

Press Release: “Schlettwein makes strong case for renewables”



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Setting the scene for Namibia’s future energy supply mix, the Minister of Finance, Hon. Calle Schlettwein made a very strong case for the use of renewable energy at a conference hosted by the Economic Association of Namibia this week.

“I am happy to observe that renewable energy technology is evolving and is rapidly becoming more affordable. Renewable energy projects now smartly compete with conventional power sources from a cost point of view. Renewable energy facilities are also very relevant for a sparsely populated country like Namibia where grid connectivity may not be a feasible option for all locations” he said.

According to the minister, renewable energy projects compete on equal basis with conventional power sources from a cost point of view. “To give you an example, the unit cost of electricity from the Kudu power project is estimated at around N\$2.25 per kiloWatt hour. This is after counting in the transmission and other infrastructure costs. In contrast, the renewable energy Independent Power Producer procurement round in South Africa yielded a cost of 67 to 146 South African cents, depending on the type of generation project.”

Added Schlettwein, “we are aware that Namibia has some of the best solar resources in the world, we also have phenomenally good sites for wind energy. All this sums up to the fact that we have a strong case to embrace renewables as an important constituent in our energy mix. I do hope we are able to conceptualise and facilitate investment in an increasing number of renewable energy projects.”

Innosun, operators of the 5 megaWatt Omburu photovoltaic solar plant are also of the opinion that local generation of electricity can be driven by a renewable energy mix. This was said at the energy conference. The French energy firm also recently signed two different Independent Power Producer agreements for the construction of a solar plant near the Osana base as well as a wind farm near Lüderitz, expected to generate 5 megaWatts each.

The Economist caught up with local advocacy group, Consumer for Electricity on the sidelines of the conference to gauge an opinion on the use of renewable energy. Making use of a Grubb Curve, the Group said that the Lithium Ion batteries often used in solar energy projects have not yet reached maturity to make solar energy generation in its entirety possible and cost effective. “Ignoring the problems with Li-ion batteries experienced by every cellphone user and ignoring other relevant facts show that new developments are in a different direction,” the Group said. Innosun claimed in their presentation, the type of battery they use can bring costs down to one Namibia Dollar per kiloWatt hour but the Group said this type of technology will only reach maturity in approximately 15 years’ time.