

£110m renewable energy deal for Mediclinic

As part of Mediclinic International Plc group's strategy, which has set an ambitious target to become carbon neutral by 2030, Mediclinic's southern Africa division will procure renewable electricity through the Energy Exchange of Southern Africa. The deal is worth up to £110m (\$152m).



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South Africa, the continent's worst polluter, emits millions of tonnes of carbon dioxide into the atmosphere each year, much of it from coal-fired power plants that still provide most of its energy.

Climate considerations have become a greater concern for investors, with some pulling out of local multibillion-dollar coal-fired power plant projects and halting direct funding.

Companies are also trying to curb their reliance on ailing state utility Eskom, which regularly implements electricity outages.

"While Mediclinic strongly believes that the use of renewable energy is important in ensuring a healthy planet for future generations, reducing consumption by investing in energy-efficient equipment and renewable energy sources also assists in mitigating rising electricity costs," Mediclinic says.

In addition, the agreement with Energy Exchange of Southern Africa will likely provide an economic benefit as the annual tariff increases are expected to be inflation-linked, it adds.

Energy Exchange is currently the only platform able to connect businesses with electricity generated by independent power producers (IPPs) in South Africa and which will have the necessary agreements in place with the state utility provider Eskom and local municipalities to make use of their networks, Mediclinic says.

Source: [Reuters Connect](#)

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