

MEDIA STATEMENT

NTCSA appoints engineering, procurement, and construction suppliers for transmission substations to accelerate transmission infrastructure rollout

Monday, 25 November 2024: Following a strategic review of the National Transmission Company South Africa's (NTCSA) corporate plan, which includes focusing on accelerating the delivery of the Transmission Development Plan (TDP), long-term agreements were signed with 28 local companies to provide the NTCSA, with the services for the construction of substations.

To date, the NTCSA has signed agreements with over 60 suppliers over the last few months, enabling them to respond to tenders and supply services in the areas of transformers, engineering services, overhead lines and substations.

With a focus on enhancing infrastructure delivery capabilities, the NTCSA is not only expanding its infrastructure delivery capabilities but also forging strategic partnerships to expedite the development of transmission infrastructure.

“The NTCSA leadership has identified two priority programmes, the Additional Transformation Programme providing 13GW and the Expedited Projects Programme, supplying 24GW to accelerate the delivery of transmission infrastructure. These projects are at various stages of implementation in terms of design, procurement, and construction,” stated Segomoco Scheppers, the Interim Chief Executive Officer, of NTCSA.

“The substation panel contracts signed today are one of the critical milestones to enable the delivery of the priority programmes. This collaboration between the public and private sectors will act as a catalyst for economic growth, fostering innovation and enhancing the competitiveness of local industries on a global scale,” continued Scheppers.

The substation services companies form part of the two panel categories, Panel A - Engineering, Procurement and Construction (EPC) and Panel B - Procurement and Construction (PC) with 18 and 20 companies signed on respectively. Some of the EPC contractors are also providing PC services.

The panel contracts were signed and established after an open tender process was followed to source capable service providers and contractors to partner with the NTCSA to deliver on its mandated objectives. The next phase of the two prioritised programmes will entail the panellists competing for various projects throughout the panel.

Furthermore, the process to augment both panels of EPC and PC substation contractors will be opened every year around August and September to enable other companies within this field of the industry to participate to increase capacity and be able to deliver on the NTCSA's infrastructure programme.

Localisation strategy

The contracting strategy has been designed to allow for efficient procurement processes to maintain and strengthen governance while reducing lead times to adequately deliver on the Transmission Development Plan (TDP) requirements while promoting localisation as per legislation.

The scope for substation construction has been divided into two different panels, A and B. This approach is to allow for a specialised focus on each aspect of the infrastructure development, thereby optimising the overall process. Having the two panels provides flexibility in the procurement strategy approach and ensures inclusivity of all contractor capabilities.

The long-term agreements set with the substation panel contractors demonstrate a commitment to continuity and stability in the energy sector, providing these companies with a platform to compete for various tenders.

The synergy of EPC capacity, along with internal efficiency improvements, as well as various Government-led initiatives on private sector participation in transmission, will enable the NTCSA to deliver the required transmission infrastructure at an accelerated pace.

The NTCSA will continue to provide regular updates on the TDP projects and related initiatives.

The Panel A and Panel B local companies that have signed agreements are:

1. ACTOM (Pty) Ltd
2. Adenco Construction (Pty) Ltd
3. Amulet Group (Pty) Ltd
4. Beacon Technologies (Pty) Ltd
5. Coeng Consulting and Construction Engineers (Pty) Ltd
6. CIS-G-LTA JV
7. Eskom Rotek Industries SOC LTD
8. Gridbow Engineers and Technical Services (Pty) Ltd
9. Nkhalaba Trading CC
10. ISF/Striving Mind JV
11. SPM-RT Tshabalala JV
12. Lenado Projects (Pty) Ltd
13. Leswao Facilities Management (Pty) Ltd
14. Larsen & Toubro Limited - Larsen & Toubro T&D SA (Pty) Ltd Consortium
15. Lubocon Civils CC
16. Machite Engineering CC
17. Mkhulu Electro Distribution Projects (Pty) Ltd
18. Murray and Roberts Holding Limited & Subsidiaries
19. Olot Engineering (Pty) Ltd
20. Shonisani Rambau Construction (Pty) Ltd
21. Semilson Group (Pty) Ltd
22. Sivtek Hamsa Geda JV

- 23. Siyavuya Power Projects (Pty) Ltd
- 24. Thenga Holdings (Pty) Ltd
- 25. Tractional Enterprise (Pty)Ltd
- 26. Tushcor Holdings (Pty) Ltd
- 27. VE Reticulation (PTY)Ltd
- 28. YNF Engineering CC

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