

# Nuclear procurement process to commence

PRETORIA: The Department of Energy (DoE) will commence with the nuclear procurement process in the second quarter of this financial year, Minister Tina Joemat-Pettersson said on Tuesday, 19 May.



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"We will commence with the actual nuclear procurement process in the second quarter of this financial year to select a strategic partner or partners in a competitive, fair, transparent and cost effective manner. We expect to present the outcome of this procurement process to Cabinet by year end," explained the minister.

Government approved the Nuclear Energy Policy, in 2008, which provides for the expansion of the nuclear build programme in a coordinated manner to address the country's socio-economic needs and to bolster the economy.

Cabinet approved the Integrated Resource Plan 2010 which provides for 9,600 megawatts of electricity to be generated through nuclear power, with the first unit commissioned by 2023.

The country has signed various Inter-Governmental Agreements (IGAs), laying the foundation for cooperation, trade and exchange for nuclear technology as well as procurement. These agreements describe broad areas of nuclear cooperation and they differ on emphasis, based on the unique needs of each country.

The minister, who was delivering the DoE's Budget Vote in Parliament, said that completed IGA's will be submitted to Cabinet for discussion and endorsement in the coming weeks after which the requisite parliamentary processes for ratification of these agreements will follow.

In addition, vendor parades have been completed with all nuclear vendor countries that have shown interest to participate in the nuclear new build programme.

The department will finalise the business model for the re-establishment of the Nuclear Fuel Cycle Facilities to take advantage of mineral resources and the beneficiation strategy of government.

In preparation for the rollout of the nuclear build programme, the department has commenced with a Nuclear Skills Development and Training programme where the department will be sending students to attend focussed training in various countries.

Last month, 50 trainees from government nuclear industry entities were sent to China for Phase 1 nuclear training, and plans are underway to send an additional 250 trainees to China.

The Russian Federation has offered five new nuclear scholarships at Master's Degree level in Nuclear Physics this year, while South Korea has a standing programme to train South African students in Masters Programmes in Nuclear Engineering.

## **South African National Energy Development Institute (Sanedi)**

Meanwhile, the minister said that Sanedi continues to play a leading role with respect to a variety of energy efficiency initiatives.

"The Cool Surfaces pilot programme, with a particular focus on schools and low-income households will mobilize our youth form part of energy efficiency initiatives."

In addition, the municipal energy efficiency and demand side management programme will continue. Already savings to the extent of 500 gigawatt hours have been achieved by various municipalities, primarily by retrofitting lighting in buildings, LED street-lighting, the installation of smart meters, water and sewage pumps.

## **Solar water heater programme**

The minister also highlighted that the solar water heater programme will change effective from this budget year.

"The planned new contracting model has been submitted for Cabinet approval. In order to drive the localization effort, the installation programme will be rolled out by local municipalities.

In keeping with the inter-governmental relations framework, national and local government will collaborate in ensuring that the programme delivers on local enterprise and skills development," she said.

The maintenance and life cycle management of installed products and the creation of employment opportunities targeting youth, women and military veterans will be prioritized.

In partnership with the Department of Labour and the Energy and Water SETA, a comprehensive training programme will be implemented.

The Department of Labour has allocated R38 million for this, while the DoE has allocated R500 million.

"We are confident that once in full implementation mode, additional funding will be solicited from the fiscus."

## **Integrated National Electrification Programme**

The Integrated National Electrification Programme is responsible for planning, project management and funding the bulk infrastructure grid and non-grid new connections for households.

Minister Joemat-Pettersson said that R4.2 billion has been appropriated in the last financial year and that the department is on track to deliver 265 000 connections from grid and non-grid technologies by June 2015.

The non-grid programme will be implemented in urban areas to increase basic services in informal settlements.

The minister further added that the National Electrification Programme receives an allocation of R5.7 billion for the 2015/16 financial year, while Eskom and municipalities will receive R3.6 billion and R2 billion, respectively.

"We will deliver 280 000 new grid and non-grid connections in this budget cycle," said the minister.

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