Public Hearing IRP2010

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General Comments

- Technical assumptions incorrect
- Demand assumptions probably understated
- PV allocation for REFIT excluded
- Constant annual PV allocation from 2011 onwards should be included

Technical Assumptions Problems

- Technical Report does not consider Crystalline PV
- Cost estimates for Crystalline PV are incorrect
- Time to delivery for utility scale PV plant overstated
  - 10MW in 6 months – not 2 years
- Foreign content assumptions for utility scale PV are overstated
  - Local content of greater than 70% can be achieved

Demand assumptions

- Forecast growth of 3% pa in demand ignores economy's requirement to grow at 6,5% pa
- Forecast growth of 3% pa ignores imperative to increase employment and economic lot of unemployed and lower class
- Reality is that a greater electricity usage is more likely than a lower usage. Therefore planning for more renewable energy should be considered.

PV allocation – advantages of inclusion

- Quick time to implement – 10MW in 6 months
- Low grid impact – located adjacent to substations and sized for local usage
- Small scale is economically viable
- Local industry employs 400 and T/O greater than R 2bn
- Only technology with established local industry

PV allocation – advantages

- Arguments have been made that the REFIT tariff for PV is too high, but our analysis shows that including PV will have a negligible effect on the overall cost of electricity in the country
- Cost of PV is dropping faster than any other technology – Academic studies show that in the longer term the technology is likely to be more viable and cheaper than CSP
- PV power is more predictable than power from other renewable energy sources
- Including a constant allocation of PV will reduce the chances of a legal challenge to the implementation of the REFIT program

Recommendation

- 100MW of PV should be included in REFIT to be allocated in 2011
- 100MW of PV should be included in annual REFIT thereafter to encourage the growth of a local industry