

## Overhead Cable Theft Causes Serious Disruptions to Rail Service

18 February 2010

Cable thefts in the Sentrarand complex, on the Natal corridor and the Eastern corridor (which incorporates the export coal line) on Tuesday, the 16<sup>th</sup> February 2010 seriously disrupted Transnet Freight Rail's traffic flow between Johannesburg and Durban; the export coal line from Ermelo to Richard's Bay; and Bethlehem to Harrismith. The commodities affected varied from cement, coal, iron ore, cars, and container traffic and also included passenger trains.

The theft of overhead cables on the rail line has reached unprecedented levels, with an average of 10 trains cancelled per day due to cable thefts. The direct cost to the company (replacement cost for cable only) is more than R42 million per year and the consequential losses due to the knock on effect runs into many millions more. This hurts not only TFR and its customers but South Africa as a whole, because when consignments fail to reach their international destinations on time the country's reputation suffers because overseas markets view us as unreliable and inefficient and could switch to other suppliers.

The consequence of cable theft is not limited to financial losses but can also result in human disaster and tragedy. Cable thefts also often lead to the destruction of Freight Rail assets such as locomotives and wagons and can cost the company millions of rands in repairs and replacement.

Transnet Freight Rail's "production floor" is the entire South Africa and the Company is faced with the challenge of having to secure some 20 000 km of rail track. The Company runs some 800 trains per day with more than 8 000 loaded wagons on this network. The sheer size of this operation calls for meticulous planning and what is not often appreciated is the implications on operations following overhead cable theft. Each incident necessitates re-planning and re-allocation of resources which lead to delays for which TFR pays the ultimate price in reputation damage.

Nonetheless hot-spots have been identified, several syndicates arrested and innovative technology applied, such as replacing the overhead copper wire cables with tiger wire which doesn't have a high resale value. The Company is also working closely with the criminal justice system to ensure that the full might of the law is applied to those found guilty.

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Issued by Transnet Freight Rail

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