

Nersa confirms receipt of energy plan deviation letter

The National Energy Regulator of South Africa (Nersa) has confirmed receiving Energy Minister Jeff Radebe's letter of deviation from the country's Integrated Resource Plan (IRP) as well as applications for generation licences.



Image: Western Cape Government

"Nersa hereby confirms that it has received a letter from the minister of energy on 2 May 2019, granting deviation from the existing IRP [Integrated Resource Plan] 2010-2030 for licensing of operation for generation facilities ranging above 1MW to 10MW," said the regulator.

The IRP serves to guide government's plan for electricity provision within the energy mix.

The draft updated IRP was published for comment in August 2018.

The first IRP for South Africa was promulgated in March 2011. It was indicated at the time that the IRP should be a "living plan", which would be revised by the department frequently.

Nersa said it had been inundated with a number of queries from various stakeholders seeking clarity on the minister of energy's letter.

The regulator clarified that the minister did not direct Nersa to automatically approve licence applications for operation of

small-scale generation facilities without following due process.

"This clarifies various interpretations given by stakeholders that Nersa is directed to licence these facilities immediately without delay. In terms of section 10(2) (g) of the Electricity Regulation Act, 2006 (Act No. 4 of 2006), the Minister has powers to approve deviation from compliance with the IRP and with this letter, the Minister exercised these powers."

Due processes to be followed

To give effect to the deviation, Nersa will follow due process. It will also adhere to the legal prescripts in evaluating all licence applications as well as registration applications for small-scale embedded generation, as contemplated in section 10 of the National Energy Regulator Act, 2004 (Act No. 40 of 2004), read with the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000) and the Electricity Regulation Act of 2006.

Applications received for facilities up to 1MW will go through the Nersa-approved registration procedure and will require the payment of the prescribed registration fee.

"In this regard, applicants are expected to comply with the applicable pieces of legislation by providing relevant and sufficient information. This will enable the Energy Regulator to conduct a thorough and efficient evaluation of the applications," Nersa said.

Meanwhile, the regulator is planning to conduct a stakeholder workshop in order to provide clarity on its processes and information required to evaluate these applications on time. The date of the workshop is still being decided.

The registration procedure for small-scale embedded generators is available on Nersa's <u>website</u> under the Electricity (licences) tab.

The application form for generation licence facilities above 1MW up to 10MW can be accessed under Electricity (licences, application forms) tab.

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