

The Role of Concessionaires in the Rural Implementation of mini-grid applications

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Background

■ The role players

- National Government
- DME
- National Electricity Regulator
- Concedante: Eskom/Local Authority
- Concessionaire
- Beneficiary/ Customer

Concession

- Concession granted by the Concedante, in agreement with the NER, for the Concessionaire to:
 - establish and operate a non-grid energy services utility in the Concession Area
 - ensure the installation of the necessary infrastructure to deliver energy services that include a non-grid electricity system (PV SHS or similar) and possible other energy carriers for thermal needs

Why the Concession Model

- Subsidy
- Utility owns equipment
- Maintenance
- Establishment costs
- Government & its agencies play a monitoring role
- Energisation programmes
- Public-Private Partnership

If not the Concession Model

- End-Users get the subsidy
- Maintenance personnel
- Rather wait for grid

Rural Development and the Concessionaire

- “Non-grid electricity contributes towards the economic development and empowerment of communities that do not readily have access to the supply of grid electricity”

Obligations

- Non-grid regulatory framework requirements
- Integrated Rural Development to address :
 - low incomes
 - high unemployment
 - basic services
 - high illiteracy and innumeracy

What This Means

- Build a sense of self reliance and interdependency – but not dependence
- Encourage initiative by assisting communities wherever possible
- Communities must be proud of their achievements

Conclusion

- Co-operation and closer working ties with other sectors
- Share the good and bad experiences for the sake of our country