On the 26 June 2013, the Cabinet approved the implementing of the new Household Electrification Strategy based on the following focus areas:

a. The defining of universal access as 97% of households, as full electrification is unlikely to be possible due to growth and delays in the process of formalising informal settlements;

b. The electrification of about 90% of households through grid connection and the rest with high-quality non-grid solar home systems or other possible technologies based on cost effective options in order to address current and future backlogs;

c. The development of a master plan to increase efficiency in planning and the delivery process to ensure more connections, including a workshop on the Plan to which all members of Cabinet would be invited to; and
d. The consideration of the proposed delivery targets, taking into consideration views with regard to:

- the proposed change to the delivery dates for universal access from 2014 to 2025
- the concern that the new proposed target of 270 000 households will contribute to the backlog with regard to the targets set by the Presidential Infrastructure Coordinating Commission (PICC); and
- funding provided by the National Treasury to speed up connections

Connections between 1994 - 2014

<table>
<thead>
<tr>
<th>Province</th>
<th>Electrified Houses: Municipalities &amp; Eskom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern Cape</td>
<td>1 081 459</td>
</tr>
<tr>
<td>Free State</td>
<td>370 260</td>
</tr>
<tr>
<td>Gauteng</td>
<td>694 814</td>
</tr>
<tr>
<td>KwaZulu Natal</td>
<td>1 006 108</td>
</tr>
<tr>
<td>Limpopo</td>
<td>1 043 401</td>
</tr>
<tr>
<td>Mpumalanga</td>
<td>575 352</td>
</tr>
<tr>
<td>Northern Cape</td>
<td>136 280</td>
</tr>
<tr>
<td>North West</td>
<td>694 505</td>
</tr>
<tr>
<td>Western Cape</td>
<td>403 150</td>
</tr>
<tr>
<td>Total</td>
<td>6 006 221</td>
</tr>
</tbody>
</table>

More municipalities can be assisted, but Councils are not taking resolutions with regards to non-grid implementation; (1) agree that non-grid be installed in municipal area and (2) that a maintenance programme is been put in place.

The Department will be conducting a non-grid electrification pilot in the informal settlements of the Nelson Mandela Metro Municipality. The intention is to provide total non-grid solutions in a form of lighting in the houses, as well as security lights in a form of solar street lights. The pilot will assist us in formulating policy in the future.

A fuel cell generation pilot project has been installed in Moqhaka Municipality in Free State sponsored by Anglo Platinum. The fuel cell technology has never been tested for rural electrification and is a ground breaking project for the country to learn more about this sources of energy and whether it can be considered in the future for electrification purposes.
Using these rules, it is expected to deploy around 300,000 solar home systems and reach universal access for formal households in 2025.

**Way Forward**

**Focus on**
- management of roll out;
- maintenance challenges and
- further information on planning in relation to grid roll out.

Need to transform the pilot non-grid programme to a sustainable programme in order to contribute to the target of universal access by 2025:

a. Current concessioner/service providers programme to be transformed to a non-grid utility model;

b. Need model that will attract long-term non-grid entities that can run programme in a sustainable manner;

c. Based on an national master plan to determine grid and non-grid areas;

d. Roll-out and maintenance of systems and

e. No only rural areas, but also to address backlogs in informal urbanized areas.

- Implementation of Master Plan
- INEP need to be more involved in projects undertaken by municipalities to ensure they deliver on targets set. Creating of the steering committees in the provinces with assistance by Municipality Infrastructure Support Agency to assist the non performing municipalities
- The Department should annually revise the cost per connection subsidy to keep up with price increases of electrification materials
- Municipalities should fast track procurement processes and Council resolutions to enhance the pace of electrification within their area. Giving municipalities R1.5mil each for the pre-engineering

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**Provincial non-grid potential**

**Thousand households**

The highest potential for Non-grid is in KZN and Eastern Cape.

**Time to electrify formal households:** 2025

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1. Assumes existing INEP annual funding and DoHS contribution of R2,000 per household for new RDP houses (40,000 houses per annum); assumes total of 50,000 new formal households per year from DoHS formalization process.