



**Address by the Minister of Energy, Ms. Dipuo Peters at the
Solar Park Public Participation Process in Prieska, Northern Cape**

20 October 2012

Programme Director;

The Acting Premier of Northern Cape Province, Ms Grizelda Cjiekella

The Leadership of the Northern Cape Provincial government;

Members of the Northern Cape Legislature;

Mayor of Siyathemba Municipality;

Chairman of CEF;

Distinguished Guests,

Members of the media;

Ladies and Gentlemen.

Thank you all for joining us in this gathering and for allowing me to share some thoughts on the Northern Cape's Solar Park Initiative.

This gathering presents another opportunity for the leadership of Northern Cape, the interested parties, relevant stakeholders, the community and the whole of South Africa to meet with the Department of Energy and to engage on various issues pertaining to the Solar Park Initiative as well as other energy related matters.

I trust you will all recall Ladies and Gentlemen that, it was almost two years ago when internal and local investors assembled in this almost isolated province of ours solely to harness the first mover advantage and be ground breakers for the Solar Park Initiative. I want to reassure you that up to this day, the 2010 appetite displayed by investors to come to Northern Cape remains insatiable. Once our plans come to fruition, this initiative will undeniably put Northern Cape on the map of South Africa and the world by replacing the diamond, a mineral that use to attract people to this province, with the sun that will be generating clean, safe and sustainable electricity for South Africa.

Programme Director,

Let me remind everyone once more that the Solar Park dream was established in 2010 after the pre-feasibility study was completed by Clinton Climate Initiative on behalf of the Department of Energy. The study indicated that Northern Cape is the best preferred area in terms of the solar irradiation. Several potential sites were identified in the Northern Cape and that is, 2 sites in Upington, 2 sites in Groblershoop, Prieska and De Aar – *collectively dubbed the Northern Cape Solar Park Corridor*. The pre-feasibility study analysis further confirmed that the Northern Cape has excellent and consistent sun, flat and sparsely-populated land, the ability to connect to the electricity grid at multiple points and water is available from the Orange River.

As revealed by the pre-feasibility study, the Solar Park Initiative has the potential to house up to 5 000 MW of installed renewable electricity. The estimated land mass that will be required to accommodate such a colossal solar farm is about 9 hectares (ha). To the extent that the Solar Park will adopt a corridor design methodology, it is worth emphasising that the programme will be rolled-out in different phases – meaning that Prieska will not be *the be-all and end-all* of the Solar Park Initiative; watch the space, Northern Cape will be South Africa's solar capital. The first phase is envisaged to be 1000 MW.

As per my earlier prelude Programme Director, following the successful and well attended Solar Park Investors' Conference that took place in Upington in 2010, all of us would agree that this programme has attracted, and continues to attracted, a lot of

interest locally and internationally. My Department remains abuzz with enquiries about the latest developments on the Solar Park. Just to give a snap-short of what has happened within the solar space since the Solar Park investors' conference. As empowered by the Electricity Regulation Act, I made a determination of 3,725 MW of new generation capacity in consultation with the National Energy Regulator of South Africa. This determination is procured through the Renewable Energy Independent Power Producer Procurement Programme which I launched on 31 July, last year. It gives me great gratification to realise that, starting from a *miniature* renewables electricity base a year ago, a total of 2,460 MW of green power has been allocated to 48 successful bidders through two bidding windows. I will be announcing the second determination soon which will provide additional MWs to create the much needed certainty in the market.

South Africa is developing a Solar Energy Technology Road map which is a strategic plan that outlines the steps a country needs to take to achieve stated outcomes and goals. The Department of Energy (DoE) together with the Department of Science and Technology (DST) and the International Energy Agency (IEA) assembled a national workshop with all relevant stakeholders who outlined the performance targets, pathways, priorities and timeframes for research, development and deployment of solar energy in June 2012. It is always prudent to associate yourself with level headed minds Ladies and Gentlemen if you want to achieve higher goals; hence the South African Government's collaboration with IEA, one of the world's renowned energy agencies.

The DoE has also officially launched the South African National Energy Development Institute (SANEDI) which is responsible for enabling and implementing the energy technology research which supports the policies developed by my department.

Fourthly, last month the AEG Power Solutions Company was launching a solar equipment manufacturing factory in South Africa, Cape Town. The establishment of a manufacturing facility, with many more to come, will help us to reduce our dependency on imports and create jobs as envisaged in our policy documents like the New Growth Path Framework which has set a target of creating 5 million new jobs by the year 2020

as well the Government's National Development Plan blueprint. Setting up local manufacturing facilities truly gives meaning to South Africa's job creating imperative and as Government we believe that a large number of green jobs could be created in this sector.

The Green Economy Accord sets an opportunity for creating an economic revolution in the manufacturing industry. The Solar Park Initiative and the Solar Water Heating programme will create manufacturing, construction, installation, maintenance and operation jobs. It is also important to note that the Green Economy Accord is implemented together with the Local Procurement Accord and the National Skills Accord which are the central points to this collective objective. The Department of Trade and Industry is putting together various incentives to promote the green industry.

When I said a lot has happened since October 2010 Ladies and Gentlemen, I really meant a lot.

Less we forget that South Africa hosted a successful and clean energy intensive 17th Conference of the Parties in November and December 2011 in Durban which was attended by both local and international stakeholders. Mr Department played a significant role during the conference by hosting 26 energy side events with emphasis on clean energy. Countries like Denmark, UK, Germany, Norway and the European Investment bank signed a landmark Declaration of Intent committing funds to support the implementation of the South African Renewable Energy Initiative, well known as SARi.

Apart from the envisaged Solar Park, South Africa succeeded in the bid to build the world's largest scientific instrument - the Square Kilometer Array (SKA) with Australia as co-host. The SKA will bring top researchers to the continent to do cutting edge work on African soil and also to inspire young people about a future in science and technology. This province will be the scientific hotspot for the continent as people will be flocking in to witness history in the making as the envisaged Solar Park will be the biggest in the world and the SKA will also be at its peak stage from the next coming years.

Programme Director,

After the investors' conference in Upington, Eskom embarked on a journey of integrating the Solar Park project into the National grid. Eskom have plans to upgrade and support infrastructure in areas like Aries, Ferrum and Nieuwehoop.

Today we will be signing a Memorandum of Understanding symbolically on the Solar Park Initiative with CEF and Siyathemba Local Municipality for implementation here in Prieska. I would like to commend Siyathemba municipality who, post the Solar Park Investors conference, undertook some exercises to confirm the outcome of the prefeasibility including alignment of the study with the Municipality's Integrated Development Plan (IDP) particularly the local economic development planning. This process included a public participation process on Solar Development Plan with the communities where some consensus was reached and concluded through Council Resolutions. Prieska is one of the six potential sites areas identified by the prefeasibility study and it falls within the Siyathemba Municipality. Owing to the municipality's passion about the Solar Park Initiative, we are delighted to be gathered here today.

The MoU will allow CEF to appoint consultants who will be conducting the Feasibility study, the Environmental Impact Assessment and the Geotechnical study. The advert for procuring these consultants was issued last Sunday. Should the outcomes of the study be positive, the results will be taken to Cabinet for consideration and ultimately endorsement for the Initiative to go ahead. I understand that most of you might be wondering why the shift from Upington to Prieska. As I have indicated before, the Solar Park is following a corridor design method which means it will be rolled-out in different phases and areas within the Northern Cape. It is true that our intention was to start at Upington but we experienced challenges with land accessibility and we decided to start in Prieska while resolving matters in Upington.

I would like to conclude by urging other municipalities to follow-suit what Siyathemba has done in terms of taking the first step and conduct the preliminary studies. As South Africa we have proved beyond reasonable doubt that we can do anything that we put our mind and our joint efforts on. We have successfully hosted international events like

the World Cup in 2010; COP 17 in 2011; we have won the bid to build the SKA and we will be hosting the African Cup of Nations in January 2013. It therefore goes without saying that, working in unison, we can exceed everyone's expectations of the Solar Park.

Lets us all continue to work together as we have proved that, by so doing, we can do more. I believe that we will be satisfied by the outcomes of Mangaung in December 2012.

Thank you for your attention.