

Eskom set to expand power lines without environmental authorisation, Ramaphosa says



25 Jul 2022

SA President Cyril Ramaphosa, in his address to the nation on Monday, announced that the national electricity grid will remain owned by the State, and that Eskom will continue to be the mainstay of our country's energy industry.



Source: Pixabay

To this end, he announced the launch of the National Energy Crisis Committee, chaired by the Director General in the presidency, members of which will report directly to him on a regular basis.

The committee brings all departments and entities involved, such as the Department of Public Enterprises, the Department of Fisheries Forestry and Agriculture, the Department of Minerals and Energy, Treasury and the police.

"They will move quickly to implement the actions announced today," he said, "which aim to not just address our immediate constraints to ensure energy stabilisation in our country, but have as their objective long-term energy security".

Ramaphosa spoke of Eskom taking additional actions to add new generation capacity to the grid on an urgent basis over the next three months.

"We will be tabling special legislation in parliament on an expedited basis to address the legal and regulatory obstacles to new electricity generation capacity for a limited period."
"The process from design to commercial [energy] operation has tended to take more than three years, almost 1000 days, due to lengthy regulatory processes and red tape. While existing legislation is sufficient in ordinary times the current crisis requires that we act decisively and speedily," Ramaphosa said.
"We raised this matter this morning with legal representatives of political parties sitting at the National Assembly. There was broad agreement that this process should be hastened once the special legislation has been approved by Cabinet and tabled in Parliament.
"We will in the meantime waive or streamline certain regulatory requirements where it is possible to do so within existing legislation. This includes reducing the regulatory requirements for some solar projects in areas in low- to medium environmental sensitivity.

"It also means Eskom can expand power lines and sub-stations without needing to get environmental authorisation in areas of low- to medium sensitivity and within the strategic electricity corridors.

"We're also establishing a single point of entry - a 'one stop shop' for energy project applications to ensure there is coordination of approval processes across government, so those applying should not be moving from one department to the next and thus facing months and months of delays.

"I have instructed departments and entities to review all existing timeframes and to ensure that we process all applications on an urgent basis so that we do not have these elevated delays," Ramaphosa said.



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Ramaphosa said these measures are preferable to declaring a State of Disaster or even emergency as some have suggested.

"These interventions will allow us to do what is necessary to accelerate new generation capacity while protecting the rights of all South Africans."

Ramaphosa added that to incentivise greater uptake of rooftop solar, Eskom will develop rules and a pricing structure known as a feed-in tariff for all commercial and residential installations on its network. This means those who can and already have installed solar panels in their homes and businesses will be able to sell surplus power that they do not need to Eskom.

Broader reforms to establish a competitive electricity market will also be expedited from the finalisation of the Electricity Amendment Bill to enable private sector investment.

"Surplus capacity will be bought from existing independent power producers," he said.

He added that SA would use climate funding to invest in the grid and re-purpose old power plants.

"These changes will radically transform the structures of the electricity sector for future generations," he said.

"If we work together, if we hold each other to account, if we meet our deadlines and fulfil our commitments, we will end the energy crisis and create the conditions for growth and job creation."

Read Ramaphosa's entire address here.

ABOUT KATJA HAMILTON

- Katja is the Finance, Property and Healthcare Editor at Bizcommunity.

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