

SUSTAINABLE ENERGY NEWS on EMAIL (SENSE)
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Welcome! SENSE is a service of the Energy Policy Unit of the Sustainable Energy and Climate Change Project (SECCP) of Earthlife Africa Johannesburg (ELA Jhb).

SENSE is a regular publication, edited by Tristen Taylor. We welcome any feedback and submissions. Also, let us know if you wish to get more information from ELA Jhb, or know someone else who should be receiving SENSE. Please note that the material in SENSE (in particular the Editorial) does not necessarily reflect the positions or policies of Earthlife Africa Jhb and/or the SECCP.

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1. Editorial

Two issues of SENSE (#47) ago, SENSE warned about the coming global shortage of petroleum. Those who still don't believe have yet to fill up their gas-guzzling four by fours; bigger shocks ahead folks, like the possibility of petrol going to R10 a litre in the near future.

The peak of oil production is not alone; the coal price is going through the roof with the price of thermal coal tripling in the last year, while the price of coking coal doubling over the same period. This has prompted Eskom to call for another round of tariff increases.

The collective belt tightening that Eskom management calls for does not extend to their own corporate bonuses; maybe the top execs need the extra millions to pay for the increased power costs of running their mansions, swimming pools and ten-metre plasma TV screens.

Which brings us to the Eskom approach to domestic tariffs in general; a.k.a. the sledgehammer approach. Eskom raises tariff prices with barely a nod of the head to South African's social and economic conditions. Fifty percent of the population lives in poverty, and can hardly meet their nutritional requirements, let alone the municipal electricity bill. Without employing the insanely revolutionary, utterly insurrectionary and wickedly irresponsible tactics of an increased free basic allocation and a step-block tariff, Eskom's tariff increases will squash any hopes of eradicating poverty this side of the new millennium.

Turning to one of the SECCP's favourite topics—the proposed Alcan smelter at Coega—it seems that it is only Cabinet and Alcan that are in favour of the actual smelter and its fantastic consumption of electricity at low, low rates. Veteran energy analyst Andrew Kenny stated recently that, "SA's number one thing for investment was cheap power. We have lost that. The Coega smelter must be scrapped."

On the nuclear side of things, Patrick Moore has been in South Africa touting his Greenpeace credentials (he says he's a founder) and punting the joys of reactors, cost overruns, nuclear proliferation worries, and the long-term health benefits of nuclear waste. Here's what Greenpeace has to say about its self-declared founding fathers:

“Patrick Moore was one of the people involved in sailing the ship 'Phyllis Cormack' to Amchitka to protest planned US nuclear weapons nuclear tests in 1971. However, his claim to be a Greenpeace co-founder is untrue. The initiative against those nuclear tests began in 1969, and only two years later did Moore send a letter in which he introduced himself as a student and asked if he could join.

“Since leaving Greenpeace in 1985, Moore has been a paid propagandist for a number of polluting industries, including: defending clear-cut logging of forests in British Columbia, downplaying deforestation in Amazonia, supporting controversial mining projects, and promoting genetic engineering. On some occasions he has even been in the Climate Sceptic camp.”

The good news is that scientists at the Centre for Renewable and Sustainable Energy Studies might have found a way to generate 10,000MW of electricity from wave power alone.

We have alternatives to fossil fuels.

Tristen Taylor
Energy Policy Officer
SECCP
Earthlife Africa Jhb

2. SECCP News

Press Release: Emergency Programme – Leaving it to Eskom again? Civil society launches 10-point plan.

Earthlife Africa Jhb
30th of January 2008

Government's 'National Electricity Emergency Programme' would benefit greatly from some consultation beyond the usual suspects. While it has been widely noted that the current crisis has come, in part, from ignoring pieces of the 1998 White Paper on Energy Policy, this hastily cobbled together plan does little to rectify this. A response that serves neglected policy objectives, such as addressing externalised costs, diversifying supply and improving energy governance, would not studiously ignore enduring failure to apply cost-reflective pricing to energy-intensive industry or assume that a modest subsidy to mobilise private capital will stimulate massive investment to expand solar water heater production.

A utility approach to solar water heating, where systems are owned and maintained by a municipal, provincial or national utility that charges a monthly fee, could guarantee that the industry grows as fast as is possible. Government spending to avoid, rather than subsidise, the building of coal-fired power plants is hardly a new idea. The current programme – which government claims is in progress, but is not accessible by intended beneficiaries – proposes a subsidy for individual purchases of systems, in a context of sharply rising prices. A utility approach would allow for massive orders being put out to tender, stimulating local production and ensuring economies of scale and far lower transaction and installation costs.

The programme's "Statement on RE Development" simply notes existing initiatives (going back as far as the Darling Wind Farm), no new initiatives, indicating that government considers it is doing enough. Most concerning is the silence on a feed-in tariff, which officials previously indicated as likely to be the cornerstone of the Renewable Energy Strategy - repeatedly promised for publication over the last 8 years. It makes no mention of the studies of potential feed-in tariff systems, commissioned separately by NERSA and the DME last year, nor of Integrated Energy Planning and the Externalities Study, suspended in September 2006.

In the mean time Eskom is using the crisis to entrench its monopoly, proposing to directly deliver 50% of the little renewable energy target and seeking a key role in achieving the rest, including selection of independent power producers. Eskom suggesting that no more than the 10 000 GWh of RE targeted in 2003 (well below 1% of energy supply) should be supported and thereafter a market for green power certificates will suffice.

When we should be strengthening the mandate and independence of the National Energy Regulator, Eskom is leading DME by the nose, and the DME is keeping the regulator hamstrung. Proper oversight of electricity supply should have prevented the multiple plant and fuel supply failures is causing most of the load-shedding. Instead Eskom has successfully steered public resentment against government and built support for massive public spending at its own direction. The programme also endorses an old Eskom favourite: 'Smart metering' - giving Eskom control over appliances in your home, whereby they can be turned off at particular times to avoid excess load to the system, in preference to mandatory efficiency and conservation measures.

Civil Society has long advocated a Stepped Block Tariff. Government's proposal for energy rationing could be achieved through a severe version of this, which would not require new legislation for penalties. The basic consumption required per person, or per workstation or production unit, is charged at conventional rates, with costs per unit escalating as consumption rises above this. A charge of, say R2 per unit for household consumption of more than 300 units per person per month should prompt some behaviour change!

Earthlife Africa spearheads Sustainable Energy Response Plan

10 Point Plan towards solving the electricity crisis

Earthlife Africa, together with the Congress of South African Trade Unions, Sustainable Energy Africa (SEA), the Southern African Faith Communities' Environment Institute (SAFCEI) and the South African Climate Action Network (SACAN), have started a campaign to turn the current electricity crisis into an energy opportunity. Although the deficit of generation capacity has been billed as a crisis, it can also be seen as an opportunity to shift to a more long-term sustainable approach.

Our past reliance on coal and nuclear and our proposed continued reliance on fossil and nuclear generation are in direct contradiction to our commitment to sustainable development. But here is an opportunity to do things differently.

A focus on energy efficiency in the short term, with a longer term emphasis on renewable energy for generation will take us down the renewable road, meeting the sustainable development aims and addressing climate change along the way.

We have therefore put together a ten-point plan that we think would put South Africa on the road to economic sustainability:

- 1) Solar Water Heaters mass mobilisation project (M2SWH) - kick-start implementation with communication campaign to be conducted over next 4 months - emphasis on accredited installers and quality systems (imported or locally made). Low-income households to receive subsidy and to pay off through rates bill, high-income households to use tax-based incentive. Local Government must ensure mass rollout.
- 2) National Treasury to announce that approved energy efficiency measures implemented by anyone can be declared tax deductible- These measures must be implemented in the next year, and can be written off over 2 years.
- 3) NERSA to implement the feed-in tariff (this was planned to be 2008), and two-way metering. Government to work with renewable energy experts to determine a reasonable tariff, and funds allocated to subsidise the grid if necessary.
- 4) Dept of Labour and Dept of Education to work together to put together fast track training programme which will skill workers for solar water installation, and manufacture as well as other renewable energy and energy efficiency related skills which are lacking in the country at the moment. Budget to be allocated from 2008 and use of SETA funds prioritised.
- 5) National Energy Efficiency Agency must employ at least 100 people, and send them out to facilitate energy efficiency practical implementation to industry and business. Local and provincial government must employ permanent energy efficiency officers, and develop integrated energy plans.
- 6) Large energy intensive business and industry should enter into negotiations with renewable energy power providers to establish stand alone power stations - solar thermal electric (for 24 hr heavy industry), ocean and tidal for coastal areas, and wind (with storage) where appropriate.
- 7) Dept of Treasury and Dept of Trade and Industry must engage with Renewable Energy sector to determine investment incentives to attract national and international expertise to build renewable energy plants, and other international financiers for investment in renewable energy particularly solar thermal electric power plants. Eskom's new power plants must prioritise Renewable Energy with commitment to binding and significant renewable energy targets.
- 8) DEAT must prioritise renewable energy and energy efficiency Strategic Environmental Assessments. All EIAs for new developments must demonstrate energy efficiency and renewable energy measures to be implemented.
- 9) Social and environmental justice must be prioritised to avoid unfair discrimination against the poor. A stepped tariff must be prioritised and there should be a freeze on subsidised electricity for industry.

10) Government to establish advisory team of energy experts including the NGO sector to provide guidance to Cabinet over the next 5 years.

The ten point plan is a start and signifies willingness to engage with all stakeholders to resolve the "energy crisis" in a way that promotes human well-being through sustainable development.

We are calling on all individuals and organisations to endorse the plan. To do so, send an email or fax with "endorsement of Sustainable Energy Response Plan" to liziwe@mweb.co.za or (fax) 0866549788.

Press Release: Eskom may Delay Alcan Smelter until 2013
Earthlife Africa Jhb
17th of January 2008

According to an article in today's Business Report ("Shelve new projects, Eskom warns"), Eskom financial director is asking the Government to stop marketing South Africa as a low-cost electricity investment centre. This would include delaying, until 2013, the controversial and proposed Alcan aluminium smelter at Coega. The Alcan was the subject of intense civil society, local Port Elizabeth, and international opposition in 2007.

Eskom's financial director, Mr. Bongani Nqwababa, is reported to have said, in regards to the Alcan smelter, that, "Eskom needs to review supply to Coega", and that paying penalties for the delaying the project would be cheaper than building a new power station, which is what the proposed smelter would require. Earthlife Africa Jhb welcomes this reasoned and enlightened viewpoint and hopes that this is the beginning of responsible energy supply planning, especially in the current climate of load shedding. Responsible energy planning requires demand management and industrial energy efficiency.

Next Wednesday, Cabinet meets to discuss energy supply problems. Earthlife Africa Jhb urges Cabinet to reject the tariff policy (the Developmental Electricity Pricing Programme (DEPP)) under which the 25-year contract with Alcan was signed. Abandoning the DEPP would help to ensure security of electricity supply for South Africa's ordinary citizens.

As explained below, the DEPP ensures that contracts between the State and foreign corporations remain secret and not for public review. This is extremely anti-democratic.

The Energy Policy Officer of Earthlife Africa Jhb, Tristen Taylor, states, "The big question that should be asked when Eskom turns off the lights is; why, if Eskom can't supply electricity to the citizens of this country, is it offering foreign companies large amounts of power at reduced tariffs? Must individuals and small businesses suffer so that large industries can be assured profit? It seems that Mr. Nqwababa understands these

questions and has suggested it would be irresponsible to supply the Canadian multinational corporation Alcan before supplying electricity to the citizens and voters of this country.”

Alcan & Electricity Supply Background

Via the Developmental Electricity Pricing Programme, Eskom and the Government have committed themselves to large-scale supply of electricity to foreign companies at reduced tariffs; this at a time when Eskom struggles to supply citizens with electricity. Thirty percent of all South Africans are still not connected to the electricity grid.

The electricity supply deal to the Canadian aluminium-smelting firm Alcan was the first and to date the only deal to be signed under the DEPP.

For the past two years, Earthlife Africa Jhb has consistently called upon the Department of Trade and Industry (DTI), the Department of Public Enterprises, Eskom and Alcan to disclose the details of electricity sales to Alcan for its proposed smelter. Both the South African Government and Alcan have hidden behind a profoundly anti-democratic clause in the Developmental Electricity Pricing Programme (DEPP). Alcan is the first foreign company to benefit from the DEPP, and has signed a 25-year deal for 1350MW supply of electricity. This represents about 4% of the entire country's usage.

What is the DEPP? Essentially, the DEPP provides for uniquely discounted electricity tariffs for foreign industries that are heavy consumers of electricity (over 50MW) in South Africa. In return for investment in South Africa, the DEPP will ensure that electricity tariffs are internationally competitive (our nearest competitor is Australia, which sells electricity at US\$0.053 per kWh and is 30% more expensive) and that the industry in question can achieve a profitable internal rate of return; i.e. if electricity is a major overhead (such as in aluminium smelting), the tariff will be low enough to ensure profit.

This is a significant incentive for heavy industry to invest in South Africa and is supposed to provide significant jobs. However, what it really does is commit Eskom to tariffs for heavy industry at a rate lower (or, at most, on par with the next cheapest supplier of electricity) than anywhere else. It is, in effect, a subsidy for foreign industries, similar to a tax break or import duty waiver.

The most worrying factor about the DEPP is the "built-in" secrecy clause. Eskom is a public enterprise, ultimately owned by the citizenry at large. However, the DEPP guidelines ensure that any contracts signed under the DEPP are to remain secret. This is profoundly anti-democratic. The DEPP states (clause 12.1):

All officials, employees or members of the Department, the adjudication committee, NERSA, Eskom and non Eskom distributors shall regard as confidential all technical information, records, particularly any strategic commercial information and all

knowledge that pertains to any project that applied for benefits in terms of DEPP, whether such information is recorded on paper or in an electronic manner.

The very next clause (12.2) in the guidelines bounds individuals with knowledge about the contracts to silence for the rest of their lives.

If the DEPP is a method for promoting growth and development in South Africa, why then the secrecy? Why shouldn't this be in the public domain? This clause gives foreign corporations like Alcan the right to build electricity-intensive industrial plant in South Africa, get electricity on favourable terms in relation to their expected rate of return, and not to have to tell the country at large what rate they purchased electricity from the South African state.

Further, this clause seems at odds with the spirit of the Promotion of Access to Information Act, through a pre-emptive strike against the releasing of information.

The DEPP deal with Alcan means that the citizens of this country won't know the answers to the following questions:

- * What is the price of electricity agreed upon by Alcan and Eskom?
- * What are the conditions of supply of electricity?
- * Will the price paid to Eskom cover the indirect costs of smelter? For example, the environmental group TWIG has calculated that the indirect costs of harm to the environment based on Eskom CO2 emissions to supply the smelter with electricity would be R6.4 billion.

SECCP EIA Demands Regarding Northern Free State Coal Power Station

In Feb. 2008, the SECCP made the following input regarding the proposed coal-fired power station in the Northern Free State:

The SECCP hereby requests to be registered as an 'interested and affected party' to the Environmental Impact Assessment: Proposed new coal-fired power station and associated infrastructure in the Northern Free State. We want to put on record our demand for a comprehensive assessment of alternatives to the project activity. Alternatives that should be assessed for feasibility within the revised / extended timeline of the project and studied in detail within the EIR phase include:

- 1) Electricity conservation - meeting existing and growing electricity demand growth through energy efficiency measures and alternatives to electricity use, notably solar water heating (including in residential, commercial, government building and industrial sectors);
- 2) Renewable energy electricity generation (incl. accelerated roll-out of wind, solar thermal and/or solar photovoltaic generation);

3) Best available or cleaner and more efficient coal-based technologies, such as Integrated Gasification Combined Cycle (IGCC) technology, including a comparison of the risks of selection of a less mature technology with the risks of a less efficient and/or more resource/intensive process.

4) Furthermore, the social impact assessment should consider in some detail the employment effects of all technology choices, including the potential impact of implementing alternatives to the proposed project activity, including renewable energy and conservation. This should include assessing the job creation potential of renewable energy options, particularly rapidly accelerated roll-out of solar water heating, to avoid some or all of the electricity demand growth that is assumed as the principle driver of this project activity.

SECCP Staffing

It is both with a sense of regret and opportunity that the SECCP wishes to inform readers of SENSE that the current Project Coordinator (Richard Worthington) has tendered his resignation and will be leaving the SECCP on the 30th of April 2008. Richard has been with the SECCP for the last eight years and it is with great reluctance that we accepted his resignation on the 14th of February 2008. We will miss his expertise and guidance, and we wish him well in his new career at WWF-SA.

However, the organisation also sees this situation as an opportunity to bring “fresh blood” into the SECCP to face the challenges of the coming years. In a full meeting on the 15th of Feb. 2008 between the Project Steering Committee (PSC) of the SECCP and the staff of the SECCP it was collectively decided to advertise for the position of Project Coordinator. This advertisement will appear in the Mail & Guardian on the 22nd of February 2008, and we should have a new Project Coordinator no later than the beginning of May 2008.

In related news, the SECCP Energy Information Officer, Sibusiso Mimi, has returned to Cape Town to be with his family and will be replaced shortly.

3. SA Sustainable Energy News

SA's shores could generate up to 10 000 MW, but costs still an obstacle
Engineering News
26th of Feb. 2008
By Olivia Soraya Spadavecchia

South Africa's coast has the potential to generate between 8 000 MW and 10 000 MW of wave power, the Centre for Renewable and Sustainable Energy Studies said on Tuesday following its first ocean energy workshop held in the Western Cape.

The majority of the 8 000 MW to 10 000 MW would come from the west and south coasts of the country.

The centre on behalf of the South African National Energy Research Institute (Saneri) and the Eskom Research and Innovation Department (ERID) hosted the workshop, focused on wave and ocean current energy.

"Many studies have been done on wave and ocean capacity along our shores - the verdict is that the latent power that is available is promising. The main challenge is cost and finding the right technology," the centre said in a statement.

The consensus that came out of the workshop held last Thursday, far surpassed the initial 24 MW that government initially proposed wave power would contribute to the Department of Minerals and Energy's target of 10 000 GWh from renewable energy sources.

Canada's Finavera Renewables recently said that it was planning to build a 20-MW wave-power project in South Africa and power utility Eskom was also looking at finding ways to harness wave and ocean energy.

However, all the participating stakeholders acknowledged that there were certain obstacles to overcome in achieving the full potential of wave energy.

The main barriers to harvesting the energy from the ocean were identified as the lack of financial incentives, or even clarity as to who would purchase the electricity and at what price.

The centre explained that the main mechanism to stimulate competition and a free market would be the introduction of a feed-in tariff aimed specifically at electricity from ocean energy resources - which was a topic that Eskom and the government had talked about, but, to date, had not acted on.

Additional challenges included a lack of coordination between the various government departments, that resulted in, either failure to implement the existing policy, or the reversal thereof, such as Cabinet's decision that only Eskom may purchase the power from all independent power producers.

Further, the existing legislative framework, especially pertaining to ocean energy, was deemed unclear in terms of which laws apply, or which government departments were responsible for issuing the relevant permits...

Read the rest at: http://www.engineeringnews.co.za/print_version.php?a_id=127820

4. SA Unsustainable Energy

Coega Smelter Should Be Mothballed - Analyst
Business Day
20th of February 2008
By Mathabo Le Roux

VETERAN electricity analyst Andrew Kenny has added his voice to a growing chorus calling for the scrapping of the planned aluminium smelter at Coega.

Speaking on SA's energy crisis at a South African Institute of Race Relations conference yesterday, Kenny urged the government to scrap uneconomic, power-hungry projects urgently. He argued that SA did not have enough reserve capacity to accommodate these investments, nor could it still proclaim itself a destination offering cheap power.

"SA's number one thing for investment was cheap power. We have lost that. The Coega smelter must be scrapped," he said.

Persisting with the smelter would mean taxpayers would subsidise the electricity the smelter would use over 25 years as agreed with Alcan Rio Tinto. Though Eskom CE Jacob Maroga admitted last week that the postponement of the Alcan project would bring the utility some relief, he said the contract would be honoured.

Rio Tinto for the first time last week raised concerns about the smelter's future, when CE Tom Albanese said the project would only get the nod when new power plants had been built.

But Kenny yesterday also questioned the economics of existing smelting capacity in SA, saying their mothballing would be better for SA.

BHP Billiton operates three smelters -- Bayside, Hillside and Mozal smelters -- which collectively use 2500MW. The smelters were attracted on the promise of SA's abundant and cheap electricity. However, the situation has changed fundamentally.

"Smelting is not a particularly good business and its actual value-add is small, unless you have cheap power," said Kenny.

"Would it be good economics to shut them down? The obvious answer is yes. Should we continue to give electricity (to these projects) at artificially low prices? Absolutely not."

Even if hefty penalties SA would pay for stopping the smelters are factored in, Kenny believed it would "make more sense" to buy out the projects and shut them rather than provide them with nonexistent power.

Kenny urged the government to raise electricity prices more aggressively and faster: "We have run out of electricity yet we have the world's cheapest electricity. It's absurd. The Reserve Bank governor (Tito Mboweni) said such high tariff hikes would be inflationary. Well, tough luck. We have to push prices up and in a hurry."

Source: <http://allafrica.com/stories/printable/200802200154.html>

Press Statement - Patrick Moore in South Africa
Earthlife Africa Cape Town
10th of March 2008

Cape Town, 10 March, 2008 - Patrick Moore is in South Africa at a time when the country is experiencing electricity shortages and when decisions must be made about investing substantial amount of resources into new energy capacity. Patrick Moore's visit is also at an opportune time as South Africa reviews its premier energy policy document - the 1998 white paper on energy policy.

As much as Patrick Moore has the right to an opinion, Earthlife Africa Nuclear Energy Cost the Earth Campaign (NECTEC) object to a number of matters associated with his visit to South Africa. Firstly, we would like to clear that Patrick Moore is not a Greenpeace founder and that he is simply providing public relation services to the nuclear industry and other controversial issues including genetically modified organisms (GMOs). We are concerned that the public is being misinformed that Patrick Moore, who left the organisation more than 20 years ago, is paraded as a Greenpeace founder.

"Patrick Moore was one of the people involved in sailing the ship Phyllis Cormack against Amchitka nuclear tests in 1971, but his claims that he is a co-founder are not true. The initiative against those nuclear tests origins in 1969, and only two years later Moore sent a letter in which he introduced himself as a student and asked if he could join. Both his application from March 16, 1971, and a response from "Greenpeace/Don't Make a Wave Committee" dated March 24, 1971 have been archived. And it is a matter of fact that co-founders do not have to write applications to join" said Jan Beranek, Greenpeace International nuclear campaigner.

Moore, who once denied the existence of climate change, is in South Africa on a mission to save the world from the wrath of global warming by pursuing rigorous nuclear programs, as well as projects to plant genetically modified trees that can absorb more carbon from the air. "This comes from a man who carries a counterfeited Greenpeace co-founder card which he uses to hide the fact that he came to South Africa to mislead the nation aided by the Nuclear Industry Association of South Africa (NIASA)," said Sibusiso Mimi acting nuclear spokesperson.

For more information visit: www.earthlife-ct.org.za

From: Earthlife Africa
Nuclear Energy Cost the Earth Campaign Media Desk
021 447 4912

Press Release: Patrick Moore's pro-nuclear tour of South Africa
Greenpeace
6th of March 2008

Cape Town, 6 March 2008 - Greenpeace today, urged South Africans to ignore the highly paid pro-nuclear preaching of Patrick Moore, who uses a false claim of being one of the organisation's founders to bolster his opinion for industrial hire.

Patrick Moore was one of the people involved in sailing the ship 'Phyllis Cormack' to Amchitka to protest planned US nuclear weapons nuclear tests in 1971.

However, his claim to be a Greenpeace co-founder is untrue. The initiative against those nuclear tests began in 1969, and only two years later did Moore send a letter in which he introduced himself as a student and asked if he could join.

Since leaving Greenpeace in 1985, Moore has been a paid propagandist for a number of polluting industries, including: defending clear-cut logging of forests in British Columbia, downplaying deforestation in Amazonia, supporting controversial mining projects, and promoting genetic engineering. On some occasions he has even been in the Climate Sceptic camp.

Moore is listed and offered by the Global Speakers Agency that asks big money for public performances.

Greenpeace has reviewed its anti-nuclear stance in light of both global warming and energy security and found that nuclear power is a deadly distraction from the real energy solutions to these problems. While world-wide climate change is being used as the new rationale for nuclear power, in South Africa, the rolling black outs are the most pressing problem, but power cuts cannot be addressed by nuclear power which will not be available until 2016, at the earliest. Renewable energy and energy efficiency can deliver quickly and cheaply.

Nothing has changed with the nuclear industry, it remains deadly, dangerous, expensive, a nuclear proliferation threat and leaves a legacy of nuclear waste that will threaten the lives and livelihoods for many generations to come. South Africans would be well advised to ask what is happening to the deadly nuclear waste piling up at the Koeberg plant and to ask how in the event of an accident the residents of Cape Town are to be evacuated and to see the nuclear books of Eskom?

Greenpeace has shown that there is a path to achieving a 50 per cent reduction in the world's global warming emissions by 2050, while at the same time phasing out nuclear power. Greenpeace's Energy [R]evolution blueprint shows that renewable energy, combined with greater energy efficiency, can deliver half of the world's energy needs by 2050.

Notes to editors:

To find out more about Greenpeace's Energy revolution see:
<http://www.greenpeace.org/international/campaigns/climate-change>

Contact information:

Jan Beranek, Greenpeace nuclear campaigner
Tel: 00 31 65 11 095 58

Petrol creeps to R10 a litre
Sunday Tribune
24th of Feb. 2008

Motorists are facing a record petrol price shock with increases of R1 a litre in prospect within the next two months.

Economists have warned that motorists might have to cough up around R8,50 a litre by April, sparking fears that the country may not be far from paying R10 a litre for fuel.

Four years ago when fuel was hovering at R4 a litre, the Sunday Tribune reported that economists were warning of the R5 a litre barrier being breached because of rising oil prices. In March 2005, the Tribune raised the likelihood of R7 a litre. Now R10 a litre is fast approaching.

'we have to prepare to pay more for fuel'

Gloomy expectations of big cost rises ahead were echoed by leading investment expert, David Shapiro of Sasfin Frankel Pollak Securities, who warned that South Africans should brace themselves for the economic storm. Shapiro was speaking at an Ernst & Young Budget debate in Durban this week.

Internationally there were clouds ahead, he said. The world economy was slowing down and the US was close to a recession, oil and food prices were on the increase, and central bankers were in for a rough time.

"There was also a looming food crisis as maize prices almost doubled in the past decade and maize producers were increasingly looking at bio-fuels as an alternative to food production."

"Political uncertainty combined with crime and corruption and the energy crisis in South Africa were making foreigners nervous about investing in South Africa," he said.

"The latest fuel price warning comes amid a sharp decline in the exchange rate coupled with the impact of rising oil prices which this week breached the \$100 a barrel price for the second time this year," Shapiro said.

Tony Twine, senior economist with Johannesburg firm, Econometrix, said the price will rise by at least R1 in the first three months of the year with a 60 cents increase in March, followed by a 30 cents hike in April, in addition to an 11 cents fuel levy announced in the Budget, this week.

Motorists bore the brunt of a weaker exchange rate over December, with 17 cents a litre increase in fuel price, which came into effect three weeks ago.

The last hike came after the rand dropped to R6,98 in December compared with R6,84 in the same period in 2006.

The worsening currency fell to R7,87 to the dollar on Wednesday - its lowest in five years - as the Budget was being tabled by Finance Minister Trevor Manuel, closing at R7,75 on Friday.

In addition to the price hike, the general fuel levy of 11 cents a litre, announced by Manuel to assist the Road Accident Fund in meeting its cash flow requirements, would also impact negatively on motorists, Twine said.

....Muzi Mkhize, the chief director of hydrocarbons in the department of minerals and energy, said given that the country was at the mercy of international

currency patterns, it was "anyone's guess when fuel would be R10 a litre"....

Read the entire article at:

http://www.iol.co.za/index.php?set_id=1&click_id=594&art_id=vn20080224091320103C782033

5. SA Energy Policy & Analysis

Eskom's War on the Poor

By Tristen Taylor
Earthlife Africa Jhb
November 2007

“Any civil, religious, or military official in government employ, who serves the state from vanity, or, as is most often the case, simply for the sake of the pay wrung from the harassed and toilworn working classes (all taxes, however raised, always fall on labor), if he, as is very seldom the case, does not directly rob the government in the usual way, considers himself, and is considered by his fellows, as a most useful and virtuous member of society.” —Leo Tolstoy

On the 22nd of November 2007, the National Energy Regulator of South Africa (NERSA) held its last public hearing on Eskom’s massive rate hikes. The outlook for poor users of electricity is grim and marks yet another salvo in the Government’s unrelenting war on the poor.

Eskom and municipalities are planning to increase dramatically electricity tariffs to poor households (defined by NERSA as domestic low users, 100kWh of usage), often at rates above that of domestic high users (800kWh). The new average tariff for domestic low users, based on the projected 16.5% rate hike, will be 48.17c/kWh. For domestic high users, the average tariff will be 45.5c/kWh.

Earthlife Africa Johannesburg, an environmental and social justice NGO, opposed this rate hike for poor users in written submissions to NERSA and made an attempt to speak at the public hearing in Pretoria. When an Earthlife Africa representative (Sibusiso Mimi) tried to make a presentation, NERSA officials denied him the right to do so. Comrade Mimi summed up the public hearing as, “A NERSA and Eskom tea party.”

The proposed tariff increases (which looks as good as approved) will bite heavily into domestic budgets putting further constraints on other basic social goods such as water, housing, food, education and clothing. It is intolerable that the poorest users in society have to have increases on a social service which they cannot afford already. The NERSA documentation on the price hikes quite clearly states that these users are indigent, and, hence, it is peculiar that increases for this bracket are even considered.

The question then is, why? What’s really going on in the electricity sector? With Eskom’s spokesman, Fani Zulu, spinning the facts quicker than a DJ burning on tik, the truth is in danger of being permanently distorted. So, here are the key facts:

Despite the Government and Eskom’s repeated boasts about electrification, 30% of South Africans are still without electricity. Of the 70% who do have electricity, many poor users suffer from disconnection. David McDonald has calculated that there were two million disconnections by 2002. Furthermore, users of prepaid meters disconnect themselves (due to lack of funds to feed the meter), thus transferring the onus of disconnection from the state to the citizenry. The Free Basic Allocation of 50kWh a

month per household is widely regarded to be inadequate; 50kWh doesn't stretch that far between six to eight people....

Read the rest at:

http://www.sangonet.org.za/portal/index.php?option=com_content&task=view&id=8938

Power prices 'will triple in next decade'

11th of March 2008

Business Report

By Justin Brown

Johannesburg - Electricity prices will triple over the next decade as consumers are forced to pay for Eskom's heavy investment in new generation and transmission capacity to meet surging demand.

Stephan Dolk, NUS Consulting Group SA general manager, said yesterday the price of electricity would double in four years and triple in 10.

NUS specialises in market pricing research in the electricity, gas, water, petroleum and telecommunications industries.

The NUS estimate compares with a forecast made in August 2006 by Exxaro Resources' predecessor group, Kumba Resources, that it would take 20 years for South African power prices to triple.

Dolk said: "Eskom definitely can't fund its expansion programme by increasing prices by [only] 5 percent or 6 percent every year. There is only so much that they can borrow without their credit rating coming under pressure."

For power prices to double by March 2012, there need to be three consecutive increases of just more than 20 percent starting from March next year. For prices then to triple by March 2018, prices have to increase by an average 7 percent over six years starting in March 2012.

...A NUS survey of 14 countries last April found that South Africa had the cheapest electricity supply costs at 3.56 US cents (29c) per kilowatt-hour. Denmark was the most expensive at 22.89c per kilowatt-hour.

Bronwyn Wilkinson, a BHP Billiton spokesperson, said a tripling in electricity prices would affect BHP Billiton to a "certain degree". BHP Billiton operates three aluminium smelters in southern Africa supplied by Eskom. Electricity costs account for about a third of an aluminium smelter's costs.

Robert Valdmanis, a spokesperson for Rio Tinto Alcan, said the group, which plans to build a \$3.25 billion smelter at the Coega Industrial Development Zone in the Eastern Cape, confirmed the group was expecting a "substantial increase" in electricity prices...

Read the rest at: <http://www.busrep.co.za/index.php?fArticleId=4297433>

6. African Energy News

The Other Black Gold

Forbes

10th of March 2008

By Timothy Treadgold

It's black and dirty, but that's not stopping coal from being hailed by miners and investors as "the new gold." Soaring prices, driven by Asian demand for power and aided by production shocks in coal-exporting countries, lie behind a global stampede to secure supplies for power generation and to make steel.

"It's like the California gold rush," says Michael O'Keeffe, chief executive of Riversdale Mining, an Australian company exploring for coal in the southern African country of Mozambique.

Late last year one of India's biggest companies, Tata Steel, joined the search by paying Riversdale \$91 million for a minority stake in a small portion of an exploration prospect in northwest Mozambique. It will be several years, at the earliest, before coal is mined at Benga on the banks of the Zambezi River, but Tata moved early to ensure its future entitlement to what was once regarded as an abundant commodity.

"There is a global shortage of both thermal (to generate electricity) and coking coal (to make steel)," says O'Keeffe, 56, who grew up in Cairns, Australia.

"Indian demand for steel, and hence coking coal, is going through the roof. We've always believed that you'll be able to find iron ore for steel, but it's much harder to get coking coal."

Riversdale's coal discovery in Mozambique, coupled with its Tata deal, has put a rocket under its share price. Over the past 12 months Riversdale stock has more than tripled, even after a recent fallback. Riversdale is generating a small annual profit from a coal mine it acquired two years ago in South Africa, but the real game is its big discovery in Mozambique.

Different types of coal mean there is no common price. However, as a rough guide, prices for both thermal and coking coal have more than doubled over the past year (see chart) and are tipped to rise further.

Mark Pervan, senior commodity strategist in the Melbourne office of the Australia & New Zealand Banking Group, says the most recent sales of coking coal have been around \$270 a tonne, more than double 12 months ago. Thermal coal has nearly tripled in price in the same span....

Read more at: http://www.forbes.com/global/2008/0310/016_print.html

Press Release: Namibian Government Approves Nukes
Earthlife Namibia
5th of March 2008

In response to a recent announcement by Cabinet regarding power generation and uranium beneficiation in Namibia, Earthlife Namibia wants to express its absolute shock about Government's approval to build a nuclear power plant and to allow uranium enrichment in Namibia. There are many reasons speaking against nuclear power generation in our country.

Nuclear energy is unsafe and dangerous!

High-level nuclear waste remains radioactive for a long time. Worldwide there is no solution of safe disposal. Nuclear waste is a problem that does not go away because it remains dangerous for at least 200 000 years. Thus we burden many generations to come with a problem we create today.

There is a risk of low-level radiation in all stages of the nuclear power process. Research shows that low-level radiation does have health and environmental implications.

Nuclear accidents are mostly a combination of technological and human failure, so they can never be ruled out completely. A nuclear accident can have terrible impacts on many generations to come. The consequences of the nuclear explosion at the power station of Chernobyl 20 years ago still burden many people and the environment.

Nuclear energy is not the answer to climate change!

Cabinet in its press release states: "Energy produced by nuclear power stations is considered carbon free, especially if its fuel is processed using nuclear generated electricity. Products made or mined using this power qualifies for special consideration in terms of carbon credit."

The nuclear industry lobby and pro-nuclear politicians want to make us believe that nuclear power is climate friendly. This is not true. On the international market no carbon credit is given for nuclear power generation.

The whole fuel cycle of nuclear power, from mining uranium to the decommissioning of the power station, releases three to four times more carbon dioxide per unit of energy produced than renewable energy.

Nuclear energy is very costly!

Nuclear energy is, on average, between two and four times more expensive than electricity produced from fossil fuels. The enormous costs of decommissioning the nuclear power station and dealing with nuclear waste are not included. The social and environmental costs associated with nuclear power, from uranium mining to disposal of nuclear waste, are never included in the project costs.

Nuclear energy needs high skills!

Technology for renewable energy is available and already proved itself in Namibia and intensive research for local application is taking place while the high technological capacity for nuclear power generation is completely absent in the country and would have to be developed in Namibia or imported at very high cost.

Nuclear energy is not sustainable!

Given current global demand, it is estimated that the world's uranium resources - both those currently available and possible new reserves – will be exhausted within 60 to 70 years.

Earthlife Namibia urges Government to not make nuclear energy generation an option. Namibia has many sustainable and climate friendly resources which should be utilized to the benefit of the country, its people and the environment.

Enquiries:
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Tel: 061 – 227913
Cell: 081 293 8085
E-mail: earthl@iway.na

7. Events

March 2008

URANIUM MINING AND EXPLORATION

Venue: Johannesburg, RSA

Date: 10-12th March 2008

Tel: 011 669 5000

web: www.iqpc.com/za/uranium

ENTERPRISE RISK MANAGEMENT

Venue: Johannesburg, South Africa

Date: 10-13th March

Tel: 011 516 4051

Email: jaylene.naidoo@terrapin.co.za

COAL-TO-LIQUIDS AND ENERGY CAUCUS MEETING

Venue: Johannesburg, South Africa

Date: 12-13th March

Contact: Tristen Taylor, SECCP

Tel: 011 339-3662

Email: seccp@earthlife.org.za

3rd AFRICAN BIOFUELS

Venue: Midrand, RSA

Date: 10-13th March

Tel: 011 771-7000

Website: www.africanbiofuels.co.za

DOMESTIC USE OF ENERGY

Venue: Cape Town, RSA

Date: 18-20th March 2008

Contact: Domestic Use of Energy Secretariat

Tel: +27 21 460 3660

Email: due@cput.ac.za

3RD SUB-SAHARAN OIL, GAS & PETROCHEMICAL EXHIBITION & CONFERENCE

Venue: International Conference Centre, Cape Town, South Africa

Date: 17 – 19 March

Contact: Mark Burridge, Sales Manager

Tel: +27 21 713 3360

Fax: +27 21 713 3366

Website: www.fairconsultants.com

CLIMATE CHANGE, ENERGY AND ENVIRONMENT MANAGEMENT

Venue: Johannesburg, RSA

Date: 25-26th March 2008

Contact: Kishima Productions
Email: info@kishima.co.za

8th EUROPEAN CONFERENCE ON INDUSTRIAL FURNACES AND BOILERS
(INFUB-8)

Venue: Vilamoura, Algarve, Portugal
Date: 25–28th March
Contact: Prof. Albino Reis, Chairman, INFUB
Tel: +351 22 973 4624 / 0747
Fax: +351 22 973 0746
E-mail: cenertec@cenertec.pt
Website: www.cenertec.pt

2008 EUROPEAN WIND ENERGY CONFERENCE

Venue: Brussels, Belgium
Date: 31st March – 3rd April
E-mail: info@ewea.org
Website: www.ewea.org

April 2008

PLANNING AFRICA 2008 – SHAPING THE FUTURE

Venue: Sandton Convention Centre, Johannesburg, South Africa
Date: 14–16th April
Contact: Karen Feuilherade, Precision Conference Organisers
Mobile: +27 83 378 9883
Fax: +27 86 6087 645
E-mail: karen@precisionconferences.co.za
Websites: www.precisionconferences.co.za and www.saplanners.org.za

THE SECOND CHINA INTERNATIONAL WIND EXHIBITION AND SYMPOSIUM
2008

Venue: Shanghai, China
Date: 27-27th of April
Contact: Chinese Wind Energy Equipment
Tel: +86 10 685 13557
Email: qhsheng@263.net

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