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Author: Minenhle Ndwandwe

ENERGY TRANSITION

Salga assists municipalities to benefit from new power plans

MINENHLE NDWANDWE

minenhle.ndwandwe@inl.co.za

THE SA Local Government Association (Salga) has collaborated with the USAid Southern Africa Energy Programme to help municipalities take advantage of the policy shift in energy generation.

The partnership is aimed at providing technical assistance and capacity-building as part of its efforts to support municipalities in managing existing energy infrastructure, increasing electricity access, introducing novel energy solutions, and initiating the Just Energy Transition (JET).

Salga said it was playing an advocacy role in the shift in the national policy to allow for the private sector's entry into the energy generation space, and for municipalities to be able to buy not only from Eskom but also from Independent Power Producers (IPPs).

Councillor Tebogo Hlakutse of the Electricity, Energy and Public Works Working Group said that as the country was fundamentally transforming the electricity sector and positioning it for future sustainability, regulations have changed to allow municipalities to procure power independently to ensure energy certainty.

"Although it is our wish, not all municipalities will enter the space at



MAYORS, municipal managers, councillors and representatives from Salga have been holding constructive engagements that are aimed at increasing municipalities' awareness and understanding of the Just Energy Transition.

the same time, because there are various factors relating to playing in the IPP space, some of which are financial stability or having a healthy balance sheet, the resources for generation in the jurisdiction such as solar irradiance, land, wind, landfill, among others," said Hlakutse.

A two-day session was held last Wednesday and Thursday in Secunda, Mpumalanga, with the aim of supporting municipalities in the province and also increasing awareness and understanding of the JET.

Last month President Cyril Ramaphosa called for all South Africans to be part of the solution; to contribute in any way they can to ending energy scarcity in South Africa.

He announced that the government was working to cut red tape for the registration of new power projects and announced plans to resuscitate the Renewable Energy Independent Power Producers Procurement Programme to substantially increase investment in wind and solar power.

"The president's plans lacked extra details on the role of municipalities in addressing the country's energy security. Salga is forging ahead with its new generation capacity-building programme aimed at enabling municipalities to be ready for the future energy landscape," said Hlakutse.

Salga noted the need for municipalities to have concrete plans to access climate funding in order to adapt to the transition, hence this support.

Municipalities will also require an appropriate portion of the \$8.5 billion (R153bn) JET climate financing package in support of a local government transition. Salga is confident that with the support it is providing, it will have more than 50% of municipalities ready to enter the space of IPPs. "Salga has played its advocacy role in the shift in the national policy to allow for the private sector to play in the generation space, and also for municipalities to be able to buy not only from Eskom but also from IPPs," said Hlakutse.