



# **Planning** for a Crisis and Mitigating Risk

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# Eskom in Context: Facts & figures



#### Facts & figures

Power lines: 373 280 KM

Nominal capacity: 4 | 9 | 9 MW



Customers: 5 million

Power stations: 27

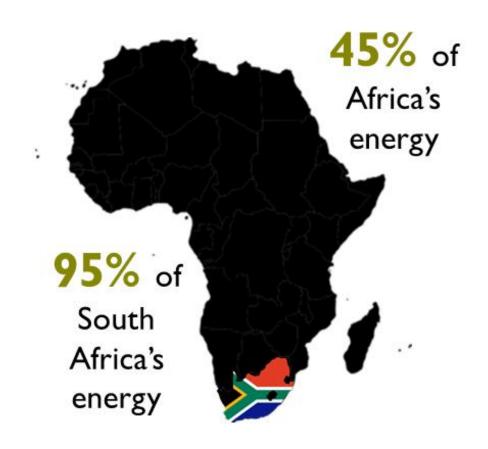
**Employees: 46 266** 



### Eskom in Africa



#### Eskom in Africa

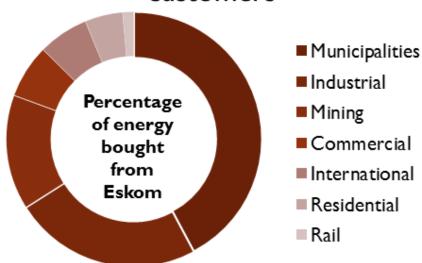


#### Eskom's customers



#### Our customers

Over 40% of power is sold to municipalities, who sell it to customers



Under 5% goes straight to residential customers

# Eskom's energy mix



#### Our energy mix

85% of South Africa's power comes from coal



#### Power station types:

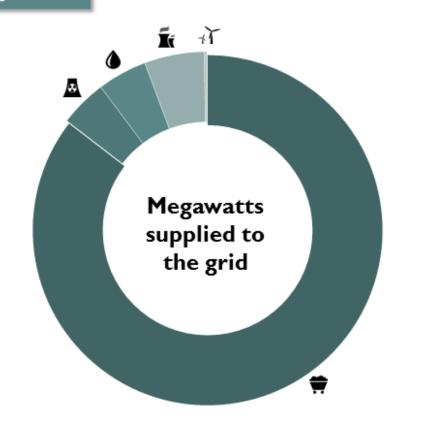
**♥** Coal Fired

**▲** Nuclear

**▲**■ Hydroelectric & Pumped Storage

**T** ■ Gas Turbine

Wind ■ ¥



# Eskom's New Build projects



#### **New Build projects**

# Eskom aims to double nominal capacity by 2026

Medupi



Coal fired power station

4 764 MW

**Kusile** 



Coal fired power station

4 800 MW

Sere



Wind farm

100 MW

Ingula



Pumped storage scheme

I 332 MW

Upington solar



Concentrated solar power

I 00 MW

# Eskom - Economic Growth Engine



On-going GDP contribution

Economic stimulus through new build projects

Development of new industries in South Africa

Fostering shared growth



New build programme is one of South Africa's largest economic stimuli, creating more than R250bn in GDP

Impact stretching way beyond own company gates; e.g. country's largest coal and logistics buyer

Money strategically spent to nurture sustainable development of new industries in S.A.

Support for principles of New Growth Path Active role beyond South African boarders in particular in the SADC region

Advancing electrification

Creator of local employment

Social contribution

A top 20 utility in the world



# January 2008 Load shedding



An electrical system collapse in South Africa, colloquially known as a **blackout**, would qualify as a major disaster

**Load shedding** is the last resort of any electrical utility before system collapse or blackout. Load shedding is a major crisis....



# January 2008 Load shedding

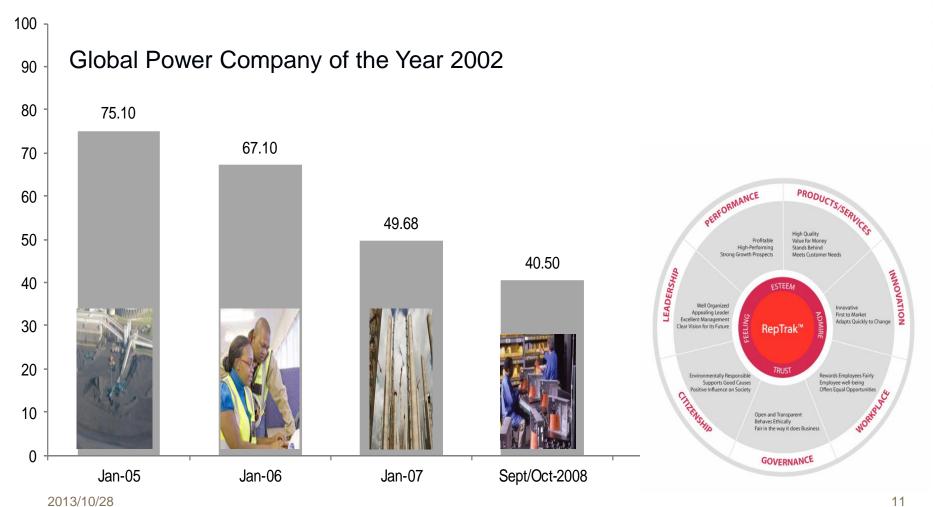
- Government Policy at the time was to increase competition in the market and bring in Independent Power Producers. Eskom received the mandate to build new Power stations only in 2004.
- Insufficient capacity to meet demand, limited coal supply and handling at power stations, increase failures on aged power stations, bad weather conditions in summer (wet coal)
- Starting January 18, rotational load shedding during the day for up to four hours
- Mines were asked to shut down for safety reasons
- Significant impact to lifestyle
  - Significant impact to economy
  - Significant impact to Eskom's Reputation

# Reputation Decline



#### **RepTrak™ Pulse Scores**

Eskom 2005-2011



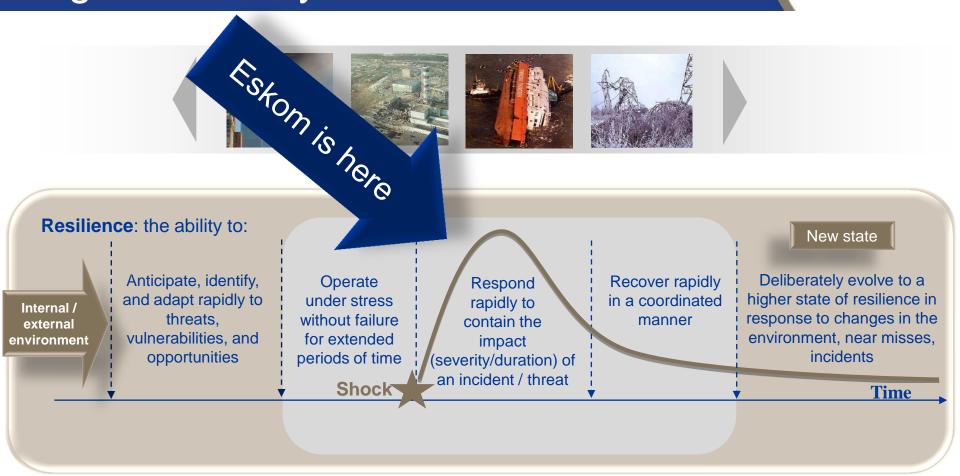




# No load shedding since April 2008

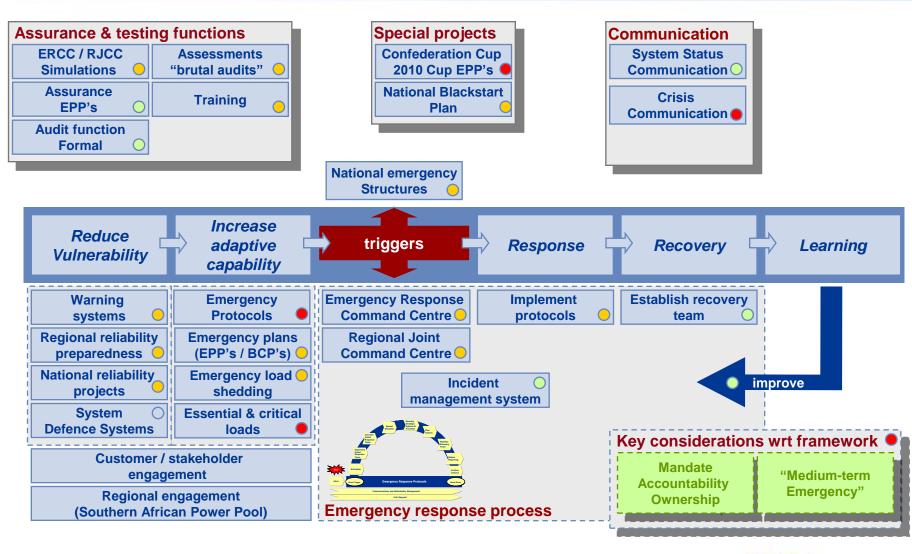
# A Risk-intelligent and resilient organisation by March 2015





Structures and activities to proactively assess system vulnerabilities, to minimise, and to develop greater adaptive capacity in the face of a system that is being operated at its limits on many days of the year

# **Emergency preparedness framework**



# Emergency Structures & Protocols National/regional structures & situational awareness







Where are we now...

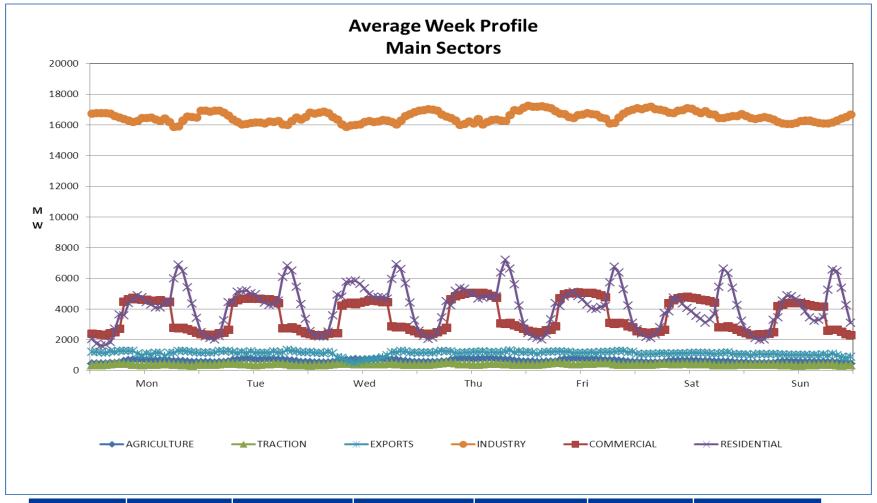
# The sentiment .....





# Sectorial summer load profile





Sector	Agriculture	Industrial	Residential	Commercial	Other	Total
Annual	5,905.46GWh	148,559.94GWh	41,840.43 GWh	33,617.55GWh	14 759 GWh	244683 GWh
Contribution	(2.4%)	(60.7%)	(17.1%)	(13.7%)	15 (6.0%)	(100.0%)

Source: Integrated Demand management market end-use knowledge Basc UI 240-66204213

# Customer complexity



	Linearly impacted	Exponentially Impacted	Essential/Critical loads	
Description	Customers for where 1 hour Customer loses 100% power supply for pre-determined	Customers for whom  hour out es se Customer is whom customers for whom and asked to their load by	o reduce nage to the	
Typical examples	time period, typical 2 hours. Then the next set of custome are shed, maintaini a certain amount of load off the system	ess- ers es th emergency, ng em to many hours f return to comply w	mine shafts- ed in and possibly rill put lants- loss uld mean eload	
Typical supply situation	ed in a net k- not unic ely controlled	Dedicated ne supply controle remotely	Either embedded or uniquely controlled.	
Load reduction solution	Load shed	Load curtailed	Unique protocol designed to avoid impact	

# Communication complexity



Customer type	Typical communication system	Typical supply system	Envisaged load reduction communication system
Large Industrial	Dedicated customer	Dedicated supply.	Phone call

remotely controlled service executive requesting specific amount of load curtailment

Small Industrial/ 1 customer service Some calls, Dedicated supply,

manual control Commercial information through executive covering +- 100 customers the media

High- Website Residential incl. high Embedded in the **Contact Centre** and low income Low- mobi-site supply network

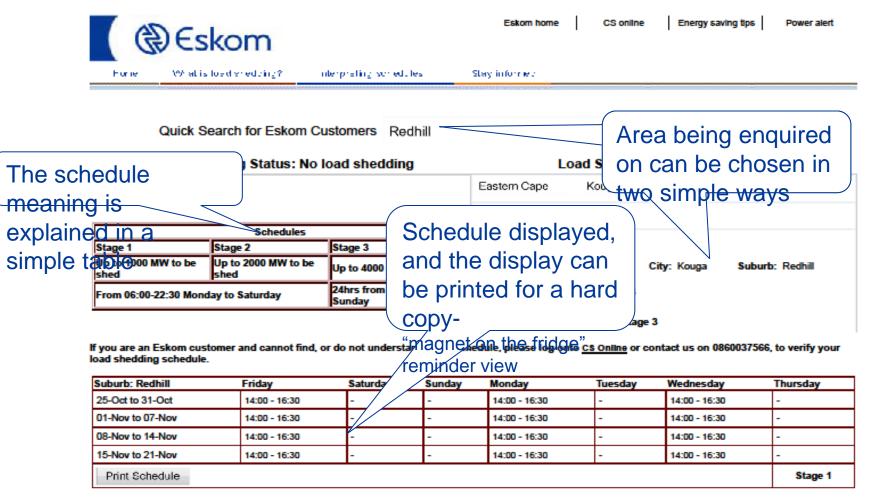
Embedded/ Critical Essential Special interest

If protocol requires customer executive dedicated it- phone call loads Otherwise website in charge of segment

## Current Load shedding website view



http://loadshedding.eskom.co.za/



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# Load Reduction Schedule



Stage	Type	Reduction required from end-use customers by load shedding	Reduction required from customers eligible for curtailment
Stage 0	Unscheduled (pre-agreed)	Load offered for curtailment (ad hoc)	Load offered by customers under the <i>immediat</i> e curtailment option
Stage 1	Scheduled / Notified	5% of national non-curtailment load (e.g. 1000 MW at peak)	10% of normal demand within 2h of <i>notification</i>
Stage 2	Scheduled / Notified	10% of national non- curtailment load (e.g. 2000 MW at peak)	
Stage 3	Scheduled / Notified	20% of national non- curtailment load (e.g. 4000 MW at peak)	20% of normal demand within 2hrs of <i>notification</i>
Stage 4	Unscheduled (instructed)	>20% of national non- curtailment load (e.g. >4000 MW at peak)	As <i>instructed</i> by the National System Operator at the time.

# Balance between convenience and predictability



#### Convenience only-

- In the beginning of load shedding Eskom shed only when and as much as necessary.
- Customers complained about the unpredictability- on occasion preparations were wasted since load shedding was avoided

#### Predictability only-

- Load was shed every day in a completely predictable manner-
- Damage to the economy was immense

#### **Current plan-**

- Shed only when necessary, but shed a entire stage if called, not only the amount deemed necessary
- Impact still to be tested since there has been no load shedding since 2008





Alerting the public

# **Crisis Communication Protocols**





#### On our website

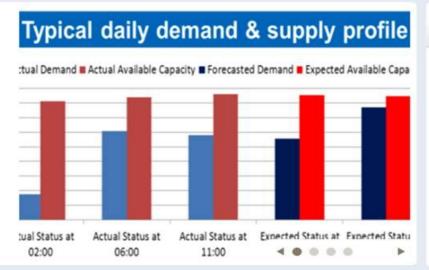


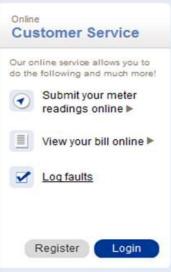
#### System Status Bulletins

Published Mondays & Thursdays

An overview of the system status for the past five days and a forecast for the next week

Read the bulletin >>





Latest News
Media Room

power alert

Yellow means the electricity supply is under strain. Please switch off your geyser, pool pump and non essential appliances.

#### Latest News What we're doing

- M Follow us on Facebook (NEW)
- Sasol and Eskom signs research agreement
- Mark Residential mass roll out (NEW)
- M Heat pumps
- 49M electricity savings campaign
- M Solar water heating
- 3 2012 2013 Tariff book
- M Follow us on Twitter
- Operation Khanyisa

Latest Video Beat the peak



Get in touch

Contact

086 00 ESKOM 086 00 37566

Full Contact List

Sms +
Email +
Subscribe +
Webcast Comments +

#### On our website



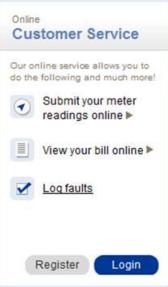
#### **Power Alert**

State of the Power System

Eskom is currently managing an extremely tight system. Eskom needs your help to reduce electricity usage from 17:00 to 21:00

Read more >>





#### Latest News Media Room

power alert

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Beat the peak



#### Get in touch

Contact

086 00 ESKOM 086 00 37566

Full Contact List

Sms

Subscribe

Webcast Comments

-

# Communication campaigns to manage load reduction



**Current and sustainable in 2013** 

**Apr 2013** 

Jun - Sep '13

Oct - Mar 43

#### **Power Alert**

- Encouraging consumers to 'Switch Off' appliances dependent on colour code
- Power Alert Education

#### 5 to 9 campaign

- Print, radio adverts and billboards on what to "Switch Off"
- Focus on geysers and space heating

#### 49M

- Case studies on energy efficiency schools. businesses. consumers
- Activations
- Soapies

#### Prewinter

- focus on how to insulate
- Alternative s to heating

#### Beat the Peak

- to reduce usage over the peak period
- 4 tips for 4 hours

#### Live Lightly .... Less is more

· Call to reassess our wasteful and unsustainabl e everyday life behaviours

Switch Off! **Be Power Alert** 

**Pool Pumps** & Geysers not welcome

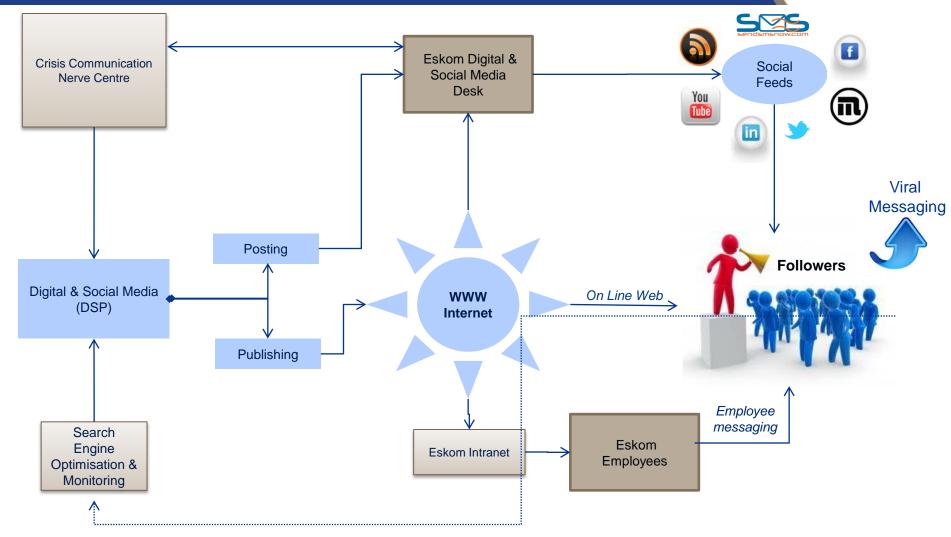
**The Power** to save

Switching to more efficient ways of keeping warm this winter

Lifestyle in Summer = less electricity

# Digital & Social Media protocol



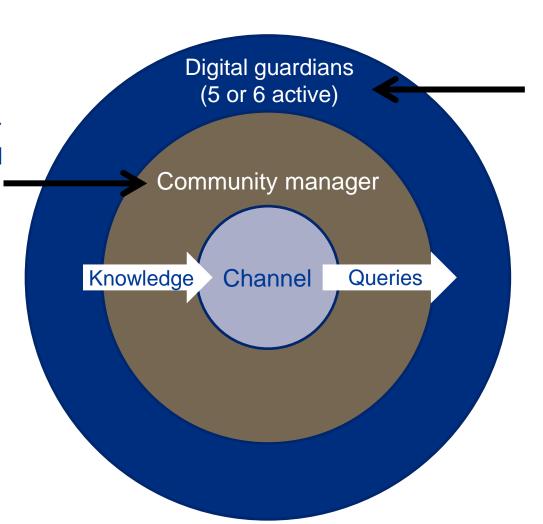


On line Digital & Social Media Monitoring & First Line Engagement

#### **HOW THE PROCESS WORKS**



Community manager is responsible for monitoring and posting to the page. The community manager will have general knowledge to answer basic questions and issue responses.



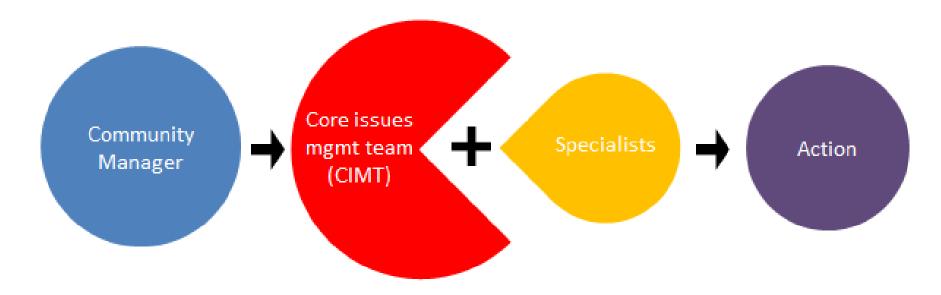
Digital Guardians are contacted by the community manager if their expertise are required for a response. DGs draft/approve responses for the community manager to post.

#### **ESCALATION OF EMERGING ISSUES**



When new issues arise in social media, the community manager will flag to the Core Issues Management Team (CIMT), which will identify the internal stakeholders necessary to formulate a response.

## **TOP LINE WORKFLOW**



# **Platform Roles**













Platform	What Is It?	Strategic Role
Digital Social Content Hub	Mobile-friendly platform for long form and rich media content	<ul> <li>Central social hub.</li> <li>Primary platform for social content &amp; rich media</li> <li>Hosts expert content and conversions</li> </ul>
Twitter	Real-time communication in 140 characters	<ul> <li>Real-time messaging</li> <li>Real-time response</li> <li>Engagement with influencers</li> <li>Proactive messaging</li> <li>Links to content across social ecosystem</li> </ul>
YouTube	Video hosting	<ul> <li>Primary home for video content</li> <li>Entry point through search</li> <li>Videos must be hyper-optimized</li> </ul>
Facebook	Real-time communication	<ul> <li>Real-time messaging</li> <li>Real-time response</li> <li>Engagement with influencers</li> <li>Proactive messaging</li> <li>Links to content across social ecosystem</li> </ul>
Slideshare	Hosts pdf material	<ul> <li>Increase transparency by increasing discoverability</li> <li>Driven to Slideshare via Twitter, Social hub, Facebook and YouTube.</li> </ul>
2013/10/28		33

# **Eskom Application**



# The Application Integrates:

- Beat the Peak
- Location Services
- Crowd Sourcing
- CS Online
- Loadshedding
- Tips
- Alerts
- Rewards
- Cross Platform functionality
- Mobility





# **Channel Interaction Environments**



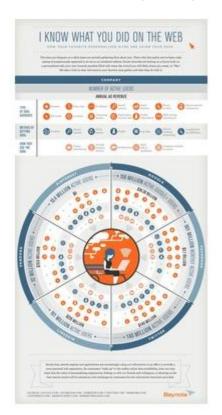
CHANNEL Link from → Link to ↓	<b>y</b>	You			
7		Permanent cross promotion via hyperlink	Direct users back to central engagement channel	Permanent cross promotion via hyperlink	Permanent cross promotion via hyperlink
You	Tweet links out to video content	Eskom External	Pull video content through to Posterous from YouTube	Permanent cross promotion via hyperlink	Permanent cross promotion via hyperlink
	Tweet links to longer form content created by experts	Permanent cross promotion via hyperlink	Eskom	Permanent cross promotion via hyperlink	Permanent cross promotion via hyperlink
	Tweet links to MYPD3 documentation	Permanent cross promotion via hyperlink	Permanent cross promotion via hyperlink		Permanent cross promotion via hyperlink
Eskom.co.za	Tweet links to relevant MPYD3 content	Permanent cross promotion via hyperlink	Permanent cross promotion via hyperlink	Permanent cross promotion via hyperlink	Statem

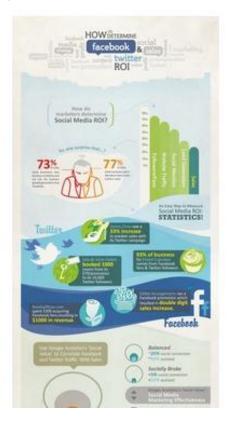
# **Sample Campaign Ideas**



#### Info graphics & Animations – use compelling visuals to graphically show

- The impact of tariff rises on different property types
- Improvement in infrastructure as a result tariff rises
- Load shedding info graphics being developed









In conclusion...

#### Social media





The explosion of social media and the growth of social networking have a huge impact on the ability of an organisation to manage communication that affects them



Social media can be the cause of a crisis situation for an organisation (both advertently and inadvertently)



Case studies of crisis on a global scale have highlighted the need to respond via social media within seconds.



Proactive content is required



In South Africa we have to utilise all communication channels to enable the reach to all electricity customers

# Preparation is key



The only real way to mitigate the impact to customers being load shed is to inform them as early and accurately as possible

Being prepared for this crisis will enable speedy communication, resulting in limited damage to our reputation and containing some level of trust

Damage to our reputation will occur but badly handled load shedding will exacerbate our reputational damage.







# Thank you