

Nersa notice paves way for 11,813MW new energy procurement

The National Energy Regulator of South Africa (Nersa) has issued a second concurrence to a Section 34 Ministerial Determination, which paves the way to procure 11,813MW of new electricity capacity to compensate for Eskom's inability to meet the energy needs of the country.



Mineral Resources and Energy Minister, Gwede Mantashe

The concurrence comes with the return to load shedding post lockdown and warnings that the risk of rotational power cuts could worsen unless new capacity was added to supplement that provided by Eskom's unreliable coal fleet.

"The Section 34 Determination enables the department to undertake procurement of additional electricity capacity in line with the Integrated Resource Plan (IRP) 2019. This will open up various bid windows (BW) including BW 5 for renewable energy," Mineral Resources and Energy Minister, Gwede Mantashe said in a statement.

The capacity allocated through the latest determination includes 6,800MW of wind and solar photovoltaic; 513MW of storage; 3,000MW of gas to power and 1,500MW of coal.

"Work has commenced with key stakeholders, including the buyer, to firm up on the framework critical for the bankability of the programme," Mantashe said in a statement.

The minister did not provide a firm date for when new bidding rounds would be launched.

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