

# Exxaro, Seriti and Eskom MOU for a just energy transition

In a step towards a just transition to a low carbon future in South Africa, a Memorandum of Understanding (MOU) that spells out their intention to pursue, co-operatively and individually, the development of renewable energy projects to lower their carbon footprint at their operations has been signed by Eskom, Exxaro and Seriti Resources.



Source: ©Seriti Resources Khutala Colliery

The parties also aim to create employment and re-skilling opportunities for communities living and working at and around their operations.

Exxaro and Seriti are the largest coal suppliers to Eskom, contributing around 80% of Eskom's coal supply per year.

By implementing renewable energy solutions at their Eskom-tied operations and at related Eskom sites, Seriti and Exxaro aim to achieve both carbon reduction and cost savings in the generation and use of electricity at these mines.

This is symbiotic with Eskom's mandate to provide electricity in an efficient and sustainable manner, which includes decarbonising its supply chain.

## Solar photovoltaic facilities

The first phase of the envisaged project pipeline will see the construction of a number of solar photovoltaic facilities both on-mine and at Eskom sites.

These may be behind-the-metre solutions (that is, off-grid) or wheeled solutions, or combinations of the two.

The companies have committed to begin the projects as soon as possible, subject to regulatory approvals.

Further projects envisaged may include energy storage and possibly wind energy facilities.

## **CO<sub>2</sub> emissions reduction**

Under the MOU, Seriti envisages achieving a reduction in CO<sub>2</sub> emissions of up to 350,000 tonnes per annum, around half of its current emissions of 700,000 tonnes of CO<sub>2</sub> equivalent through the consumption of coal-fired electricity generation.

Exxaro envisages achieving a reduction in CO<sub>2</sub> emissions of up to 130,000 tonnes per annum at its Matla coal mine, which represents a saving of 70% of the greenhouse gasses with Matla at full production.

“Eskom continues to explore means to lower the cost of coal supplied to its power stations, and this investment allows it to take advantage of the low cost of photovoltaic power.

“This is one of the many initiatives Eskom has embarked on to achieve a NetZero status by 2050,” says Andre de Ruyter, CEO of Eskom.

## **Responsible transition**

“The investment in decarbonising our mining operations is a systematic and responsible approach to the energy transition without introducing risk to the country’s electricity generation,” says Mxolisi Mgojo, CEO of Exxaro.

“We recognise that climate change and the need to decarbonise our economies is a significant challenge and imperative for South Africa.

But, at the same time, we are very conscious that this needs to be done in such a way that does not destroy our industrial base, or the lives of South Africans that rely on our companies for jobs, enterprise and support: this is the very basis of a just transition,” says Mike Teke, CEO of Seriti.

“As a company we are fully committed to decarbonisation and a just transition, and in working with our partners – in business, government, labour and communities – in achieving this, and have formed a new subsidiary, Seriti Green to pursue this,” Adds Teke.

For more, visit: <https://www.bizcommunity.com>