

INTEGRATED ENERGY PLANNING PUBLIC CONSULTATION

OPENING WORKSHOP - JOHANNESBURG

25 SEPTEMBER 2013

OPENING REMARKS

BY

Director General: Ms Nelisiwe Magubane

Programme Director

Deputy Minister of Energy, Ms Barbara Thompson

Chairperson of the Parliamentary Portfolio Committee of Energy and members of the committee

All members of Parliament present

Representatives from Labour and Business Constituencies

Our international speakers and guests

Directors General from all Government Departments present

Chairpersons of State Owned Entities and Government Agencies

Chief Executive Officers of State Owned Entities and Government Agencies

Officials from the Department of Energy and all other Government Departments represented

Representatives from the oil and gas as well as the electricity industries

Representatives from various organizations and interest groups

Ladies and gentlemen

It is my pleasure and privilege to welcome you to the opening workshop of a series of workshops to engage on the Draft Integrated Energy Planning Report which will

take place over the next two days. Workshops will also be hosted in Cape Town and Durban, the dates and venues of which are still to be confirmed by the Department and will be announced in due course.

Many of you will recall that in March 2012, we hosted the Energy Planning Colloquium, the purpose of which was to launch the development of the Integrated Energy Plan for South Africa and hence mark the beginning of broad stakeholder consultations for the development of this important energy policy.

One of our primary objectives is to ensure that we obtain input from a broad stakeholder basis through an inclusive process. Energy and energy issues affect each and every South African and it is therefore important that we include you in discussions and debates that will shape this important policy.

At the energy planning colloquium we invited several speakers to provide us with different perspectives on key global issues facing energy sectors across different economies. This insight afforded us an opportunity to explore different strategies of dealing with these challenges which are often beyond our borders and are therefore beyond our control.

Issues of climate change and sustainability, particularly within the energy sector are paramount and ought to take centre stage in any discussions on energy policy. Various speakers shared their perspectives on how we can tackle the climate change issues while simultaneously ensuring that we maintain a balanced view of all

the three pillars of sustainable development, namely: Economic growth, Social development and Environmental responsibility.

Officials from the Department also shared with you the energy planning approaches that they had explored and how they aimed to translate these into policy formulation.

Over the past year my Department, together with other government departments have, deliberated extensively of various policy issues, assumptions and obtained meaningful input which has culminated in the Draft Integrated Energy Planning Report. While the report is a draft, significant effort has gone behind its development, however that being said significant work still needs to be undertaken in order for it to make final recommendations which will culminate in the Integrated Energy Plan.

Ladies and gentlemen, I need to emphasise that the Draft Integrated Energy Planning Report which has been published and on which these stakeholder workshops are based, is not and does not contain the Integrated Energy Plan. Rather it presents the output or results from several policy alternatives that have been considered during the planning process and in so doing starts to outline the implications of various energy pathways that we could follow, from which the detailed planning could be made.

An analogy that could be used of these alternative pathways is that of the various national roads in South Africa that could be used to get from one point to another such as the N1 and the N3. The Draft Integrated Energy Planning Report gives us the ability to simulate the outcomes if, for example, we have determined that we

want to drive from Soweto to Pretoria but need to make a decision on the best route to follow. While the N1 might be the best route to follow under a given set of conditions, the N3 could very well be the better route to follow under a totally different set of conditions. Through the energy modelling process, we are able to test the implications of taking different routes under a given set of conditions. Such conditions are often referred to as assumptions or constraints during the energy planning process.

The Draft Integrated Energy Planning Report therefore does not provide us with a recommendation of using either the N1 or the N3, but rather shows us the implications of using the N1 or the N3 under a given set of assumptions and constraints. The final IEP will be determined by evaluating the best energy policy options or policy alternatives using these output or results as a basis. Therefore only once the key assumptions and output have been deliberated upon with you the public, and all input obtained has been duly considered, will this inform the final Report or the actual Integrated Energy Plan

Without much ado, welcome ladies and gentlemen. Thank you.