

## Frequently Asked Questions

*These frequently asked questions (FAQs) are as published on the Western Cape Government's 110% Green Energy Information [website](#). Please see below answers to some of the FAQs on load shedding and renewable energy:*

### 1. What are the rules for installing a solar PV in my home?

The following points are important for Solar PV installations in all municipalities:

1. Ensure that you register your system with the municipality before the system is installed, especially if you intend to apply for a feed-in tariff. All grid-connected installations require registration.
2. Ensure the system is safe by having it installed by a certified installer (check with [SAPVIA](#) for PV installer green card certification). Most municipalities require sign-off by a professional engineer.
3. Obtain clarity on the feed-in tariffs and rules for the municipal area so that you can ensure that your installation meets the requirements.
4. Make sure that the installers use good quality equipment with suitable guarantees. Check [here](#) for an approved PV inverter list that the City of Cape Town recommends. Other municipalities may allow other inverters.

The rules regarding embedded generation vary slightly between municipalities. Please see your specific municipality's website for more details.

### 2. How much will it cost to install solar in my home?

The costs for a solar PV system vary depending on size, type, and configuration - see the following load-shedding guide that provides some overall [cost estimates](#). Most commercial banks provide specific loans for systems often as an extension of or alternative to your home loan - contact your bank to find out more.

While the Western Cape Government is not able to provide a quote for the supply of renewable energy-related equipment, we advise that you search the following [website](#) for an indication of verified PV installation companies searchable by area. It is suggested that you request several comparative quotes.

### 3. What are the changes to my electricity tariff if I install solar?

The tariffs are different for each municipality. Please use the website link [here](#) to check whether your specific municipality offers a feed-in-tariff and for any changes that would occur on your monthly fee:

For the City of Cape Town specifically, the article [here](#) gives greater insight into the specific changes that will be triggered.

#### 4. Who will be able to buy energy or energy generation technology?

There are several options for potential off-takers including:

1. Selling directly to Eskom via the national Renewable Energy Independent Power Producer Procurement Programme ([REIPPPP](#)) and/ or the newly launched power purchase [programme](#). As the programme develops further, we will update the information on our website
2. Selling directly to municipalities through municipal procurement programmes currently being developed, potentially including wheeling through Eskom's network or alternatively with embedded generation on the municipal grid. To date, the following municipalities have started to pursue these options seriously:
  - [Drakenstein](#)
  - [Stellenbosch](#)
  - [Swartland](#)
  - [City of Cape Town](#) - the first round has closed, and they were initially only looking at embedded solutions (i.e., located on their network). The next rounds may include some other options such as wheeled energy and / or dispatchable energy. Additionally, the City is giving businesses the chance to [sell](#) surplus Small-scale Embedded Generation energy.
3. Embedded generation – Selling energy systems to businesses, organisations, and households for them to generate energy for their own use.
4. [Wheeling](#) – through the Eskom network to a private offtaker.
5. Energy Traders: These companies serve as a central point for buying and selling electricity. They may be interested in procuring power from other private companies to sell to their clients.

#### 5. What is wheeling and where is wheeling allowed in the Western Cape?

Please see the following [link](#) on the Western Cape Government's website.

#### 6. Who can I speak to regarding land that I have that I want to use for renewable energy?

You should look at contacting major IPP developers, EPC contractors and solar developers. At present there is no database, however, check back on this website for more information in the future.

#### 7. What is the current outlook on load shedding?

The load-shedding outlook changes on a weekly basis, with updates sometimes coming at short notice. The following [page](#) provides recent information regarding the outlook.



## 8. What is the current stage of load shedding?

The current stage of load shedding can be found [here](#). The City of Cape Town most often runs at a lower stage than Eskom, and the status can be found [here](#). It is suggested to download a load-shedding application on your mobile phone as this will provide up-to-date notifications regarding the status that can change at very short notice.

## 9. How do I avoid load shedding?

Businesses on Eskom and City of Cape Town networks can apply for load curtailment, which, if approved, would mean that instead of being switched off completely during load shedding, a user is required to maintain a certain percentage reduction in energy use for the entire period of load shedding (i.e., not just the time they would have been switched off). This is often more desirable for industry.

There are significant technical limitations, and typically only large power users can apply for load curtailment.

For further information:

Eskom: contact your key accounts manager | [City of Cape Town](#)

## 10. Can someone help me unblock issues that are stalling my renewable energy project?

If your project is stalling due to Environmental Authorizations, note that the Department of Forestry, Fisheries, and the Environment (DFFE) has announced that the EIA approval process for solar PV will be simplified and reduced to [60 days](#).

If your project is stalling due to other matters, please [contact](#) us.

## 11. How can I get help with grid access?

Please see the Eskom [website](#) for information on the Eskom grid access process. The website provides FAQs and diagrams that show the complexity of the process as well as links to the official processes and contact details.

For grid access at the municipal level, it is best to contact the technical department at your municipality directly.

## 12. Is there any funding for green economy initiatives from the government?

Significant climate-related funding is available from several organisations. The following [link](#) provides access to a database and user guide to determine the best potential sources of funding.



### **13. Are there any support programs available to WC residents to buy solar PV systems?**

While direct funding of small-scale energy generation is not currently being provided by the Western Cape Government, the City of Cape Town runs a program that provides a feed-in tariff subsidy of an additional 24c/kWh. Additionally, many solar energy providers and commercial banks in the industry are willing to finance solar installations or even provide capital-free solutions — see industry [brief](#) on this.

### **14. Do municipalities pay a feed-in tariff for electricity from solar PV systems?**

Each municipality sets its own feed-in tariffs. Please use the website [link](#) to check the feed-in tariffs for your municipality.

### **15. What opportunities are there for small-medium enterprises in the energy sector in the Western Cape?**

There are several opportunities for SMMEs in the renewable energy sector with most of these available in the solar PV space. The opportunities include the manufacturing, assembling, and importing of solar PV systems. Opportunities also include the provision of professional services, such as energy services companies (ESCOs), logistics, particularly in transporting renewable energy equipment, the construction of plants, and in other support services such as the cleaning of solar panels etc.

### **16. Will the municipalities move away from Eskom completely and become off-grid, or will they only supplement their Eskom supply with other sources?**

The aim of the Municipal Energy Resilience Project is to support municipalities to take advantage of the new energy regulations to generate, procure and sell their own power so that we can become more energy secure in the Western Cape.

While this project should enable municipalities to help buffer residents and businesses from the impacts of load shedding, they will still continue to be connected to the national transmission system (grid) as municipal distribution systems will not always have the required capacity or be located in the required areas. Additionally, the renewable energy generated or procured by these municipalities won't be able to meet 100 % of the energy demand at this stage.

The project will require us to work closely with national government to explore how the new energy regulations could lead to new energy generation projects within municipalities. We will also work collaboratively with municipalities, including the City of Cape Town, to implement suitable renewable energy projects in a cost-effective manner.



## 17. Is there any indication what portion of the generation will be from various renewable sources?

It is too early to say and will be dependent on the size and scale of the renewable energy projects that will be implemented.

## 18. What were the criteria used to determine the candidate municipalities?

To identify the participating candidate municipalities for the Municipal Energy Resilience (MER) Project, a systematic, rigorous and transparent selection methodology was developed called the Municipal Readiness Evaluation Tool (MRET). The municipal readiness evaluation also enables the identification of municipal grid capacity, technical capacity, financial standing and other gaps and development needs for further renewable energy project preparation, development and implementation that may need to be addressed. The criteria were derived from the requirements of the Department of Mineral Resources & Energy's New Generation Amendment Regulations published in October 2020.

1. Overall financial standing/credit rating of the municipality;
2. Municipal operational capacity (management, financial and technical)
3. The energy policy/by-law landscape of the municipality, and
4. Current energy-related projects in each municipality

## 19. How many municipalities have been identified as candidate municipalities for the MER initiative?

The 6 MER candidate municipalities are:

- Drakenstein Municipality
- Mossel Bay Municipality
- Overstrand Municipality
- Saldanha Bay Municipality
- Stellenbosch Municipality
- Swartland Municipality

The project will also collaborate closely with the City of Cape Town.

## 20. Will the energy generation be located in a particular municipal district?

This will be determined through the development of business cases, the identification of pioneering renewable energy projects and the collation of these into a roadmap of pioneering projects in candidate municipalities. The projects may be located in a candidate municipality or in another municipality, with the power either being used within the respective distribution network or potentially being wheeled across the grid to

another area. Additionally, a project may operate as a pooled source of power for more than just the candidate municipality.

## 21. Is renewable energy sustainable?

Renewable energy such as wind and solar is sustainable when considering that the source of energy is unlimited (sun and wind) in comparison to other sources of energy like coal and oil (fossil fuels) which are finite and being depleted.

Fossil fuels also release greenhouse gas emissions that contribute to climate change. While renewable energy technologies utilise non-renewable resources in their construction / manufacture e.g. we need Solar PV cells which are manufactured from metals and we need turbines manufactured from metal to convert wind energy to electricity, they do not release greenhouse gases and other pollutants when operating.

## 22. How do energy sector services, products and solutions providers get involved in the Municipal Energy Resilience (MER) initiative?

Section 217 of the South Africa Constitution requires that all procurement is conducted in a fair, transparent, efficient, cost-effective and competitive manner. Therefore, all potential bidders need to ensure that interaction with any organ of state does not infringe upon another service providers' opportunity to conduct business with the state.

Work has been undertaken to develop business cases for each of the four Municipal Energy Resilience (MER) project components - including different technology solutions and scales:

- Municipal utility scale electricity procurement from Independent Power Producers (IPPs) (>10MW)
- New distributed generation capacity at sub-utility scale (1-10MW)
- New self-generation at small-scale embedded generation (SSEG) scale (< 1 MW)
- Large scale battery storage

Part of the preparatory / feasibility work for the above projects will require municipal assessments of current and projected energy consumption figures and assessments of the best means to procure the renewable energy required in a way that enables new energy that improves energy supply reliability, is affordable to customers and maintains the financial sustainability of municipalities.

The MER project is an ongoing programme, with various stages of project development and implementation and would require various services and goods at various intervals / stages of the project. The Western Cape Government and municipalities will engage the energy sector on a continual basis to procure services and goods as and when required. Potential service providers are hereby encouraged to monitor the advertising platforms



of the national and provincial government and the municipalities for any potential procurement request relating to energy sector services, goods and/or infrastructure.

Service providers need to take cognisance of Section 117 and 118 of the Municipal Financial Management Act, 2003 which prohibits councillors, municipal officials or any other person involved in the MER project from interfering in procurement processes or accepting proposals prior to a request of submission being advertised. Service providers are encouraged not to solicit any of the above-mentioned persons to consider a specific service provider that will breach the pillars of procurement highlighted in Section 217 of the Constitution of South Africa. This will potentially disqualify the service provider from all energy procurement processes if any interference has been detected.

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*Information correct as of 6 February 2023.*

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