

Eskom disputes Gupta-linked firm helped with R5bn claim

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Eskom has denied that Gupta-linked firm Trillian handled negotiations for the utility to settle a massive insurance claim.



Source: Eskom

The *Mail & Guardian* reported on Friday that Trillian Capital Partners and associated company Trillian Advisory negotiated with Eskom's insurers for months in an attempt to settle a R5bn.

The claim was reportedly linked to the March 2014 explosion at the Duvha power plant in Mpumalanga.

The newspaper said documents showed Trillian executives met representatives of insurers Marsh in Sandton; that Trillian presented itself as Eskom's agent in the matter; and that Eskom bosses knew of its work through a steering committee, which included Eskom executives.

Quoting documents, the *M&G* said Trillian executives worked to find a supplier to replace the Duvha boiler, a process due to start next year, which Trillian had been appointed to oversee.

But Eskom said in a statement that Trillian provided no assistance with negotiations for its Duvha insurance claim. "We would like to state categorically that Eskom has no contracts in place with Trillian Capital Partners and/or associated companies," it said.

Eskom said that when its current board was appointed in December 2014, it was facing challenges at operational and financial levels. In the period there were capacity constraints, delays in the new build programme, associated cost overruns and load shedding.

"These challenges led to the board initiating an investigation into the reasons for the above issues and to also devise a turnaround strategy for the organisation.

Pursuant to this, in June 2015 the board gave the mandate to negotiate a risk-based contract with McKinsey, covering the main risk areas of the turnaround strategy."

Eskom also said it appointed providers to mitigate against the risks it faced at the time. These included imminent credit reviews by ratings agencies.

"These service providers included Deloitte Consulting, Barclays, McKinsey, Citibank, and Trillian."

The denial over Trillian's alleged involvement in insurance work, among others, was the second time in a month that the utility would not own up to links with "Trillian Capital Partners and/or associated companies".

At the end of October, the company issued a similar statement after it was fingered in a whistleblower's affidavit in former public protector Thuli Madonsela state-capture report, which said Trillian knew of the axing of former finance minister Nhlanhla Nene two months before it happened.

At the time, Trillian's independent non-executive chairman, Tokyo Sexwale, said he had launched an "independent investigation" to "test the veracity of allegations" that people within Trillian Capital Partners knew of Nene's firing.

Source: I-Net Bridge

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