

## **Energy Crisis Committee releases progress report**

Through the Presidency, the National Energy Crisis Committee (Necom) on Saturday, 21 January, released a six-month update on progress in the implementation of the Energy Action Plan. A series of interventions are planned, aimed at solving the country's worsening power crisis and easing ongoing load shedding.



Source: Siphiwe Sibeko/Reuters

"The declining energy availability factor of Eskom's fleet reflects the cumulative impact of historical underinvestment in maintenance and assets, exacerbated by flaws in the design of new power stations in the last decade," Necom said.



Load shedding to continue for at least two more years - Eskom

Tim Cocks 23 Jan 2023

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## Interventions documented in the report include:

- Schedule 2 of the Electricity Regulation Act has been amended to remove the licensing requirement for generation projects, which will significantly accelerate private investment.
- Since the licensing threshold was first raised to 100MW, the pipeline of private sector projects has grown to more than 100 projects with over 9,000MW of capacity. The first of these large-scale projects is expected to connect to the grid by the end of this year.
- Necom has instructed departments to cut red tape and streamline regulatory processes for energy projects, including
  reducing the timeframe for environmental authorisations to 57 days from over 100 days. Reduce the registration
  process from four months to three weeks and ensure that grid connection approvals are provided within six months.
- Project agreements for 19 projects from Bid Window 5 and six projects from Bid Window 6 of the renewable energy programme, representing 2,800MW of new capacity. These projects will soon proceed to construction.
- A new ministerial determination has been published for 14,771MW of new generation capacity from wind, solar and

battery storage to accelerate further bid windows.

- An additional 300MW has been imported through the Southern African Power Pool, and negotiations are underway to secure a potential 1,000MW from neighbouring countries starting this year.
- Eskom has developed and launched a programme to purchase power from companies with available generation capacity through a standard offer. The first contracts are expected to be signed in the coming weeks.
- A team of independent experts has been established to work closely with Eskom to diagnose the problems at poorly performing power stations and take action to improve plant performance.

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