

Results of South Africa's Battery Energy Storage Independent Power Producer Procurement Programme (BESIPPPP)

Bid Window 1



— DECEMBER 11TH, 2023

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BESIPPPP Key Takeaways

BESIPPPP Round – Key Takeaways



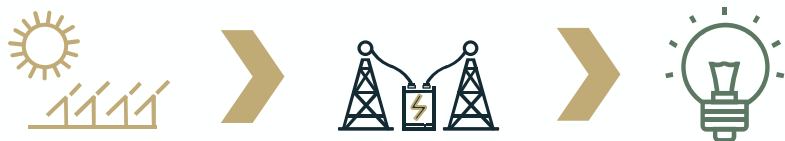
Procurement of 513MW of battery energy storage capacity at five substations in the Northern Cape Province of South Africa

BESIPPPP Overview

- In accordance with a Ministerial Determination issued by South Africa's Department of Mineral Resources and Energy (DMRE), on the 7th of March 2023, the DMRE launched a request for proposals (RFP) inviting bids under the country's Battery Energy Storage Independent Power Producer Procurement Programme (BESIPPPP) Bid Window round 1.
- The RFP is for the procurement of **513MW** of fixed battery storage capacity at 5 substations in the **Northern Cape province of South Africa**, aimed at **unlocking the constrained grid capacity** in this renewable resource-rich part of the country.

Substations	Capacity	
Aggeneis	77 MW	<ul style="list-style-type: none">The battery storage capacity will be connected to five substations run by national power grid operator Eskom in Northern Cape ProvinceThey will provide capacity, energy and ancillary services to the Eskom
Ferrum	103 MW	
Garona	153 MW	
Mookodi	77 MW	
Nieuwehoop	103 MW	

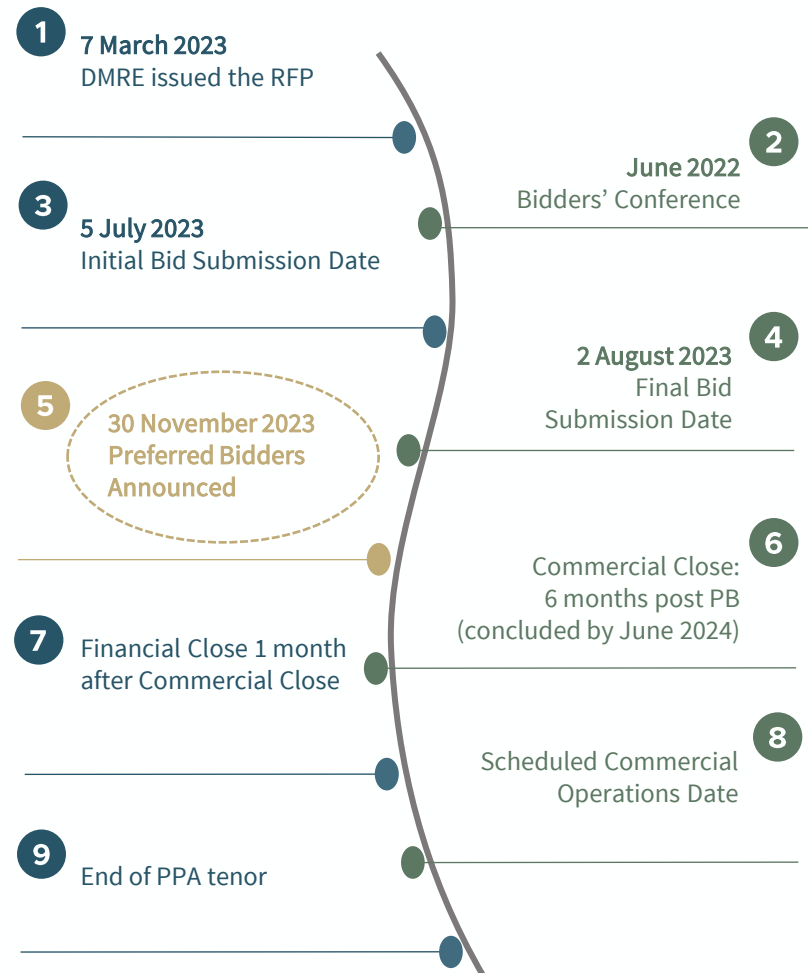
Unlocking Grid Capacity in the Northern Cape using BESS



According to the Eskom Transmission Grid Connection Capacity Assessment (GCCA) 2024, there is **no Transmission network capacity available** in the Northern Cape Province to connect the REIPPPP projects.

The implementation of the BESIPPPP will increase the available Grid Connection Capacity for future REIPPPP, whilst grid strengthening in the Northern Cape Province is being performed.

Process and timeline



BESIPPPP key considerations

Key considerations that make BESIPPPP an unique programme worldwide



Timeline

PPA term of 15 years with SCOD long-stop date of 24 months post Commercial Close



Evaluation Scoring

Economic Development Commitments (out of 10) + Price (out of 90)



Economic Development Commitments

10 points under the regulations of the PPPFA allocated to specific goals to promote Economic Development



Technology

Electrochemical batteries



Contracted Capacity

Minimum acceptance capacity of 95% of Contracted Capacity, requiring upfront capacity oversizing or augmentation through the life of the PPA



Cycles

Facility must be designed for a maximum of 730 cumulative equivalent charge/discharge cycles per contract year or a maximum of 900 equivalent cycles if underutilized in previous years



Discharge Requirement

Discharge for a minimum duration of 4 hours at the Contracted Capacity



Charge/discharge Round Trip Efficiency

Minimum round-trip efficiency (RTE) requirement of 70% at discharge point



Commercial Close Tariff Adjustment

Tariff adjustment for movement in interest rate and FX between Bid and Commercial Close (FX capped at 50% of Capital Expenditure)



Payment Structure

Net Dependable Capacity Payment [ZAR/MW/h] + Net Energy Payment [ZAR/MWh]

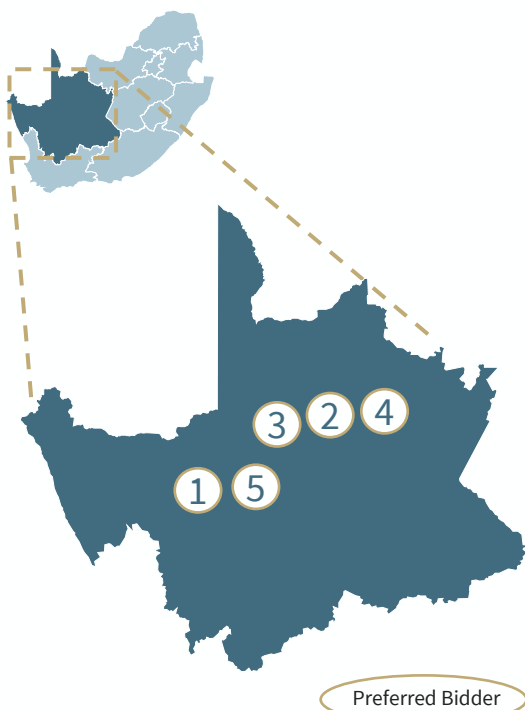


Projects and players



The Department will select one Preferred Bidder in respect of each Substation

8 major international IPPs have been involved in the BESIPPPP 1st round by bidding a total of 17 projects



Projects				Bidders
	Substations	Capacity (MW)	#	
1	Aggeneis	77	4	EDF, Scatec, AMEA POWER, R
2	Ferrum	103	3	Scatec, enel, acciona, R
3	Garona	153	3	GLOBELEQ, ACWA POWER
4	Mookodi	77	5	EDF, Scatec, AMEA POWER, enel
5	Nieuwehoop	103	2	EDF, Scatec, R
		513 MW	17	



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BESIPPPP - Round Results

BESIPPPP Round 1 Results

BESIPPPP Bid Window 1 results per IPP



2 IPP's have been appointed as the preferred bidders for the first four BESS projects

Substations	MW	MWh	IPPs / Bidders	Project name	Developers	BBBEE Partners	Technology	CCR Capital Cost Recovery Charge Rates (CCR)	Total Score (/100)
① Aggeneis	77	308	EDF	Oasis Aggeneis	EDF Development S.A. (Pty) Ltd. & Mulilo	Pele Energy Group & GIBB-Crede	Lithium Ion	R443,62/MWh	94,75
② Mookodi	77	308	EDF	Oasis Mookodi	EDF Development S.A. (Pty) Ltd. & Mulilo	Pele Energy Group & GIBB-Crede	Lithium Ion	R408,29/MWh	94,75
③ Nieuwehoop	103	412	EDF	Oasis Nieuwehoop	EDF Development S.A. (Pty) Ltd. & Mulilo	Pele Energy Group & GIBB-Crede	Lithium Ion	R409,06/MWh	94,75
④ Ferrum	103	412	Scatec	Mogobe BESS	Scatec Africa (Pty) Ltd	Perpetua Holdings (Pty) Ltd	Lithium Iron Phosphate	R414,83/MWh	95,04
⑤ Garona	153	612	An additional eligible Bidder may be appointed once the value for money negotiation has concluded, based on the benchmarking exercise conducted during the evaluation process						
Total	513	2052							

Source: DMRE and Finergreen

What's next?

- Further announcements on the release of the second BESIPPPP bid window with a capacity totalling 1 230 MW will be made in due course.



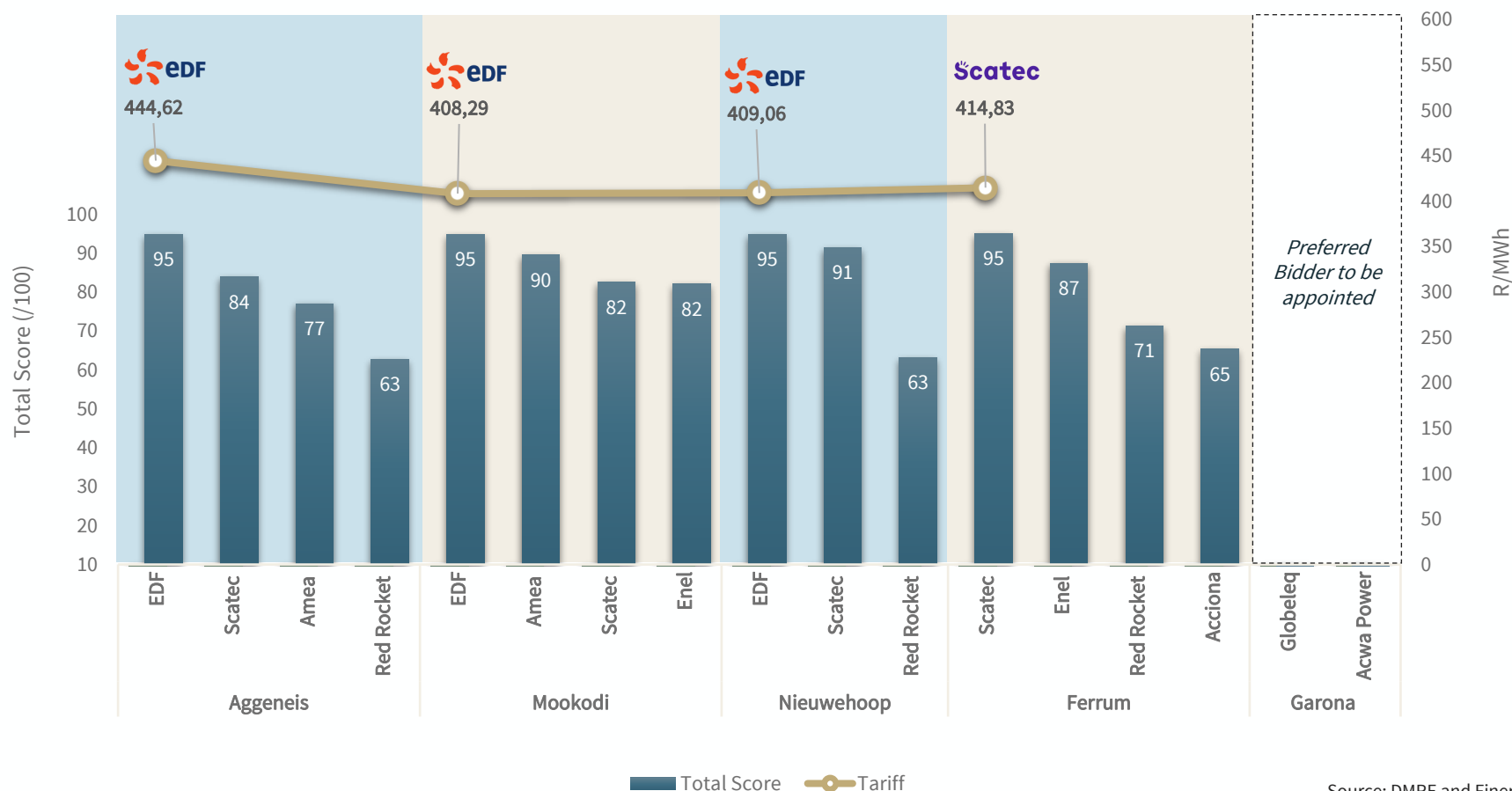
BESIPPPP Tariff and score evaluation



BESIPPPP Bid Window 1 results per bidder

Preferred bidder tariff and comparison of total scores among all bidders

Tariff (R/MWh) and total score



Source: DMRE and Finergreen



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We would be pleased to get to know you better



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