

Google invests in NC solar project

Google recently announced its investment of R103 million in the Jasper Power Project, a 96 megawatt solar photovoltaic plant in the Northern Cape province of South Africa.



Upon completion, Jasper will be one of the largest solar installations on the continent, capable of generating enough electricity to power 30,000 South African homes. The project, developed and funded by SolarReserve, Intikon Energy and the Kensani Group, is also backed by the Public Investment Corporation, Development Bank of South Africa and the PEACE Humansrus Trust, with senior debt and preference share funding being provided by Rand Merchant Bank.

Since 2008, when the country experienced severe energy shortages, the South African government has been actively supporting the growth of new sources of electricity to power the nation. Whilst South Africa is primarily dependent on fossil fuels, there is significant potential for renewable energy based on abundant wind and solar resources. The government has set an ambitious goal of generating 18 gigawatts of renewable energy by 2030 - the entire South African grid is currently 44 gigawatts.

The Renewable Energy Independent Power Producer Procurement Program

To meet this goal, the South African government has established the Renewable Energy Independent Power Producer Procurement Program or [REIPPPP](#). Through the program, renewable energy projects compete on the basis of cost and contribution to the local economy to be awarded a contract with Eskom, South Africa's state-owned energy utility. Jasper and the other projects being developed through the REIPPPP have the potential to transform the South African energy grid.

Luke Mckend, country director, Google South Africa, said, "When we consider investing in a renewable energy project, we focus on two key factors. First, we only pursue investments that we believe make financial sense. South Africa's strong resources and supportive policies for renewable energy make it an attractive place to invest - which is why it had the highest growth in clean energy investment in the world last year. Second, we look for projects that have transformative potential - that is, projects that will bolster the growth of the renewable energy industry and move the world closer to a clean energy future. The Jasper Power Project is one of those transformative opportunities, and the Department of Energy's innovative REIPPPP has played a key role in making it possible."

Economic, social benefits

The project will also bring economic and social benefits to the local community. Jasper will create approximately 300 construction and 50 permanent jobs in a region experiencing high rates of unemployment, as well as providing rural development and education programs and setting aside a portion of total project revenues - amounting to approximately \$US26m over the life of the project - for enterprise and socio-economic development.

"We are proud to be part of South Africa's progressive program to advance clean energy, and we are excited to have Google as a partner. Our Jasper project will provide substantial, long-term economic benefits to the region and help the country meet its impressive clean energy goals," said Kevin Smith, CEO of SolarReserve. "The South Africa government's advanced energy projects are allowing the country to quickly become a model for not only the rest of the continent, but for the world. We look forward to continuing our work on Jasper and on our other photovoltaic and solar thermal projects in development in South Africa."

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