

# Scatec signs power purchase agreements for Kenhardt projects under RMIPPP Programme

Scatec on Thursday, 2 June, signed power purchase agreements with South Africa for the three Kenhardt projects in the Northern Cape under the Risk Mitigation Independent Power Producer Procurement Programme (RMIPPPP).



Source: Gallo/Getty

The projects will provide 150MW of dispatchable renewable energy from 5am to 9.30pm based on a hybrid installation of 540MW of solar PV capacity and 1.1GWh of battery storage. The Scatec projects were the sole renewables only projects awarded in the technology agnostic RMIPPPP Programme.

“Today’s signing acknowledges this landmark achievement by the government, as well as the private sector in achieving this milestone in the RMIPPPP process. With these agreements being signed, we are working towards financial close under the timelines and conditions as stipulated by the authorities,” says Scatec CEO Terje Pilskog.



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## Financial close within 60 days

According to the agreements signed, financial close is to be achieved within 60 days from the signature date. Once financial close has been reached, Scatec will start construction of the projects.

“This unique solar and storage project signifies change within Africa’s renewable energy landscape and will be one of the largest renewable energy and storage projects in the world,” adds Pilskog.

Scatec will own 51% of the equity in the project with H1 Holdings, its local Black Economic Empowerment partner, owning 49%. Scatec will be the engineering, procurement and construction provider and provide operation and maintenance as well as asset management services to the power plants. The Standard Bank Group is acting as lead arranger and debt provider alongside a lender group including British International Investment and they will provide non-recourse project financing to the projects.

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