

**MINISTRY**

**MINERAL RESOURCES AND ENERGY**

**REPUBLIC OF SOUTH AFRICA**

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 **Memorandum from the Parliamentary Office**

**National Assembly: 1153**

Please find attached a response to Parliamentary Questionfor ***written reply*** asked **by Mr K J Mileham (DA) to ask the Minister of Mineral Resources and Energy:**

**Mr Jacob Mbele**

**Deputy Director General: Programmes and Projects**

**11 / 05 / 2021**

Recommended/ ~~Not Recommended~~

**Adv. T.S Mokoena**

**Director General: Department of Mineral Resources and Energy**

**………………/………………/2021**

Approved / Not Approved

**Mr. S.G Mantashe**

**Minister of Mineral Resources and Energy**

**………………/………………/2021**

**1153. Mr K J Mileham (DA) to ask the Minister Mineral Resources and Energy:**

In light of the fact that the Turkish company (name furnished) which was listed as one of the preferred bids under Risk Mitigation Independent Power Producer Procurement Programme to supply three power ships to alleviate the Republic’s power challenges, what (a) will be the total combined power output of the three power ships and (b) total amount will it cost for each ship to (i) produce and (ii) transmit power to the grid? NW1342E

**Reply**

1. The total combined power output/capacity of the three (3) floating Liquefied Natural Gas (“LNG”) Turbine, or Powership, projects appointed as Preferred Bidders under the Risk Mitigation Power Producer Procurement Programme (“RMIPPPP”) is 1 220 MW, broken down between the 3 follows:
	* Karpowership SA Coega, 450 MW
	* Karpowership SA Richards Bay, 450 MW
	* Karpowership SA Saldanah, 320 MW
2. Regarding (i) and (ii), the power procured under the RMIPPP will be dispatchable and the Seller (the IPP) will be compensated for availability(capacity) for energy output generated following a Dispatch Instruction from the Buyer. The cost of the bid by the bidder is inclusive of grid connection costs. The cost per KWh in April 2021 terms and assuming a 75% load factor is as follows:
	* Karpowership SA Coega, R1,359 / KWh
	* Karpowership SA Richards Bay, R1,389 / KWh
	* Karpowership SA Saldanah, R1,616 / KWh