

**Wayne Fortuin 0823740733** 

wayne.fortuin@eskom.co.za





# **Enabling additional capacity** into the Grid

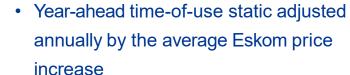


Distribution network.

## Non-Eskom generation purchases



Purchase pricing options



- Dynamic day-ahead per hour reflecting marginal costs of generation per hour.
- Choice of price option locked-in on 1 April for 12 months.



**Terms** 

- 3-year contract
- With / Without a base-line
- With or shortly anticipating license / registration to generate.
- Traders with mandate from generation owners
- Maximum purchase contract value with a minimum 3-month review period.



Short Term Energy Purchases Programme



### Year-ahead Static time-of-use (ToU) pricing







- Based on the NERSA approved cost recovery for Eskom generation.
- Recovers the average cost of generation



- · High-demand: June to August
- · Low-demand: Rest of year
- Contractual year is April to March
- ToU periods subject to Eskom Board decision at start of the year.

	Commercial energy (R/MWh), excluding	
	High-demand season	Low-demand season
Peak	3 638.90	1 510.14
Standard	909.73	849.08
Off-peak	606.48	606.48

Illustrative ToU periods

Proposed	<b>TOU hours</b>	0	1	2	3	4	5	- 6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	2
High	Weekday	3	3	3	3	3	3	1	1	2	2	2	2	2	2	2	2	2	1	1	1	2	2	3	3
demand	Saturday	3	3	3	3	3	3	3	2	2	2	2	2	3	3	3	3	3	2	2	3	3	3	3	3
	-	-	-	-	200	-	-	-	2	2	2	2	2	2	-	- 2	2	- 2	2	2	-2	2	2	- 2	
	TOU hours	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	
Proposed	TOU hours	0	1	2	3	4	5	_	7	8	9	_	_		13		15		17	18	19	20	-	22	-
Proposed Low		0 3	1 3 3	2 3 3	3	4 3 3	5 3 3	6 2 3	7 1 2	8	9 2 2	10 2 2	11 2 2	12 2 3	13	14	15	16	17 2 3	18	19	20		22	2

Standard

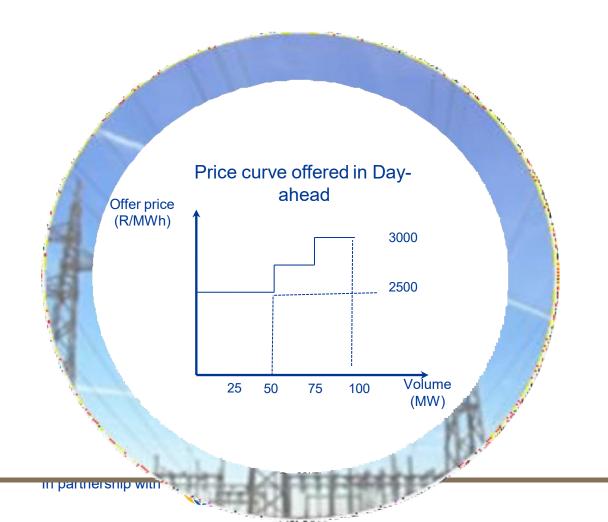
off-peak



Short Term Energy Purchases Programme



# Day-ahead Dynamic hourly pricing





- Eskom dynamic energy markets (EDEM) is a dayahead internal Eskom market.
- Prices calculated 14h00 the day before.



- Based on the marginal cost of generation in each hour.
- Subject to market price cap.



### Information and requirements highlights

- 1. Primary Generator site details including:
  - If existing, new, Eskom or municipal point.
  - Grid connection voltage and nearest sub-station.
  - Gross generating capacity of facility (MW)
  - Net capacity of facility (MW)
  - Generating technology specifying type of fuel, maximum export capacity (MW) and if there any offset for own generation?

- 1. Grid code compliance
- 2. EIA approvals, and/or NERSA approval
- 3. Electricity generation license or certificate of registration
- 4. Certificate confirming compliance with conditions precedent.
- 5. Section 34 DMRE IPP PPA Facility to provide legal opinion on requisite capacity and authority to sell.



- Synchronized, connected and/or commissioned Facilities
- Procure the issue of the Notice of Commencement of each Facility.
- Metering enabled for commercial sell of energy
- Remote meter interrogation and data retrieval by Buyer with physical sealed inspection.



Commercial readiness

- 1. Signed PPA
- 2. Daily day-ahead hourly generation forecasts by 09h00.
- 3. Seller operational and emergency contact personnel.



**Application** 

https://www.eskom.co.za//short-term-ennergy-purchase-programme/

#### Vendor Registration Requirements



All new vendor registration requests must be sent to: vendormdm@eskom.co.za

- 1. Proof of award of contract (DET Acceptance letter / Power Purchase Agreement).
- 2. Current Central Supplier Database (CSD) report / CSD Number .
- 3. Original or certified copy of a valid BBBEE certificate / Sworn Affidavit for EME's and 100% Black Owned QSE's
- 4. Company Share Certificate where applicable / Association Agreement / Partnership Agreement / Trust Deed
- Letter of Good standing / COIDA
- Proof of Professional Registration
- 7. SHE and Quality reports that were done during evaluation if applicable
- 8. Tendering letter Application form
- 9. Declaration of Interest report
- 10. Shared certificate for 51 99 % black owned applicable private companies (Pty) only not CC's
- 11. If a company is owned by a person living with disability a medical certificate confirming permanent disability.





Online Application:

https://forms.office.com/r/hdNBaMUvJz

Power Purchase Agreement:

https://www.eskom.co.za/distribution/wp-content/uploads/2023/03/StandardOfferApplicationFormSep2022.docx

Email:

det@eskom.co.za

Website Link:

https://www.eskom.co.za/distribution/standard-offer/

Vendor Registration:

vendormdm@eskom.co.za









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Let's add

more Kilowatt-hours

to the Grid!