



SARPA CONVENTION 2010

Energy Losses Management Programme

Social marketing Campaign Overview

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Eskom Distribution*

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1. Recap on the Eskom ELP
2. Social Marketing Campaign
3. Introduction of Operation Khanyisa

Recap of Eskom Distribution's Energy Losses Problem

Utilities globally battling with energy losses

Costing billion of Rands annually

Developing countries are worst hit

Increase in losses

- Eskom Distribution energy losses increased from 4% to roughly 6% between 2002 and 2005

Raised Concern

- Increase in concern of national problem

ELP Initiation

- Initiated the Energy Losses Management Programme

Actions

1

Audit, measure and fix customer installations

2

Ring fence electrical networks to balance energy delivered

3

Implement tested technologies

4

Ensure sustainability

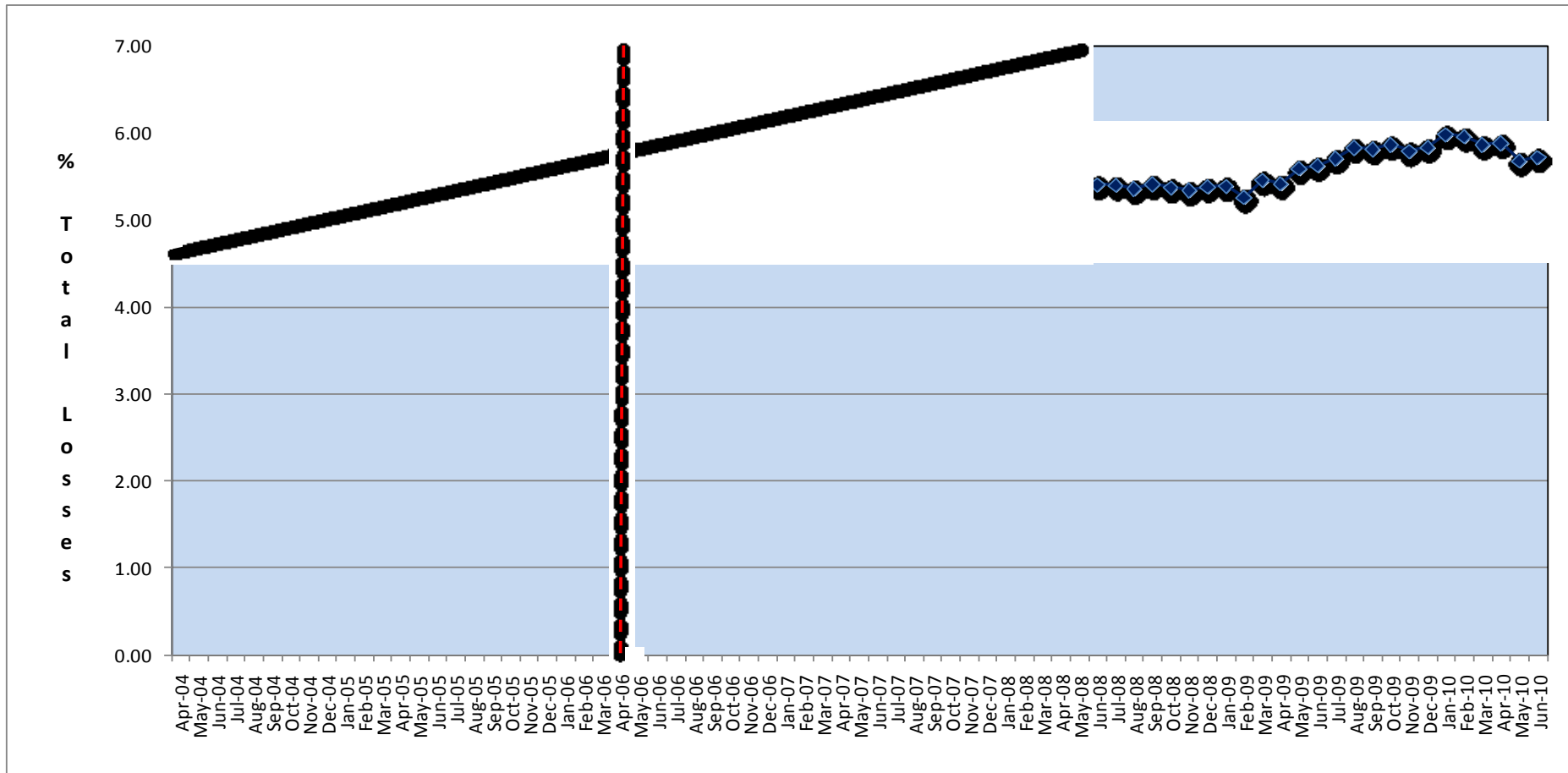
5

Communicate to and Educate internal and external stakeholders

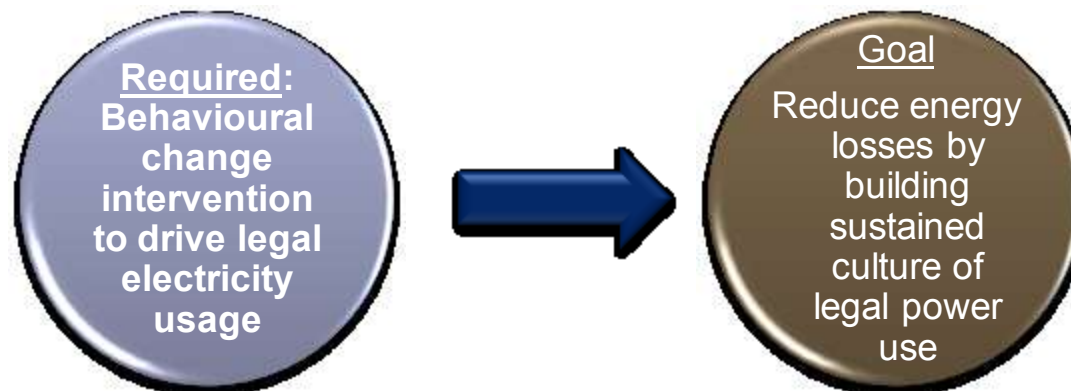
Trend of total Distribution Energy losses April 2004 – June 2010

12 Month Moving Average (MMA)

Dx wide energy losses initiatives



Theft	Illegal connections and revenue lost due to theft of electricity is a public domain risk for Eskom (Chris Yelland article)
Regulatory Management	In light of Eskom's impending tariff hikes over the next three years, the public (and NERSA) will potentially criticise Eskom for rate hikes despite energy losses. Eskom would have to demonstrate its serious interventions to address the problem
Reputation Risk	Eskom need to show all reasonable attempts to get the SA public to be aware, informed and encouraged to be compliant by addressing behaviour
Revenue Recovery	The considerable revenue loss suffered , necessitates Eskom to explore and employ all possible avenues to recover and prevent these losses
Base Load	Electricity theft impacts demand (load) on the grid . LPU's, SPU's and PPU's who are illegally connected, tampering with metres, etc, will have no incentive whatsoever to use electricity wisely (efficiently)

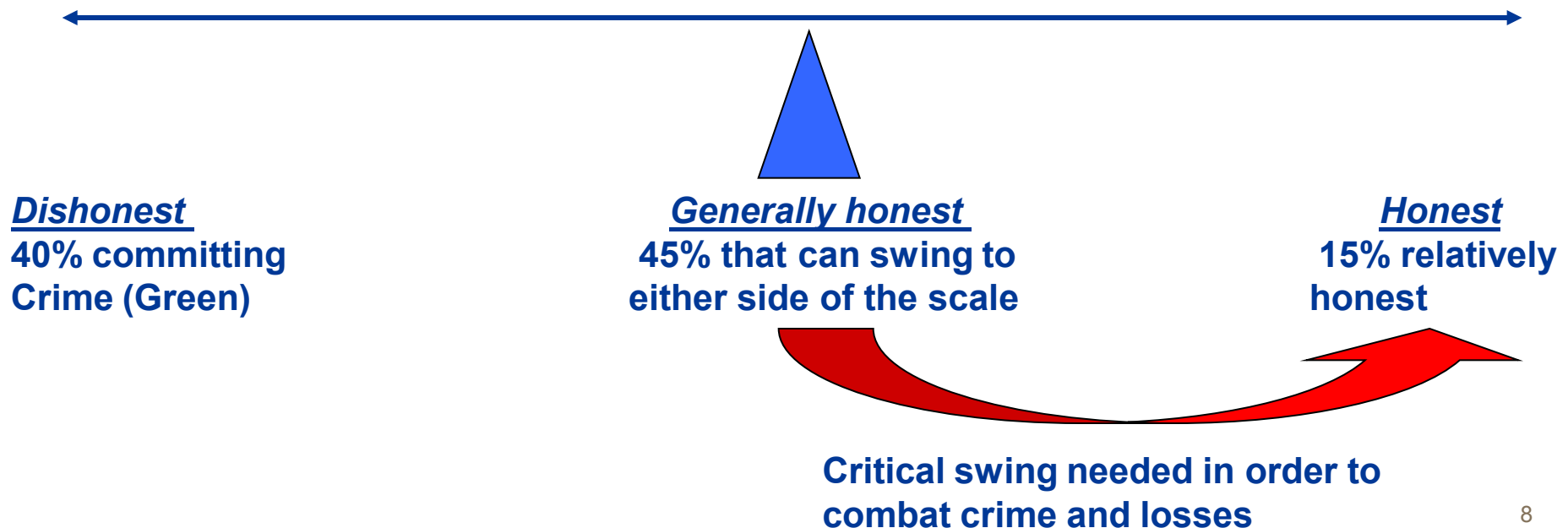


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“The world is a dangerous place to live, not because of people who are evil, but because of good people who don’t do anything about it.”

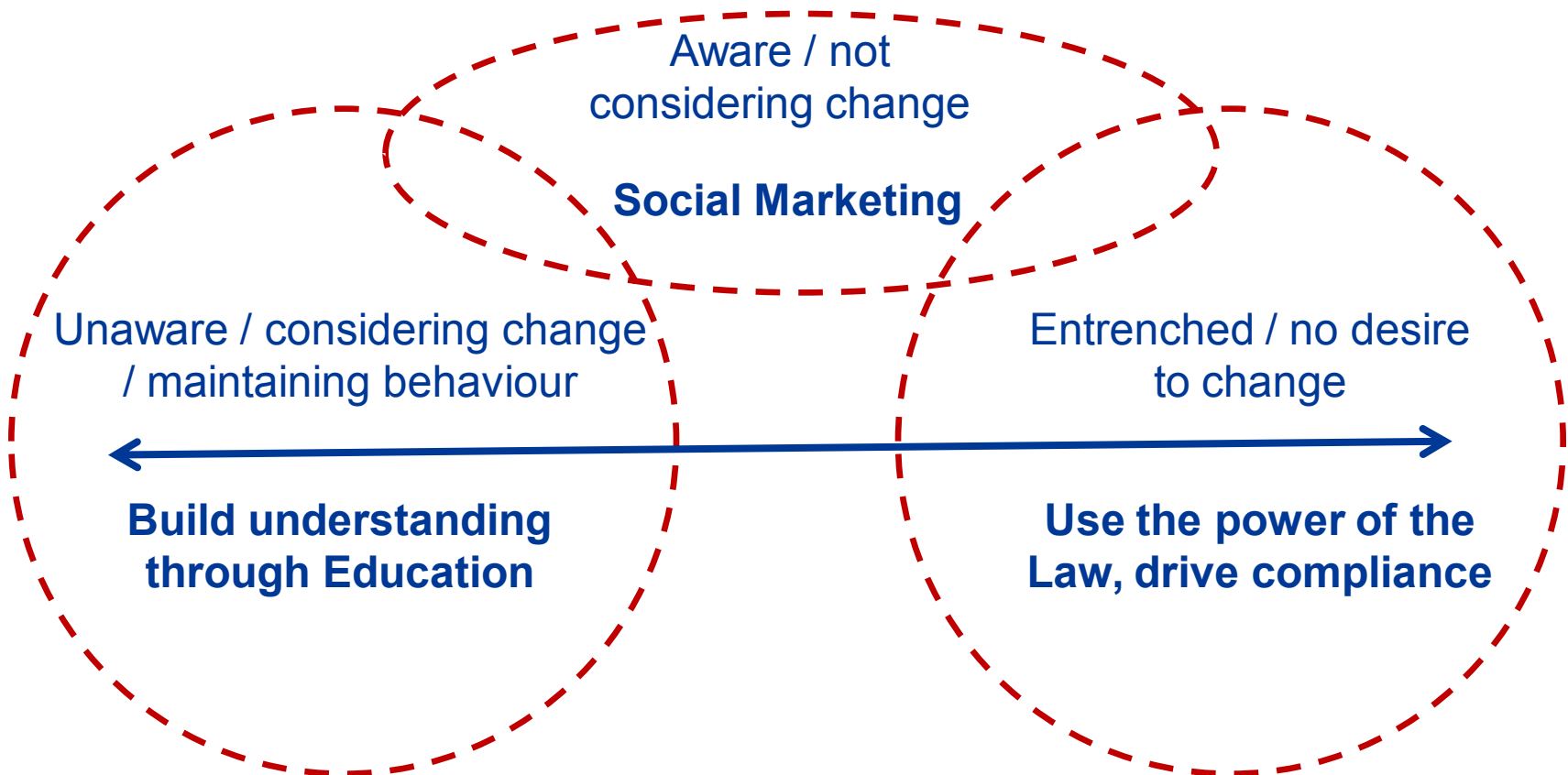
Albert Einstein

- Theft of any kind is a contagious disorder.
- It is not the fear of being punished that deters people from doing wrong – it is the fear of being caught that is the primary deterrent factor. However, both aspects need to be in place to deal with crime
- It's the 'good' people who turn a blind eye and remain passive that contributes to a breeding ground/culture conducive for deviant behaviour



- Social Marketing is the application of commercial and innovative **marketing technologies** in **behaviour-change programmes**, with the aim of **influencing the voluntary behaviour** of target audiences for the **greater good** of the **individual** and **society**, whilst doing the **most good** for the **company/organisation**
- Kotler & Standford found that: “Social Marketing is one of the surest ways to have a measurable impact on a social issue, because it actually increases the number of people who act in a way that benefit society.





Objective: Behaviour change towards legal electricity usage

Achieved by: Social Marketing Campaign

*Pro-active Integrity
Based Program*

- Values, Self-regulation
- Integrity Standard
- Leadership visible
- Awareness, Info, feedback
- Unity, Commitment
- Peers, value drivers
- Partnerships, mobilisation



*Compliance Based
Program*

A holistic
approach
based on a
two-pillar
strategy



- Code of Conduct
- Systems/Controls
- Audits
- Info management
- Detection
- Law Enforcement
- Policies
- Reporting

ELP Social Marketing Campaign structure



National & Regional Campaigns

- **Compliance & Enforcement**
- **Amnesty**
- **Reporting Line**
- **Research, Monitoring & Evaluation**

Regional Sub-Campaigns

- **LPU & Non-residential SPU**
- **Residential SPU & PPU**
- **Pilot sites x 6**
- **Employees & Contractors**
- **Stakeholders & Partners**
- **General public**

Integration Areas

Electricity Theft

Safety

Energy Efficiency

Infra Theft

Non-payment

ELP Public Communication Initiative Detail

Objective

- To influence the voluntary behaviour of SA consumers to be legal electricity users by:
- Reducing the number of illegal electricity consumers
 - Mobilising South Africans to report and prevent illegal connections
 - Building partnerships to deal with illegal electricity consumption

Tool

- Through-the-line¹ campaign that supports, publicises and drives behaviour-change utilising:
- Community mobilisation: building compliant behaviour through norms, values, partnerships, etc
 - Amnesty & Reporting line campaign
 - Partnership campaign with Organised business, Civil society & Communities
 - Compliance campaign, Eskom Audit roll-out, Trend analysis
 - Communication: Publicising all the above

Approach

- Focus on both LPU/ Large SPUs and residential SPUs.
- Two integrated pillars: a Pro-active Integrity-based Program and a Compliance-based Program
- Show target audiences the impact & risk of illegal use of electricity
- Show target audiences the benefits of legal electricity usage
- Empower target audiences through partnerships, organised structures and mobilisation
- Tie this campaign in with broader safety and energy efficiency education
- Aligned with existing Eskom or National campaigns

Benefits

1. Reduce energy losses 2. Improve safety 3. Reduce non-payment 4. Improve availability of supply

¹ Through-the-line: Utilising both Above-the-line (National media such as TV, radio, national press) and Below-the-line (Community media, brochures, etc.) channels

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... Mobilising South Africans for legal power use



www.operationkhanyisa.co.za





Thank you



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