

## **SUSTAINABLE ENERGY NEWS on EMAIL (SENSE)**

Welcome to the first edition of the email newsletter – Sustainable Energy News (SENSE) – a service of the Sustainable Energy and Climate Change Project (SECCP), a partnership between Earthlife Africa, Johannesburg, and WWF, Denmark. SENSE will be published monthly and we welcome any feedback and submissions. New appointee to the project Erika Schutze, employed as Research and Information Co-ordinator, will edit it. Mette Nedergaard will be assistant editor based in Denmark. Please let us know if you wish to be removed from this list or suggest recipients for the list. Alternatively, please indicate if you would like to receive our separate Climate Change email newsletter, edited by the climate change facilitator, Mamashoabathe Noko.

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## **1. SECCP NEWS**

Richard Worthington and Mamshoabathe Noko recently returned from the COP7 talks in Marrakech. There will be a report back on COP 7 at the Sustainable Energy and Climate Change workshop, to be hosted by the SECCP on Monday December 3, starting at 10am in Pretoria. We will be presenting the project's proposed research programme as well as the paper we commissioned "Green Power, Public Benefits, and Electricity Sector Restructuring" by H. Winkler and J. Mavhungu (EDRC), available from [erika@earthlife.org.za](mailto:erika@earthlife.org.za).

The workshop aims to get input and different perspectives from participants on COP 7 and provide a multi stakeholder forum for discussion of the implications of the "Marrakech Accord". Government has been invited to attend the workshop in the Sinodole Centre in the Mineralia Building, Corner Andries and Visagie Streets, Pretoria. Mette Nedergaard, the project manager of the SECCP in Denmark, is in South Africa for three weeks and will give a presentation on economic incentives for renewable energy.

The project has revised the research and advocacy plan. The main focus of the research will be to ascertain policies and measures for renewable energy and energy efficiency in South Africa. The research will be used to demonstrate how renewable energy and energy efficiency are main components in an effective climate change response strategy and it will estimate impacts in terms of potential greenhouse gas reductions. Finally, the study will identify sustainable development benefits related to realising this potential,

including job creation, access to energy, local environment and health. We are co-ordinating a research reference group to provide expert advice.

We have a stunning **poster** on Climate Change, done in collaboration with the Ecocity Project, urbanSEED and the City of Johannesburg, to give away. Still confused about the semantics and bodies involved in Climate Change? Then you need our **booklet** called "*Getting to Grips with Global Climate Change Governance*" that will be printed at the beginning of December. Call Lerato on (011) 339-3662 if you want copies of either of the above.

### **The SECCP Staff**

Mamashoabathe Noko – SACAN facilitator: Mama joined the project at the beginning of October 2001 and is responsible for providing secretariat support to the South African Climate Action Network (SACAN) and supporting other aspects of the project including awareness raising and development of advocacy positions; she will be expected to represent the project at meetings with relevant government officials and at international events such as Conferences of the Parties to the UNFCCC. (maman@earthlife.org.za)

Lerato Potele - Office manager: The first point of contact by phone and for visitors, Lerato provides administrative support, including all bookkeeping, routine correspondence and taking care of logistical arrangements; she can also provide copies of project information materials and position documents by e-mail or post. (lerato@earthlife.org.za)

Erika Schutze – Research and Information Co-ordinator: Erika joined the project at the beginning of October 2001 and is responsible for information management and dissemination, including maintaining the filing system, developing and lay-out of project materials. She will also manage the programme of research, with the guidance of the Project Governance Committee (Earthlife Africa Jhb volunteers) and a research reference group. (Erika@earthlife.org.za)

Richard Worthington – Project Co-ordinator: Richard was involved in the development of the project, is responsible for over-all management and co-ordination and is the primary representative of the project; he is also responsible for implementing the advocacy and awareness-raising component, approval of project materials, oversight of relations with stakeholders and development of new initiatives in South-North-South co-operation. (richardw@earthlife.org.za)

WWF DK: The World Wide Fund for Nature, Denmark is our partner and has one fulltime post dedicated to the project, filled by Mette Nedergaard, an energy engineer. She is responsible for bringing lessons from the European/Northern experience of sustainable energy practices and technologies and climate change policy, technical expertise and advice, as well as supporting South-North-South networking and co-operation. (m.nedergaard@wwf.dk)

## **2. GENERAL SUSTAINABLE ENERGY NEWS**

### **Citizens' Wind Power Starts Spinning**

There is a windpark which is owned to about 50% by cooperative membership:

Middelgrunden - is offshore off Copenhagen, Denmark. The 40MW windpark was opened early this year and has a website which you can visit under - [www.middelgrunden.dk](http://www.middelgrunden.dk).

There is another citizen-owned wind turbine in Japan. On 15 September, the first citizens' owned wind turbine -Bonus, 1,000kW- in Japan started its operation at Hamatonbetsu, a small town in the northern part of Hokkaido. More than 80% of its construction cost (200,000,000 yen as a whole) was collected from grass roots citizens; it took only several months.

### **SA teenager invents a cooling system that earns him international recognition**

Bradley Matthews of Northcliff High invented a solar powered refrigeration unit using evaporation for cooling. The unit uses no electricity and causes no pollution; it works with a combination of solar energy and evaporation. AS patent holder he is getting offers of interest from clients such as Shell and Eskom who want to use his cooling system for such diverse projects as cooling batteries in Namibia. He has won a gold medal as the National Exkom Expo in Pretoria in October, the prestigious Meiring Naude award for the most innovative project towards the development of science, an award from the Deputy Minister of Sweden at the Swedish international and Development Association Bradley's main concern is making his invention accessible to poor people to help preserve their food and prevent the spread of disease.(Adapted from Caxton Press.)

*This is the kind of project that the DBSA or the DTI should support.*

### **Antarctic Gales to Generate Power**

Antarctic gales are to be used at full strength when a new project to develop a wind farm at Mawson, UK, gets underway. Read more about how the gusts of wind that reach up to 300 kilometres per hour can generate power taking wind power further than it has ever been before. [www.sustdev.org](http://www.sustdev.org)

**Bio-energy Producers Incentive of \$150 million** - U.S. Department of Agriculture (USDA) will make payments as an increase (sic) for agriculture to be part of the nation's energy solutions. An investment to stimulate the use of agricultural commodities by promoting their use in bio-energy production.

<http://www.sustdev.org/industry.news/092001/04.02.shtml>

### **Study finds Federal Renewable Energy Standard would help prevent energy price shocks**

More than 100 Organizations Give Support to Federal Renewable Portfolio Standard as Senate Begins to Construct Energy Legislation

(Washington, DC)-Adoption of a federal renewable energy standard would help insulate the U.S. from energy price shocks by diversifying energy supply, according to a report released today by the Union of Concerned Scientists. The report, Clean Energy Blueprint, found that America could achieve at least 20 percent of its electricity from wind, solar, geothermal, and biomass energy sources by 2020 and save consumers money, when combined with policies to save energy.

"This report shows that there are alternative solutions to the erratic prices and supply of commodities like natural gas," said report author Alan Noguee, Director of Clean Energy Program at the Union of Concerned Scientists. "Adopting a renewable energy standard would diversify electricity generation, as well as reduce air pollution and greenhouse gas emissions. It's time for Congress to follow twelve states and adopt this standard."

"Renewable portfolio standards have been a tremendous success in several states, including in President Bush's home state of Texas," said Nogee. "If there truly is commitment to creating energy security in the U.S., enacting federal renewable standards will reduce the vulnerability of our energy system to disruption. It is the smart, affordable and effective option."

The study found that consumers would save more than \$440 billion over the period 2002 to 2020, if a series of energy-efficiency and renewable energy policies recommended in the report were to become law. Energy-efficiency policies are a major component of the Clean Energy Blueprint, including new minimum efficiency standards on appliances and other equipment, tax incentives for advanced energy-saving products and matching funds for state-based energy-efficiency programs.

"Energy-efficiency is a key foundation for achieving energy and economic savings for consumers and for increasing the energy independence of the U.S.," said Steven Nadel, Executive Director of the American Council for an Energy-Efficient Economy and a collaborator on the report. "When fully in place, the policies advocated in the report will save a typical American family \$350 a year in energy costs."

*Clean Energy Blueprint was created with assistance from the American Council for an Energy-Efficient Economy and Tellus Institute. The Blueprint compares its figures with the forecast of the Energy Information Administration, the same projections used by the Department of Energy. The report is available on the UCS website, at <http://www.ucsusa.org>*

### **Fuel cell buses to offer relief for polluted mega-cities**

Monday, 1 October 2001: A US\$60 million initiative supported by UNDP and the Global Environmental Facility (GEF) will introduce fuel cell powered buses in six major cities in developing countries to help reduce urban air pollution and greenhouse gas emissions. The five-year programme will provide Beijing, Cairo, Mexico City, New Delhi, Sao Paulo and Shanghai with 46 buses powered by fuel cells to assess the viability of the technology.

"UNDP has always been keen to support innovative projects that will help resolve the severe air pollution problems faced by many cities around the world," said Mark Malloch Brown, UNDP Administrator. "The challenge now is in exploring ways and means to commercialize this promising technology for widespread use in developing countries."

"Bringing fuel cell buses to these cities will hopefully spur the development of fuel cell industries, while simultaneously pioneering new ways of reducing greenhouse gas emissions and improving local air quality," said Emma Torres, UNDP-GEF Acting Executive Coordinator.

In addition to the \$60 million committed by the GEF for the programme, participating governments and the private sector are expected to provide \$140 million, said Richard Hosier, the UNDP-GEF Principal Technical Adviser for Climate Change.

Studies indicate that replacing all diesel buses in developing countries with fuel cell buses operating on hydrogen by 2020 could cut 440 million tons of carbon dioxide emissions each year.

For further information, please contact Nicholas Gouede, UNDP Communications Office, or Richard Hosier, UNDP-GEF.

### **Developing Hydrogen Fuel Stations for Zero Emission Fuel Cell Buses - Air Products & Chemicals, Inc - Venki Raman**

This paper discusses the feasibility of building hydrogen fuel stations to support fuel cell buses around the world by adapting existing know-how in the industrial hydrogen markets, and provides examples of recent projects.

<http://www.sustdev.org/transport/articles/edition4/index.shtml>

### **Sumitomo to build large solar power plant**

TOKYO—Japanese trader Sumitomo Corp. said Monday it had won a 4.5-million-dollar order from a Philippines firm for the biggest solar power plant in Southeast Asia. The Osaka-based trading house said it had received the order worth 550million yen (4.5 million dollars) from Cagayan Electric Power and Light Co., based in Mindanao island in the southern Philippines.

The plant, which will have a capacity of 1,000 kilowatts and some 6,000 solar battery panels, will be completed in late 2002. "The solar power plant will be the largest in Southeast Asia in terms of capacity," a Sumitomo official said. "We will be the first Japanese firm to build a solar power plant in the Philippines." The solar battery modules, key parts of the system, will be supplied by Japanese electronics company Sharp Corp., Sumitomo said.

Ben Pearson ([ben.pearson@dialb.greenpeace.org](mailto:ben.pearson@dialb.greenpeace.org))

## **3. QUESTIONS AND ANSWERS ON SUSTAINABLE ENERGY**

JOHAN C. PAUW wrote:

"The Greater Johannesburg Metropolitan Council is looking for practical ideas to reduce greenhouse gas emissions, e.g. reducing the exhaust smoke from their buses & trucks."

### **SECCP replied:**

There are many practical ideas, from improving information about existing bus services and availability and reliability of services (which was achieved in Curitiba, Brazil, through citizen's getting ownership of bus routes) to retrofitting council buildings for energy conservation / efficiency and introducing incentive schemes for carpooling by employees.

It would help to know the scale of any proposed intervention, timelines and whether there will be any budget. Please would you provide some context to this request. A few more ideas follow below.

Enforcement of existing by-laws regarding vehicle emissions would be great. Inducing senior staff to drive cars with engines no bigger than they need to be would be a challenge.

Perform an energy audit and implement energy efficiency measures (many of these will pay for themselves within a year);

Try to supply your energy needs from renewable resources e.g. tap/collect methane from sewerage works and land-fills; install photovoltaic panels and solar water heaters; Use green building techniques and materials for any new buildings or to retrofit – even simple awnings can reduce energy bills; Support suppliers that follow environmental best practice; Use communications technology to reduce travel; Use less fossil-fuel based energy, including electricity:

Use energy efficient light bulbs – like compact fluorescent lights;

Insist on energy efficiency when buying appliances like kettles, fridges and computers;

Walk or ride a bicycle for short trips, use public transport.

Remember that all production requires energy, so even choosing products with less packaging will help.

Reduce use of manufactured products e.g. copy or print on both sides of paper, avoid disposable cups, plates etc.

Reduce water use and re-use grey (washing) water in the gardens.

Reduce your waste stream and re-use what you can on-site - reduce need to transport waste and new goods;

Recycle paper, glass and cans – making new uses more energy;

Support public transport and develop infrastructure to encourage bicycle use and carpooling;

Provide incentives for organic farming and local food production;  
Encourage compact human settlements;  
Ensure that there are proper recycling centres for CFC's (e.g. from car air conditioners) as CFCs and their usual replacement – HFCs – not only destroy ozone but are also greenhouse gasses  
old batteries, paints, chemicals, oil etc.  
Collect and use methane (CH<sub>4</sub> – a potent greenhouse gas) from landfills and sewerage works;  
Introduce energy efficiency standards for industry and labelling of appliances;  
Develop policies and financial incentives to support renewable energy technologies (e.g. wind, wave, solar and micro-hydro) including for supplying electricity to the grid;  
Support international action under the UNFCCC – United Nations Framework Convention on Climate Change, including:  
Ratify the Kyoto Protocol which requires an initial reduction in greenhouse gas emissions by industrialised countries – a small first step;  
Some things to do personally – indirect energy savings:  
Use glass bottles (refundable whenever possible) rather than cans or plastic;  
Install a low flush toilet, or put a brick in the cistern since water treatment requires energy.  
Some things not to do:  
Never burn rubbish;  
Do not buy products containing freon and other fluorinated hydrocarbons;

#### 4. THE NATIONAL INTEGRATED ENERGY PLANNING WORKSHOP

The DME held a national Integrated Energy Planning Workshop at the Eskom Conference Centre, Midrand, on October 19, 2001.

This was to enable inputs and comments from interested parties on draft documents on the DME's *Preliminary Energy outlook for South Africa*, compiled by the Energy Research Institute (ERI), UCT. The purpose of the document is to provide a background to energy supply and demand in South Africa and form the basis for South Africa's future energy model. The document is a preliminary draft and revisions and alterations will be made according to comments received from interested parties and new data and information collected. The Report looks at energy demand in five main sectors: industry; commercial; agricultural; residential; and transport. It further identifies South Africa's present energy sources and the possible transformation options in respect of alternative energy sources.

A copy of the Report is available on the Department of Minerals and Energy Webpage (<http://www.dme.gov.za/>). For more information contact Ruse (Ms) Moleshe at (012) 3179 284.

Attendance was less than expected, probably due to the fact that the workshop was only advertised in the *Sunday Times* four working days before it took place. Government proposed the next workshop take place on February 19, 2002. After the first draft is completed, various experts and multilateral partners will be invited to comment. *The SECCP notes that the scenarios currently being developed are based on "business-as-usual" (BAU), yet we know that in order to be sustainable, we need to move away from BAU.*

The morning session was presented by Andrew Kenny, senior research officer of the ERI (based at UCT). He provided a "Review of Energy Outlook" that covered energy supply and transformation, as well as energy use. He also presented various scenario descriptions – not predictions or recommendations – using primarily the LEAP model. This was followed by "Selected Preliminary Results", presented by Mark Howells and Mavo Solomon, also of the ERI.

Thereafter people split into four working groups: Scenarios, Supply and transformation, Energy Demand, Cross-Cutting Issues. The SECCP attended the latter.

### **CROSS CUTTING ISSUES WORKING GROUP**

Chaired by Mark Howells, participants were asked to list pertinent issues which he would then take back to the drawing board.

The following points were tabled.

**Institutional issues:** the need for a National Energy regulator was raised and the cost of sustaining the IEP needs to be taken into account.

**Externalities:** The health effects, costs and institutional burdens carried by other departments need to be factored into the cost of any energy solution.

**Renewables:** Targets should be put in place. It was felt that the DME projection of 5% by 2010 was too low and should be raised to 10% (within 10 years of the WSSD). Even ISES and Eskom have recommended a target of 20% of electricity generation by 2020. Equally relevant is the fact that 2,1m rural households have to be connected by 2010 and this can be done with renewables. In the Northern Province for instance, 47% of households are not on the grid.

**Development:** Must be added to “sustainable” and capacity building is important in this regard.

#### **What is a realistic target?**

At present there is a lack of transparency – we don’t know where we stand and Eskom is not saying where it’s going. We need transparency from Eskom, as well as time frames, and capacity building for government.

This is especially important if you consider that the Danes and Germans want to enter into technology transfer agreements with SA, but the main barrier has been this lack of transparency in the sector because they need info on where Eskom is going in the future and what the de-regulation possibilities will be. A potential problem of technology transfer is the dumping of old technology. There must also be an insistence that expertise is imparted according to local needs so that there is not simply a copy of overseas solutions.

Need data transparency, especially problems around commercial confidentiality  
Timeframes are important because concessions have been announced and anticipated, but have not yet been put in place and as a result, companies that might potentially invest are now pulling out.

#### **Environment**

Especially in the light of the WSSD, there will be international pressure to attend to environmental issues. Do we need CDM or are these just expectations of the developed world? SA should evaluate what technology we want, not just what Europe etc thinks we need. DEAT must fulfil its responsibility, as lead agent of climate change, most urgently by establishing a CDM office. This is a window of opportunity to target the development of certain industries.

#### **Additionality**

Government needs to define this and make it clear for funding. Maybe Renewable Energy (RE) companies or service providers should share CDMs with Eskom as they are a force to be reckoned with. Want to avoid situation whereby industries utilise CDM and leave little room for smaller players. It should be used to level the playing field for emerging technologies. Need subsidies for renewable energy technologies (RETS), such as those that are experiencing massive growth abroad. There are also export pressures: we are vulnerable to exchange rate differences etc, so rather act now and limit costs.

Need CDM information and dissemination of data management clearing house. India, China and Brazil are way ahead of us when it comes to CDM.

DEAT should have a CDM office by, for example, November 1, but this is not a government commitment.

### **Useful use of wastes**

There is inherent energy in materials and it's inefficient just to burn it.

Burning of discards, such as agricultural biomass, and methane from landfill and sewerage works makes sense but dedicated waste-to-energy projects that burn what could be reused and recycled should not be set up: Need recognition from DME that the inherent energy (as used to make a material) is greater than that which can be extracted by burning.

### **Data**

Need proper data and info on renewable energy resources and technology, such as wind maps. Need disaggregated gender data.

### **Energy efficiency**

This applies to efficient use of a particular application, as well as a cleaner power status in general. The latter may be more expensive but there will be long-term savings in terms of health costs etc. This should be developed into the modelling.

A method and plan for fuel switching is needed, for example, use gas directly in homes instead of converting it into electricity.

EE can also be linked with the national waste programme, for example, use of glass bottles means that bottles can be re-used, unlike cans, which saves on the energy in making the bottle/can in the first place. Energy efficiency labelling of appliances is required. Are there any means for subsidising or funding initial outlay for efficient appliances, which the public can pay back from savings of electricity?

Load factor correction in transmission would also help energy efficiency.

### **Alternative Energy**

Micro-power: it IS secure, don't just overlook it because it is small.

Distributed generation and Security of supply are recognised national priorities.

The PBMR figures are not current; they are under-reported eg, Exelon anticipate the cost of US\$1200 per kW capacity to build nth unit – that is, the cost once economies of scale are brought to bear, in this case around the 9<sup>th</sup> or the 10<sup>th</sup> unit.

### **Poverty tariff should also be measured in other ways**

In other words, it should relate to energy service needs, not only electricity.

50kwh – give people something that they can actually quantify, such as a luminaire, rather than vague targets.

### **Energy poverty**

Is 50kwh the desirable amount? Will it not cause dependency? What else should people get? Not enough attention given to providing gas, which is better in some cases. When electricity was introduced to Cape Town in the 1950s, low-interest loans were made available. Perhaps this can be integrated with the poverty tariff. People simply will not have the devices. Likewise, there must be support for appliances when they break and appliances must be tested by the SABS.

### **Case studies**

It will help re-dress gender imbalances if one specifies that energy must be made available, for example, studies have shown that often men get to use the electricity for entertainment while women are left to cook the using inefficient energy sources.

### **Global pressures**

Environmental issues,

Exchange rates, especially buying oil,

SA must realise a lot of cross-border issues need to be resolved because regional collaboration is needed,  
Opportunities for exports,  
Overseas companies specialising in renewables need a sign of commitment so government needs to prioritise the completion of relevant policy and legislative documents in order to give the right signal.,  
Use the CDM to promote RETS,  
First world pressures – don't always follow them, set our own regional agendas,  
Economies of scale – these don't necessarily yield the expected benefits.

## 5. THE GOVERNMENT RENEWABLE ENERGY (RE) STRATEGY

At the parliamentary workshop at the DME/DEAT portfolio committee, Khosi Lisa of the Department of Minerals and Energy in Pretoria presented the main points of the Renewable Energy Strategy that was to be presented to Cabinet.  
It was subsequently announced at the NIEP workshop that the proposed RE strategy would be converted into a white paper, for eventual enactment as legislation.  
Timeframes for this new process have not yet been announced.  
Hermann Oelsner of the South African Wind Association provided the following extracts, noting that the suggestions that follow are very encouraging and should not be a problem to be passed by Cabinet.

### **The Energy Policy and the development of Renewable Energy**

Energy Policy Guidelines for Renewables:

Provide focused support for the development demonstration and applications of Renewable Energy sources for both small and large scale applications  
Support Renewable Energy Technologies for application in specific markets on the basis of researched priorities  
Promote the development of appropriate standards and guidelines and codes of practice for the correct use of Renewable Energy Technologies  
Establish suitable information systems of Renewable Energy Statistics (Currently a Renewable Energy resource database is being developed)  
Government objectives of Renewable Energy and challenges to be addressed  
Ensuring implementation of economically feasible technologies  
Ensuring that an equitable level of national resources are invested in Renewable Energies  
Addressing constraints on the development of renewable energy industry  
Measures to be employed  
Establishment of a renewable energy fund supported from the fiscus  
Fund to be administered by Central Energy Fund  
Institutional support for manufacturers, investors and consumers  
To encourage large scale local manufacturing  
Subsidies to support market penetration  
Awareness creation, information dissemination

### **Targets**

The vision for implementation cites targets for renewable energy applications up to the year 2010. 5 % of the national grid supplied power should be from Renewable Energy technologies, mainly from micro-hydro, biomass fuelled turbines, solar thermal, wind turbines and photovoltaics.

(The SECCP recommends 20% of electricity from renewable energy by 2020, and 50% by 2040.)

### **Wind Energy**

Government is promoting the establishment of grid connected wind farms

Darling National Windfarm Demonstration project

The strategy will focus on the development of a National Plan for wind generated electricity through the following:

Development of a regulatory mechanism

Promoting independent power production

Financial Implication

Green pricing

Renewable Energy portfolio

Net metering

### **Government Objectives of Renewable Energy and Challenges to be addressed**

Ensuring implementation of economically feasible technologies

Ensuring that an equitable level of national resources are invested in Renewable Energies

Addressing constraints on the development of a Renewable Energy Industry

## **6. PROGRESS ON ENERGY BILLS**

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### **Energy Bill**

The Department of Minerals and Energy is scheduled to complete their drafting of the Bill by March 2002 after which it shall be released for public comment. The draft Bill aims to promote research and development within the energy industry. The draft Bill will cover all aspects of energy. It aims to ensure that the supply, conversion and utilisation of energy is efficient, economic and environmentally sound. For more information contact Des Govender at (012) 317 9210.

### **Electricity Regulation Draft Bill**

The draft Bill has been published for public comment until 28 November 2001. Submissions and comments on the draft Bill can be sent to:

The Director General  
Department of Minerals and Energy  
Attention: Ms Nelisiwe Magubane  
Private Bag X59  
Pretoria

Alternatively, submissions can be faxed or emailed to Ms Magubane at (012) 320 0713 or [nelisiwem@mepta.pwv.gov.za](mailto:nelisiwem@mepta.pwv.gov.za). The purpose of this draft Bill is to establish a framework in which the electricity supply industry should function. The draft Bill establishes the National Electricity Regulatory Authority (NERA) as the body to oversee and monitor this regulatory framework and to ensure that the interests and needs of present and future customers of electricity are safeguarded. The NERA will deal with issues of efficiency, effectiveness and long-term sustainability of the electricity supply industry and will be responsible for issuing licenses within the industry. For any additional information on the draft Bill contact Ms Neliswa Magubane, Department of Minerals and Energy, at (012) 317 9239.

### **Electricity Supply Industry Regulation Bill**

The first draft of the Bill has been completed and shall shortly be forwarded to the Minister for approval. Once it has been approved, it will be released for public comment. The Bill is scheduled to be released for public comment on 10 November 2001 and be tabled in Parliament towards the end of the year.

The purpose of this draft Bill is to establish a framework in which the electricity supply industry should function. For more information contact Neliswa Magubane at (012) 317 9239.

### **Gas Bill**

The Bill was approved by the National Assembly on 27 September 2001 and has been referred to the Select Committee on Economic Affairs of the National Council of Provinces for consideration. The Select Committee will be considering the Bill on Wednesday 31 October 2001. The Bill aims to promote the development of the piped gas industry in South Africa. It establishes a National Gas Regulator and regulatory framework. The National Gas Regulator will be responsible for the licensing of piped gas transmission, storage and distribution facilities and gas trading services. For more information contact Gerrie Smit at 403 2218.

### **Department of Environmental Affairs and Tourism – Biodiversity**

The first South African report outlining the effects of climate change on the country's plant diversity, has recently been released. The report, funded by the World Wide Fund for Nature (WWF), was produced by William Bond of the University of Cape Town and Guy Midgely and Mike Rutherford of the National Botanical Institute. It confirms that the build-up of greenhouse gases in the Earth's atmosphere will produce alarming climate changes in South Africa in the next 50 years, causing massive die-offs of plant species (including fynbos), rising temperatures, increases in fires and lower rainfalls.

**The SECCP notes** that as part of South Africa 's implementation of its international obligations and commitments under the UNFCCC there is a risk to biodiversity in the application of the Land Use, Land Use Change and Forestry (LULUCF) mechanism. Under LULUCF developed countries have an opportunity to use plantations and business-as-usual land use activities to get credit for "sequestration" or storage of carbon dioxide (CO<sub>2</sub>) from the atmosphere. It is for this reason that the climate-land use change and forestry linkages have assumed political prominence as governments and industry look to carbon sequestration projects as a potential tool for meeting commitments to curb greenhouse gases. LULUCF activities may conflict with, or undermine the goals and progress of other Multilateral Environmental Agreements, such as those dealing with biodiversity, wetlands, desertification and forests.

Since there are no clear definitions for many of the LULUCF terms, concerns are emerging that countries may adopt a narrow focus toward forests and other natural ecosystems valuing them only for their carbon sequestration benefits. Such an approach could lead to policies that promote the development of fast growing, monoculture plantation forestry, at the expense of the conservation and enhancement of biodiversity, encompassing ecosystem, species and genetic diversity.