

## Cape Town to start paying businesses, residents cash for power fed into local grid

Mayor Geordin Hill-Lewis announced on Tuesday, 24 January, that the City of Cape Town will now be able to pay cash for power fed into the local electricity grid. This after National Treasury granted the city an exemption from competitive bidding processes.



Source: Gallo/Getty

"Payments to commercial customers will be possible before June, and within the year for any Capetonian with the necessary city-approved generation capacity. If you're thinking of investing in a solar system, it just got more attractive," said Hill-Lewis.

"We aim to buy electricity from as many city-supplied customers as are willing to sell to us. These customers may now produce as much power as they can from their approved systems and feed it into Cape Town's grid. Under this plan, we will also pay these customers an incentive over and above the Nersa-approved tariff as they help us turn the corner on load shedding."



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The National Energy Regulator of South Africa (Nersa) has approved a rate of 78,98c/kWh for this financial year for the city to pay power sellers. The city also adds a 25c/kWh incentive tariff on top of this.

Small-scale embedded generation (SSEG) and wheeling customers who want to feed energy into the grid need to have their system approved and have an AMI (advanced metering infrastructure) meter installed by the city. This is a bidirectional meter that allows accurate reporting of the amounts of energy consumed and generated. For more, visit: https://www.bizcommunity.com