G7 Renewable Energies

Feedback and Comments on the draft IRP 2010 (Rev 2 Oct 2010)

Johannesburg Public Meeting 2 Dec 2010
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Presentation Overview

- About G7
- Positive aspects
- General areas of improvement
- Wind buildout rates and localisation

About G7

- Nature of G7 as an IRP2010 stakeholder:
  - Wind farm project developer
  - Vision for a strong Renewable Energy future (100% RE by 2050)
  - Member of SAWEA => presentation *supplementary* to SAWEA's

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Positive Aspects - general

- General - inclusive and thorough approach
  - welcome departure from previous planning
  - hopefully sets the scene for future planning
  - would be great to update regularly (2 years?)
- Tries hard to account for all of the (conflicting) goals – a formidable task

Positive Aspects – specific

- Criteria weighting appear sound
  - Equal CO_2&price (21.74%) - understand desire for delicate balance
  - Uncertainty (19.57%), localisation (15.22%) next
- Risk/Uncertainty assumptions rational
  - Nuclear clearly highest risk (correct)
  - wind has lowest risk (correct)
  - Coal cost risk too low though (Kusile overruns!)

General Issues

- EU/US carbon import duties mean massive risk for ENTIRE economy&competitiveness
  - Low tariffs mean little if exports shrink
  - => CO_2 weighting must be higher than price
- No independent verification of modelling process
  - Independent third party should verify (*same* inputs, constants&variables) with *different* model
  - Lack of time => Perhaps for next IRP revision(?)

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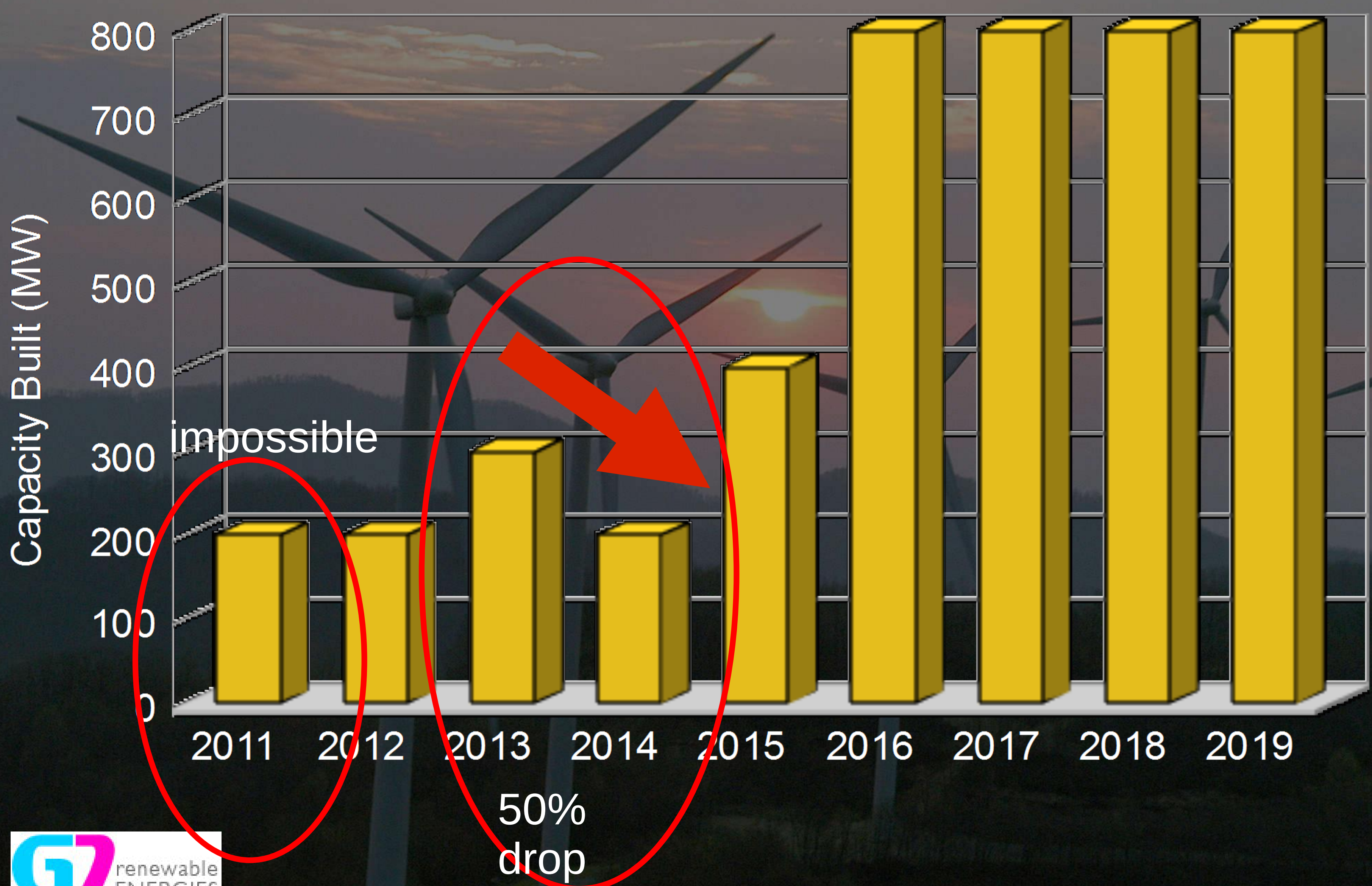
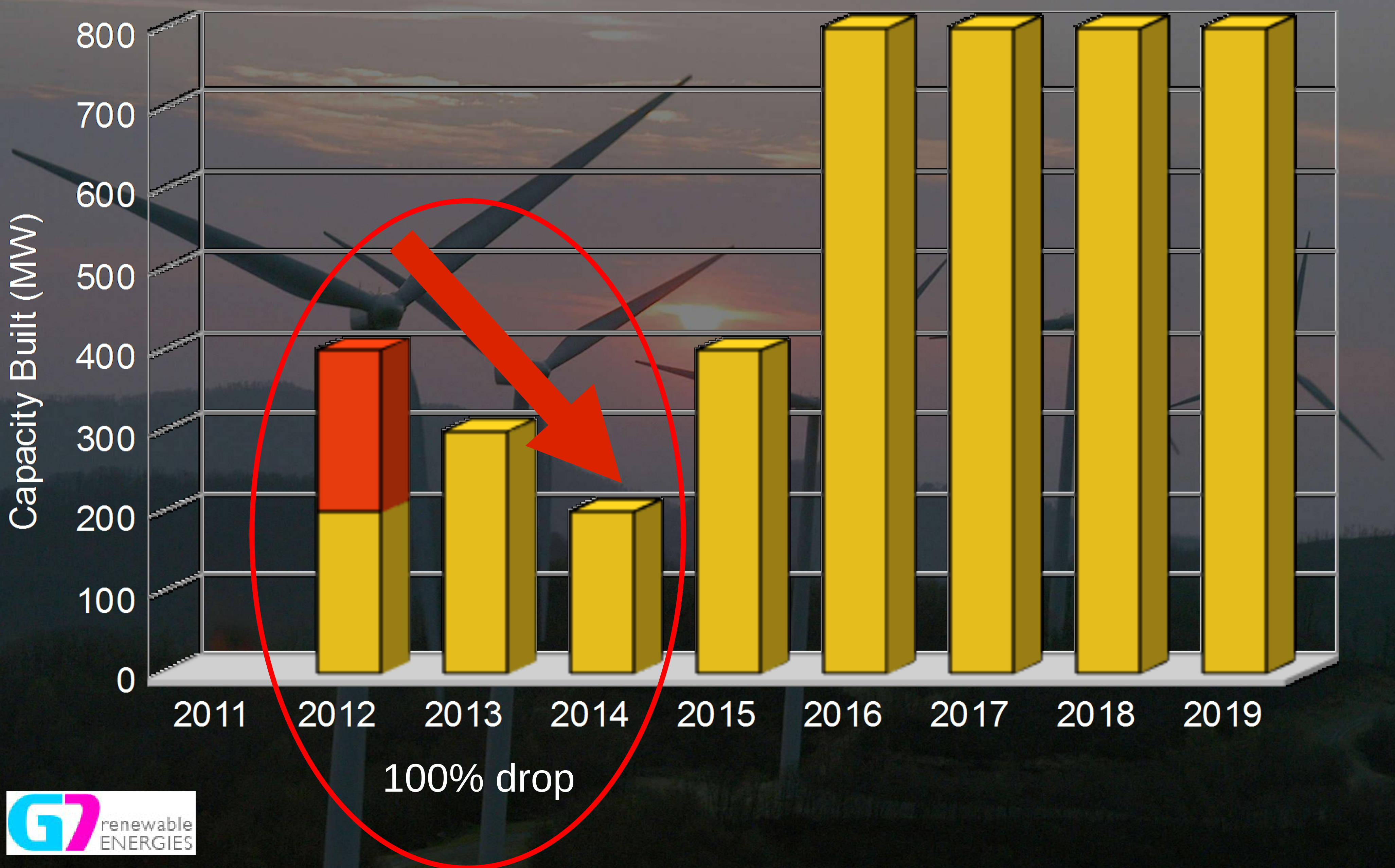
Wind Build rates (IRP)



Wind Build rates (IRP-in practise)



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Build rates&localisation

- IRP2010 correctly attempts to create sufficient volumes for *localisation* & job creation
- However, no manufacturer would invest with a *planned* decrease of the market!!!
- => jobs only created much later (in 5-6 years)
- Need a *real* "stable roll-out programme" to maximise skills development & job creation early (p17)

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Required Wind Build rates

- 2012: 300MW
- 2013: 400MW
- 2014: 600MW
- 2015-2019: 800MW
- Difference to draft – only 800MW extra (400 in 2013 and 400 in 2015):
  - Small impact on results but massive impact for jobs

Required Wind Build rates

End – thank you