

NATIONAL ASSEMBLY QUESTION 1566

Mr P Dexter (Cope) to ask the Minister of Energy:

Whether her department has encountered any challenges with the roll-out of solar water heaters (SWH) as part of Government's commitment to one million SWH units by 2014; if not, what is the position in this regard; if so, what are the relevant details? NW1734E

REPLY

Yes, my Department has encountered a number of challenges with the roll-out of solar water heaters (SWHs), and these include the following:

- i. Poor installations;
- ii. High capital costs of solar water heaters; and
- iii. Programme financing.

Efforts to address these challenges are progressing quite well, and are reflected below:

- i. Since April 2010, standards for both low- and high-pressure solar water heaters have been in existence but adherence to these standards remains a challenge. Eskom has now introduced strict measures to make conformity to national standards inescapable. The scope, frequency and extent of independent technical audits on the installations have now been widened, and vendors run the risk that their payments might be withheld if they transgress.
- ii. The department is of the view that scaling up local production as demand increases will also put a downward pressure on product prices.
- iii. To address the challenges associated with financing this programme the new Standard Offer incentive scheme that will fund all Energy Efficiency and Demand Side Management interventions has been developed. A funding model for this tariff funded scheme has been finalised, and through engagements with NERSA and Eskom, my department is working on its implementation.