

Nersa granted permission to process licence applications for self-generation facilities

The National Energy Regulator of South Africa (Nersa) has been given approval by the Minister of Mineral Resources and Energy, Gwede Mantashe, to grant licence applications for self-generation facilities of above 1MW, even if they do not comply with the Integrated Resource Plan (IRP 2019).



Gwede Mantashe

“The approval means that prospective applicants are no longer required to obtain ministerial approval for deviation from the IRP 2019 before applying to Nersa for a licence,” the energy regulator said in a statement.

The minister has granted the approval in accordance with section 10(2)(g) of the Electricity Regulation Act, 2006 (Act No. 4 of 2006).

The approval granted relates to generation facilities that fall into the following categories:

- A generation facility that is connected to the national grid, in circumstances in which the generation facility supplies electricity to a single customer and there is no wheeling of that electricity through the national grid; and/or
- A generation facility that is connected to the national grid, in circumstances in which the generation facility is operated solely to supply a single customer or related customers by transporting electricity through the national grid where wheeling arrangements are in place between all affected parties.

“However, the approval by the minister in the above generation facility categories excludes those that involve local government (provinces and municipalities) or supply to local government, as these will be addressed separately,” Nersa said.

Nersa said its committed to processing licence applications timeously in order to ensure security of supply. All other licensing requirements, as prescribed by Nersa, in terms of section 10 of the Electricity Regulation Act remain in place.

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