



Department of Energy

AMEU PRESENTATION

16 February 2017

Hermanus, Overstrand Municipality

By

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PRESENTATION OUTLINE

- Introduction
- Rollover Applications for 2016/17
- Planning highlight 2017/18 (what have been done)
- Summary



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INTRODUCTION

- The principal objectives of this presentation is to give outcomes of the 2016/17 roll-over application to National Treasury by some municipality in the WC
- To give electrification planning highlights for the 2017/18 financial year (what have been done to date)
- Finally, to explain the process for bridge financing of electrification projects



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ROLLOVER APPLICATION (2016/17) TO NATIONAL TREASURER

- Roll-over application is done by the municipality via its finance department to National Treasurer not DoE.
- DoE can only support you in that application when made aware of such application but the final decision lies with NT. 2016/17 outcomes are:
 - **Bergriver** : Applied for R371 000 and was recommended.
 - **Saldanha Bay**: R435 000 and was recommended
 - **Drakenstein** : R1.1m and was recommended
 - **Swellendam** : R318 328 and was recommended
 - **Kannaland** : R2.4m and was recommended
 - **Oudtshoorn** : R3m and was recommended
 - **Theewaterkloof**: R2.8 and was not approved



2017/18 ELECTRIFICATION PLANNING HIGHLIGHTS

- **In April 2017:** All contracts/MoUs between municipalities and DoE were concluded.
- **May 2017:** All schedule cash-flows for 2017/18 were submitted by all municipalities.
- **July 2017:** 2017/18 transfers began simultaneously with 2018/19 application for both grid and off-grid.
- **August & Sept 2017:** Project application assessments was done.
- **October 2017:** Regazetting of 2017/18 allocation took place and two munics applied
- **November 2017:** 2018/19 allocation took place.
- **January 2018:** Regazetting allocation was confirmed and only one munic was approved.
- **Feb and March 2017:** Sending 2018/19 MoUs.



BRIGDE FUNDING

- Bridge funding happens when the municipality wants accelerate electrification ahead of DoE.
- It can also happen when DoE approved a certain project but did not allocate 100% funding.
- It can also happen due to political pressures that eventually leads re-prioratization of projects in that particular financial year

N.B. If municipality wants to bridge finance any electrification project that municipality must engage DoE for approval and if DoE is not alerted that simply means that project is unknown by both DoE and NT.



SUMMARY

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• **THANK YOU**



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