

Talking Energy - SANEA

News - Oil Alternative Projects Gain Favour

Oil alternatives are gaining favour as high prices and supply concerns make projects that convert natural gas, coal or even wood chips into liquid fuels more attractive. Among the new wave of gas to liquid projects is the Sasol-Chevron plant in Qatar - the world's biggest gas-to-liquids plant - which is expected to produce 34 000 barrels of liquid fuel a day. The end of May also saw the launch of a new global partnership between Anglo American and Shell which combines Anglo American's extensive coal reserves and Shell's technologies to extract and convert coal to chemicals, hydrogen, power and gaseous and liquid hydrocarbons. Although the partnership appears to be in competition with Sasol, analysts predict that the alliance will assist in the build-up of an international market for clean fuel technologies.

Business Report

News - Revolutionary Solar Technology Commercialised

Solar energy in South Africa broke new ground this month with the signing of an agreement to commercially produce Professor Vivian Alberts's revolutionary CIGS photovoltaic technology. The Central Energy Fund (CEF) and German company IFE, which has decades of experience in the Solar Panel industry, are equity partners in the new company, Johanna Solar Technology, which intends producing solar panels at a quarter of the price of current solar panels. Once the commercialisation process has taken off in Germany, the CEF in partnership with IFE and local partners, Anglo American and Richemont, intends setting up a production facility in South Africa to capitalise on the South African license.

News – Eskom Changes Focus

Eskom is changing its policy of investing in electricity projects in African countries located beyond the Southern African Development Community (SADC), in the wake of increased domestic demand and the need to enhance security of energy supply in the region. The company intends focusing on meeting South Africa's energy needs and on securing supply in the region, through exploring opportunities to bolster electricity generation capacity and prioritising electricity trading in the Southern African Power Pool. In future, Eskom will only invest in projects that have the potential to sell electricity in excess of 100 megawatts to South Africa and in transmission projects aimed at interconnecting countries as well as distribution projects with the potential to retail to large industrial customers.

Business Report

News – Energy Efficiency Bodies Created

The Western Cape electricity crisis and rising international oil prices have pushed energy efficiency to the top of the agenda. Earlier this month, the Central Energy Fund (CEF) announced the creation of two new energy bodies: the National Energy Efficiency Agency (NEEA) and the South African National Energy Research Institute (SANERI).

The NEEA is a division of the CEF and will be overseeing the implementation of Eskom's Demand Side Management (DSM) and other Energy Efficiency projects. The DSM funds will remain with Eskom, which will continue to manage the funds along with the NEEA's Governance Body.

SANERI, on the other hand, is a subsidiary of CEF and will be responsible for facilitating skills development and undertaking research and technology development which will ensure the full utilisation and optimisation of South Africa's energy resources. SANEA's **Dr Chris Cooper** has been appointed to SANERI's Board of Directors.

News - Integrated Energy Plan 2

The Department of Minerals and Energy established a unit within the Department which will be responsible for Integrated Energy Planning (IEP) and plans to produce Integrated Energy Plan 2 (IEP 2) next year. An intensive capacity building program is underway and the Department is determined to use all the resources at its disposal to produce a world class Integrated Energy Plan. The Department developed scenarios for IEP 2 through a consultative process and held a public workshop on 6 December 2005 to discuss scenarios. IEP 2 will include an assessment of the impact of externalities on the cost of energy.

An Integrated Energy Planning Advice and Review Committee comprising stakeholders from civil society, industry and other government departments has been established to advise the Department on IEP and regularly review progress and make recommendations to the Minister of Minerals and Energy. The sub directorate: Integrated Energy Planning is collecting data and the Department is now in the process of collating the data and investigating the gaps. The Department expects to start feeding data into the MARKAL cost optimisation modelling tool very soon.

SANEA has been invited to participate and Brian Statham is representing SANEA on the Advisory and Review Committee.

Four working groups which will respectively concentrate on supply side, demand side, integration of data and modelling and on externalities have been formed to assist the Advice and Review Committee with facilitating access to data and screening data and to make recommendations to the Advice and Review Committee.

SANEA members who would like to participate in these working groups are requested to email their details, along with a brief statement of the contribution they would expect to bring to the committee, to Brian Statham at: brian.statham@eskom.co.za. This will assist the Convenor in obtaining an appropriate mix of committee members.

SANEA Lecture Evening – Energy Efficiency in Action in South Africa

Dr Elsa du Toit, the Director: Energy Efficiency and the Environment at the Department of Minerals and Energy, will be speaking at the next SANEA lecture. Dr du Toit is responsible for the implementation of the National Energy Efficiency Strategy of South Africa and to achieve the targets for the reduction of energy demand by 2015. She will discuss the programmes in the DME with regard to energy efficiency.

Date: 20 June 2006

Time: 5:30 for 6 pm

Venue: Siemens Auditorium, Midrand

Please RSVP to Gillian by Thursday, 15 June 2006 for catering purposes.

Email: gillian@vdw.co.za

World Energy Council Africa Regional Meeting

SANEA will host the second WEC Africa Regional Meeting and Scenarios workshop from **5 to 7 July 2006** in Johannesburg. We are planning to hold a panel discussion evening on 5 July 2006 where members will have the opportunity of meeting representatives of other African WEC member committees.

Feedback SANEA Lecture Evening – Clean Coal Technologies

At the May SANEA lecture Dr Mark van der Riet, Corporate Consultant (Fuels and Combustion Technologies) for Eskom, gave an excellent presentation on the clean coal technology projects that Eskom is currently engaged in. All of those who attended were impressed with the scope and scale of the work being done. Clean coal technologies will allow us to use more of our coal reserves with a lower environmental impact.

Of particular interest was the investigation into in-situ coal gasification. This technology offers promise in opening up unmineable seams to exploitation; with potentially less environmental impact on the combustion side and improved efficiencies in conversion to electricity. It was recognised though that a better understanding of underground environmental impacts needs to be quantified. A though provoking presentation. Thanks Mark for your willingness to address us.

International Energy Workshop 2006

The International Energy Workshop (IEW) is an informal network of analysts concerned with international energy issues. Its main goals are to compare energy projections and to understand the reasons for diverging views of future developments. Topics of current interest are discussed at annual meetings attended by individuals involved in the wide field of energy.

The 2006 meeting will be held in Cape Town, South Africa on **27-29 June 2006**. There will be many interesting presentations covering all kinds of energy issues. Registrations close on 25 June 2006. For more details about the various presentations, please go to the workshop programme at: [International Energy Workshop](#)

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