

Strategy is good but implementation is a problem

FARANAAZ PARKER - Aug 06 2009 00:00

South Africa is headed in the right direction with its energy-efficiency strategy but a lack of follow-through is preventing the country from reaping the benefits.

Regulation is an important aspect of any energy-efficiency campaign. Government has set a national target for energy demand reduction of 12% by 2015, with an industry target of 15%.

Green building standards and an energy-efficient labelling system for appliances are already in place. But these are largely voluntary and have not been well advertised.

Professor LJ Grobler, president of the Southern African association for energy efficiency, said two key drivers for energy efficiency in the country are Eskom's 31.3% tariff hike and the energy-efficiency tax incentive, a draft regulation that the treasury is driving.

According to Grobler, the regulation would encourage businesses to slash energy use by providing a tax break amounting to 45c a kilowatt hour saved. "If it becomes legislation, it will be the best thing that could happen to the energy-efficiency industry," he said.

The industrial and mining sectors account for two-thirds of national electricity usage. Targeting this area is the energy efficiency accord, a government programme with a potentially high impact.

Signatories include large industrial players such as AngloGold Ashanti, Barloworld and Unilever, which have agreed to play their part in lowering their energy intensity. "Overall the campaign is growing, but unfortunately not all companies are able to report on energy reductions," said Loshni Naidoo, senior manager of climate change and sustainability services at Ernst & Young, who pointed out that only 15 of the 44 signatories have reported on actual reductions in energy use.

Former minerals and energy minister Buyelwa Sonjica said last year that government would take the lead in retrofitting buildings for energy efficiency. This has seen some success, for example the Ekurhuleni Metro Municipality's retrofitting of three council buildings has led to a 53% decrease in electricity consumption compared with pre-retrofit consumption.

Parliament and the Union buildings have also been retrofitted. But given the number of government buildings in the country -- think courts, prisons, schools and libraries -- the process could be long and costly.

Eskom's energy-efficiency campaigns, which include the televised power alert, compact fluorescent lamp (CFL) exchange and solar water heating programmes, and a motor efficiency programme aimed at industries, have had varying degrees of success. "The CFL campaign has worked very well and the impact there has been quite tremendous. But the solar water heating one is really battling to get off the ground.

The cost hasn't come down and that could be a barrier to entry," says Grobler. Andrew Etzinger, Eskom's energy-efficient programme manager, believes solar water heaters are the next frontier for energy efficiency in South Africa. "We've already picked the low-hanging fruit.

A lot of the easier energy-efficiency projects have been implemented," he said, referring to the drive towards CFLs. But water heating is the biggest electricity consumer in the home and provides a big opportunity to save energy, he said.

Eskom's target is to install about 200 000 solar water heaters each year but, although it is improving, the country is still far off the mark. In December last year 709 solar heaters were installed. This June 1 346 were installed. But to reach the targets, about 2 000 solar water heaters would need to be installed each month.

The problem, according to Etzinger, is multifaceted. "At the moment the capacity of the solar water heater industry in South Africa is very small and highly fragmented," he said, adding that until now the average

household has had no incentive to install solar water heaters as the payback period on the investment is too long. Because of the labour intensity required when installing a solar water heater, Etzinger believes a door-to-door programme would be the most effective way of achieving a roll-out.

The Nelson Mandela Metro is one of the municipalities considering the idea of door-to-door solar water heater installation. Education on saving energy is key to improving efficiency in the country.

“We have too much focus on technological changes and not enough of a focus on the people side of it,” said Grobler. “A system like the power alert has helped take hundreds of megawatts off the national grid. We found that kids are causing most of the savings; they run through the house saying ‘it’s red, it’s orange’ and switch off the lights. We really need to start young [with education].”

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