NMBMM
Solar Water Heating Case Study

SA Cities Network, Renewable Energy Summit

CEF Sustainability
Presented By: Carmen Armstrong

14 May 2008
Outcomes from Presentation

- Local government can implement RE and EE programs.

- Index
  - History
  - Projects
  - NMBMM Impacts
  - Partnership Requirements
NMBMM
- Port Elizabeth, Dispatch and Uitenhage.
- 1.5 Million residents, 300 000 households.
- 5th largest city in SA in population, 2nd largest in area.
- Often quoted as being the fastest growing city in SA.
- Current 610 MW expected to increase to 2500 MW in the next 10 years.

NMBMM RFP
- Decision Mayoral executive to investigate RE through electricity and energy business unit.
- Request for proposals advertised in Feb 2006.
- Awarded to the Lereko Consortium in June 2007.
CEF Sustainability - Status

- CEF Pty (Ltd) - 100% government owned
  - 33% Private
  - 66% CEF Pty (Ltd)

- Lereko Sustainability Subsidiary of CEF.
  - Other subsidiaries include PetroSA, I gas etc...

- Schedule 2 status (organ of state)
  - Partner as a public body
  - PPP
CEF Sustainability Projects in NMBMM

- Landfill gas
  - 2 sites - 4 MW
- Wind
  - 20 MW (up to 100MW)
- Energy Efficiency (Water pumping, Waste water, Municipal buildings, Public lighting, (industrial))
  - 15 years shared savings.
- Solar Water Heating
- Hydro Power (contract finalised, awaiting official signing)
  - 20MW
Supportive Environment

- Standardisation
- Government Support
- Awareness
- Incentives
- Programs

- No Financing Mechanism
Solar Water heating Program/impacts

- Solar Water Heating
  - Exclusivity
  - 15 year agreement extendable for further 10 years

- Target of 60,000 installed in 5 years.
  - CAPEX over 200 million.
  - Potential energy 41 MW.
  - NMBMM Solar Capital in Africa.
  - Job creation (installation and Maintenance).

- Innovative business and financial utility model.
  - Billings/collections facilitated by NMBMM
  - Strong Partnerships on technical and financial.

- Feasibility completed end May, Roll out last quarter of 2008.
CEF Sustainability brings:

- No Costs to the metro.
- Public-Public Partnership.
- No demands on existing capacity.
- Skill and knowledge transfer.
- Projects implemented at scale.
- All risk taken by CEF Sustainability.
- Implementation fast-tracked.

METRO BRINGS:

- Metro buy-in at all levels
  - Positive Supportive Approach
  - Internal Champion
- Willingness to facilitate process
- Create a Partnership.
Thank you

Carmen Armstrong

Tel: 021 441 8500
Cell: 082 492 8654
Carmena@cefsustainability.org.za