

**MINISTRY OF ENERGY**

REPUBLIC OF SOUTH AFRICA

PRIVATE BAG x 96, PRETORIA, 0001, Tel (012) 406 7658

PRIVATE BAG x 9111, CAPE TOWN, 8000 (021) 469 6412, Fax (021) 465 5980

**2150. Ms M S Khawula (EFF) to ask the Minister of Energy:**

1. What are the (a) Government and (b) relevant entities projected to spend both directly and indirectly on the Renewable Energy Independent Power Producer Programmes;
2. has he found that the Government and the entities can afford the cost; if so, what are the details of how this was determined?  **NW2305E**

**Reply:**

There is no direct or indirect spend by Government or relevant entities exclusively attributable to the Electricity Regulation Act, 2006, Section 34 sanctioned Renewable Energy Independent Power Producer Programme (REIPPPP). Regulation 10 of the New Generation Regulations enable Eskom, as the single buyer, to recover all costs in respect of the Section 34 Ministerial Determinations and includes payments for the purchase of electricity from Independent Power Producers (IPP) in terms of a power purchase agreement. Eskom only pays for actual electricity evacuated into the grid at a predetermined fixed price that can only escalate by CPI annually.

**Approved / Not Approved**

Mr J T Radebe, MP

Minister of Energy

Date: