



## **MEDIA STATEMENT**

### **ANNOUNCEMENT OF THE RELEASE OF THE 3<sup>rd</sup> BID WINDOW OF THE BATTERY ENERGY STORAGE INDEPENDENT POWER PRODUCER PROCUREMENT PROGRAMME (BESIPPPP BW 3), THE 5<sup>th</sup> PREFERRED BIDDER UNDER THE BESIPPPP BW 1 AND EXTENSIONS OF BID SUBMISSION DATES FOR THE REIPPPP BID WINDOW 7 AND BESIPPPP BID WINDOW 2 PROGRAMMES**

**28 MARCH 2024**

The Department of Mineral Resources and Energy (DMRE) is pleased to announce the following:

- release of the 3<sup>rd</sup> Bid Window of the Battery Energy Storage Independent Power Producer Procurement Programme (BESIPPPP BW 3);
- appointment of the 5<sup>th</sup> Preferred Bidder under the BESIPPPP Bid Window 1;
- extension of the Bid Submission Date for the 7<sup>th</sup> Bid Window under the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP BW 7); and
- extension of the Bid Submission Date for BESIPPPP Bid Window 2.

#### **1. Release of Request for Proposals (RFP) for the Battery Energy Storage IPP Procurement Programme Bid Window 3 (BESIPPPP BW 3)**

The Department is pleased to announce the release of the RFP for the third Bid Window under the Battery Energy Storage IPP Procurement Programme on 28 March 2024. The BESIPPPP BW 3 RFP calls for proposals to be submitted for a total of 616 MW / 2464 MWh of Battery Energy Storage Projects allocated to five (5) pre-selected substation sites identified by Eskom.

The 5 sites are Harvard, Leander, Theseus, Everest, and Merapi substations and are all located in the Free State Province. The bid submission date is 31 July 2024.

Further information on accessing the RFP for BESIPPPP BW 3 can be obtained on the IPP Projects Website at [www.ipp-storage.co.za](http://www.ipp-storage.co.za).

## 2. Appointment of the 5<sup>th</sup> Preferred Bidder under the BESIPPPP Bid Window 1

On 30<sup>th</sup> of November 2023 the Minister of Mineral Resources and Energy, Minister Gwede Mantashe announced the appointment of four (4) Preferred Bidders under the BESIPPPP Bid Window 1. At the time, the Minister indicated that the Department would enter into further value for money negotiations with one more Eligible Bidder in order to appoint a Preferred Bidder for the fifth substation. These negotiations have concluded and the Department is pleased to announce the appointment of AGV Projects (Pty) Ltd to provide 153 MW Battery Energy Storage capacity, through its project named Red Sands BESS, at the fifth substation site, as follows:

Bid ID	Project Name	Substation	Project Cost	Evaluation Price	CCR/MWh
ES_BS_0017_001	Red Sands BESS	Garona Substation	R6 434 636 224	R16 501 242 802	R546.50

The 513 MW BESIPPPP BW 1, which is executed by the Independent Power Producer Office under the stewardship of the DMRE, was the first largest utility-scale energy storage programme ever implemented in South Africa. This programme was launched on the 7<sup>th</sup> of March 2023.

The Department congratulates the appointed Preferred Bidder and wishes them well in their preparations towards Commercial Close.

## 3. Extension of Bid Submission Date for REIPPPP BW 7 to 30 May 2024

On 31<sup>st</sup> of January 2024 the Department issued a Briefing Note that extended the timeline for application for Cost Estimate Letters (CELs) to the 15<sup>th</sup> of February 2024, following requests from Potential Bidders at the Bidders' Conference. As a result of the extension of the CEL application timeline, and following consultation with Eskom regarding the time required to process CEL applications, the Department has on the 8<sup>th</sup> March 2024 communicated to registered prospective Bidders, via a Briefing Note, the consequent extension of the Bid Submission Date to allow Eskom more time to process

the CEL applications, and also taking into consideration further requests from Bidders to allow more time for the preparation of their Bid Responses.

The new Bid Submission Date for REIPPPP BW7 is 30 May 2024.

**4. Extension of Bid Submission Date for BESIPPPP BW 2 to 6<sup>th</sup> June 2024**

The Department has approved an extension of the Bid Submission Date for BESIPPPP BW 2 from 30 April 2024 to 6<sup>th</sup> June 2024. This was approved, taking into consideration the timelines indicated by Eskom for the processing of CEL applications, as well as requests from Bidders to allow more time for the preparation of their Bid Responses. Potential Bidders were informed of the new timelines in a Briefing Note that was communicated on 28<sup>th</sup> March 2024.

The new Bid Submission Date for BESIPPPP Bid Window 2 is 06 June 2024.

Potential Bidders are further reminded that the period for clarification questions under these two new bid windows is thirty (30) days prior to bid submission, and to ensure that they refer to all new Briefing Notes that are issued to Registered Bidders from time to time, which include clarifications or updates to requirements under the Request for Proposal (RFP).

Issued by the Department of Mineral Resources and Energy  
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