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BRIEFING SESSION: NON- GRID ELECTRIFICATION

04 October 2016

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Contents

- 1. Background**
- 2. Backlogs**
- 3. Network Status**
- 4. Non-Grid Process**
- 5. Funding**
- 6. About the tender**

BACKGROUND



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- The Non-Grid Electrification Programme is about provision of energy to rural communities where there is unavailability of networks, infrastructure and where the topography is unsuitable to connect grid electricity
- The Cabinet approved new Household National Electrification Strategy in June 2013. Firstly, the strategy seeks to address the backlog of 3.4 Million households without electricity by ensuring that 97% of all households have access to energy by 2025 by means of grid and cost effective off-grid technologies
- About 200 000 will receive non-grid electricity across the country by 2025, and with regard to this tender Department intention is to provide over 50 000 SHS over three year period subject to budget availability
- Secondly, the strategy seeks to develop the electrification masterplan which will ensure that line between grid and non grid is clear

BACKLOG

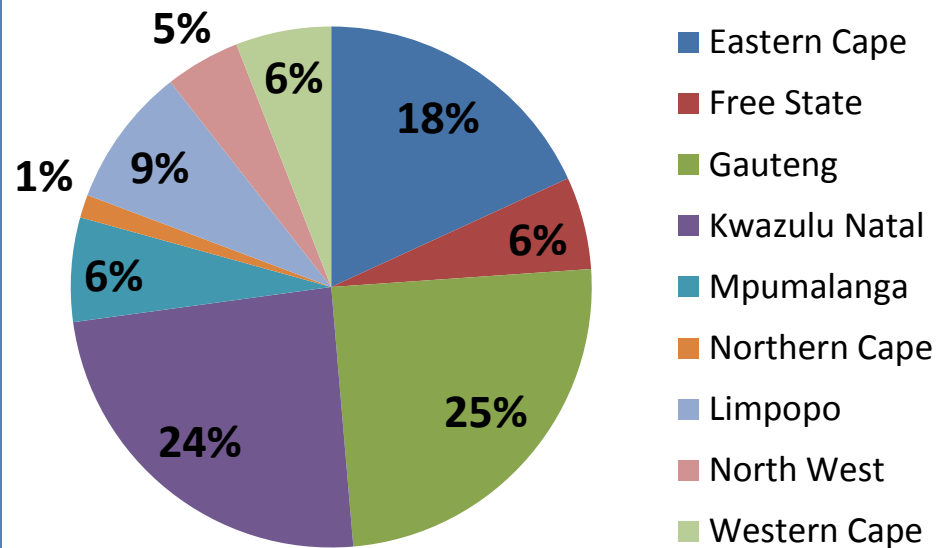
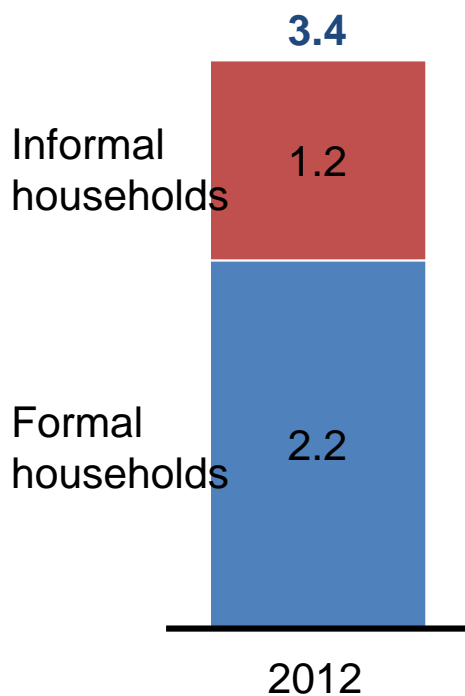


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Number of connections outstanding

Million connections



NETWORK STATUS



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Legend

Province

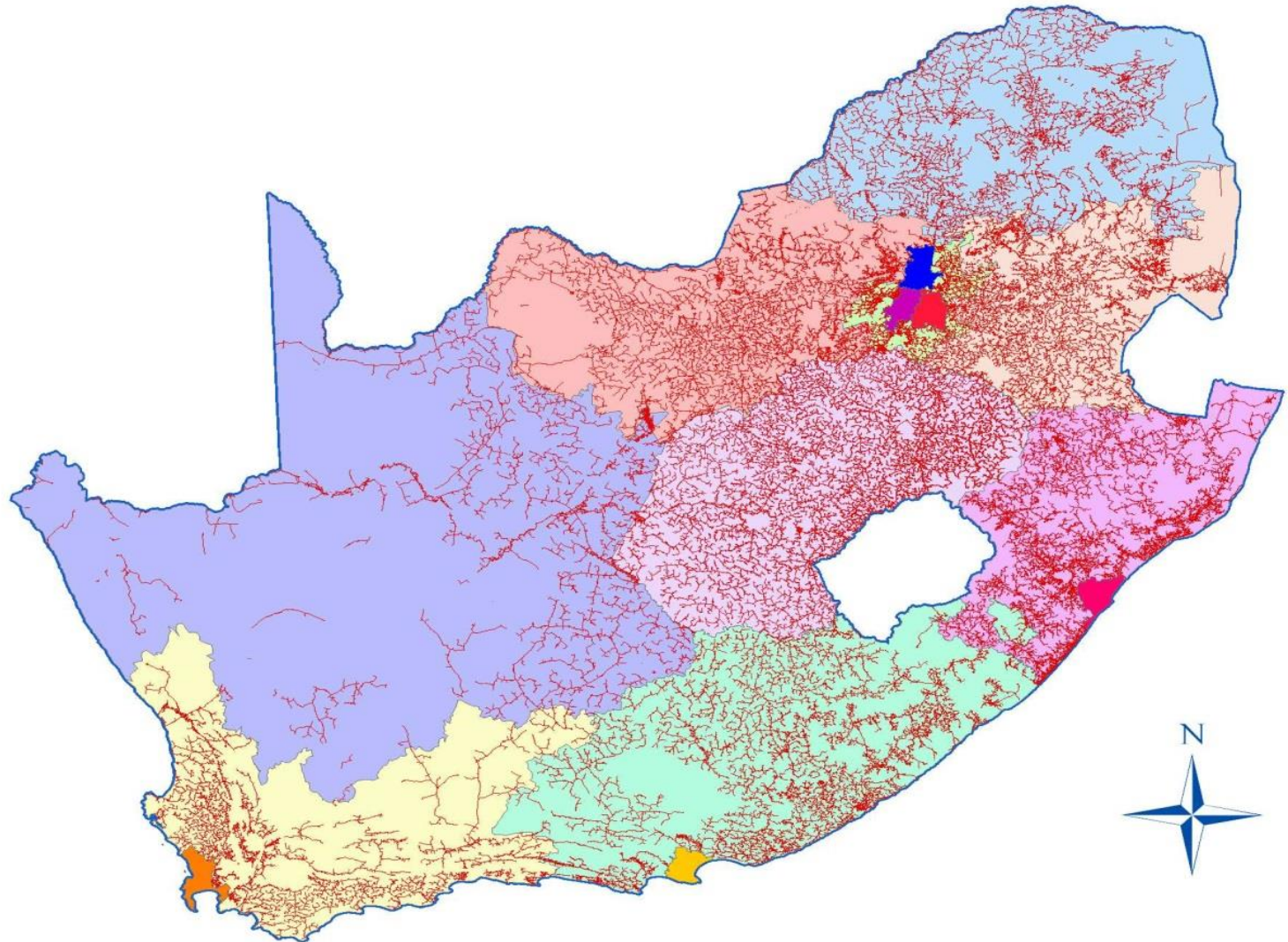
- EASTERN CAPE
- FREE STATE
- GAUTENG
- KWAZULU-NATAL
- LIMPOPO
- MPUMALANGA
- NORTH WEST
- NORTHERN CAPE
- WESTERN CAPE

District Munics

- DC's

METRO

- Cape Town
- Durban
- East Rand
- Johannesburg
- Port Elizabeth
- Pretoria



PROCESS



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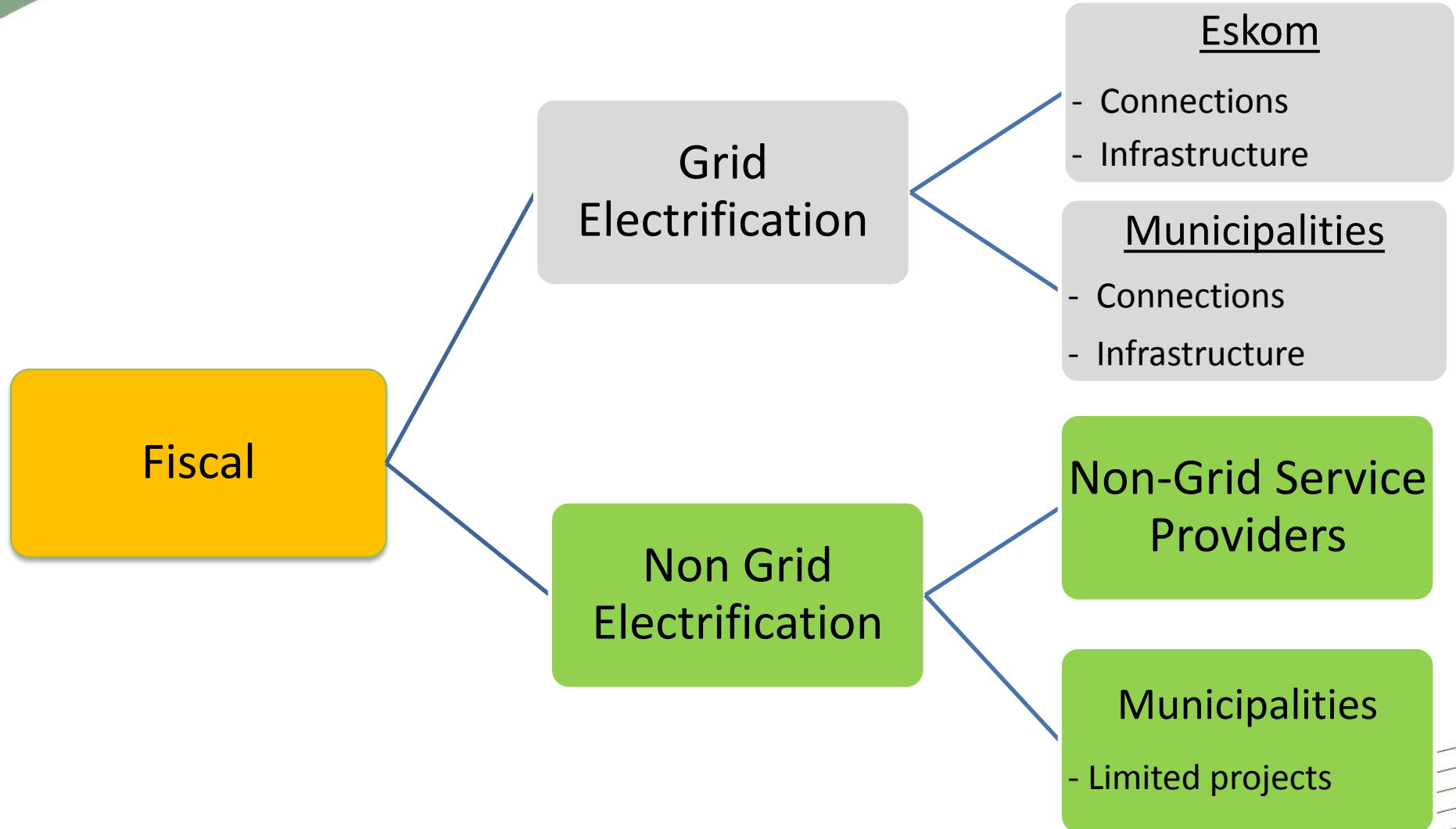
- Municipality identify areas of need
- Municipal apply for non grid service and attach Council resolution indicating support and the maintenance plan of the project
- Department assess application in terms of backlog studies, networks studies ,electrification plans and available budget.
- confirm the project if in line with Masterplan/Eskom
- Letter of approval will be sent to the municipality with the name of the contractor who will implement the project
- Stakeholder engagements (social and contractual obligations)
- Implementation and Reporting

FUNDING MODEL



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ABOUT THE TENDER



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GENERAL

- Duration for this contract will be up till March 2019
- Targeting to achieve over 15000 SHS connections this financial year and about 40 000 in the next two years subject to funding availability
- Department reserve the right to appoint more than one service providers

FINANCIAL SUBMISSION

- List of items to be quoted “price list” has been attached as part of the tender package
- Financial projections including income statement, balance sheet and cash flow will be submitted by the service provider
- Confirmation of acceptance of guarantee security obligations
- Letters of intent or other indication of support from potential financier
- Financial Submission will be relevant once the technical submission exceeded the required functionality threshold which is 70%

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2016/17 FINANCIAL YEAR TARGETTED AREA

Province	No. Of Connections
EC	9043
KZN	2900
WC	1000
NC	1500
LIMPOPO	800
TOTAL	15243

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TECHNICAL ASPECTS

The bidder needs to provide sufficient detail about the proposed system design, performance, warranties applicable, compatible appliances/services, etc.

- System design and performance of 95Wp system (components, integration, energy management, energy availability)
- Battery Management strategy
- Theft prevention strategy
- System User friendly documentation (design)
- Local content of supply
- Innovative technical approaches

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OPERATIONAL ASPECTS

The bidder's operational plan should ensure that the systems are correctly installed, that sufficient end-user training ensures optimal system usage, that systems are effectively maintained over the determined period and that there is sufficient communication between customers and service providers.

- Quality of proposed customer managements system
- Customer engagement strategy
- User training on system operation (training)
- System maintenance approach
- Business model outline
- Local job creation/training
- Exercising warranties



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THANK YOU