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Elektrisiteitswet: Lisensievrystellings word uiteindelik geïmplementeer

ELECTRICITY ACT LICENSE EXEMPTIONS FINALLY BEING IMPLEMENTED

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Die Departement van Energie het die weg gebaan vir kleiner skaal hernubare energieprojekte om krag nie net vir eie gebruik te kan opwek nie, maar ook tot voordeel van sektore soos die landbou.

In 'n era wat gekenmerk word deur die geweldige impak van klimaatsverandering, kan hernubare energiebronne soos **fotovoltaïese installerings** (*solar photovoltaic*, of PV-installerings) bydra tot die vermindering van koolstof en help om die koolstofelement van globale energieverbruik uit te skakel. Volgens BP se *Energy Outlook* (2017) word hernubare brandstof in kragopwekking geraam as die vinnigste groeiende energiebron (7,6% per jaar) in hul vooruitsigte tot en met 2035.

Die grootskaalse uitrol van sonkraginstallerings het gehelp om die koste van sonegnologieë te verlaag en die koste-mededingendheid daarvan te verbeter. Benewens die duidelike omgewingsvoordele, kan die gebruik van onafhanklike sonkrag bydra tot koste-vermindering vir die verbruiker asook die ontwikkeling van 'n plaaslike sonkragbedryfwaardeketting.

Daarom het die gebruik van sonkrag spesifieke potensiaal in die boerderybedryf. Boere kan hul eie PV-infrastruktuur installeer om hul koolstofvoetspoor te verlaag en gelyktydig elektrisiteitskoste bespaar.

Tot onlangs was die meeste onafhanklike kragopwekking-projekte verplig om te registreer en aansoek te doen vir 'n lisensie by die Nasionale Energiereguleerder van Suid-Afrika (Nersa). In die praktyk plaas die registrasie en lisenasiering van alle onafhanklike kragopwekkingsprojekte, veral kleiner projekte 'n onnodige administratiewe las op die reguleerder asook 'n finansiële las

op die projekteienaar. Tot nou toe het hierdie vereiste boere met PV-installasies verhinder om by die kragnetwerk aan te sluit.

Die departement van energie se konsep kennisgewing wat aanvanklik op 2 Desember 2016 ingevolge die Wet op Elektriese Regulerings, 2006 (ERA) (konsep-vrystellings), gepubliseer is, maak voorsiening vir vrystelling van die lisensieringsvereiste vir spesifieke aktiwiteite. Dit sluit in geïnkorporeerde (*embedded*) opwekking indien die geïnstalleerde kapasiteit nie 1MW oorskry nie. Ingevolge die konsepvrystellings sal kleiner projekte (tot 1MW) toegelaat word om ongehinderd voort te gaan sonder om te voldoen aan die lisensieringsvereistes.

Daarom is dit geen verrassing dat boere, met die oog op die konsepvrystellings, 'n berekende risiko geneem het om te begin te belê in PV-installasies op hul eiendomme nie. Volgens die energiekonsultantemaatskappy, Sonfin, beloop die belegging in sonkragprojekte deur hul boereklënte tans tussen R200 en R350 miljoen. Nedbank se syfers toon hulle het oor die afgelope drie jaar finansiering van ongeveer R50 miljoen vir hernubare energieprojekte beskikbaar gestel. Nagenoeg 20% (R10 miljoen) was vir projekte wat geraak is deur die vertraging in die finalisering van lisensieringsvereistes. Die vertraging van die inwerkingstelling van die konsepvrystellings het berging- en ander kostes deur die dak laat skiet.

Die goeie nuus is dat die Departement van Energie op 10 November 2017 die *Licensing Exemption and Registration Notice* in the Staatskoerant (Nr. 41237) gepubliseer het. Agri SA verwelkom hierdie ontwikkeling. Die vrystelling van die lisensieringsvereistes ingevolge ERA sal boere met bestaande PV-installasies help om aan te sluit by die Eskom-kragnetwerk sonder om aansoek te doen vir 'n lisensie. Die vrystellings sal boere ook aanspoor om verder te belê om hul energievoorraad sodoende te diversifiseer.

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ELECTRICITY ACT LICENSE EXEMPTIONS FINALLY BEING IMPLEMENTED

The Department of Energy has paved the way to enable smaller scale renewable energy projects to generate power not only for own use, but also for the benefit of industries such as the farming sector.

In an era characterised by the significant impacts of climate change, renewable energy sources, such as solar photovoltaic (PV) installations, can contribute to reducing carbon emissions and help to decarbonise the global energy mix. According to BP's Energy Outlook (2017), renewables in power generation are estimated to be the fastest growing fuel source (7.6% p.a.) over their outlook to 2035.

The large-scale roll out of solar installations have helped to reduce the cost of solar technologies and improved cost-competitiveness in recent years. In addition to the clear

environmental benefits, the use of independent solar energy can contribute to cost savings for the user as well contribute to developing a domestic solar industry value chain.

For these reasons, the use of solar power holds specific potential in the farming industry. Farmers can install their own PV infrastructure to reduce their carbon footprint whilst also saving on electricity costs.

Until recently, most independent power generation projects were required to be registered with and hold a license from the National Energy Regulator of South Africa (Nersa). In a practical sense, the registration and licensing of all independent power generation projects, specifically smaller scale projects, place an undue administrative burden on the regulator whilst imposing an administrative and financial burden on the project owner. Until now, this requirement has hindered farmers with PV installations from connecting to the grid.

The Draft Licensing and Registration Exemption Notice, initially published on 2 December 2016 in terms of the Electricity Regulation Act, 2006 (the Draft Exemptions), propose an exemption from the licensing requirement for specific activities, for example, embedded generation if the installed capacity does not exceed 1MW. In terms of the Draft Exemptions smaller scale projects (up to 1 MW) will be allowed to proceed unencumbered from the requirement for licensing.

It is therefore not surprising that farmers, in anticipation of the Draft Exemptions entering effect, and upon a taking a calculated risk, have begun investing in constructing solar photovoltaic (PV) on their properties. According to energy consulting firm, Sonfin, the investment in solar projects by their farmer clients amounts to approximately R200 to R350 million to date. According to Nedbank, over the past three years, they have provided approximately R50 million in finance for renewable energy projects in agriculture. Approximately 20% (R10 million) was for projects that were affected by the delay in finalising the licensing exemptions. Holding and other costs associated with not being able to lawfully connect to the electricity grid due to the delay in the entry into effect of the Draft Exemptions caused significant financial losses to the industry.

The good news is that on 10 November 2017, the Department of Energy published the Licensing Exemption and Registration Notice in the Government Gazette (No. 41237). Agri SA welcomes the publication of the Exemption Notice. The exemptions from the licensing requirements in terms of the ERA will assist farmers with existing PV installations to connect to the Eskom grid without having to apply for licensing. In addition, the exemptions will encourage further investment from farmers to diversify their energy supply through embedded generation.

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