

## **RENEWABLE ENERGY**

# **WIND IN THEIR SAILS**

Independent power producers are waiting for the green light from the government

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MANY investors from South Africa and internationally are waiting anxiously for the government to give the final financial sign-off on the first round of renewable energy projects by independent power producers, says Danish ambassador René Rosager Dinesen.

Speaking at a press briefing at the Windaba wind energy conference at the Cape Town International Convention Centre this week, Dinesen predicted a boom in wind energy with positive spin-offs for jobs, investment and energy provision once this approval had been given.

He used the metaphor of getting sauce from a ketchup bottle to describe the fledgling industry.

“We are talking and talking about wind energy in South Africa. We are almost there, [at the point] when you can hammer the bottom of the bottle and then it all splashes out. If you look at the number of wind turbines in South Africa today, it is very limited. But there are so many projects that just need the final touch of approval to get going.

“We have a lot of investors ready to build factories and ready to put up mills, and there are a lot of developers ready to work on grid connections and what have you. What we just need is this final approval from government.”

Dinesen said he had spoken to a wide range of people since his arrival on August 1 about their expectations for wind energy production, and many of them had told him they were hop-

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ing for an announcement early next month. “So clearly I think we are in for a boom in wind energy, hopefully to the benefit of employment, energy and investment.”

Approval may come as early as next week. The Energy Department invited the media to a “major announcement on the Independent Power Producers bidders’ (IPP) process” yesterday, but it was postponed because it clashed with Finance Minister Pravin Gordhan’s medium-term budget policy statement.

The SA government’s 20-year power plan, Integrated Resource Plan 2010, calls for the generation of 3 725 megawatts of renewable energy by 2016 – 1 850MW of it allocated for

onshore wind farms.

About 47 preferred bidders have been selected to supply about 2 000MW of renewable energy in phase 1 of the IPP process, but financial closure has been delayed by discussions over government guarantees to producers for selling their power.

Dinesen also announced that Denmark and South Africa were negotiating a new co-operative programme on energy savings, renewable energy and the Wind Atlas project, to be funded with 40 million Danish krone (about R60.8m) over the next three years.

The atlas is a key development tool for the industry.