

## IRP INPUT PARAMETERS

### D9: Energy Conservation - IRP 2010 Input Parameter

<b>Parameter</b>	<b>Energy Conservation</b>	
<b>Parameter Value</b>	No impact on the IRP	
<b>Rationale</b>	The energy conservation programme will remain an Emergency Programme to deal with periodic shortfalls in generation capacity and will not be utilised in the IRP model.	
<b>Responses to Public Inputs</b>	<b>Summary of specific comments</b>	<b>Response</b>
	Coal mines should not be exempted (90x2030, ELA)	Since the energy conservation programme is not considered in the IRP, this is not an IRP issue; however limiting energy supply to a coal mine supplying power stations would only exacerbate coal supply constraints, leading to further reductions elsewhere.
	There is no clarity regarding step-block tariffs for all sectors and its expected effects. (90x2030)	Noted. The implementation of the step-block tariffs is not considered in this iteration of the IRP. The impact will be assessed at the next iteration.
	Long term supply contracts should be disclosed and included in the IRP (90x2030)	Noted. From an expansion planning perspective the tariff applicable to certain customers is irrelevant; however this would be important in determining future price paths.
	Accumulating the demand side options from D6-D9 a demand reduction in the range of 30-35% seems to be achievable in short to mid-term. How is this considered in the demand projection? (90x2030, CJN!-WC)	As discussed in D6,7,8 the Eskom programme will be considered as a committed programme. While price increases may encourage private energy efficiency improvements (and thus impact on the expected demand), additional central interventions are modelled as options in the Enhanced DSM scenario. The programmes do not impact the expected demand directly.
	Establishment of the "standard offer" energy buy back scheme is preferred to the PCP, which is a flawed conservation tool (ACMP)	Noted.
	No supporting information for the 23TWh reduction (ACMP, CIC)	Noted. Since IRP is not including the PCP this is not relevant.
	Pay people to reduce, penalise people with higher consumptions. Full customer participation is not guaranteed for DSM/SMEC and we should also be focusing on new generation capacity. (Coega Development Corporation)	Noted.
	Clarity required on stepblock tariffs, as NERSA has only recommended on domestic tariffs – what about industry? (ELA)	Noted.
	There is no indication if the long-term supply contracts are included in the SMEC, which is unjust. (ELA)	Noted.
	The IRP should commit to the energy conservation strategy by allocating funds, promulgating a stepped block tariff and setting up a registration facility (Energy Caucus).	The energy conservation strategy as envisaged is treated as an Emergency option.
	PCP will become a reality. Current uncertainty regarding PCP is limiting investments – clear guidelines need to be published (IES)	Noted.
	Make energy conservation part of the education syllabus (Private-WB)	Noted.
	This should be an emergency tool in the short term and should not be included in the IRP as either a supply or demand side option. Electricity conservation that is done with no impact on production volumes should be part of energy efficiency .(SASOL)	Noted.



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	<p>A successful SMEC programme should free up funds for low-carbon technologies (especially wind). This should be modelled in the IRP. If the SMEC does not succeed the PCP with penalties becomes unavoidable. The IRP needs to model this as it affects electricity prices at the margin and thus the affordability of wind power. (SAWEA)</p>	<p>End-user tariffs do not impact on the IRP choices, rather options compete on a cost basis for inclusion in the IRP. If SMEC/PCP raises charges on consumers, the IRP would not consider this. However consumers should still have choice in order to avoid these charges, including purchasing power from willing sellers.</p>
	<p>If the PCP comes into effect, IPP's need to be able to sell to willing buyers. Legislation is required to remove being part of the IRP as a precondition for a generation license. Clarity on wheeling charges and standby charges are required in this event. (SAWEA)</p>	<p>Noted.</p>