

CHAMBER OF MINES
COMMENT ON DRAFT IRP 2010
3 DECEMBER 2010

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THE CHAMBER OF MINES

A VOLUNTARY MEMBERSHIP PRIVATE SECTOR MINING INDUSTRY EMPLOYERS ORGANISATION

REPRESENTS SOME 90% OF THE SOUTH AFRICAN MINING INDUSTRY AS MEASURED BY EMPLOYMENT, PRODUCTION OR TURNOVER.

THE MINING INDUSTRY IS A SIGNIFICANT CONSUMER OF ELECTRICITY, USING SOME 15% OF THE ELECTRICITY SOLD

THE LARGEST SUPPLIER TO ELECTRICITY GENERATION SECTOR - 125 MILLION T COAL / YEAR.

IN UNDERGROUND MINES ELECTRICITY IS VITAL FOR HEALTH AND SAFETY OF THE WORKFORCE.

60% FOR VENTILATION, AIR COOLING, PUMPING AND HOISTING PURPOSES.
A SECURE, CONSISTENT SUPPLY OF ELECTRICITY IS CRUCIAL



GENERATION CAPACITY

BALANCED REVISED SCENARIO FOCUSES ON GENERATION CAPACITY AND A RESERVE MARGIN

NO CLEAR POSITION ON ENERGY OUTPUT AND DEMAND.

GENERATION CAPACITY \neq CAPACITY AVAILABLE FOR DISPATCH.

RECOMMEND: CONSIDER THIS ASPECT IN THE FINAL PLAN.

COAL

NO NEW COAL FIRED GENERATION FROM 2020 – 2028

DECOMMISSIONING OF 10 632 MW FROM 2021 2029

RECOMMEND: PHASE OUT COAL ONLY ONCE
RENEWABLES/NUCLEAR CAN SUPPLY SUFFICIENT
ENERGY IN SECURE, RELIABLE AND AFFORDABLE
MANNER.

OWN GENERATION

NO ALLOWANCE FOR CO-GENERATION / OWN-BUILD FROM 2015 ONWARDS.

PROPOSED PRIVATE SECTOR PROJECT FOR 1 200 MW OF FLUIDISED BED COAL FIRED GENERATION 2016.

USERS COMMITTED TO TAKE ELECTRICITY FROM THIS PROJECT SHOULD IT MATERIALISE.

OTHER PROPOSALS OF A SIMILAR NATURE IN THE PRIVATE SECTOR.

RECOMMEND: AMEND PLAN TO PROVIDE FOR MORE PRIVATE GENERATION



WIND

WIND IS SUPPORTED AS CLEAN ENERGY

3 800 MW WIND GENERATION BETWEEN 2014 AND 2019 INCLUDED IN THE SYSTEM CAPACITY DESPITE ACKNOWLEDGEMENT THAT INDICATED RESERVE MARGIN MAY BE OVERSTATED.

RECOMMEND: CONSIDER BACKING -UP WIND GENERATION WITH DISPATCHABLE GENERATION CAPACITY.

NUCLEAR

NUCLEAR GENERATION OPTION OF 6 400 MW
BETWEEN 2023 AND 2026 AMBITIOUS.

RECOMMEND: REVISE THIS OPTION

SOLAR

SOLAR (CSP) IS SUPPORTED AS CLEAN ENERGY SOURCE

100MW/YEAR FOR 4 YEARS CONSIDERED AMBITIOUS

RECOMMEND: RECONSIDER TARGETS FOR CSP

GENERAL COMMENT

IMPLEMENTATION ?

INTEGRATION INTO THE NATIONAL INTEGRATED ENERGY PLAN ?

IMPOSES CONSTRAINTS RATHER THAN CREATING OPPORTUNITIES

LIMITS TYPE OF PLANT TO BE LICENSED IN PURSUANCE OF A RESERVE MARGIN

EXCESS GENERATION CAPACITY NOT A PROBLEM - ALLOW FOR THE RETIREMENT OF EXPENSIVE GENERATION PLANT & ATTRACT INVESTMENT