SOUTH AFRICAN INDEPENDENT POWER PRODUCERS ASSOCIATION

SAIPPA

IRP 2018 NEDLAC DRAFT

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Secretary General

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SAIPPA SUBMISSION – OCT 2018

Positives:

* Clear and concise
* Transparency on process and assumptions
* Logical and defensible input assumptions
* Least-Cost approach
* Min. Radebe serious about IRP 2018

Concerns:

- Errors in estimate and assumptions
- Long delays in new IRP versions
- Need independent modelling - CSIR
- No encouragement for IPPs outside DOE
- Exports not addressed

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IRP Planning and Uncertainty:
* New generation - 5 years lead time
* Why decades into future?
* Regular replanning more valuable.
* Flexibility
* EAF of 80% unrealistic – major disruptor
* Decommissioning PS – tool for balancing
* Titles for technologies reduces flexibility
* “Gas” a proxy for other technologies
* Consider Dispatchability

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Case for Cogeneration:
* Determination of 1800MW
* Sugar input assumptions from 2010 are wrong
* Potential of 6259MW
* Multiple benefits
* Cogen a proxy for “Gas”

Cross Border Sales:

- Unchanged status quo assumed
- 5 000MW shortfall in SADC
- Growth opportunity for SA ESI
- Need export growth drive

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Embedded Generation:

* 200MW allowed for as a “Catch-all”
* Categories limit flexibility – link to ERA licenses
* IRP plan must recognise non-DOE investments:-
  - bilaterals
  - self generation
  - Roof top PV
  - Cross border sales
  - new technologies
  - Cogen beyond own-use
  - 2000MW recommended
  - New title of “Distributed Generation”

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Positives:

* Multiple positive comments (ref 1)

Concerns:

- Errors in estimate and assumptions - Nil
- Long delays - "will be looked at" (ref 4)
- CSIR modelling - "will be looked at" (ref 4)
- No encouragement for IPPs outside DOE - Nil
- Exports not addressed - Nil

SAIPPA SUBMISSION – OCT 2018.....cont 1

IRP Planning and Uncertainty:
* New generation - 5 years lead time - Nil
* Why decades into future? - Nil
* Regular replanning more valuable. Nil
* Flexibility - Nil
* EAF of 80% - 71,5 to 84% (ref 24)
* Decommissioning PS – many comments (ref23)
* Titles – SAIPPA text quoted (ref 10, 11, 44)
* “Gas” a proxy – comments accepted (ref 27)
* Consider Dispatchability - Nil

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Case for Cogeneration:
* Min Det of 1800MW -"to be reviewed" (ref 5)
* Sugar assumptions from 2010 are wrong - Nil
* Potential of 6259MW - "utility scale" (ref 10)
* Multiple benefits - Nil
* Cogen a proxy for "Gas"

Cross Border Sales: - Nil

- Unchanged status quo assumed
- 5 000MW shortfall in SADC
- Growth opportunity for SA ESI
- Need export growth drive

SAIPPA SUBMISSION – OCT 2018.....cont 3

Embedded Generation:

- 2000MW recommended - “to be reviewed and 500MW now included (ref 50 & 55)
- “Distributed Generation” - “noted” (ref 49)

New Issues:

* the time it is taking
* EAF still too high?
* cogen and export issues not dealt with
* Falling demand
* Short term crisis – IRP 2010 Addendum

SAIPPA Work Groups

SAIPPA has 5 Work Groups that drive member's interests:

- EXPORTS – working with SAEP (USAid) on opening up markets.
- WHEELING -large cost implications for non-Eskom sales.
- SSEG and TECHNICAL – GCAC representation and embedded issues.
- MAJOR STAKEHOLDERS – focus on networking
- LOCAL SALES – focus on SA opportunities for IPP sales.