



energy

Department:
Energy
REPUBLIC OF SOUTH AFRICA

**Bid Window Signing Ceremony
Closing remarks by the DG
09 May 2013**

Honourable Minister of Energy, distinguished guests and all present here. Today is yet another important milestone in this historic process of an unfolding green economy in South Africa.

Having successfully closed round 1 in November 2012, we are excited to be here again as we close round 2. And let us assure you that we will do it again with next year when we close round 3. For this round 2, we will sign all the financial close contracts today.

As we go along we have observed a trend in which bidders attempt to make substantial changes to their submissions at the bid submission phase. I would like to caution all bidders that such behavior is unacceptable as it costs the department lots of time and money evaluating the resubmitted information to ensure that it complies with the bid requirements. As we approach the third bid submission date in August this year, please double check the quality of your bid submission to avoid having to request numerous changes at preferred bidder stage.

From our side, in order to improve the bidding programme, we recently established a unit dealing with monitoring of the commitments made through the bid submissions. The unit will ensure that you keep to your commitments, particularly those pertaining to socio economic development. Failure to meet these commitments will have dire consequences.

As we progress to subsequent windows, we expect that grid connection will progressively become more challenging. The department will provide support to the relevant grid providers to alleviate constraints on the grid especially at distribution level. It is important to strengthen the grid in

areas with abundant wind, solar and other clean resources for electricity generation.

As we approach the deadline for the next submission under the renewable energy bidding programme, I need to indicate that we have made improvements to the Request for Proposals for window 3 and it is now available for downloading from the IPP website. The revised RFP introduces changes in certain areas without changing the procurement framework for the programme. It is our view that the revised RFP provides comprehensive information especially for first time bidders.

In closing, let me reinforce our steadfastness to keeping you honest to your commitments under this programme. In fact, the whole of South Africa will be watching you. We will not tolerate any downgrading of your commitments, instead we would appreciate improvements.

On behalf of the Minister of Energy and the department, I would like to say thank you to our partners in this programme. the National Treasury, Public Enterprises, the dti, NERSA, and Eskom. Without your invaluable support this programme would not succeed. I know you worked very hard to make this day a reality. To our service providers, thank you very much for your assistance in the execution of the programme, most importantly the advisers in all the different spheres of the programme.

To the all the bidders that participated in our programme, thank you very much. I know some bidders spent substantial amounts of money preparing their bid responses but failed to obtain preferred bidders status. I would like to encourage you to sharpen your pencils and participate in the subsequent windows.

We wish all preferred bidders signing contracts today, all the best as they progress towards construction.

Thank you