get to his rooms immediately.

Leaning on Anton's arm, I was escorted to the waiting car by two of my security detachment, who drove like demons to get me to the doctor. I was sitting in the back seat, shaking and gasping, feeling very poorly. But not so poorly that I didn't ask the driver to slow down somewhat, fearing that his driving would result in getting all of us killed on our way to the doctor.

Arriving at John's practice, he ushered me into his consulting room and quickly established that I wasn't having a heart attack, and that my blood pressure and other vitals were normal. My face had a grey-green pallor, and I was starting to shake uncontrollably. My gasping had turned into consecutive yawns, as my body was being starved of oxygen.

He put me on a bed in the day clinic attached to the doctors' rooms, and hooked me up to a drip for nausea, took a range of blood samples, and added a drip of high-potency vitamin B, which he called Jet Fuel, on the basis that it would at least do no harm. As John scurried to and fro, administering tests and checks for hypoglycaemia and cholesterol, one of his colleagues, a highly experienced doctor, accosted him and enquired, 'What's wrong with that guy?'

'I don't know,' John responded, 'I'm still trying to find out.'

'It's cyanide poisoning,' she told him, decisively. 'I've seen it before, and this is what it looks like.'

In the clinic, the nausea had reached its inevitable climax, and I vomited copiously into a container offered by the long-suffering Sister Pillay, who had her hands full as I retched to get rid of the poison. After ridding myself of the coffee, I started feeling much better, and the vomiting subsided.

'Run a tox screen, please, John,' I asked. 'This is not right.'

John obliged, and tested me for a gamut of drugs, alcohol and cyanide.

After resting for a couple of hours, I got my security to take me home, where I collapsed and slept for the better part of eighteen hours. I was completely exhausted.

On 14 December, John sent me a WhatsApp: 'Afternoon André, please call me.'

The results of my blood tests had come back: all normal, with one exception. My cyanide levels had tested borderline high, indicating that I had ingested poison. To complete the analysis, I had to come back for another test, so that the profile of the concentration could be established. This time, the results took a long time. I waited patiently, but after two days I sent John a WhatsApp: 'Now it's the suspense that's killing me.'

Whether or not the lab had become busy during the festive season is unclear, but it

was only on 21 December that the results came back: significantly higher than the initial test, and way beyond the baseline. This confirmed that I had been poisoned with cyanide, in all probability by it being added to my coffee.

The feeling that this provoked in me was one of incredulity. It all felt completely remote, like I was watching a B-grade movie where the butler did it. It did not feel as though it had happened to me.

There was one more test to complete: I had to take another cyanide test, so that it could be established what my normal level was. Everyone has some residual cyanide in their body, depending on diet (almonds will raise your level) or smoking (smokers test much higher). Baselineing was therefore important to establish definitively that I had ingested cyanide, and that there wasn't any other explanation. When the test came back, it was clear: my baseline levels were on the lower extreme of normal, conclusively proving the poisoning.

In the aftermath of the incident, I learnt far more about cyanide than I ever wanted to. Talking to a renowned toxicologist, he told me that in all likelihood my results had been obscured with the addition of sodium arsenite, a rodenticide, which has the unusual effect of masking cyanide in a blood test.

'This is an old trick,' he breezily explained. 'The Russians developed this cocktail.'

I also learnt that a very high dose of vitamin B is one of the antidotes for cyanide poisoning. By putting me on the Jet Fuel drip, John may have saved my life.

Another forensic scientist put it bluntly: 'You were bloody lucky.'

On 4 January 2023, journalist Chris Yelland sent me a message. He had been told by a source that I had been poisoned, and wanted my comment before he went public. Up to then I had told very few people about it, and I still don't know how Chris got hold of the bombshell. But he was clearly going to publish, so I told him the truth. Simultaneously, I got a call from Erika Gibson, who writes for Rapport. She had also got wind of the poisoning saga, and the news was going to start hitting the front pages very soon.

In the aftermath of the journalists' questions, I sent both Pravin Gordhan and Mpho Makwana a text telling them what had happened and that it was going to become public.

Gordhan immediately called me and was very solicitous. He was concerned for my safety and outraged that this had happened. He immediately made the connection to my battle against organised crime and corruption, and told me that the attempt on my life was an indication of how close we were getting to the real crooks. He even made the effort to drive to my house in Hermanus during the holidays to commiserate, which I very much appreciated.

Mpho's reaction was somewhat different.

'Sad to hear,' he texted me, as though my hamster had died.

Fallout

'No, no, colleagues,' I said in exasperation. 'Do you know what we are dealing with here? Do you know what cyanide is?'

We were about half an hour into the police interview following the alleged attempt to poison me, and my patience was running thin. The two sergeants, one male and one female officer, didn't want to talk about cyanide, but were apparently fascinated by my sinuses and 'sinus levels'.

I once again explained that at no stage had my sinuses been a problem. The issue at hand was cyanide.

They replied that they would need to consult with experts to find out what this strange substance was.

'Some of the terms are for the doctors, it's not for us,' the female officer said.

'But cyanide ...' I protested.

'It's better if we go to the doctor and the doctor is telling us sinus is something from the nose, or from the mouth, or from the throat ... Because we don't know the terms from the doctors. And I cannot change it on my own decision.'

The officer next claimed that my initial police statement had made no mention of cyanide and intimated that it was unfair of me to expect them to know the term. She had the statement open in front of her, and I leant over to point out the word written there: 'Cyanide,' I read out for their benefit.

This was the final straw. Her comment revealed that she and her partner had not read my initial statement of less than one and a half pages in preparation for our interview. If they couldn't even be bothered to do that, this was clearly going to be the most cursory of 'investigations'.

My initial statement was made at the Hermanus police station in the Western Cape, where I had been on holiday when the story of my poisoning broke in the media. I had wanted to wait a bit longer before formally laying a charge, as I was still awaiting the results of another set of toxicology tests. But after the incident made the front pages of the Sunday newspapers on 8 January, my hand was forced.

The officer taking my statement in Hermanus was professional and courteous, and said the matter would be investigated by the police in Gauteng, where the suspected crime had been committed. I duly received an SMS saying the case had been transferred to the Midrand police, and later another one saying it was now in the hands of the Sandton SAPS.

Around two weeks after I had laid the charge, a meeting was arranged at Megawatt Park where I would give my follow-up statement. I must confess I was surprised that

the matter was not being handled by a specialised police unit. After news of the poisoning broke in the local press, it made headlines across the world, including in the Financial Times and the Wall Street Journal. An alleged assassination attempt on the head of a national power utility is a big deal. Or so one would think.

Nonetheless, I resolved to put my misgivings aside and approach the interview with the two sergeants with an open mind. But, without wishing to sound derogatory, it soon became clear that the police had not sent their best.

'Colleagues, can I just state something here,' I said at one point. 'This is an attack on the state. Do you understand this? This is outrageous. This is an attempt at murder. I have to express my dissatisfaction at how SAPS is dealing with this. If you don't think it's necessary to do a full-scale investigation of this, then we have a big problem.'

'No, we understand,' the female officer said meekly.

At one stage the officers asked me whether they should interview the doctor who had first spotted the signs of cyanide poisoning. I replied that they were the investigative experts but, given that this was a suspected poisoning, her testimony just might be germane to the case.

However, it was their failure to understand the difference between 'cyanide' and 'sinuses', despite my repeated explanations, that really pushed me over the edge.

Having realised that the two sergeants had not even done the most basic preparation for the interview, I informed them that I was ending the meeting because it was clearly going nowhere.

After they had left, I phoned a retired police general with whom I have a good relationship to blow off some steam. The ex-officer still had some high-ranking contacts in the SAPS, and, of his own accord, offered to reach out to them.

Later that day, I received a phone call from national police commissioner Fannie Masemola, who apologised for the debacle. He had apparently been assured by another general that the matter would be investigated thoroughly, but this promise had not been kept. Masemola undertook immediate steps to remedy the situation.

Soon, I received another SMS, this time saying that the matter had been referred to the Directorate for Priority Crime Investigation, commonly known as the Hawks. Of course, this should have been done from the beginning.

Although the investigation was now seemingly being handled with more urgency, I was no longer prepared to entrust its fate solely to the police. After consulting with some experts, I appointed a private investigator to look into the matter, and we also flew in a noted forensic analyst from overseas. He took some of my hair for analysis and revisited my previous blood samples to perform a more in-depth investigation of the core evidence, including my personalised mug. Interestingly, his preliminary findings indicated that the presence of the cyanide was most likely incidental, and that I had in fact been poisoned with some kind of insecticide.

Both the suspected poisoning and the botched police investigation played on my mind. Suddenly, you become distrusting of your colleagues, preferring to open your own drinks. And any kind of personalised mug becomes taboo.

The police's cavalier approach to the investigation further darkened my mood.

It was in this state of mind that I agreed to the now infamous interview with Annika Larsen of eNCA. We had been introduced by a mutual friend and she convinced me to

do a 'valedictory' television interview that would be aired once I was out of office. At the request of Mpho Makwana, Eskom chair, I had agreed to work an extra month after my official notice period ended on 28 February 2023. So, the interview was only scheduled to air in April.

When we sat down to do the recording on a Sunday evening in early February, I was still livid about the poisoning incident and its aftermath.

Additionally, the atmosphere at work was even more tense than usual. Besides severe operational challenges that had led to Stage 6 loadshedding, my working relationship with Mpho had deteriorated further. I felt undermined by the meddlesome new board, and occasionally felt like the chairman was purposefully trying to humiliate me.

A board meeting had been scheduled for the last Sunday of January to discuss a series of meetings we had held with various stakeholders that week. At 07:00 that morning, Mpho sent me an email, copied to the whole board, instructing me to prepare a document of nearly twenty pages on the engagements. It would be discussed at the 14:00 meeting, and Mpho would also use it as the basis for media interviews in the coming week. The board meeting had long been scheduled but he waited until a few hours before to issue this order. Mpho had access to senior Eskom support staff, and could easily have asked them to prepare it, but I had the sense that he wanted to show me who was boss. When I didn't respond to his request by 11:00, he sent a follow-up email, again copied to the entire board, expressing incredulity and irritation that I had not yet delivered the requested document. This was strong-man politics, designed to show the rest of the board that Mpho was in charge and could order the CEO around on a Sunday morning. After the meeting, I spent my Sunday evening finalising his media briefing document. Was this really the best use of the group chief executive's time during an electricity crisis?

Having been accused of subverting the state, requested to go easy on anti-corruption investigations, poisoned, subjected to a confused police investigation, and humiliated by the chairman, I was by now in a testy mood. All these frustrations formed the backdrop to the explosive interview with Larsen. I spoke more frankly than a sitting chief executive would, because I 'knew' the interview wouldn't be aired for another two months – and by that time I would have relinquished my role.

Although I had previously mentioned our private investigation in public, this was the first time I aired some of its more explosive findings, such as the existence of four criminal cartels in Mpumalanga that were specifically targeting Eskom and who had their own hit squads. I also mentioned the fact that a 'senior politician' was linked to these criminal syndicates. I didn't specify which party this person belonged to and declined an invitation from Larsen to say whether he or she served in the cabinet.

In fact, I knew of two senior politicians, but had chosen to mention only one. This decision was based on the relative strength of the intelligence linking the two figures to the criminal underworld – for one the evidence was much stronger than for the other.

Although I had been purposefully vague, the media and the public drew their own conclusions about the political affiliation of the senior politician, and about their identity.

When Larsen asked me whether the ANC still regarded Eskom as a feeding trough, I answered in the affirmative.

Once the interview was in the bag, Larsen and her producer started bombarding me with requests to air it ahead of schedule. In a moment of weakness, I buckled under the pressure and, against my better judgement, gave the green light. On Tuesday 21 February, the interview that would shake the country was broadcast.

I stand by every word I said, and don't regret any of my statements. They may have been harsh, but I was speaking truth to power.

I do, however, regret the timing. It would have been better to stick to the original schedule.

After the interview aired, all hell broke loose.

The ANC seldom takes kindly to seeing its own reflection. The party rolled out its biggest guns to shatter both the mirror and the person holding it. All manner of legal action was threatened – from criminal to civil. The ANC and its sympathisers alleged that I had violated the Prevention and Combating of Corrupt Activities Act by being aware of corruption and not reporting it to the police. But I was well aware of the Act and had reported the matters in question to the authorities, some of them multiple times. Specifically, I had made sure that a senior police officer was aware of the alleged involvement of the two high-ranking politicians. The Act does not require one to open a case, but merely to report the matter, without specifying a time within which to do so.

ANC secretary-general Fikile Mbalula thundered that I would be charged with libel for saying the party was corrupt and challenged me to provide evidence for this statement. I could imagine my lawyers licking their chops at the prospect of defending this defamation suit. 'Milord, I present Exhibit A: the Zondo Report ...'

My relationship with Minister Pravin Gordhan had gone through some ups and downs but it would not survive this. I had gone against the party he loved, and he dressed me down in public for meddling in politics.

'What's important is that CEOs of any entity, including Eskom, should not be involved in open political debates or assertions, and where they have political views, that is their private business, and they are welcome to express those views privately. But it is the responsibility of any CEO of any entity, as far as I am concerned, to keep their focus on the job at hand and make sure that is done as proficiently as possible,' the minister told Parliament's portfolio committee on public enterprises the day after the interview aired.

In a charge reminiscent of Arthur Koestler's *Darkness at Noon*, I was accused by Mondli Gungubele and Thabo Mbeki of being 'right-wing', the most damning condemnation that they could summon from their leftist perspective. Well, maybe. If being engaged in battling corruption with precious little assistance from the state makes me right-wing, then maybe I am right-wing. If putting South Africa on the path to solving its energy crisis, all while growing jobs and cleaning up the environment, is right-wing, then maybe I am right-wing. If relieving pressure on the fiscus by enabling private-sector investment and reducing the need for onerous guarantees from Treasury is a characteristic of a right-winger, then perhaps I am one. The left-wing solutions promoted by the ANC haven't made a dent in loadshedding for fifteen years and have led to catastrophic unemployment and anaemic economic growth. Could that be an indication that it is time for another approach?

As for Eskom, Mpho and the rest of the Eskom board were apoplectic. An emergency meeting was convened for that Wednesday afternoon where my comments were to be

discussed. Before recusing myself, I made it clear to the board members that I had no intention of clinging on if my services were no longer required. I offered to reinstate my original resignation date of 28 February 2023 if that made matters easier.

That evening at around 20:00, I was summoned to another meeting where Mpho and Fathima Gany would be present. (Fathima was acting chair because Mpho was officially on leave.) They informed me that the board had decided to accept my offer, and that I could serve out the rest of my notice period without having to come to the office. A statement announcing this mutual agreement was issued that evening.

The following day Mpho came out all guns blazing, accusing me of 'playing to the gallery in a public interview' instead of raising the issues with the board.

'Ninety per cent of what he shared with the public, we heard for the first time in that interview ... What he did was totally reprehensible and unacceptable,' he told Radio 702.

The police also came out firing or, at least, attempted to. In the end, they only shot themselves in the foot. Stung by the fact that I had raised their incompetent handling of the poisoning investigation in the Larsen interview, the SAPS felt compelled to do some damage control.

Brigadier Athlenda Mathe put out a statement that started off by saying the two sergeants who interviewed me were 'attached to the Provincial Investigating Unit as these are members that only investigate high profile cases and are highly trained and equipped to investigate sensitive, complex and high profile criminal matters hence their [sic] attached to the provincial investigation unit.'

Under point two, euphemistically headlined the 'cyanide issue', Mathe defended the sergeants' lack of knowledge. It reads (verbatim): 'A normal trained police officer or any other civilian will not have knowledge of scientific terms used to describe poison or poisonous substances. It is only when the exhibits is collected and submitted to forensic science lab for testing will our SAPS forensics analysts be able to describe the substance or chemical due to their qualification and training level.'

So, within the space of a single paragraph, the two sergeants had gone from 'highly trained' to 'normal trained'. The police's attempt at spin-doctoring was as ham-fisted as its investigation.

As the media storm raged, the reality set in that my tumultuous time at Eskom had finally come to an end. For the first time in more than three years, I felt a deep tiredness. I had effectively been running on adrenaline for the past thirty-eight months. As Eskom CEO you are never truly switched off. The crisis call can come at any time – at two in the morning, on a Sunday afternoon, during a vacation. I didn't realise it then, and I didn't show it, but for three years I was as taut as the strings on a violin.

Now, it was time to take a break, to get away from the vitriol and the vengeance.

I had always planned to take a long vacation overseas when my term ended. In the final week of February, Corné and I scurried to move those plans forward by a month. It was a whirlwind of flight reservations, accommodation bookings and expedited visa applications.

But there was also another, darker side to our preparations. My security team informed me that the cartels were upset with my disclosures, and that they thought I knew too much. Fikile Mbalula also added to the febrile atmosphere by vowing revenge

on me for maligning the 'good name' of the ANC, with whatever means they had at their disposal. Plans were made to haul me before court, or Parliament or any other forum. Clearly I had stepped on sensitive toes by not showing enough respect for the party. Some subterfuge was clearly required, if I was to avoid any interference with my travel plans.

Before setting off for the airport on Thursday 2 March, I disabled the SIM card that I had been using for the past few years. I hitched a ride in a private plane to Cape Town, where I stayed in a secure location surrounded by armed guards. With the ubiquitous Clive van der Spuy accompanying me, we worked on a plan to foil any attempt to prevent me from leaving. If anyone tried to detain me at the airport, or confiscate my passport, I had attorneys, an advocate and an urgent application for an interdict lined up. We got the name and number of the judge on standby to hear cases that evening, and worked on a code to let the legal team know that assistance was required.

Driving to the airport wearing baseball cap and sunglasses, I managed to avoid the usual people who recognised me. At passport control, there was a long queue and, as usual, too few counters that were manned. My passport merited no more than a perfunctory look and a stamp, and I was through. Once in the lounge, I ditched the cap, and within minutes, and for the last time, a fellow passenger sidled up to me, thanking me for doing the Eskom job.

All of these precautions were more than irritating, time-consuming and expensive: they showed the risk for anyone daring to speak truth to power. Those in power did not enjoy being told that their borrowed robes were in fact invisible, and that the naked truth was not a pretty sight.

Looking at the scoreboard

When someone told Springbok rugby legend Oom Boy Louw that his team had been lucky to win a match, he famously replied by telling them to 'Look at the scoreboard'.

Further afield, when asked whether one of his teams might be better than their record suggested, the celebrated NFL coach Bill Parcells curtly replied, 'You are what your record says you are.'

There is an alluring finality to these sport sayings. Complain as much as you like about the referee, injuries, the field conditions or the bounce of the ball, but ultimately the only thing that matters is the result.

Looking at the 'scoreboard' of my three years at Eskom, I fully understand why many might brand my term a failure, with loadshedding reaching historically high levels. Indeed, promising to end loadshedding was one of my biggest early mistakes. I had completely misjudged the severity of the challenge.

My entire work experience had been in the private sector, and I foolishly assumed that I could impose the same timelines as in the business world. But as a parastatal, Eskom was working at a pace dictated by the civil service.

I knew I would have to deal with government bureaucracy but was unprepared for the raft of absurd and complicated regulations one had to navigate to complete even the simplest of purchases.

Getting rid of underperforming employees was nigh impossible for the same reason – to fire someone required an immense investment of time and energy, and even then, success was not guaranteed. Conversely, appointing someone with scarce skills from the private sector also posed a challenge. One always had to keep an eye on the racial scoreboard – and don't for one moment think that this only affected white applicants. At one point, the Kafkaesque rules forbade me to recruit black female candidates for a certain position, while white males were okay – all because of racial quotas imposed by HR in deference to employment equity legislation.

I was also caught off-guard by the extent to which Eskom's skills base had been eroded. The organisation had willingly taken a scalpel to its own institutional memory, and it showed. Skilled artisans who had a 'sixth sense' for the health of the old coal-fired plants were now working in places like Vietnam and the Philippines. They could – quite literally – hear and feel when the equipment was taking strain.

In their place came freshly minted graduates who had the paperwork but not the institutional knowledge. With no one to learn it from, they were effectively thrown to the wolves. At the risk of belabouring the point, this is not a racial issue. The above statement is as true for a newly graduated white engineer as it is for a newly graduated

black engineer. No matter how smart the recruit is, if there is no supporting ecosystem to show them how things are done correctly, bad habits will be acquired, and become very difficult to unlearn.

Another reason for my ill-founded optimism was that I had misjudged the extent of the neglect of our equipment. I knew that the average age of Eskom's power stations was more than forty years, but combined with a long history of shoddy or non-existent maintenance, with critical mid-life refurbishments deferred or not done at all, it formed a toxic cocktail. For nearly two decades, Eskom's power stations had been run with the proverbial rev counter in the red – all in a desperate bid to keep the lights on. This, in turn, had been necessitated by the government's myopic energy policy decisions. In the late 1990s, Eskom had already informed its lone shareholder that additional power generating capacity would need to be built. But warnings that an energy shortage was looming fell on deaf ears.

Big infrastructure decisions, such as the building of power stations, require a long-term view. Unfortunately, politicians, who allocate the capital for Eskom's building projects, don't tend to look much further than the next election.

In the short term, the government's strategy bore fruit. With no big capital expenditure and modest spending on maintenance, Eskom's numbers looked great. But it was all a mirage. The seeds of the power utility's destruction were already being sowed in the early 2000s. The costs were being deferred to the future – and we are now paying the bill.

Early on in my term, when I realised how much long-term damage had been done to Eskom's infrastructure, I resolved not to leave a similar legacy to my successors.

The temptation was always there, like a devil whispering on my shoulder: 'André, you can cut back on maintenance, end loadshedding, and go out in a blaze of glory.'

Besides scrimping on maintenance, the other way to decrease loadshedding is to reduce the margin of safety within which Eskom operates. The larger this margin, the less chance of a total collapse of the grid.

For all its sins, this was the one virtue of loadshedding: guarding against a catastrophic blackout that could last weeks. International experience showed that a complete collapse of the grid could interrupt water supply and sewage treatment. Telephone and internet services would also be affected. Liquid fuels such as petrol and diesel could dry up, which would in turn impact a whole host of industries and institutions. Backup generators keeping hospitals and other key services running would fall silent. The domino effect of a shortage of fuel would lead to shops running low on food, especially fresh produce. Automatic teller machines would stop functioning, causing a shortage of hard currency. In this dystopian scenario, the risk of looting, vandalism and public unrest would be heightened.

It goes without saying that this outcome must be prevented at all costs, and power utilities across the world have plans in place to guard against it. Where grids have collapsed, such as in Venezuela in 2019, chaos and death ensued. Some experts estimate that more than forty people lost their lives because of the Venezuelan blackout, in addition to other wide-ranging economic and social effects.

The international norm for the margin of safety within which power utilities should operate is 15 per cent. Such a grid should be able to survive a catastrophic event

wiping out a large chunk of its capacity at once. The 15 per cent figure may seem overly cautious, but it reflects the ruinous potential effects of a total grid collapse. And, as we've seen, Eskom is by no means immune from catastrophic events – from boilers exploding and flue gas ducts collapsing to clear-cut sabotage, such as pylon supports being cut. A single case of 'human error' can take down a whole power station. When a technician at Camden power station opened one wrong valve, he contaminated the entire plant's water system, instantly taking more than 1 500 MW of capacity off the grid. To wilfully operate on a figure of less than 15 per cent in such an environment is the equivalent of putting all your money on red and spinning the wheel.

I refused to be drawn into the trap of gambling with the margin of safety or cutting back on maintenance. Had I given in to the temptation, it would have betrayed everything I stood for in my career of three decades.

Unlike Brian Molefe, I would not be receiving a trophy for 'ending loadshedding'.

The situation certainly gave my critics plenty of ammunition. After the bombshell interview with Annika Larsen and my sharply critical remarks about the ANC, the ruling party sought to blame me personally for the energy crisis – as opposed to the reasons that I had highlighted on eNCA.

Pravin Gordhan accused me of 'swanning around overseas' promoting green energy initiatives and neglecting the coal-fired power plants back home. While I was, and still am, passionate about the role that renewables could play in South Africa's energy future, it was by no means my chief focus.

The reader should by now have a good idea of how I spent my time. For the most part, I was seized with stabilising our existing fleet of power stations, regularly attending operational meetings at 05:00 in the morning, and monitoring key metrics such as coal stockpiles, diesel supply levels and fuel oil usage. Of course, all these tasks should have been competently performed by senior executives such as power station managers, but I reluctantly became convinced that this kind of micromanagement was necessary – and it certainly prevented some disasters, as detailed in this book.

To run around putting out fires, while still finding the time to perform the 'traditional' functions of a group chief executive, came at a personal cost.

And thanks to my 'swanning around overseas', the country gained more than R150 billion in concessional financing at highly favourable terms. Judging by how ministers' eyes figuratively lit up once the money was secured, they were not averse to my activities abroad back then.

Prior to taking over, I had identified five key areas for improvement at Eskom. Although loadshedding is far and away the most visible of performance metrics, it should not obscure the major progress made on these fronts.

Operations, while still nowhere near where this crucial element had once been, and where it should be, started to show some signs of recovery. Discipline was returning to the power station floor, and excellence was the expectation. Safety statistics now included contractors, who previously had been regarded as not important enough to merit inclusion in the Eskom safety numbers. Maintenance was a priority again, as was installing the right spares and appointing competent contractors, after overcoming the absurdity of procurement regulations. Just as you can coast on operational momentum for a long time, restoring reliability to Eskom's neglected plants will take years, and in

most instances will require shutting them down to be replaced with new and green generation capacity.

The income statement was no longer awash in a sea of red ink, and we were profitable at an operating level. Only when the R38-billion annual cost of servicing our enormous debt was added did we plunge into a loss. We slashed costs, reduced headcount by some 6 000 without forced retrenchments, and started to address systemic fraud and corruption in the sale of prepaid electricity. We prevailed in numerous court cases against NERSA, and were on our way to securing cost-reflective tariffs. But while we had played hardball with local councils that didn't pay, stopping just short of attaching the mayor's chair from behind his desk, we were stymied by the law and the complete disregard displayed by delinquent municipalities for settling their electricity bills.

The debt on the balance sheet was reduced by about R100 billion, due to an improvement in the income statement, and as a result of equity injections. The untenable situation created by NERSA's adverse decisions was being reversed by an announcement by the minister of finance that a major portion of Eskom's debt would be taken over by the state – a position that Calib Cassim, our CFO, and I had been tirelessly advocating for three years. With the reduction in the debt, our interest burden would be relieved, and Eskom could become profitable at every level.

I made good headway in restoring the Eskom culture of excellence and values-driven leadership. However, the vested interests of corrupt actors still bedevilled progress, particularly when they could act with the impunity afforded to them by a compromised criminal justice system.

Importantly, we forged ahead with the unbundling of Eskom, a key enabler to creating a competitive electricity market and attracting much-needed private investment in generation capacity. In three years, we made far more progress than in the preceding quarter of a century, when the policy had first been mooted. Were it not for the incomprehensible prevarication of the Department of Public Enterprises in appointing a board for the transmission company, the legal separation of this key entity would have been completed.

The implication of this transition is clear: we must bid the old Eskom farewell. The notion of a vertically integrated monolithic monopoly that meets most of the power needs of a country is as superannuated as a state-owned telephone company.

South Africa is the 106th country in the world to embark on the unbundling of its utility into the three component parts of generation, transmission and distribution. This is a well-trodden path towards an electricity system that supplies power cheaply and reliably. The bulk of generation is handled by competing private-sector plants, and the government's role is largely restricted to regulation and owning the grid operator, although even that is not strictly necessary. Why, after all, would the South African taxpayer invest in another Medupi, Kusile or a new nuclear plant, when the private sector is prepared to stump up the capital, and accept all the risk?

Let's use scarce climate financing to improve and expand the grid to enable those investors to supply electricity to a competitive market, rather than trying to resurrect the outdated notion of a mammoth utility. In another decade, the Eskom of the future should have a far smaller generation footprint, with Koeberg and about six coal plants

operating until the end of their design life, a much-expanded generation grid, and a distribution company that has largely transferred its operations to municipalities or private distributors. But to make this work, South Africa needs to come to grips with the culture of non-payment. If the current trend of grid defection – with large municipalities and industrial customers buying from independent power producers wheeling across the transmission grid – continues, it is not inconceivable that Eskom will be left with non-paying areas like Soweto, and delinquent municipalities such as Maluti-a-Phofung and Lekwa. In no time, we would be back to begging for bailouts.

Many of my suggestions are not revolutionary insights – in fact, some of them have been government policy since 1998. The ANC's internecine policy struggles, and the insistence that the high and mighty state should control the economy, cannot be allowed to rob the South African public of competitively priced and reliable electricity.

Repeated policy flip-flops have stymied these efforts: first exempting Eskom from the Public Finance Management Act, and then rapidly tucking tail in the face of public outcry; the announcement of a state of disaster, followed by the embarrassing admission that it wasn't actually necessary after all; and then the stunning announcement by the new electricity minister, Kgosientsho Ramokgopa, that he favours extending the life of obsolete coal-fired power stations, flying in the face of South Africa's own emission targets, its international commitments and the deal signed with lenders at COP26.

The addition of yet another minister to oversee Eskom – in addition to the Department of Public Enterprises, the Department of Mineral Resources and Energy, the Department of Forestry, Fisheries and the Environment and National Treasury – merely adds to the complexity of the most difficult job in the country, and doesn't help to resolve the most pressing crisis in South Africa today. In fact, the most useful thing government can do is to get out of the way of the people with a clear plan to solve the problem. More regulation, more oversight and more bureaucracy have seldom solved anything. Sadly, it seems that this is the only solution the ANC can come up with.

By successfully advocating for the lifting of the cap on own generation, leasing Eskom land, opening up the grid to wheeling, resuscitating the moribund Tubatse pumped storage scheme and pushing unbundling as hard as possible, I have done what I could to enable new generation capacity to be added.

My proudest achievement by far is that South Africa is now irrevocably on the road to decarbonisation. With the global economy increasingly punishing countries refusing to embrace renewable sources of energy, it would be disastrous for us to stray from this path.

We now have a pipeline of green power projects that could produce up to 20 GW of extra capacity in the decade to come – in large measure thanks to the liberalisation of the energy market. It should all have happened in the early 2000s, but as the saying goes, 'The best time to plant a tree was twenty years ago. The second-best time is now.'

A forester doesn't see the fruits of his labour immediately. So, while 2023 is likely to be a challenging year in terms of generation capacity, by the end of 2024 the three units at Kusile will have returned to service, Kusile 5 will have been commissioned, Medupi 4 will have been repaired and the critical life-extension of Koeberg will have

been completed, adding more than 5 500 MW of capacity to the grid. It is crucial, though, that we relentlessly keep on adding more capacity: our ageing coal plants will start to retire themselves due to mechanical failure, even if politicians pretend that they can prolong their lives in perpetuity.

Fortunately, one can already see the green shoots, thanks to the deregulation of the energy market and improved grid access. In just the first quarter of 2023, new generation projects with 2 400 MW of potential capacity, mostly from solar and wind power, were registered with NERSA – more than in the entire 2022 (1 646 MW). In 2021, this figure had been a measly 135 MW.

While government dithers, massive capacity is being added by the private sector at no cost to Eskom or the taxpayer. The transition is happening.

I always found it somewhat puzzling that the good news on green energy rarely produced more than a lukewarm response from the public and the media. This even extended to Eskom's own board of directors. At the insistence of new chairman Mpho Makwana, a WhatsApp group had been created for the members of the board. (Previously Microsoft Teams had been preferred for IT security reasons.) My first communication on the new group was that we had obtained a successful judgment against the defaulting Emfuleni municipality, totalling R1.9 billion. The congratulations poured in.

Next, I posted a press release about a groundbreaking land transaction in Mpumalanga which would add 1 800 MW to the grid and result in investments of R40 billion. In terms of the agreement, Eskom released land around the Medupi and Tutuka power stations to the private sector so that they would have easy access to the grid for their planned renewable energy projects. It would not cost Eskom or the taxpayer a cent. Given the scale of the potential benefits to the country and the Mpumalanga economy, it was a much bigger deal than the Emfuleni court case. But no one on the group said a word – maybe because it didn't suit the politically expedient coal agenda.

The land transaction had been rolled out and concluded within less than a year and will add nearly 2 000 MW to the grid. Contrast this with the performance of the office for independent power producers, which falls under the Department of Mineral Resources and Energy and could not even add 200 MW in four years.

With teammates like that, it's little wonder that we fell behind on the scoreboard.

Previously, under Karen Breytenbach, the IPP Procurement Programme Office was a beacon of innovation, winning global acclaim. But after she was forced out, the wheels started coming off. A world-class institution became little more than just another expensive government bureaucracy. In the past four years, they signed for projects totalling just 150 MW – not good enough if your job is to buy electricity for a country amid a power crisis.

The stifling of innovation and enterprise extends well beyond the energy sector. I once spoke to a diplomat from a country that focuses on aid in the agricultural sector and seeks to invest in South Africa. He told me it's almost impossible to get a timely answer on an email from the national agriculture department. The diplomat contrasts this with the Western Cape provincial government. When he asks something, he'll have an answer in his inbox within twenty-four hours.

So now you have people complaining that European governments are giving all their help to the Western Cape. Why? Because their door is open. In Gauteng, you hear conspiracy theories about the 'Global North', or an alleged preference for dealing with the predominantly white Democratic Alliance government in the Western Cape. The fact that this is a self-made reality is lost on them.

The diplomat's observations tally with mine. When dealing with Western Cape premier Alan Winde and Cape Town mayor Geordin Hill-Lewis, I was always impressed by their pragmatism. People are appointed on the basis of competence, not blind loyalty to the party. Instead of just complaining about Eskom, their attitude was, 'How can we work together to make things better?'

It gives one hope that a future is possible where government helps rather than hinders.

Law enforcement was another area where I often felt hamstrung by the limitations of our failing state. Time and again, Eskom would present seemingly open-and-shut cases to the police, only for them to be mishandled, either deliberately or through sheer incompetence.

Given how deep the tentacles of corruption stretch in Eskom, and how politically well connected the criminal syndicates are, it's impossible to eradicate the scourge solely through increased internal measures.

Nonetheless, I am proud that we managed to roll back the tide of criminality threatening to engulf Eskom completely. The crackdown on fuel oil corruption has demonstrably saved the country billions – to give just one example. And there was more: following the reports that I made to senior police officers (thereby meeting my legal duty under section 34 of the Prevention and Combating of Corrupt Activities Act), our investigation got praise from the highest office in the land. In his 2023 State of the Nation Address, President Cyril Ramaphosa mentioned that forty-three arrests had been made as a result of 'intelligence-driven operations at Eskom-related sites'. Three black sites used for coal theft had been raided and disabled, with a further thirty being under surveillance.

The question that the president didn't answer was if any of this would have happened if I had not decided to set up our own unit, and 'act like a policeman', much to the dismay of Gwede Mantashe. The answer is clear: our security and investigative services were either so incompetent or so complicit that the merry-go-round of theft and corruption would have continued unabated were it not for the Eskom intelligence operation.

Perhaps even more importantly, the tone at the top of the organisation has changed. The good people at Eskom, of whom there are many, have dared to hope again because they see senior management espousing different values. A cultural shift has taken place.

This legacy is now in the hands of someone else, and it's out of my control. But I am at peace with that. One of the many hard lessons I learnt at Eskom is that there is a limit to what one person can do. We are all dependent on one another for success.

South Africa has in its hands the solution to its energy crisis, and I hope that those in power will have the wisdom not to squander another decade while the country despairs and our challenges deepen. Leadership requires doing the right thing, not always the

popular thing. And that is what we need most right now – a clear setting of direction for a new growth path, rather than pandering to the vested interests that would once again consign South Africa to pariah status, as opposed to the world leader that it has been with private power procurement and the Just Energy Transition partnership with the West.

Looking back on the patriotic ambitions with which I took on the job, I have the satisfaction that, unlike the twenty-eight who turned it down, I at least tried. I did my best when armchair critics aplenty were wringing their hands. I was the man in the arena, and I know that I have spent myself in a worthy cause; in some respects I know the triumph of high achievement, and I know that where I failed, I failed 'while daring greatly'. At the very least, my 'place shall never be with those cold and timid souls who neither know victory nor defeat'.

I rest secure in the knowledge that I left it all on the field.

To my successors I say: You have no shortage of challenges, but the right building blocks have been laid – if you choose to build on that foundation.

And to Oom Boy: I know the scoreboard doesn't look that great right now, but the second half is yet to be played.

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