



MINISTRY OF ENERGY  
REPUBLIC OF SOUTH AFRICA

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**Memorandum from the Parliamentary Office**

**★179. Mr J A Esterhuizen (IFP) to ask the Minister of Energy:**

- (1) With reference to her reply to question 275 on 8 April 2016, and in light of the high cost of energy distribution across the country and to the many expansive rural communities and villages that characterise the South African landscape, what progress has her department made in ensuring that Eskom invests in cost-effective renewable energy resources;
- (2) whether, with reference to Eskom's alleged decision not to sign any further contracts with independent power producers, she has found that Eskom is not in transgression of any of its rules and regulations in order to protect the power utility's expansion into nuclear as a source of energy; if not, what is the position in this regard; if so, what are the relevant details? NO1996E

**Reply:**

- (1) As part of the National Electrification Strategy, rural areas are either supplied by grid and/or non-grid technologies. The technology choice is dependent on among others grid access, socio-economic development, developmental policies of Government and the cost per connection, which are all factored into the Electrification Master Plan. After considering these factors, the decision may be to implement non-grid technology. Solutions are discussed with the municipalities and communities affected, and upon the positive

outcome of all these engagements, only then is non-grid implemented. More than 124 000 such systems have been successfully implemented under the INEP programme. The programme is assisting considerably towards energy savings in the country as a whole.

(2) No.

The Department is working closely with Department of Public Enterprises (DPE), National Treasury (NT) and Eskom to discuss the concerns related to the IPP Programme and once such consultations concluded, a government position will announced on the issue of IPPs. At this stage, the IPP Programme continues in its current shape and form and continues to form an important element of energy mix.