



APPLICATION FOR AN ELECTRICITY GENERATION  
LICENCE IN TERMS OF THE ELECTRICITY REGULATION  
ACT, 2006 (ACT NO. 4 OF 2006).

Please return completed form to:

HOD: Electricity Licensing and Compliance  
National Energy Regulator of South Africa  
Kulawula House, 526 Vermeulen Street  
Arcadia, 0083  
Pretoria

Or:

HOD: Electricity Licensing and Compliance  
National Energy Regulator of South Africa  
P.O. Box 40343  
Arcadia  
0007

Tel (012) 401 - 4600  
Fax (012) 401 - 4700

**SECTION A                    PARTICULARS OF APPLICANT**

A1     Full name of applicant (business name) and business registration number

ACWA Power Project DAO Pty Ltd

Note the company is not yet ring fenced but is in the process to finalise this amendment and the licence should reflect the name as follows:

ACWA Power Project DAO (RF) Pty Ltd

A2     Address of applicant, or in the case of a body corporate, the registered head office

Physical address  
7<sup>th</sup> Floor, 90 Grayston  
90 Grayston Drive  
Sandton  
2196

Postal address  
P.O. Box 650200  
Benmore Gardens  
2010

A3     Telephone number of applicant

(011) 722 4100

A4     Fax number of applicant

(011) 722 4113

A5     Email address of applicant

N/A

A6     Contact person

First name     Ashley

Surname        Singh

Telephone No 011 722 4100

Mobile No      061 355 2323

Fax No. 011 722 4113

Email address. [asingh@acwapower.com](mailto:asingh@acwapower.com)

A7 Legal form of applicant

Please refer to Company constitutional documents reflecting the Company name, directors and registration number hereto attached as **Annexure A**

**Note to Section A**

- 1) State whether the applicant is a local government body, a juristic person established in terms of an act of parliament, a department of state, a company or other legal body.
- 2) If the applicant is a local government body, attach a copy of the proclamation establishing such body. Where the applicant is a company, the full names of the current directors and the company registration number are required.

**SECTION B                    COMMENCEMENT DATE OF LICENCE**

B1      Desired date from which the licence (if granted) is to take effect

                  Desired Date: 9 July 2021  
                  Proposed construction start date: 31 July 2021  
                  Proposed commercial operating date: 31 August 2022

**Note to Section B**

- 3) The normal processing time for a licence application is 120 days once all relevant information has been provided and there are no objections received.
  
- 4) If the applicant intends operating more than one generation station under the proposed licence, please complete separate application forms for each generation station.

**SECTION C PARTICULARS OF PROPOSED GENERATION STATION**

C1 Name of generation station

ACWA Power Project DAO

C2 Geographical location of generation station (please attach maps) and GPS coordinates (x<sup>0</sup>xx'xxx" S, y<sup>0</sup>yy'yyy" E)

Latitude	S	2	8	°	4	2	'	5	7	.	8
Longitude	E	2	2	°		0	'	2	7	.	5

Refer to **Annexure B** for the location of the power station

C3 Address of generation station

North eastern portion of the Farm Bokpoort 390 RE which is 20 km northwest of the town of Groblershoop within Ward 3 of the !Kheis Local Municipality in the ZF Mgcawu District Municipality, Northern Cape Province

C4 Contact person at generation station

First name and Surname Ashley Singh  
Telephone No +27117224100  
Mobile No +27613552323  
Fax No +27117224113  
Email address asingh@acwapower.com

C5 Type of generation station (thermal, nuclear, hydro, pumped storage, gas turbine, diesel generator or other) (Please specify)

PV+ BESS+ICE Hybrid Power Plant

C6 Expected commissioning date for a proposed generation station or at which the station was commissioned (if an existing station). Also state construction period required if applicable.

The expected Commercial Operation Date to be on the 31 August 2022, with an expected Construction Period of 13 months

The licence should allow 18 months for the construction period in the event there are some unforeseen delays.

C7 The installed capacity (existing and/or planned) of each unit within the generation station (MW)

Planned Contracted Capacity: 150 MW Net (442 MWp PV+150 MW BESS+28,4MW ICE)

Actual Capacity: To be determined during the commissioning phase.

C8 Maximum generation capacity (MW) expected to be available from the generation station and energy to be produced (MWh) over the next 5years of operation. These estimates should be based on modelling of how the power station will fit into the demand profile of its customers, taking into account the least cost energy purchase consideration and demand management options of customers.

Relevant information shared with NERSA

YEAR	Max MW	Total MWh	Own use MWh	Export (Sales) MWh
1	150			
2	150			
3	150			
4	150			
5	150			

**Note:** the actual MWh sent out will depend on the Availability Declaration and Dispatch Instruction from the offtaker during the operating period.

C9 Estimate of the energy conversion efficiency of the generation station/ Capacity factor where applicable.

Not Applicable

C10 Expected future life of the generation station.

25 years of expected life

**SECTION D PARTICULARS OF LONG TERM ARRANGEMENTS  
WITH PRIMARY ENERGY SUPPLIERS**

D1 Name of primary energy supplier/s (mining house, colliery or other fuel supplier)  
if applicable

Not Applicable for renewable technologies

D2 Particulars of the contractual arrangements with primary energy supplier if  
applicable

Not Applicable for renewable technologies

**Notes to Section D**

- 5) Please provide brief particulars of any long - term agreements entered into with  
fuel suppliers and copies of such contracts (Signed Fuel Supply Agreements).

**SECTION E                    MAINTENANCE                    PROGRAMMES                    AND  
DECOMMISSIONING COSTS**

- E1      Details of any proposed major maintenance programmes, including the expected cost and duration thereof, covering the next six years. Project proposals to state the expected availability, planned outage rate and forced outage rate of the plant over the first five years of operation.

Relevant information provided to NERSA

- E2      Details of any major decommissioning costs expected during the life span of the power station and provided for in the project feasibility study.

Relevant information provided to NERSA

The decommissioning cost provision is catered for with a decommissioning cost guarantee (relevant information provided to NERSA).

- E3      Details of major generation station expansion and modifications planned for in the feasibility study (Dates, Costs in Rands (state year) and description)

None



## SECTION F CUSTOMER PROFILE

- F1 Particulars of the person or persons to whom the applicant is providing or intends to provide electricity from the generation station

Eskom Holdings SOC Ltd

Physical Address: Simmer Centre,  
Corner Power and Lake Streets,,  
Simmerpan, Germiston,,  
South Africa

Postal Address: P.O. Box 103,  
Germiston,  
1400

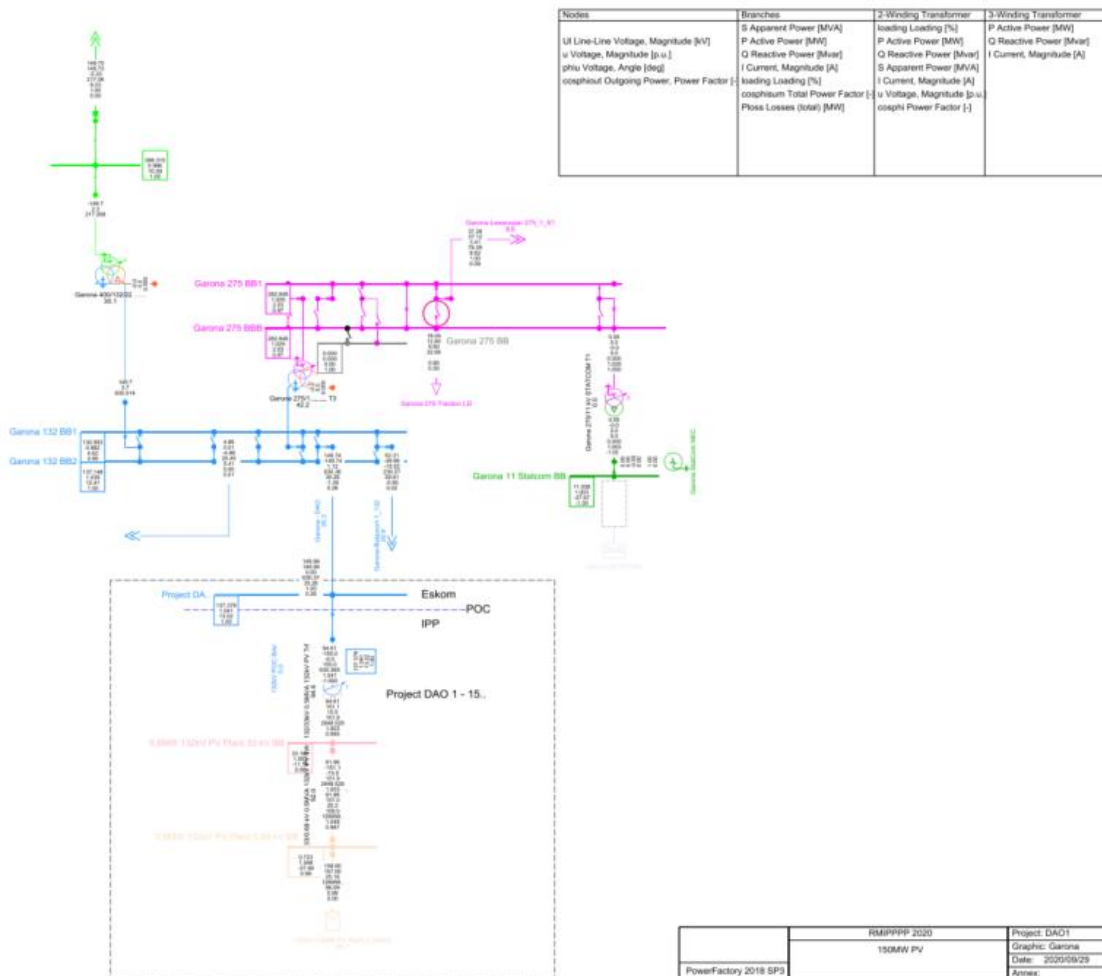
Contact Person: Callie Fabricius  
Tel: +27 11 871 2482  
Fax: +27 11 871 3289  
Email: callie.fabricius@eskom.co.za

- F2 Network connection details (connection points, voltages, wheeling arrangement, single line diagram)

A new substation will be constructed at the power plant which will then evacuate through 132 KV over - head lines into the existing Eskom Garona Substation.

The substation and OHLs are built on Self Build scope and the assets will be transferred to Eskom. The point of connection will be at the boundary limits between the IPP assets and Eskom assets, which is envisaged at the substation. The metering points will be at the new substation.

During the Eskom Budget Quotation phase, the details of the point of connection may change subject to technical review



Refer to the Cost Estimate letter attached hereto as **Annexure D**.

F3 Provide summary details of Power Purchase Agreements with customer including purchasing price etc. (Please attach Power Purchase Agreements).

**1. PPA**

The standard PPA will be signed with Eskom, using the Standard PPA as developed by the DMRE RMIPP Procurement Programme. The PPA will be signed at a date determined by the DMRE.

Refer to Annexure E for a Standard Power Purchase Agreement, as per DMRE RMIPP Procurement Programme.

**2. Purchase Price**

Relevant information provided to NERSA

**Notes to Section F**

- 6) For example, supply to ESKOM or supply to local government distribution system. Please include the details of power purchase agreements entered into and the price structure of the contract.

**SECTION G FINANCIAL INFORMATION**

G1 Submit projections of and current statements of the accounts in respect of the undertaking carried on by the applicant, showing the financial state of affairs of the most recent period, together with copies of the latest audited annual accounts where such have been prepared.

The project company is a new company and therefore, there are no existing financial statements/accounts for the company. However, projections of the financial statements for the PPA duration based on the bid financial model have been submitted under spreadsheet “Dao-Annual-Financial-Statements.xls” in Annexure F hereto (Relevant information provided to NERSA)

G2 Submit annual forecasts for the next five years of costs, sales and revenues generated by the project, stating the assumptions underlying the figures.

Please see attached spreadsheet “Dao-Annual-Financial- Statements.xls” in Annexure F hereto. In particular please see the Profit & Loss Statement from row 104 to 145 in the aforementioned spreadsheet (Relevant information provided to NERSA).

G3 Estimates of net annual cash flows for subsequent periods (5 years; 10 years; 15 years) sufficient to demonstrate the financial security and feasibility of operating the generation station.

Please see attached worksheet “Dao-Annual-Financial- Statements.xls” in Annexure D hereto. In particular please see the Cash Flow Statement from row 11 to 101 in the aforementioned spreadsheet (Relevant information provided to NERSA).

G4 Project financing: Who will finance the project, how is funding split between debt and equity, and what is the terms and conditions of the funding agreements.

For more details around the terms and conditions of financing, please refer to the attached debt funding term sheet in Annexure G hereto.

Relevant information provided to NERSA

In addition, also fill in table below:

Relevant information provided to NERSA

Total capital cost of the project (including IDC)	
Interest During Construction (IDC)	
Post tax real IRR (for the whole project)	
Nominal IRR after Tax (for the whole project)	

Debt/Equity Ratio	
Payback period	

**Notes to Section G**

- 7) The financial projections should be based on a production plan for the generation station and the revenue generated by participating in the electricity market and by bilateral contracts (Power Purchase Agreements) with customers. Reference to the latest version of National Integrated Resource Plan (IRP) is required to demonstrate that the proposed power purchase agreement is the least cost solution available to the electricity purchaser.

## SECTION H HUMAN RESOURCES INFORMATION

H1 Submit details of the number of staff and employees and their categories in the service of the applicant at the generation station and in any support services separate from the generation station. Also provide information regarding relevant qualifications and experience in critical areas e.g. Professional registration (Engineering Council of South Africa – ECSA), Government Certificate of Competency.

### 1. OPERATIONAL PHASE

During the operational phase, it is expected that approximately 31 people will be employed in operations and maintenance of the Project, including O&M Contractor staff, Project Company staff and Outsourced services staff excluding Support Services separate from the generation station.

The following table outlines the breakdown of employment opportunities at the facility.

By the O&M Contractor

Project Activity	Job Description	Entity conducting the Project Activity	Anticipated level of education and skills	Actual Number of Employees
Management	Site Supervisor/Manager	O & M Contractor	Engineering Degree or equivalent	1
Operations	SCADA Controller	O & M Contractor	Engineering Diploma or equivalent 1 Person to be the designated and certified Safety Controller	2
Maintenance	Electrical/C&I Technicians	O & M Contractor	Technologist/Equivalent Diploma	6
Finance, Logistics & Procurement	Store Keeper/Purchaser	O & M Contractor	Diploma or equivalent with Experience in Supply Chain	1
Support Services	IT Officer	Support Service	Relevant qualification and experience	Nominal FTE allocation
	HR & Admin Officer	Support Service	Relevant qualification	Nominal

			and experience	FTE allocation
	Accountant	Support Service	Relevant qualification and experience	Nominal FTE allocation
	Performance Assurance Manager	Support Service	Relevant qualification and experience	Nominal FTE allocation
	Monitoring and & Prediction Center Analyst	Support Service	Relevant qualification and experience	Nominal FTE allocation
Outsourced Service	Housekeeping and Labor	Outsourced Service	Matric or Equivalent	<b>5</b>
Security	Security Guard	Outsourced Service	Matric or Equivalent	<b>4</b>
Assistance to the Electrical Technicians and SCADA controllers	Skilled Labor	Outsourced Service	Experienced	<b>7</b>
<b>Total</b>		<b>O &amp; M Contractor</b>		<b>10</b>
		<b>Outsourced Service</b>		<b>16</b>

By the Project Company

Project Activity	Job Description	Entity conducting the Project Activity	Anticipated level of education and skills	Actual Number of Employees
Senior Management	CEO	Support Service	Bachelor's Degree and MBA	Nominal FTE <sup>1</sup> allocation
	CFO		Finance, Economics or Accounting Degree CA	Nominal FTE allocation
	Operations Director	Project Company	Engineering Degree and Business Management	<b>1</b>
Finance and Accounting	Finance Manager	Support Service	Finance, Economics or Accounting Degree, CA	Nominal FTE allocation
	Management Accountant	Project Company	Finance, Economics or Accounting Degree,	<b>1</b>
Engineering	Performance/Warranty Engineer	Project Company	Bachelors Degree in Engineering + PrEng	<b>1</b>

<sup>1</sup> Full Time Employee

Information and Systems Management	IT Manager	Support Service	Bachelor's Degree in IT or Computer Systems	Nominal FTE allocation
Health, Safety & Environmental	HSEQ Manager	Support Service	Bachelor's Degree	Nominal FTE allocation
	HSEQ Officer	Project Company	National Diploma/Degree and/or experience	<b>1</b>
Human Resources, ED and Support.	HR and CSR Manager	Support Service	Bachelor's Degree	Nominal FTE allocation
	Econ. Dev/Community Liaison Officer	Project Company	National Diploma/Degree and/or experience	<b>1</b>
Legal, Contracts and Documentation	Legal Council	Support Service	Legal Degree and Admission as Attorney of the High Court	Nominal FTE allocation
	Contracts Manager		Degree (Contracts, Law or Commercial)	Nominal FTE allocation
<b>Total</b>	<b>Generation Site</b>	<b>Project Company</b>		<b>5</b>



**SECTION I PERMISSION FROM OTHER GOVERNMENT DEPARTMENTS OR REGULATORY AUTHORITIES**

II What progress has been made to obtain the required permits and approvals for the generation project? Please provide copies of permits issued by the relevant environmental and safety agencies in respect of the operation of the generation station.

The table below highlights permits/approvals that have been secured for the project. Project approvals secured to date are attached hereto as **Annexure H**.

<b>Permit/approval</b>	<b>Status</b>
Environmental Authorisation	Completed
Water Use license	Application process underway
Biodiversity permits	Application process underway
SAHRA consent	Completed
SKA Consent	Completed
CAA approval	Completed
Section 53 approval	Completed
SALA consent	Completed
Site plans	Application process underway
Building	Application process underway
Transnet wayleave	Application process underway
Construction permit	Application process underway
Budget quotation	Application process underway
Confirmation of no land restitution claims	Completed

**SECTION J**

**BROAD-BASED BLACK ECONOMIC EMPOWERMENT**

J1 Please provide information in terms of the following categories:

<b>COMPONENTS</b>	<b>POINTS</b>	<b>0.5</b>	<b>0.75</b>	<b>1</b>
Direct Empowerment	Black Ownership	10% to <20%	<b>20% to 50%</b>	>50%
	Black Management	20% to <35%	<b>35% to 50%</b>	>50%
	Black Female Management	1% to <5%	<b>5% to 10%</b>	>10%
Human Resource Development	Black Skilled Personnel as % of payroll	20% to <35%	<b>35% to 50%</b>	>50%
	Skills Development Programs as % of payroll	1% to <5%	<b>5% to 10%</b>	>10%
	Employment Equity i.e. Women Representation	20% to <35%	<b>35% to 50%</b>	>50%
Indirect Empowerment	Procurement from Black/BEE Suppliers	<b>20% to &lt;35%</b>	35% to 50%	>50%
	Enterprise Development i.e. Monetary Investment or quantifiable non-monetary support in SMME with BEE contributions as % of Net Asset Value/ EBITDA/Total Procurement	<b>10% to &lt;20%</b>	20% to 25%	>25%
	Industry specific initiatives to facilitate the inclusion of black people in the sector as % of net profit	<b>1% to &lt;5%</b>	5% to 10%	>10%
NERSA's Discretionary Points	Based on skills transfer and fulfilment or acceleration of other national objectives e.g. employment of disabled personnel robust implementation of mechanisms to verify the BEE status of suppliers reported under preferential procurement and utilization of DTI approved accreditation agencies and so on.	1% to <5%	5% to 10%	<b>&gt;10%</b>

## **SECTION K            ADDITIONAL INFORMATION**

Provide any other relevant information related to this application

Project DAO has been awarded with a preferred bidder status under the Risk Mitigation Independent Power Producer (RMIPPP) Programme by the department of Mineral Resources and Energy (DMRE). The project under this programme is aimed at alleviating current pressure on the Eskom grid which has over the past years resulted in periodic load-shedding events.

As a result, the project has been categorised as a Strategic Integrated Project (SIP) in terms of Schedule 2 (Section 17(2) of the Infrastructure Development Act (Act No. 23 of 2014) by the SIP Steering Committee proof of registration attached hereto as **Annexure I**. In terms of the Infrastructure Development Act (Act No 23 of 2014), the project authorisations/ permitting timelines falls within the ambit of this act.

**SECTION L                    DECLARATION**

On behalf of the applicant, I hereby declare that:

- (a) the applicant shall at all times comply in every respect with the conditions attached to any licence that may be granted to the applicant;
- (b) the applicant shall at all times comply with lawful directions of the National Energy Regulator of South Africa;
- (c) the information provided by me on behalf of the applicant is accurate and complete in all respects; and
- (d) I am authorised to make this declaration on behalf of the applicant.

Signed:

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Full name(s) of Signator(y/ies):

Prabashen Govender	
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Position held (if the applicant is a company, co-operative, partnership, unincorporated association or any other body corporate):

Director	
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Date:

12 April 2020
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