

INSIGHTS

Are you on South African Santa's naughty or nice list?

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A flood of bids reportedly delayed the announcement on the South African Government's announcement on its final list of preferred bidders in the Round 3 of the Renewable Energy Independent Power Producers Procurement Programme (REIPPPP) from the originally scheduled date of 29th October. Whilst, according to the Department of Energy's statement, 17 bids had been selected in the government's initial wave of preferred bidders out of a total of 93 bids received, the large number of bids received has resulted in a delay. A final decision was expected to be made by 20th November but is now expected "by no later than 31 December 2013*." The question that is now on the tips of everyone's tongues in the renewable market is will the South African Government announce the full list of preferred bidders for this third round of REIPPPP before Christmas? Launched in 2011, South Africa's REIPPPP initially set a target of 3.725 GW of renewable energy by 2016, but this was revised upwards in 2012 to 6.925 GW by 2020. In Round 1, 28 projects were closed in November 2012 and in Round 2, 19 were closed in May 2013. The 93 bids received amount to 6.023 GW whilst the available MW capacity for allocation was originally set at 1.473GW. In this latest round, the 17 preferred bidders amount to a total of 1.47 GW awarded capacity. Among those said to have been selected are six bidders for 435 MW of solar PV projects, seven preferred bidders for 787 MW of onshore wind projects; two bidders for concentrated solar projects totaling 200 MW; and one each for biomass (16.5 MW) and landfill gas (18 MW). The Department of Energy's statement particularly mentions the "large number of very competitive bid responses were submitted for the third bid submission date in the onshore wind and solar photovoltaic technologies." [Update from the South African Department of Energy](#) - "Given the implications of the decision and the upcoming holiday season, the Department decided to finalise its decision in the new calendar year. Therefore, the Department will make a further announcement regarding its decision early in 2014."