

Unlocking SA's energy transition potential amid sector uncertainty

By [Sindy Peters](#)

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South Africa's energy crisis featured prominently on the agenda of [Daily Maverick's The Gathering: Earth Edition](#), held late last week in Cape Town. An expert panel unpacked some of the challenges in the current energy landscape and explored potential solutions relevant now and into the future.



Panel addresses 'South Africa's burning energy problem' at The Gathering: Earth Edition. Source: [@Olnette/Twitter](#)

Farai Chireshe, energy analyst and project officer at WWF SA, bemoaned that energy development in SA, from his perspective, is carried out on a whim, and called for holistic planning that "guides the way forward to a net-zero future that is good for everyone - for the planet, for the people in it, and for the economy".

While acknowledging the environmental benefits of its investment in renewable energy, Cape Town Mayor Geordin Hill-Lewis said the city's primary goal is security of supply. The city is well into its plans to procure enough energy to protect consumers from four stages of load shedding, reducing its reliance on Eskom. According to the mayor, it plans to achieve this within the next 36 months, and with the procurement phase complete, it has moved on to securing financial closure for all its projects.

A lot is also happening behind the scenes elsewhere, said Dr Crispian Olver, executive director of the Presidential Climate Commission, with an "exponential acceleration in the number of new generation, mostly renewable energy projects, coming through the system". While the grid is at capacity in provinces like the Northern and Western Cape, he noted, there is considerable availability in Mpumalanga, KwaZulu-Natal, Gauteng, Limpopo and the North West, with many projects under development.

"For instance, in Mpumalanga, there is 3,500MW of major wind farm projects... It's really exciting stuff that's in the pipeline," he said.



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'Technological, financial and social changes underway'

While still playing catch-up with more advanced economies in terms of renewable energy adoption, investment in clean energy has been hampered in SA by regulatory uncertainty, slow procurement processes, and inconsistent messaging.

"Make no mistake, this is a global transition of the order of the Industrial Revolution," said Olver. "Thinking that we will somehow be able to keep our finger in the dike and stop the transition... you're not understanding the nature of what's going on. There are profound technological, financial and social changes underway that we are going to be swept along with."

"This old idea that someone sitting in charge of mineral resources and energy could dictate the pace at which this transition happens - it's the emperor with no clothes," he said.



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Moving on to the contentious issue of the recently signed Karpowership deal, Olver said that from a personal point of view, some gas in the system in the medium term is needed to allow for the scaling up of renewables. But, in terms of the length of the deal, a 10-20-year contract is ill-conceived, he said.

Whole-systems approach needed in green hydrogen development

Green hydrogen has also been included in South Africa's Just Energy Transition Investment Plan (JETIP), but Heather Sonn, director of the Gamiro Investment Group, said the benefits are still a while away as it's a developing technology.

The driving force behind green hydrogen, however, is the massive demand in Europe as the continent tries to meet its net-zero carbon objectives. "The idea is that if we can export our hydrogen and capture some of those revenues locally, we can then start to transition our economy towards hydrogen," explained Sonn.

A whole-systems approach is needed, she emphasised, so that SA reaps the financial rewards of exporting green hydrogen, as well as the benefits of infrastructure development that could help alleviate the country's energy crisis.



Nuclear as a low-emissions solution

The discussion also briefly touched on nuclear, with Chireshe highlighting that as an expensive technology that takes a long time to come online, it is not a viable option in addressing the current energy crisis.

Minister of mineral resources and energy Gwede Mantashe, however, noted in his recent address at the Enlit Africa conference in Cape Town that nuclear was on the table and that it would be included in the amended Integrated Resource Plan (IRP).

Lack of coherence

Asked whether SA's JETIP was in jeopardy given the uncertainty around the country's energy landscape, Olver said, "The problem we have at the moment is one of coherence. Government is not coming across in a consistent way on the JETIP."

"There's only so long that you can play the game in this way and we stand at risk of other countries assuming a more prominent leadership role and us getting downscaled in terms of the funds that are on the table."

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