

Zimbabwe Electricity Regulatory Commission (ZERC)

**ZERC PRESENTATION AT NARUC WORKSHOP – 16 TO 18 MARCH
2011.**



NAIROBI- KENYA

LEGAL FRAMEWORK

- **Electricity Act (Chapter 13:19) of 2002** – provides for licensing of electricity generators in general without specifically mentioning renewable energy;
- **Zimbabwe Energy Regulatory Authority bill awaiting Presidential signature** - specifically provides for “identification and promotion of the employment and development of sources of renewable energy”;
- **Rural Electrification Fund Act** – other than grid connection, the REA is also supposed to deploy renewable energy technologies e.g. solar;
- **National Energy Policy** has been finalized – specifically refers to the need to promote renewable energy resources.
- **Institutions** – ZERC, REA and Ministry of Energy and Power Development.

CASE STUDY - NYAMINGURA MINI-HYDRO

- An independent power producer (IPP) owned by Nyangani Renewable Energy (Pvt) Ltd (NRE) and licensed under the Electricity Act (Chapter 13:19) of 2002;
- Licensed in 2005;
- Total project cost – USD 2.5 million;
- Commissioned in August 2010;
- Capacity of plant is 1.1 MW and is situated about 400 km to the east of Harare;
- Same company has also been issued another license to construct an 18 MW plant in the same area.

CASE STUDY - NYAMINGURA MINI-HYDRO

- 100% of the power is sold to the Zimbabwe Electricity Transmission and Distribution Company - the grid;
- Have signed a power purchase agreement with ZETDC;
- Electricity tariff was negotiated between the two companies – currently is USc16.00/kWh;
- Has been operational for 8 months.

SPECIFIC CHALLENGES

- **Availability of line – the area is subjected to long hours of load shedding and during this time the plant has to shut down;**
- **Not enough load in the vicinity to allow the plant to operate in island mode;**
- **Inadequate tariff – company had wanted a tariff of USc25/kWh to compensate for lost production time due to load shedding.**
- **Reduced production levels during dry season.**

GENERAL CHALLENGES

- No renewable energy policy. At the moment renewable energy issues are coordinated by a department in the Ministry of Energy and Power Development;
- No coordinated approach to renewable energy – Rural Electrification Agency also promotes renewable energy; ZERC and Ministry of Energy;
- No feed-in tariff to promote renewable energy;
- Expensive renewable energy technologies prohibit investments;
- General lack of financial resources for investment in the country and
- No local skills to undertake some of the projects.

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THANK YOU

