



MEDIA STATEMENT

THREE NEW BID WINDOWS RELEASED UNDER THE INDEPENDENT POWER PRODUCER PROCUREMENT PROGRAMME (IPPPP), CALLING FOR RENEWABLE ENERGY, GAS AND BATTERY ENERGY STORAGE TECHNOLOGIES

14 DECEMBER 2023

The Department of Mineral Resources and Energy (DMRE) has launched three new Requests for Proposals (RFPs) under the Independent Power Producer Procurement Programme (IPPPP), calling for the procurement of 7 615 MW of new generation capacity from renewable energy, gas and battery energy storage technologies.

The three Bid Windows are in accordance with the Ministerial Determinations made under the 2019 Integrated Resource Plan (IRP2019), and call for procurement of the following:

- 5000 MW of renewable energy under the seventh round of the Renewable Energy IPP Procurement Programme (REIPPPP) Bid Window 7 (BW 7);
- 2000 MW from Gas to Power under the first round of the Gas IPP Procurement Programme (GASIPPPP BW 1); and
- 615 MW from the second round of the Battery Energy Storage IPP Procurement Programme (BESIPPPP BW 2).

The REIPPPP Bid Window 7 round is the first bid window to be released in line with the Third Ministerial Determination, as concurred with by NERSA, in December 2022. The RFP calls for 5000 MW of new generation capacity, which includes 1800 MW of Solar PV and 3200 MW of Onshore Wind Power from projects that are at an advanced stage of development and will be able to be constructed and connected to the national grid not later than 24 months post Commercial Close. In addition to the provision of

Energy Output, prospective bidders are also required to provide for Ancillary Services, as per the requirements of the System Operator.

The first GASIPPPP Bid Window aims to procure 2 000 MW of new Generation Capacity, Ancillary Services and Energy Output to be produced from gas-fired power generation projects. This round specifically targets land-based electricity generation facilities utilising natural gas, located anywhere within the borders of the Republic of South Africa.

The second Battery Energy Storage Bid Window calls for 615 MW (2460 MWh) battery energy storage capacity and ancillary services in line with the power system services requirements as set out by the System Operator. The procurement round calls for eight storage facilities that are within the closest proximity of the following dedicated transmission substations in the Northwest Supply Area as selected by Eskom: Mercury, Carmel, Hermes, Ngwedi, Midas, Marang and Bighorn substations.

The Department will convene Bidders' Conferences in respect of these bid windows, to be hosted on an e-platform, on 17 and 18 January 2024, to provide more information on the qualifying criteria and bid submission expectations. Further information will be communicated on the DMRE and IPP Projects websites.

Prospective Bidders under any of these bid windows should note the available grid capacity in the different areas of supply as indicated in the 2025 Generation Connection Capacity Assessment (GCCA) of the Transmission Network (GCCA 2025). The GCCA is available on the Eskom website at the following link <https://www.eskom.co.za/eskom-divisions/tx/gcca/gcca-2025/>.

Further information on the RFPs can be accessed via the National Treasury e-tenders platform at <https://www.etenders.gov.za>, the Department's website <https://www.energy.gov.za> and IPP Projects website <https://www.ipp-projects.co.za>

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