



# DEPARTMENT OF ENERGY

## PRESENTATION ON THE INTEGRATED NATIONAL ELECTRIFICATION PROGRAM (INEP)



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# Annual Report Presentation

- Electrification Progress 13/14
- 14/15 Allocations
- Historical five year performance
- Way forward



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# Electrification Progress 13/14



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# Electrification progress

- Just above 5.8 million households were connected to the grid between 1994 and December 2013.
- In the period from 2002 to 2013/14 – 68 115 households were supplied with non-grid technology (Solar panels – Renewable Energy)
  - Eastern Cape - 13 202
  - Kwazulu Natal - 44 532
  - Limpopo - 10 381
- Non-grid electrification programme will in future not only be implemented in concessionary areas, but in other areas of the country, through the Master Plan Strategy.

Province	Electrified Houses: Municipalities & Eskom
Eastern Cape	1 039 464
Free State	365 631
Gauteng	682 869
KwaZulu Natal	960 681
Limpopo	1 014 356
Mpumalanga	553 845
Northern Cape	134 118
North West	672 648
Western Cape	396 178
<b>Total</b>	<b>5 819 790</b>



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# Allocations 2013/14

	2013/14 (R'000)
<b>MUNICIPALITIES</b>	<b>R 1 314 772</b>
<b>PLANNED CONNECTIONS</b>	<b>86 356</b>
<b>ESKOM (NATIONAL)</b>	<b>R 2 141 027</b>
<b>PLANNED CONNECTIONS</b>	<b>157 839</b>
<b>NON - GRID</b>	<b>R 86 400</b>
<b>PLANNED CONNECTIONS</b>	<b>15 956</b>
<b>TOTAL PLANNED CONNECTIONS</b>	<b>260 151</b>
<b>TOTAL ALLOCATIONS</b>	<b>R 3 542 199</b>



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# ESKOM PROGRAMME 2013/14 – to December 2013

PROVINCE	ALLOCATION R'000	TRANSFERRED R '000	EXPENDITURE R'000	PLANNED CONNECTIONS	CONNECTIONS ACHIEVED	YTD Actual Connections INCLUDING ROLLOVERS
EC	531,705	421 574	407,875	35,000	8,957	16,679
FS	28,373	17 032	19,219	1,486	2,100	2,100
GP	60,508	43 299	52,547	8,737	4,206	5,008
KZN	568,846	528 564	583,974	35,119	15 238	25,861
LIM	349,464	225 483	235,267	35,000	17 187	19,826
MP	192,982	148 278	141,858	15,612	11 536	11,744
NW	289,379	221 686	210,625	17,263	5 813	13,577
NC	23,660	13 928	12,305	1,421	241	245
WC	96,108	54 042	64,912	8,201	8 724	9,376
<b>TOTAL</b>	<b>2,141,027</b>	<b>1 673 887</b>	<b>1,728,581</b>	<b>157,839</b>	<b>74,002</b>	<b>104,416</b>

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Note: To date Eskom achieve 74 002 connections on 2013/14 F/Y, but including rollovers Eskom achieves 104 416 connections.

# MUNIC PROGRAMME 2013/14 – to December 2013

PROVINCE	ALLOCATION R'000	TRANSFERRED R '000	EXPENDITURE R'000	PLANNED CONNECTIONS	CONNECTIONS ACHIEVED	YTD Actual Connections INCLUDING ROLLOVERS
EC	290,900	257,200	46,950	14,661	828	9,318
FS	95,100	122,320	9,964	3,983	0	1,416
GP	173,000	153,100	62,057	114,88	5275	11,954
KZN	261,722	249,422	21,892	17,985	1375	15,230
LIM	159,300	153,950	93,263	16,541	8486	12,804
MP	111,400	93,170	14,053	7,671	0	2,693
NW	49,150	39,650	16,877	2,385	320	1,377
NC	57,100	54,539	22,417	3,285	52	1,614
WC	117,100	97,640	72,591	8,357	2877	3,922
<b>TOTAL</b>	<b>R1, 314,722</b>	<b>R1,220,991</b>	<b>360,064</b>	<b>86,356</b>	<b>19213</b>	<b>60,328</b>

Note: To date municipalities achieve **19 213** connections on 2013/14 F/Y, but including rollovers Municipalities achieves **60 328** connections.



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# Non grid – Solar home systems

## 2013/14 Financial year

PROVINCE	PLANNED (Connections)	ACHIEVED (Connections)
EC	1228	1478
KZN	9518	4347
LIMPOPO	2000	1649
NC	210	210
OTHER	2 800	-
<b>TOTAL</b>	<b>15 956</b>	<b>7 684</b>

- Additional three service providers were appointed in January 2014 to execute the non-grid programme and all the funds are committed.
- The EU and IFC (World Bank) are also supporting in terms of non-grid project management.
- The electrification master plan indicates that the programme will achieve 300 000 installations by 2025.



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# Additional non-grid aspects

- More municipalities can be assisted, but Councils are not taking resolutions wrt non-grid implementation; (1) agree that non-grid be installed in municipal area and (2) that a maintenance programme is been put in place.
- The Department will be conducting a non-grid electrification pilot in the informal settlements of the Nelson Mandela Metro Municipality. The intention is to provide total non-grid solutions in a form of lighting in the houses, as well as security lights in a form of solar street lights. The pilot will assist us in formulating policy in the future.
- A fuel cell generation pilot project is about to be installed in Moqhaka Municipality in Free State sponsored by Anglo Platinum. The fuel cell technology has never been tested for rural electrification and is a ground breaking project for the country to learn more about this sources of energy and whether it can be considered in the future for electrification purposes.



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# Re-gazetting figures for 13/14

## Eskom Programme

PROVINCE	Original allocation	Adjustments	Adjusted/revised allocation
	R'(000)	R'(000)	R'(000)
Eastern Cape	R 580,296	-R 48,590	R 531,706
Free State	R 16,621	R 11,754	R 28,375
Gauteng	R 104,430	-R 44,021	R 60,509
Kwazulu/Natal	R 523,236	R 45,608	R 568,844
Limpopo	R 339,783	R 9,680	R 349,463
Mpumalanga	R 201,859	-R 8,876	R 192,983
North West	R 246,751	R 42,621	R 289,372
Northern Cape	R 16,497	R 7,166	R 23,663
Western Cape	R 111,454	-R 15,342	R 96,112
<b>TOTAL</b>	<b>R 2,141,027</b>	<b>R 0</b>	<b>R 2,141,027</b>



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# Re-gazetting figures for 13/14

## Municipal Programme

PROVINCE	Original allocation	Adjustments	Adjusted/ revised allocation
	R'(000)	R'(000)	R'(000)
Eastern Cape	R 385,900	-R 7,215	R 378,685
Free State	R 180,100	R 0	R 180,100
Gauteng	R 173,000	R 0	R 173,000
Kwazulu/Natal	R 361,722	-R 1,000	R 360,722
Limpopo	R 159,300	R14,215	R 173,515
Mpumalanga	R 111,400	-R6,800	R 104,600
North West	R 69,150	R3,300	R 72,450
Northern Cape	R77,100	R 0	R 77,100
Western Cape	R 117,100	-R 2,500	R 114,600
<b>TOTAL</b>	<b>R 1,634,772</b>	<b>R0</b>	<b>R 1,634,772</b>



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# 14/15 Allocations



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# Allocations 2014/15

	2014/15 (R'000)
<b>MUNICIPALITIES</b>	<b>R 1 104 658</b>
<b>PLANNED CONNECTIONS</b>	<b>70 979</b>
<b>ESKOM (NATIONAL)</b>	<b>R 2 948 310</b>
<b>PLANNED CONNECTIONS</b>	<b>180 031</b>
<b>NON - GRID</b>	<b>R 96 621</b>
<b>PLANNED CONNECTIONS</b>	<b>15 000</b>
<b>TOTAL PLANNED CONNECTIONS</b>	<b>266 010</b>
<b>TOTAL ALLOCATIONS</b>	<b>R 4 149 589</b>

The reduction in the municipality programme by **R 460 million** and increase in the Eskom programme by R460 mil are factored into the above table, which will have the result that an additional **30 000** connections will have to be achieved by Eskom in 2014/15.



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# Municipalities 14/15 allocations

PROVINCE	14/15 allocated funding R'(000)	Planned connections
Eastern Cape	R 248,700	15 544
Free State	R 92,700	6 320
Gauteng	R 129,000	8 795
Kwazulu/Natal	R 252,000	15,750
Limpopo	R 167,000	10 438
Mpumalanga	R 63,200	3 950
North West	R 44,458	2 899
Northern Cape	R 18,000	1174
Western Cape	R 89,600	6,109
<b>TOTAL</b>	<b>R1,104,658</b>	<b>70 979</b>



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# Eskom 14/15 allocations

PROVINCE	14/15 allocated funding R'(000)	Planned connections
Eastern Cape	R 660,000	38724
Free State	R 52,188	3 626
Gauteng	R 152,746	13 107
Kwazulu/Natal	R 666,962	46 072
Limpopo	R 620,782	28 820
Mpumalanga	R 296,752	19 063
North West	R 280,591	19 753
Northern Cape	R 79,319	2 241
Western Cape	R 138, 971	8 625
<b>TOTAL</b>	<b>2, 948, 037</b>	<b>180 031</b>

Note that R662,7 mil of all municipal allocations, while R2,314 bil of Eskom allocations are earmarked for the 24 least resourced District Municipalities for the 14/15 financial year, in line with support of SIP 6 initiative. Total grid allocation of R2.977 bil, as well as the full non-grid allocation of R96 mil makes out 73 % of the total INEP allocations for 14/15.



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# Historical five year performance



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# Historical 5 year performance

Province	Eskom DoE funded	Eskom own Funded	Munic DoE Funded	Munic Own funded	Non-grid	Total
EC	137092	28926	31640	2532	13 202	213 392
FS	16942	0	21995	1866		40 803
GP	54151	8077	45116	12810		120 154
KZN	121398	30494	44698	1119	44 532	242 241
LIMP	113624	24559	56899	0	10 381	205 463
MP	63225	13973	22014	0		99 212
NC	13014	9676	8022	0		30 712
NW	62547	279	12847	0		75 673
WC	45858	2715	27205	5118		80 896
<b>Total</b>	<b>627 851</b>	<b>118 699</b>	<b>270 436</b>	<b>23 445</b>	<b>68 115</b>	<b>1 108 546</b>

Note: Due to the slow internal process of municipalities, and receiving feedback on completed connections by both Eskom and Munic, as well as DoE verification and auditing capacity, these figures will increase towards the end of the 13/14 financial year.

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# Way forward



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# 24 Districts Municipalities Allocations

Province	Municipality Name	Municipality Allocations R" (000)	Eskom Allocation R" (000)	2011 Backlog Figures
Eastern Cape	Amathole	14 400	129 200	71 699
	Chris Hani	39 900	91 500	50 018
	OR Tambo	47 300	271 500	88 941
	Alfred Nzo	99 200	93 600	91 105
Limpopo	Vhembe	50 000	198 000	43 015
	Capricorn	30 000	121 300	43 159
	Mopani	18 000	199 900	33 429
	Greater Sikhukhune	66 000	54 100	37 124
Free State	Xarieb		723	3 551
<b>Sub-Total</b>		<b>365 800</b>	<b>1 159 823</b>	<b>462 041</b>



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# 24 Districts Municipalities Allocations

Province	Municipality Name	Municipality Allocations R'' (000)	Eskom Allocation R'' (000)	2011 Backlog Figures
Kwazulu-Natal	Sisonke	31 000	20 700	42 250
	Ugu	15 000	80 700	50 470
	Uthugela	25 000	72 800	37 593
	Umzinyathi	34 000	70 200	57 981
	Umgungundlovu	11 000	2 100	37 920
	Amajuba	7 000	150 000	17 992
	Zululand	44 000	103 300	47 693
	Umkhanyakude	19 000	38 900	84 642
	Ilembe	25 000	140 800	45 120
	Uthungulu	26 000	125 100	49 198
<b>Sub-Total</b>		<b>237 000</b>	<b>804 600</b>	<b>470 859</b>

# 24 Districts Municipalities Allocations

Province	Municipality Name	Municipality Allocations R" (000)	Eskom Allocation R" (000)	2011 Backlog Figures
North West	Ngaka Modiri Molema	8 600	81 700	31 949
	Dr Ruth Segomotsi	11 700	59 300	22 255
Northern Cape	John Taolo	5 500	49 000	8 000
Mpumalanga	Ehlazeni	34 100	159 800	49 572
<b>Sub-Total</b>		<b>59 900</b>	<b>349 800</b>	<b>111 776</b>
<b>Total</b>		<b>662 700</b>	<b>2 314 223</b>	<b>1 044 676</b>



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# Way forward

- A Masterplan is been developed to ensure that universal access are reached by 2025 – grid and non-grid roll-out plan.
- A panel of technical audit consultants will be established by 2014.
- Electronic monitoring tool will be implemented in 2014 to improve real time overview of progress and bottlenecks.
- Moved R460 from munics to Eskom according to PICC request need to be monitored carefully to ensure that increase delivery of connection rate is been achieved.
- INEP is focusing on resolving the issue of network constraints, islands and mix development specifically in the EC and KZN in order to unlock the backlog.
- Non-grid implementation model to be changed – EU and IFC (World Bank support)
- Establishment of the provincial project steering committees will improve performance of the programme and good cooperation between the spheres of government and the stakeholders.



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# Thank you



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