

# Civil society call on Integrated Resource Plan (IRP2) for Electricity Supply

16 September 2010

**The National Planning Commission**

**Dear Chairperson: Minister Trevor Manuel,**

The Integrated Resource Plan (IRP2) could become the prime determinant of the structure of our electricity sector and highly significant to national energy supply as a whole for the next 20 years, including outlining the effort we will put into Energy Efficiency. The choices we make now in the development of the electricity supply industry will affect our standard of living, our environment, and our economy in the future. The development path taken by our electricity sector:

- Determines the trajectory we take to becoming an energy efficient economy, and the means of managing the long term cost of electricity to our citizens and our businesses;
- Determines whether South Africa is able to gain economic benefits from the world transition to a low carbon, clean energy supply, by supporting the development of a local renewable energy industry, and energy efficiency ; and
- Materially affects our ability to meet South Africa's emission reduction targets, and therefore our position in international climate negotiations and our ability to engage constructively.

As South African civil society we are particularly concerned that the IRP2 may pre-empt more rigorous and inclusive policy and planning processes. South Africa's Renewable Energy White Paper and targets have not yet been reviewed, South Africa's Climate Change Response Policy has not yet been determined, and South Africa does not yet have a coherent Integrated Energy Plan. A hasty IRP2 may conflict with and compromise policies that are still in the process of being developed. It is therefore our firm recommendation that:

- The IRP2 is not finalised until the review of the Renewable Energy White Paper has been completed and there is agreement on the Climate Change Response Policy White Paper,
- Any investment decisions that is in conflict with the IEP and Climate Change Policy will be reconsidered in a transparent decision-making process that includes participation of all relevant bodies including the National Planning Commission; and
- The relevant government departments consult with each other to develop a coherent approach to the IRP2, coordinated with interrelated and ongoing policy and planning processes.

While we recognise that it is not optimal to delay the elaboration of the country's electricity plan, it is critical that the plan is consistent with South Africa's climate change policy framework. South Africa has a real opportunity and responsibility to develop a set of policies and plans that will optimise public benefits such as employment and resource efficiency and enable the country both to act to avert catastrophic climate change and to play a constructive and leading role within the context of the UNFCCC climate negotiations. The current opportunity must not be squandered. The IRP2 must not lock the country in unsustainable energy choices for the next 20 years.

Energy development should be guided by fully-fledged Integrated Energy Planning (IEP - as provided for on an annual basis in the Energy Act of 2008) and the IRP for electricity supply should be routinely adjusted within the annual IEP process. As we are informed that highly significant investment decisions are sought on the basis of IRP2, before a comprehensive IEP process could be completed, it is imperative that there is a transparent and inclusive process to establish detailed criteria that will determine the generation build plan to be finalised in IRP2.

The undersigned call upon the National Planning Commission members - mandated to take a broad, cross-cutting and forward-looking view - to help define the South Africa we seek to achieve over 20 years and beyond and to participate in interrogating the full socio-economic consequences of key decisions.

We strongly believe that a long-term and independent view of the IRP2 is essential to add impetus, rigour and coherence to this critical process.

Sincerely,

South African Civil Society Groups

- SAFCEI
- 350.org
- Project 90 by 2030
- WWF
- Greenpeace Africa
- BirdLife South Africa
- Wildlife and Environment Society of South Africa

Cc: Honourable President Jacob Zuma  
Members of the Inter-Ministerial Committee on energy