

SOL PLAATJE LOCAL MUNICIPALITY

Increase Licensed Threshold from 1MW to 10MW

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1. Potential risks

- **Sales will drop dramatically – loss in revenue**
- If Municipality is custodian of plant – autonomy should be considered
- Theft and vandalism of plant
- If standalone system, drastic power usage spikes are a risk
- **Power quality concerns**



2. Potential overall benefits

- Positive image of selling clean power (Green)
- **Revenue increase based on business model adopted**
- **Decrease load shedding interruptions to consumers**
- Better tariff structures from Eskom – because of competition
- **Promote industry development in areas previously struggling with supply**
- Enter in to multiple deals with various power producers
- **Term of agreement could be considerably shorter with various options of takeover ownership**
- Option of selling carbon credits
- Better power monitoring which creates better control
- **Chance to go on balance sheet because of smaller scale (also quicker)**



3. Constraints to realizing full potential

1. Space / land constraints
2. Capital to invest
3. Lack of maintenance
4. Knowledge of PV systems and management thereof
- 5. Complex agreements to be concluded**
- 6. Complex local government legislation**



4. What type of support will be needed

- Solar PV specialist or guidance on plant design
- Government financial support or investors needed
- PV plant knowledge and management
- **Assistance in drafting new business model**



The End



Sol Plaatje
Municipality

