

## Selling energy to Eskom

Eskom is subject to the Electricity Regulation Act and its New Generation Regulations. In terms of these regulations Eskom can only procure power through a procurement programme. Currently the only procurement programme on the cards is the REFIT programme. The renewable energy feed-in tariff (REFIT) implementation process has not yet started. The Department of Energy will approach the market in the next few months with the procurement documentation which will detail the process and criteria.

In summary, the REFIT programme has three parallel processes to follow:

1. Grid connection
2. License application
3. Procurement process

The grid connection has to be pursued with the local or regional authority where your project will be sited. This could be Eskom or a municipality. If Eskom is the grid owner for your identified site, you need to contact the regional office for more information and the grid application forms, refer to the application [form](#). If the project site is within a municipal area, you will have to contact the local municipality as they have their own process to follow, for more information refer to the process [document](#).

The license application has to be lodged with the Regulator (NERSA). A generic generator license application form is available on NERSA's website ([www.nersa.org.za](http://www.nersa.org.za) (<http://www.nersa.org.za/>)).

As for the procurement process, indications at this point are that the Department of Energy will be in a position to start the procurement process in the next few months. All potential IPP's who qualify as per the REFIT technologies and the country's integrated resource plan (IRP), will then have an opportunity to submit their proposals for consideration. This is a competitive bid process and projects will be evaluated on the criteria as to be determined by the Department of Energy. Successful bidders will then be in a position to conclude power purchase agreements with Eskom as the buyer.

For more information, you can also search the Department of Energy website ([www.energy.gov.za](http://www.energy.gov.za) ( <http://www.energy.gov.za/> )) or the NERSA website.