



## mineral resources & energy

Department:  
Mineral Resources and Energy  
REPUBLIC OF SOUTH AFRICA

### Media Statement

Date: 14 December 2020

## GOVERNMENT AND PRIVATE SECTOR TAKE CONCRETE STEPS TOWARDS CONTRIBUTING TO REDUCTION IN PRICE OF ELECTRICITY

The Department of Mineral Resources and Energy is pleased to announce the successful completion of the first re-financing agreement with the ACWA Power Solafrica Bokpoort Concentrated Solar Power (CSP) Power Plant (Pty) Ltd, under an initiative launched by the Minister of Mineral Resources and Energy in October 2019.

The Department has approved the refinancing on the basis of the Refinancing Protocol issued in July 2020, following extensive consultation with Independent Power Producers (IPPs) and the Lenders. All Bid Window 1 to 3.5 Sellers (64 projects) were invited to participate in this initiative that is aimed at contributing to a reduction in the wholesale price of electricity as an input into the economy.

The re-financing agreement has been concluded in terms of the Implementation Agreement (IA) entered into between the DMRE and the IPP on 09 May 2013. In line with the agreed Protocol, the refinancing gain share will be applied for the benefit of the consumer and for the Bokpoort CSP IPP. For the consumer this will lead to a reduction of 3.2% on the IPP tariff charged to Eskom.

The Department through the Independent Power Producers Office (IPP Office) is considering and assessing further refinancing requests that have been received to date, and wish to encourage all IPPs from the REIPPPP Bid Windows 1 to 3.5 to support this initiative.

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*Issued by the Department of Mineral Resources and Energy*

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