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100MW self-generation amendments gazetted

The changes to the Electricity Regulation Act have been gazetted, which will allow power producers to generate up to 100MW without a licence from the National Energy Regulator of South Africa (Nersa).



Source: Getty/Gallo

President Cyril Ramaphosa made the announcement in June that lifted the limit on self-generation of power from 1MW to 100MW, a move that is expected to take the pressure off the the state power supplier, Eskom, as private companies will eventually be allowed to build their own generation plants



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The president said at the time that reducing the risk of load shedding is "our single most important objective in reviving growth. There is no economy that can grow substantially without energy security."



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Ntombifuthi Ntuli, CEO of South African Wind Energy Association (Sawea) says: "This announcement means that the industry can now easily enter into power purchase agreements with private entities, especially intensive energy users (IEUs) and deliver projects quickly, which will stimulate economic recovery.

"However, as with any legislation, there are elements left open for interpretation and will require clarity, hence, we will continue to engage the department of mineral resources and energy."

Independent power producers earlier reported that several mining houses and other IEUs have reached out to wind industry enquiring about projects that are ready for procurement.

The association sees this as a clear intention to procure clean energy from the wind sector. It has been reported that large companies, mines and farms are believed to have 5,000MW in pent-up projects, which could be released if licensing requirements were lifted, a Sawea statement said.

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