

UK PACT COUNTRY PROGRAMMES

3 PART TRAINING: FROM EPC TO NET ZERO
SESSION 2: ENERGY EFFICIENCY
In support of the project: *Operationalising Energy Performance Certificates in South Africa*

The Carbon Trust in partnership with the GBCSA are working on a 30-month project entitled "Operationalising energy performance certificates (EPCs) in South Africa". The project is made possible by grant funding from the UK PACT (Partnering for Accelerated Climate Transitions).

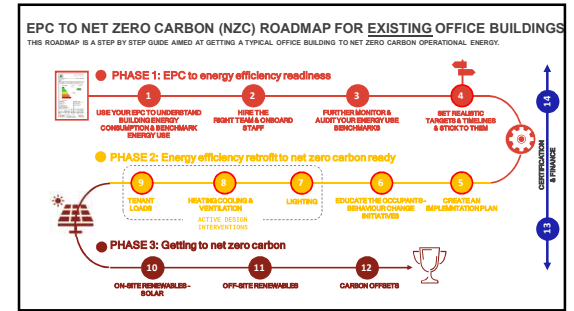
JUNE 28 2022

SCENE SETTING – UK PACT

- UK PACT (Partnering for Accelerated Climate Transitions) is a £70m flagship programme under the International Climate Finance (ICF) portfolio and forms a part of the UK's £11.6bn commitment to International Climate Finance by 2027 to tackle climate change.
- The current three-year programme (2018-2022) is funded by BEIS
- UK PACT works with partner countries, supporting them to accelerate their clean growth transitions and to implement and increase for carbon emissions reductions in line with their NDCs
- UK PACT responds directly to demand identified by partner governments by providing grants to implementing partners (such as NGOs, businesses and academia).

South Africa UK PACT funding

Total funding over £3m



Simisha Pather-Ellias: Sustainable Energy Africa

Argon Pootan: Energy Efficiency project lead, GreenCape

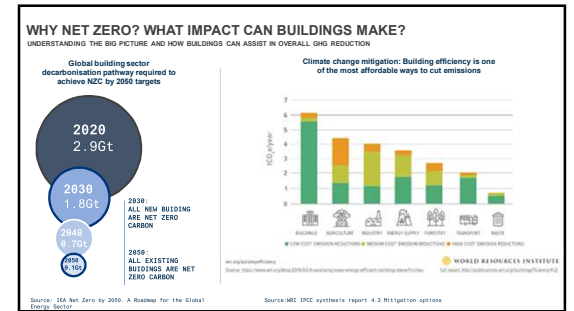
Zoe Rushin: Facilities Manager Old Mutual

Anja Thompson: Events manager, Green Building Council SA

Manti Seleka: Intern, Green Building Council SA.

KEY PROJECT STAKEHOLDERS

Project funders & management	Project consortium	Primary beneficiaries	Secondary beneficiaries
Foreign, Commonwealth & Development Office British High Commission Pretoria Palladium	CARBON TRUST GREEN BUILDING COUNCIL SOUTH AFRICA	sanedi mineral resources & energy Department of Mineral Resources and Energy REPUBLIC OF SOUTH AFRICA	forestry, fisheries & the environment Department of Forestry, Fisheries and the Environment REPUBLIC OF SOUTH AFRICA public works & infrastructure Department of Public Works and Infrastructure REPUBLIC OF SOUTH AFRICA Property funds



SESSION 2: Energy efficiency to net zero carbon ready

1. High level overview, including international and national 2030 | 2050 targets
2. Net zero roadmap – high level
3. Tools that assist in driving net zero + Pathways to achievement
4. Energy modelling / the first fuel: passive design retrofitting
5. Energy consumption in buildings / trends in building sector. What they are and where we need to be
 1. Lighting
 2. HVAC
 3. Tenant loads
6. Financing
7. Energy efficient case study
8. Next session

SESSION 1: Getting an EPC 02 August

SESSION 2: From EPC to net zero carbon ready 16 August

SESSION 3: Getting to net zero carbon 25 August

The UK PACT EPC project is delivering outputs and foundational support to SANEDI and the market with the aim to increase the uptake of EPCs

PHASE 1: 2021	PHASE 2: 2022
<ol style="list-style-type: none"> 1. EPC international best practice and identification of opportunities and barriers for the local jurisdiction 2. EPC register user needs, functionality and technical outline 3. Development of the NBEPR register 4. Issuing of EPCs for sample of 30 buildings 5. Recommendations for improving the EPC process, and development of EPC roadmap for building owners 6. EPC mechanism awareness raising and register training 7. Policy recommendations for further driving EE through the EPC mechanism 	<ol style="list-style-type: none"> 1. Support for 250 building owners in data gathering for EPCs 2. Support for 5 SAMIEs to become SANAS Ibs 3. Training sessions from EPCs to Net Zero 4. Case studies 5. NBEPR oversight & sustainability 6. Private sector alignment 7. Final policy recommendation

Legend: Foundational outputs, Key outputs, Incomplete, This deliverable

South Africa's Climate Change Targets

Following the 26th global COP26 that took place in 2021, South Africa agreed to these adjusted climate change targets to join the fight against climate change

South Africa needs to meet its net zero emission target by 2050 and set more ambitious near-term emission targets in order to play an equitable role in limiting global temperature increases to well below 2C, and preferably to below 1.5C – as per the Paris Agreement's targets

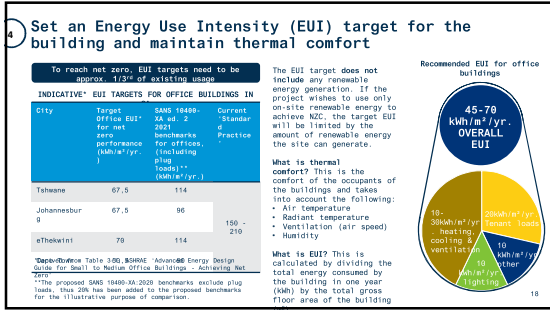
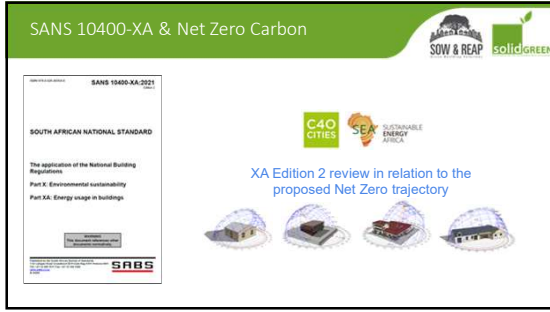
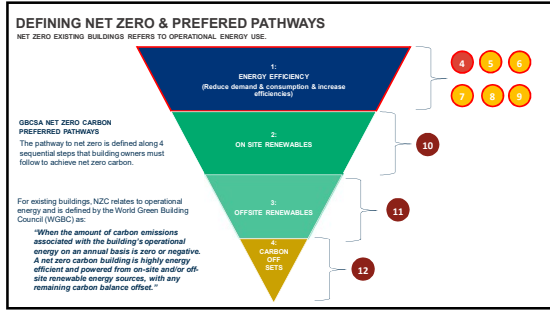
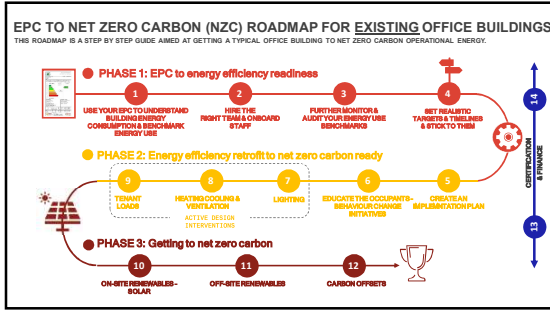
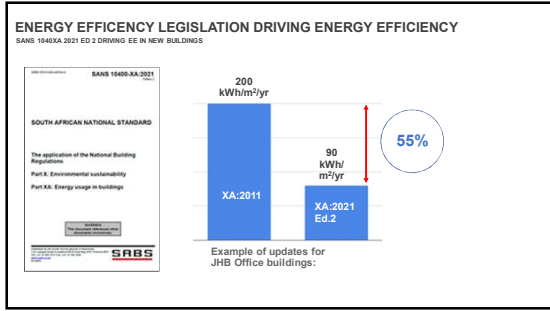
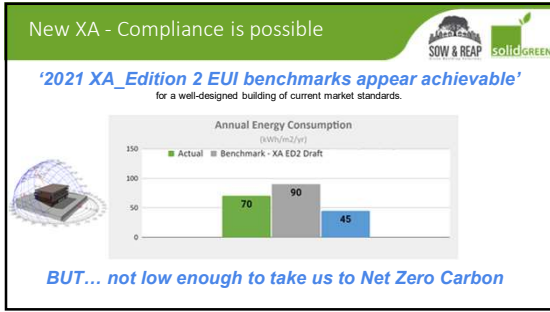
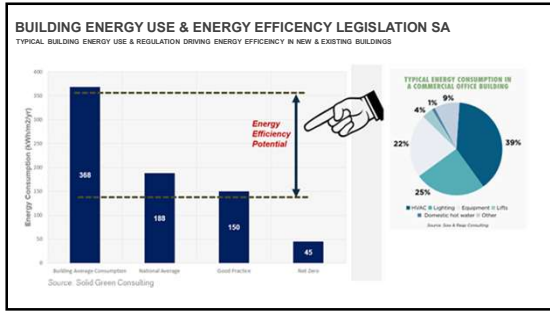
Accounting for ~15% of the country's GHG inventory, buildings are a key part of South Africa's decarbonisation strategy; building emissions will need to decrease by 34% in relation to the International Energy Agency's Reference Technology Scenario by 2050 (or by 82% below current emissions) if South Africa is to align itself to a 2°C scenario – i.e. most buildings will need to be at or near to net zero carbon (NZC)

In most instances, improved EE reduces building operational expenditure and this comes with strong economic arguments. However, the need to improve EE is increasingly being led by the net zero imperative, this is especially relevant in South Africa where grid electricity is highly carbon intensive

The Post-2015 National Energy Efficiency Strategy (NEES), also requires that state-owned buildings reduce specific energy consumption by 50%, and commercial buildings by 37% by 2030, off 2015 benchmarks

Additionally, the construction and use of buildings accounts for significant scope 2 and scope 3 emissions

WEBBER WENTZEL
in alliance with iLmklaters





PREDICTED MEAN VOTE (PMV): MEASURING THERMAL COMFORT

The predicted mean vote (PMV) and predicted percentage of dissatisfied (PPD) are the most widely used thermal comfort indices

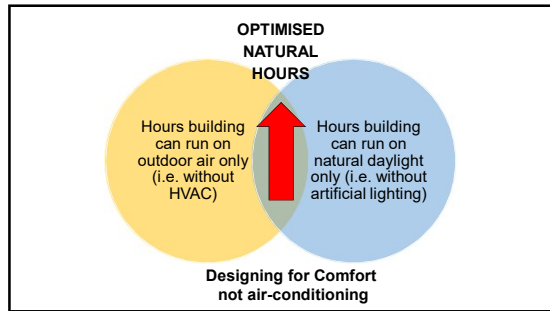
Scale	Thermal Sensation
+3	Hot
+2	Warm
+1	Slightly Warm
0	Neutral
-1	Slightly Cool
-2	Cool
-3	Cold

- Applies to conditioned spaces
- Uses six factors to predict comfort

DESIGN STRATEGIES TO ACHIEVING ADAPTIVE COMFORT

- Envelope design** i.e. shade in summer & allow winter sun in.
 - Shutters & shading (horizontal on north & south; vertical on the west & east)
- Natural Ventilation** i.e. openable windows
- Mixed Mode Systems:** a hybrid approach to space conditioning that uses a combination of natural ventilation from operable windows (either manually or automatically controlled), and mechanical systems that include air distribution equipment and refrigeration equipment for cooling.
 - Concurrent mixed-mode operation
- De-coupling heating / cooling from fresh air**
- Radiant heating / cooling strategies**
 - Chilled beams (active & passive)
 - Chilled ceilings

Source: ASHRAE decoupled cooling



CBE Thermal Comfort Tool

ASHRAE 55 EN-14798 Compare Ranges Upload Fans Feedback PHS Help Other CBE tools

Inputs: Operative temperature 25 °C, Prevailing mean outdoor temperature 25 °C, Air speed 0.3 m/s (0.6 fpm)

Complies with ASHRAE Standard 55-2020

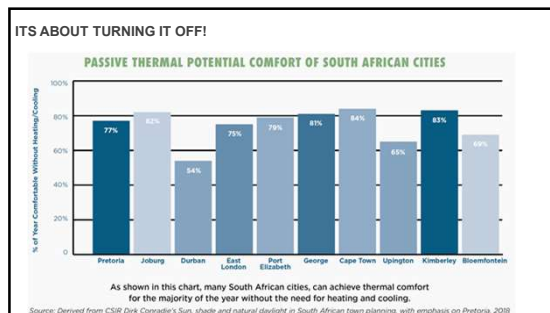
80% acceptability limits = Operative temperature: 21.1 to 29.1 °C
 90% acceptability limits = Operative temperature: 21.1 to 28.1 °C

Access the tool [here](#)

ENERGY MODELLING & SIMULATIONS TO PREDICT BUILDING PERFORMANCE METRICS

- Energy Modelling
- Artificial Lighting Quality
- Daylighting & Glare
- Solar Performance
- Thermal Comfort

An example assessing solar radiation on facades. This can be done by structure specialists to optimize shading and glazing.



ASHRAE Standard 55

Thermal Environmental Conditions for Human Occupancy

ASHRAE Standard 55 specifies conditions for acceptable thermal environments and is intended for use in design, operation, and commissioning of buildings and other occupied spaces.

"that condition of mind that expresses satisfaction with the thermal environment and is assessed by subjective evaluation".

Comfortable | Too Hot | Too Cold | Too Drafty

“

What needs to change?

The first rule of sustainability is to align with natural forces, or at least try not to defy them.

Paul Hawken

”

5 Plan EE interventions along the building lifecycle and align them with the long-term maintenance/refurbishment strategy

- For an EE plan to be commercially viable, interventions need to be woven into the long-term business plan for an asset and aligned with maintenance and refurbishment works
- Buildings typically have a 60-year lifespan; depending on the age of the building, there may be several upgrades and refurbishment cycles required during its remaining lifespan
- Careful sequencing of the interventions to achieve energy demand reduction is important. Timing of interventions can be planned around factors such as plant replacement, refurbishment and leasing. This will allow for extra costs associated with carbon reduction to be minimized alongside disruption to operations
- However, as the requirement to reduce carbon emissions becomes more pressing, in many instances, the sequencing of interventions will need to be compressed (and sometimes all outside of regular refurbishment patterns) in order to meet carbon targets
- Opportunities to improve the EE of a building

EE OPPORTUNITIES ARE PRIORITY found in one of 3 building areas:

- 1. Central operations & controls** upgrading or changes to centrally controlled assets such as HVAC, lighting, access and even leasing
- 2. Local spaces** interventions that work directly where people occupy the buildings, involving energy efficient equipment use and behaviour change work
- 3. Building envelope** addressing aspects of the building skin such as creating natural ventilation, adding shading or insulation.

Source: www.greenbuildingcentre.org/energy-efficiency

8 Active intervention: HVAC

40% kWh/m²/yr (NATIONAL AVERAGE)

10-30% kWh/m²/yr (TARGET)

AIM

- NZC buildings should aim to operate without air conditioning for the majority of the year
- Interventions in this category will need to be contextually modelled to understand the best strategy for your building

HVAC LOAD BENCHMARKS

- 0.5 kWh/m² Chiller efficiency
- 0.5 kWh/m² Fan efficiency
- Use EC plug fans as standard design specification
- 20% winter & 30% summer set point for cooling
- 20% winter & 30% summer set point for heating
- Use EC fans as standard design specification
- Use EC fans as standard design specification

STATEGIES: Elements involved in heating, cooling and ventilation of a building, such as chillers, boilers, cooling towers, fans, pumps, and packaged heating and cooling equipment need to be run as efficiently as possible in a NZC building. Coupled with passive strategies to keep the spaces well ventilated and cool in the hot summer months, the aim needs to be to limit the use of air conditioning as much as possible

Interventions can be split into 2 main groups: active and passive interventions and include all of the following:

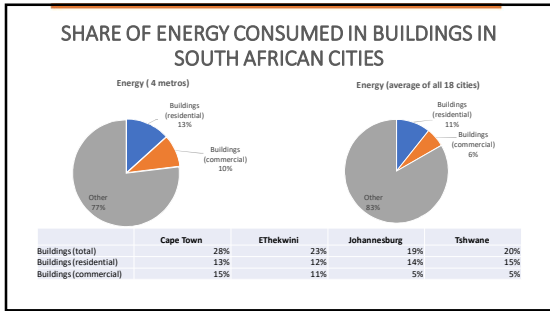
PASSIVE STRATEGIES: Passive and low-energy solutions should be prioritised based on the local climatic conditions. These include:

- Installing shading to the interior or exterior of the building with the aim to prevent heat load entering the building
- Optimising and creating natural ventilation flows
- Appropriate insulation, particularly on the roof
- Insulating opaque or performance glazing where applicable

ACTIVE STRATEGIES:

- Adjust the set point for indoor temperature (e.g. 20/25°C)
- Install heat pumps: these are a more efficient way of heating and cooling air (and water) in a building
- Pre-cooling of thermal mass: allows the building to be cost-effectively cooled in preparation for the next days heat
- HVAC operating times and optimising the running of existing equipment
- Replacing existing HVAC systems with more efficient equipment and recommissioning the system

POTENTIAL SAVINGS & PAYBACK PERIOD: Payback periods will depend on the building specifics. The impact of all interventions should be considered in conjunction with the associated savings based on the building's specific cooling results.



6 Raise awareness and encourage behavioural change with building occupants with the aim to reduce energy consumption

- The role of behaviour change in driving down consumption is critical in achieving NZC
- The implementation of behaviour change initiatives typically generates electricity bill savings of up to 10%
- Increasingly digitized building environments enable occupants to provide ongoing energy and comfort feedback, further driving EE
- An effective communication plan that considers the timing and channels of messages and conveys accessible and impactful messages to encourage behaviour change is
- Physical posters and stickers should be used to support communication. Many organizations offer 'off the shelf' posters resources that could be used
- Good behaviour should be rewarded, and inter-departmental competitions encouraged
- Building occupants should be regularly updated on progress made towards targets and goals, and on proposed plans to encourage buy in to the process

Examples of posters to encourage behaviour

5 ways to save electricity at home

Source: <https://www.posterwall.co.uk/posters/energy/energy-saving>

9 Active intervention: tenant/plug loads

20% kWh/m²/yr (NATIONAL AVERAGE)

10% kWh/m²/yr (TARGET)

AIM

- Efficiency in plug loads is driven by 2 aspects:
- Specify use of energy efficient equipment

PLUG LOAD BENCHMARKS

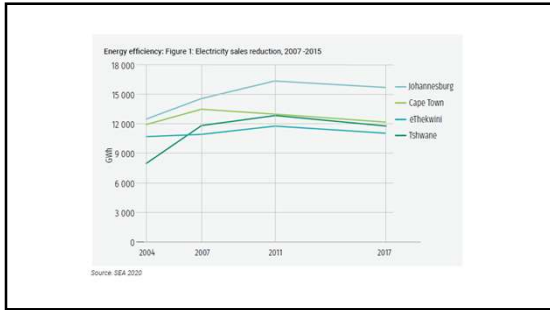
- 8 kWh Overall tenant loads*
- 0.5 kWh ICT plug loads*
- 2 kWh After-hours plug loads*

STATEGIES: A plug load is the amount of energy drawn by devices from an electrical outlet. The actual plug load of a building depends on numerous factors and no two buildings are exactly alike. In commercial office spaces the majority of "plug in" equipment is likely to be computers, screens and printers with oven and fridge to a lesser degree. Plug loads can average up to 30% of electricity use in office settings, much of which can be attributed to parasitic loads (or the power draw of a plug-load that is not performing useful work).

MAKE USE OF MORE EFFICIENT EQUIPMENT: Electrical devices are more efficient than those manufactured just a few years ago and labelling of appliances is now mandated in South Africa (although largely focused on home appliances but including air conditioners). However, the amount of electrical equipment in use in offices is increasing, making driving down plug loads challenging, i.e., laptops and flat screens are more efficient than desktops but people make use of desktops.

CONTROLLING PLUG LOAD BY TURNING OFF EQUIPMENT:

- Automated switching: using timers and "smart" power strips to power off non-critical equipment and office equipment. Beyond the timing function, these devices provide no power management capability.
- Central power management systems that use software to perform specific tasks, such as disabling sleep settings on all computers on the network.
- Total control systems that provide fully integrated management controls.



7 Active intervention: retrofit your lighting

20% kWh/m²/yr (NATIONAL AVERAGE)

10% kWh/m²/yr (TARGET)

AIM

- Net zero carbon buildings need to ensure that lighting is provided as efficiently as possible
- This can be achieved by retrofitting lights with the latest lighting and sensor technology, eliminating redundant lighting, reducing lux levels, changing controls and making the most out of natural daylight

LIGHTING BENCHMARKS

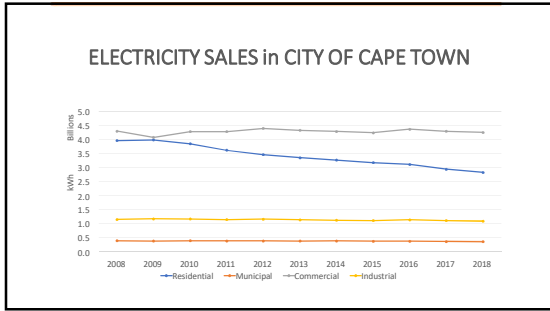
- 4 kWh Cellular office lighting power density
- 5 kWh Basement parking lighting
- 6.5 kWh Outdoor and after-hours lighting
- Occupancy & Photo(s) sensors required with efficient control strategies

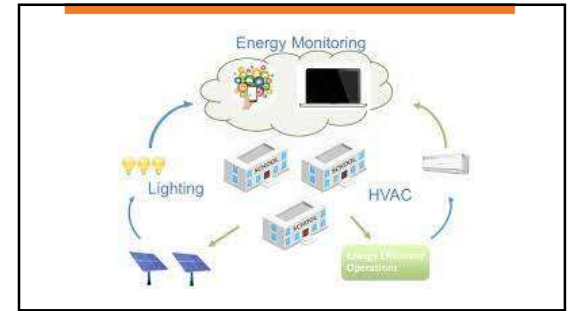
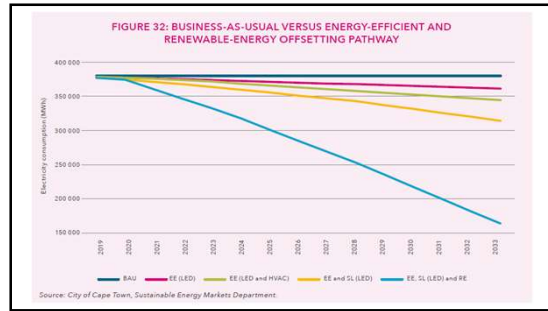
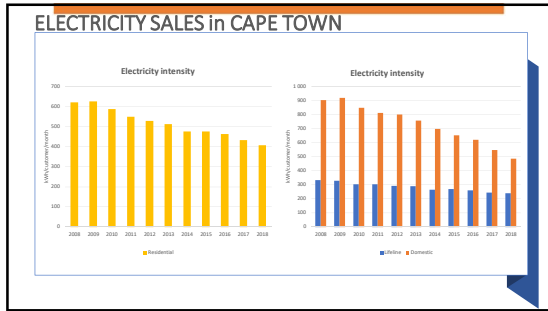
STATEGIES:

- OPTIMIZE DAYLIGHTING:** By rearranging internal layouts, the amount of natural light in the building can be maximized, minimizing the need for electrical lighting. It should, however, be achieved without increasing the heat gain in the building
- REDUCE POWER CONSUMPTION:** Light-emitting diode (LED) technology has transformed lighting energy efficiency in recent years. While many fitting options are available to achieve certain lux levels, the power efficiency thereof is then targeted in terms of watts per m² - referred to as lighting power density (LPD)
- INCORPORATE REFLECTANCES & LUX LEVELS:** Higher lux levels (the unit measuring the intensity of light hitting a surface) are generally required in an office where reading, for example, will take place. The choice of interior materials, paints and surface coverings play a large part in determining lux levels with lighter and reflective surfaces offering more light and ambient surfaces being more absorbent
- LIGHTING CONTROL STRATEGIES:** LED lighting systems have the highest potential energy savings
- Occupancy & vacancy sensor: Provides automatic ON/OFF control with associated savings
- Daylight sensor: Automatic control that adjusts the lighting in response to available daylighting in the space. Provides additional energy savings to the building
- Photo(s) sensor: Photo(s) sensor that turns the light on when there is sufficient natural daylight
- Photo(s) sensor & Photo(s) sensor: A well designed and controlled lighting scheme using LED lighting can reduce the associated lighting load by 30 when compared to incandescent and some Fluorescent lighting systems

WHAT WE DO

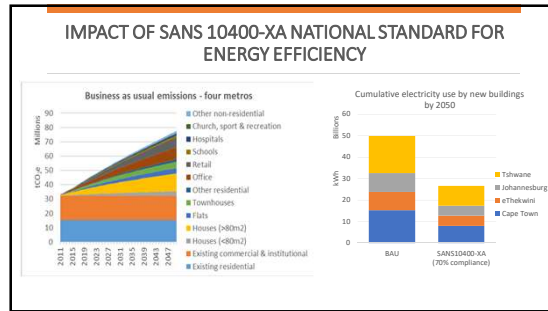
Source: www.stateofenergy.org.za/





IMPACT OF EFFICIENT LIGHTING

LUMENS	DIMMER			BRIGHTER
	450	800	1100	
Standard Incandescents	40W	60W	75W	100W
New Halogen Incandescents Save up to 25%	29W	43W	53W	72W
CFLs Save up to 75%	9W	14W	19W	23W
LEDs Save up to 77%	8W	13W	17W	N/A

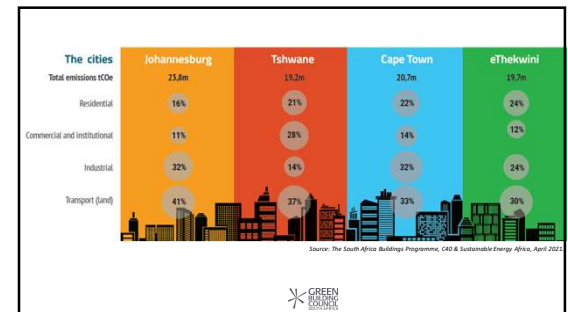
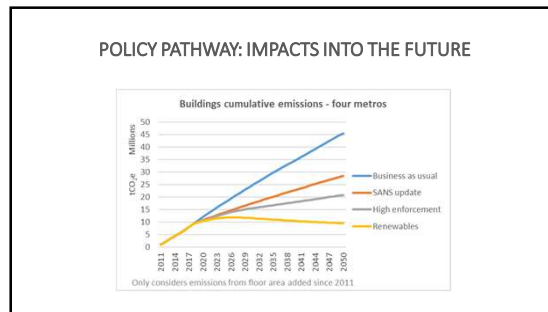
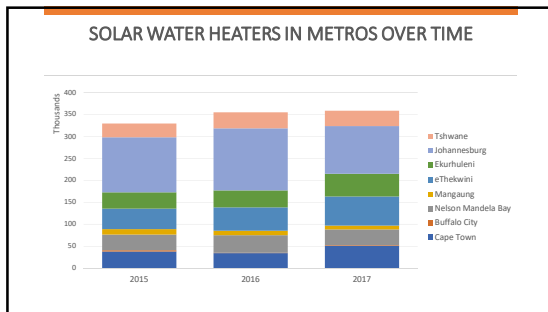


To accelerate the development and implementation of transformational energy efficiency policies and programmes for new buildings in South African cities by 2020

SOUTH AFRICAN NEW BUILDINGS PROGRAMME

TOWARDS NET ZERO CARBON

CAO Cities

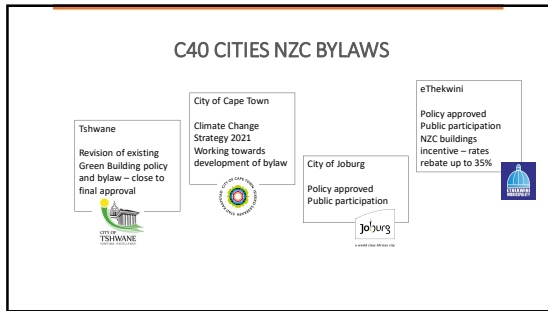


Inventory	Type of building or structure	Energy Use Intensity (EUI) kWh/m ² /annum	Energy Use Intensity (EUI) kWh/m ² /annum				
			2012	2013	2014	2015	2016
Public buildings / infrastructure	A1	Government buildings	100	100	100	100	100
	A2	Universities	150	150	150	150	150
	A3	Healthcare	200	200	200	200	200
	A4	Manufacturing	300	300	300	300	300
	A5	Commercial	400	400	400	400	400
	A6	Industrial	500	500	500	500	500
	A7	Transportation	600	600	600	600	600
	A8	Other	700	700	700	700	700

Table 1: Energy Use Intensities for Different Building Types
Source: CSIR summary report on net zero pathway table for Cities New 2030



Financing Overview		
Type	Description	Mechanisms
Debt	Acquisition of funds by borrowing; a lender provides capital to borrower for a defined purpose over a fixed period of time.	Corporate or project loans under recourse or limited recourse structures, leasing arrangements and full or limited guarantees
Equity	Acquisition of funds by issuing shares of common or preferred stock in anticipation of income from dividends and capital gain as the value of stock rises	Venture capital
Mezzanine	Subordinated debt structured so that it is repaid from project revenues after all operating costs and senior debt service has been paid.	Complementary or alternative solution to portfolio guarantees. Improves the loan-to-value ratio and the debt service coverage ratio for the senior lender
Project / Cash-Flow	The project is financed on its own merits based on the projected cash flows of the project rather than the balance sheets of the project sponsors.	Collateral

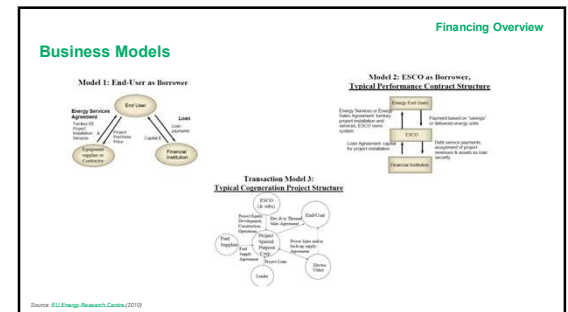
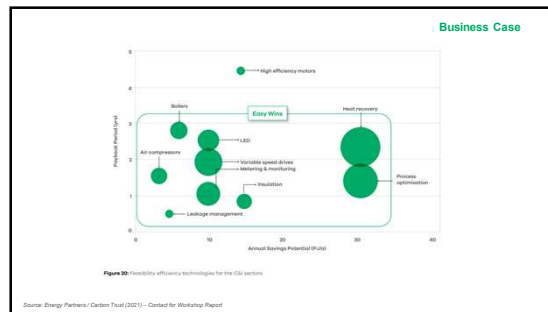
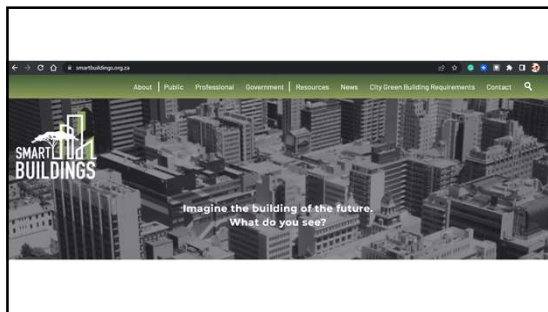


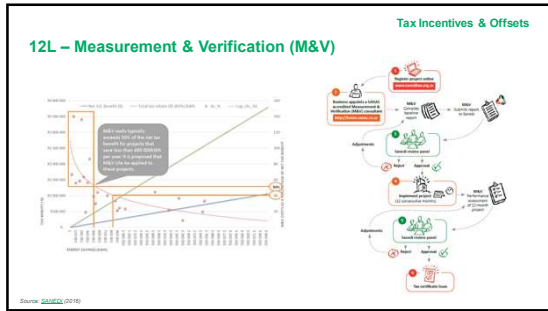
Contents

- Business Case
- Financing Overview
- Tax Incentives & Offsets
- Funding Sources

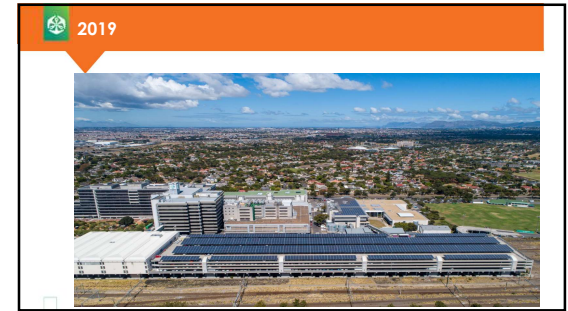
GreenCape

Notable Instruments		Financing Overview	
Instrument Type	Potential Instrument	Instrument Type	Potential Instrument
Cost and Availability of Risk	Advanced commercial or project financing (ESCOs)	Debt	Corporate or project loans
Cost and Availability of Risk	Vendor, credit, leasing	Equity	Venture capital
Cost and Availability of Risk	Commercial financing, bonds	Mezzanine	Subordinated debt
Cost and Availability of Risk	Partial risk guarantees	Project / Cash-Flow	Collateral
Cost and Availability of Risk	Credit lines with commercial banks		
Cost and Availability of Risk	Credit lines with development bank		
Cost and Availability of Risk	Public or super ESCOs		
Cost and Availability of Risk	EE enabling funds		
Cost and Availability of Risk	Utility (on-bill) financing		
Cost and Availability of Risk	Budget financing, grants with co-financing		
Cost and Availability of Risk	Grants		





Argon Poorun – Energy Services Analyst
 argon@greencape.co.za
 +27 78 983 1981



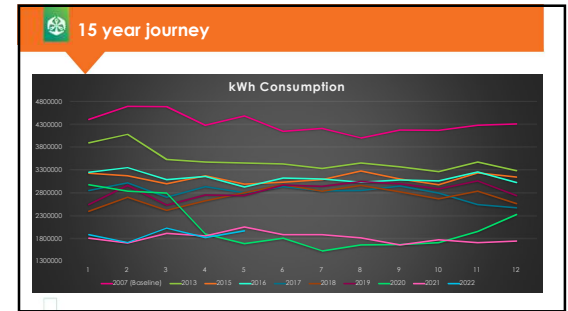
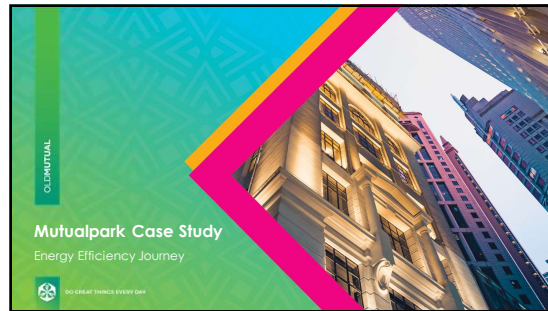
Carbon Trading

Tax Incentives & Offsets

- The finance minister announced an increase to the carbon tax rate to R144 effective from 1 January 2022. To uphold South Africa's COP26 commitments, the rate will increase each year by at least R15 until it reaches R300. From 2026, government intends to escalate the carbon price more rapidly every year to reach at least R450 by 2030, and R1800 beyond 2050.
- The carbon tax is being implemented in three phases, with the 2nd phase originally scheduled to start in January 2023. But the finance minister extended the 1st phase by three years until 31 December 2025. As a result of delaying the 2nd phase, some sectors will remain beyond the reach of the carbon tax for now. These include the agriculture, forestry and waste sectors.

When can I benefit from carbon credits?:

- Understanding "additionality" - renewable energy & energy efficiency projects do not qualify on international standards, but standalone battery storage would.
- Feasible on international registries when 100 000+ ton CO2eq pa
- Feasible on local voluntary market when 1000+ ton CO2eq pa



Green Finance Database

Funding Sources

The database contains information on funding opportunities, the types of funding and institutions providing the funding and contact details with a South African focus. Includes commercial banks, private equity, venture capital & private lenders

Project	Commercial bank	Other	Specialised/development bank	Specialised/venture capital	Government/other	Investment bank	Other
Project	Commercial bank	Other	Specialised/development bank	Specialised/venture capital	Government/other	Investment bank	Other

Open access: <https://www.greencape.co.za/content/focusareas/green-finance-database>

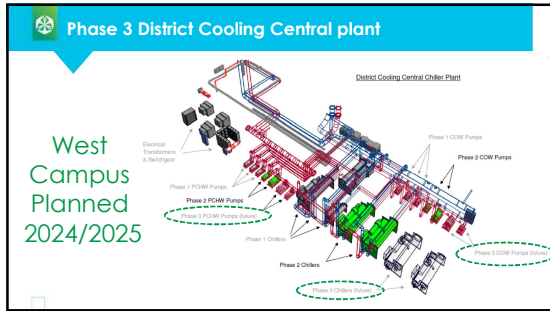


Electricity Consumption

Year	kWh	KVA	kWh @ R1.0126	KVA @ R286.31	TOTAL
2007	51 879 480	106 141	R 52 533 161.45	R 30 389 229.71	R 82 922 391.16
2019	34 211 340	71 074	R 34 642 402.48	R 20 349 117.92	R 54 991 520.40
2021	21 841 000	45504	R 22 116 196.21	R 13 028 222.75	R 35 144 418.96

Buildings Emission savings = 32 441 559 kg CO₂
*Emission factor: 2021 = 1.06

Savings R47 777 972.20

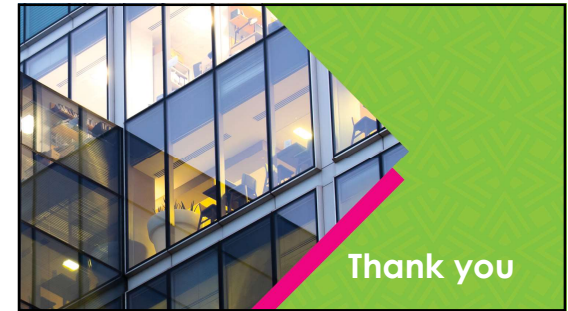


2016 Energy Efficiency Forum

- Pre solar installation
- Lighting changes
- Centralised Chiller plant room
- Floor controls space temperature

Mutual Park Old Mutual, Pinelands Office
Cape Town Energy Efficiency Forum for the Commercial Sector

SAPFA Eskom



2019 Achieved 6 Star rating

1MW Solar

Inputs		
Total Energy Usage	34 276 466	kWh/annum
Total Mains Electricity Equivalent	34 276 466	kWh/annum
Total Emissions	43 133 760	kgCO ₂ /annum

Results		
Energy Intensity	206,48	kWh/m ² /annum
Benchmark Building Energy Intensity	430,40	kWh/m ² /annum

Total Emissions		
Total Emissions	247,28	kgCO ₂ /m ² /annum
Benchmark Building Total Emissions	516,48	kgCO ₂ /m ² /annum

2015 Achieved 5 Stars

Without any Solar

Inputs		
Total Energy Usage	37 775 215	kWh/annum
Total Mains Electricity Equivalent	37 775 215	kWh/annum
Total Emissions	45 330 258	kgCO ₂ /annum

Results		
Energy Intensity	227,56	kWh/m ² /annum
Benchmark Building Energy Intensity	391,72	kWh/m ² /annum

Total Emissions		
Total Emissions	273,07	kgCO ₂ /m ² /annum
Benchmark Building Total Emissions	470,06	kgCO ₂ /m ² /annum

Next Step?

NET ZERO carbon

UK PACT
COUNTRY PROGRAMMES

3 PART TRAINING: FROM EPC TO NET ZERO
SESSION 3: GETTING TO NET ZERO CARBON
In support of the project: *Operationalising Energy Performance Certificates in South Africa*

The Carbon Trust in partnership with the GBCSA are working on a 30-month project entitled "Operationalising energy performance certificates (EPCs) in South Africa". The project is made possible by grant funding from the UK PACT (Partnering for Accelerated Climate Transitions).

07 July 2022

Georgina Smit: Green Building Council SA
Argon Poorun: GreenCape
James Beatty: Empower
Chilu Lombe: Solid Green Consulting
Jono Booth: Carbon Trust
Anja Thompson: Events manager: Green Building Council SA.
Mandi Seleka: Events: Green Building Council SA.

The UK PACT EPC project is delivering outputs and foundational support to SANEDI and the market with the aim to increase the uptake of EPCs

PHASE 1: 2021	PHASE 2: 2022
<ol style="list-style-type: none"> EPC international best practice and identification of opportunities and barriers for the local mechanism. EPC register user needs, functionality and technical outline. Development of the NBEPR register. Issuing of EPCs for sample of 30 buildings. Recommendations for improving the EPC process, and development of EPC training for building owners. EPC mechanism awareness raising and register training. Policy recommendations for further driving EE through the EPC mechanism. 	<ol style="list-style-type: none"> Support for 200 building owners in data gathering for EPCs. Support for 5 SMEs to become SANAS IEs. Training sessions from EPCs to Net Zero. Case studies. NBEPR oversight & sustainability. Private sector alignment. Final policy recommendation.

Legend: Foundational outputs (blue), Key outputs (green), Incomplete (red), This deliverable (yellow)

UK PACT
COUNTRY PROGRAMMES

Jo Anderson
GBCSA
Research

WELCOME AND INTRODUCTIONS

SCENE SETTING – UK PACT

- UK PACT (Partnering for Accelerated Climate Transitions) is a £70m flagship programme under the International Climate Finance (ICF) portfolio and forms a part of the UK's £11.8bn commitment to International Climate Finance by 2027 to tackle climate change.
- The current three-year programme (2018-2022) is funded by BEIS
- UK PACT works with partner countries, supporting them to accelerate their clean growth transitions and to implement and increase for carbon emissions reductions in line with their NDCs
- UK PACT responds directly to demand identified by partner governments by providing grants to implementing partners (such as NGOs, businesses and academia).

South Africa-UK PACT funding

Total funding over £3m

EPC TO NET ZERO CARBON (NZC) ROADMAP FOR EXISTING OFFICE BUILDINGS

THE ROADMAP IS A STEP BY STEP GUIDE AIMED AT GETTING A TYPICAL OFFICE BUILDING TO NET ZERO CARBON OPERATIONAL ENERGY.

PHASE 1: EPC to energy efficiency readiness
1. USE YOUR EPC TO UNDERSTAND BUILDING ENERGY CONSUMPTION & BENCHMARK ENERGY USE
2. HIRE THE RIGHT TEAM & ONBOARD STAFF
3. FURTHER MONITOR & AUDIT YOUR ENERGY USE BENCHMARKS
4. SET REALISTIC TARGETS & TIMESLIPS & STICK TO THEM

PHASE 2: Energy efficiency retrofit to net zero carbon ready
5. TENANT LOADS
6. HEATING/COOLING & VENTILATION
7. LIGHTING
8. ACTIVE DESIGN INTERVENTIONS
9. EDUCATE THE OCCUPANTS - BEHAVIOUR CHANGE INITIATIVES
10. CREATE AN IMPLEMENTATION PLAN

PHASE 3: Getting to net zero carbon
11. ON-SITE RENEWABLES - SOLAR
12. OFF-SITE RENEWABLES
13. CARBON OFFSETS

SESSION 3: Getting to net zero carbon

Next session dates

SESSION 1: Getting an EPC 02 August
SESSION 2: From EPC to net zero carbon ready 16 August
SESSION 3: Getting to net zero carbon 25 August

- Welcome and Introductions
- Net zero certification & levels (GBCSA & EDGE)
- On site renewables
- Off-site renewables
- Offsets
- Case study: net zero carbon building
- Net zero carbon – what's next: embodied carbon

KEY PROJECT STAKEHOLDERS

Project funders & management	Project consortium	Primary beneficiaries	Secondary beneficiaries

UK PACT
COUNTRY PROGRAMMES

Georgina Smit
GBCSA
Head of Technical

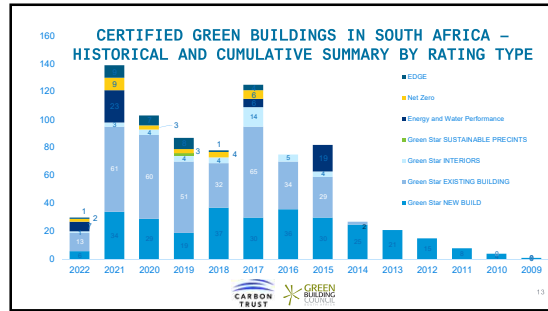
NET ZERO CERTIFICATION IN SOUTH AFRICA

WHAT IS GREEN BUILDING CERTIFICATION?



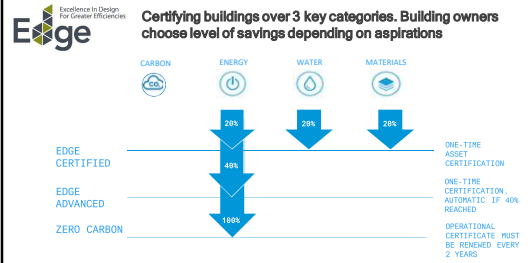
Green building certification systems are a set of rating systems and tools that are used to assess a building or a construction project's performance from a sustainability and environmental perspective. They essentially create a metric that allow the market to compare apples with apples and facilitate the understanding of:

- How green is green?
- How to compare buildings?
- Who says its green?


Edge Excellence in Design For Greater Efficiencies

Certifying buildings over 3 key categories. Building owners choose level of savings depending on aspirations



EDGE CERTIFIED
EDGE ADVANCED
ZERO CARBON

ONE-TIME ASSET CERTIFICATION
ONE-TIME CERTIFICATION AUTOMATIC IF 40% REACHED
OPERATIONAL CERTIFICATE MUST BE RENEWED EVERY 2 YEARS



CERTIFICATION ALLOWS BUILDING OWNERS TO VERIFY AND DEMONSTRATE CLIMATE AND SUSTAINABILITY CREDENTIALS ON A VOLUNTARY BASIS



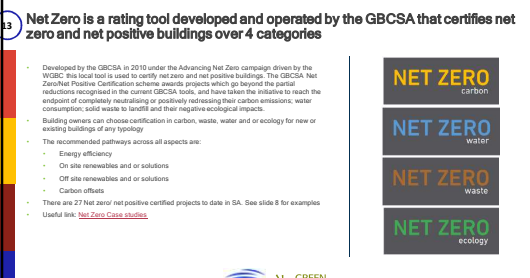

Green Star SA is a suite of a rating tools operated by the GBCSA for new and existing buildings that certify green buildings over 9 different categories




- Adopted by the Green Building Council South Africa in 2007 these in depth rating tools focus on rating commercial buildings in South Africa giving the market a better understanding and comparative metric of what a green building is.
- Project owners and green building consultants choose the level of certification based on budget and building type. Certification is available for all building typologies
- A suite of 4 tools focus on new buildings and rewards projects via a point system of credits achieved that illustrate:
 - 4 stars: best practice
 - 5 stars: South African excellence
 - 6 stars: Global leadership
- New building ratings are an asset / once off rating given at design and as built stage.
- The Existing building performance tool (EBP) that take buildings on a journey to better performance, reward 1-6 stars. This is an operational rating and expires after 3 years.
- The Interiors tool focuses on rating interior fit outs with a focus on materials and indoor air quality
- The sustainable precincts tool rates precincts with a focus on developing sustainable infrastructure like storm water, planting and roads
- To date there have been over 800 green star certified projects in South Africa with the majority being new and existing buildings.
- Useful link: [Green Star case studies](#)



Net Zero is a rating tool developed and operated by the GBCSA that certifies net zero and net positive buildings over 4 categories



- Developed by the GBCSA in 2010 under the Advancing Net Zero campaign driven by the WBCI, this local tool is used to certify net zero and net positive buildings. The GBCSA Net Zero/Net Positive Certification scheme awards projects which go beyond the partial reductions recognised in the current GBCSA tools, and have taken the initiative to reach the endpoint of completely neutralising or positively reducing their carbon emissions, water consumption, solid waste to landfill and their negative ecological impacts.
- Building owners can choose certification in carbon, waste, water and or ecology for new or existing buildings of any typology
- The recommended pathways across all aspects are:
 - Energy efficiency
 - On site renewables and or solutions
 - Off site renewables and or solutions
 - Carbon offsets
- There are 27 Net zero/ net positive certified projects to date in SA. See slide 8 for examples
- Useful link: [Net Zero Case studies](#)



There are several certification tools for all building typologies and different stage in a buildings lifecycle



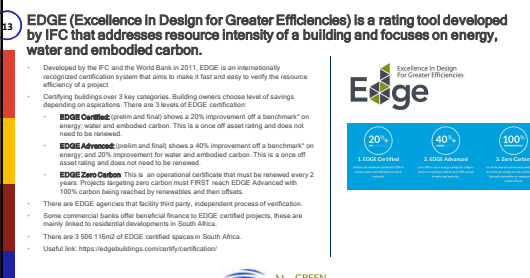
- Commercial building tools
- Suite of 4 tools for new building typologies that reward 4, 5 & 6 stars
- Existing building performance tool that take buildings on a journey to better performance reward
- All building typologies
- EDGE CERTIFIED
- EDGE ADVANCED
- EDGE NET ZERO

- For offices only
- Benchmarking tool for energy & water


- Net zero carbon, water, waste & ecology
- Both net positive and net zero building



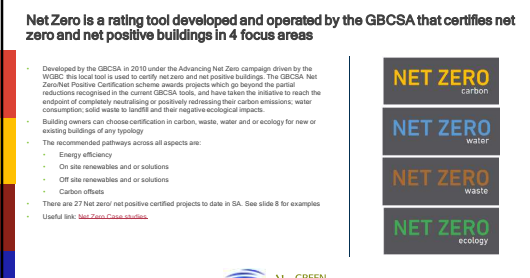
EDGE (Excellence in Design for Greater Efficiencies) is a rating tool developed by IFC that addresses resource intensity of a building and focuses on energy, water and embodied carbon.




- Developed by the IFC and the World Bank in 2011, EDGE is an internationally recognized certification system that aims to make it fast and easy to verify the resource efficiency of a project
- Certifying buildings over 3 key categories. Building owners choose level of savings depending on aspirations. There are 3 levels of EDGE certification:
 - EDGE Certified** (green and final) shows a 20% improvement off a benchmark* on energy, water and embodied carbon. This is a once off asset rating and does not need to be renewed.
 - EDGE Advanced** (green and final) shows a 40% improvement off a benchmark* on energy, water and embodied carbon. This is a once off asset rating and does not need to be renewed.
 - EDGE Net Zero Carbon** This is an operational certificate that must be renewed every 2 years. Projecting net zero carbon must FIRST reach EDGE Advanced with 100% carbon being reached by renewables and then offsets.
- There are EDGE agencies that facility third party, independent process of verification.
- Some commercial banks offer beneficial finance to EDGE certified projects, these are mainly linked to residential developments in South Africa.
- There are 3 506 116m² of EDGE certified spaces in South Africa.
- Useful link: [https://edgebuildings.com/certification](#)



Net Zero is a rating tool developed and operated by the GBCSA that certifies net zero and net positive buildings in 4 focus areas



- Developed by the GBCSA in 2010 under the Advancing Net Zero campaign driven by the WBCI, this local tool is used to certify net zero and net positive buildings. The GBCSA Net Zero/Net Positive Certification scheme awards projects which go beyond the partial reductions recognised in the current GBCSA tools, and have taken the initiative to reach the endpoint of completely neutralising or positively reducing their carbon emissions, water consumption, solid waste to landfill and their negative ecological impacts.
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- Useful link: [Net Zero Case studies](#)



What is Net Zero Operational Carbon?

CARBON: Net Zero and/or Positive as per GBCSA

"A building that is highly energy-efficient, and the remaining energy use is from renewable energy, preferably on-site but also off-site where absolutely necessary, so that there are zero net carbon emissions on an annual basis (Net Zero), or if the energy from renewable energy results in more energy being produced than what is used on site (Net Positive)".

NET ZERO **NET POSITIVE**

- > Different resources
- > Different scopes of a building's lifecycle
- > Different scales of development
- > Net Zero & Net Positive certifications - valid for 3 years from the date of certification
- > Modelled (Design & As Built) AND Measured (existing building) options available
- > Based on principle of efficiency

TWO DAM SUSTAINABLE

Size: 359m²
Year certified: 2017
Net zero certification achieved: Net zero carbon level 2
Measured
Offsets: and 13.6% offsets purchased
Location: Montagu, Western Cape

Most of the renewable energy required is supplied by a 21kWp solar array. A 1kWp high pressure low volume pelton wheel turbine provides hydro-power. A battery bank of 72 batteries has a capacity of 172.8 kWh of which only 50% should be depleted. Batteries are charged by solar, hydro and gas if necessary.

Access the case study [here](#)

WHAT THINGS MUST I CONSIDER TO ACHIEVE NET ZERO?

NET ZERO carbon

- Preferred Pathway 1 Energy Efficiency
- Preferred Pathway 2 On-site Renewables
- Preferred Pathway 3 Off-site Renewables
- Preferred Pathway 4 Carbon Offsets

NET ZERO CARBON BUILDING STANDARD & CERTIFICATION LEVELS:

CERTIFICATION TOOLS AVAILABLE AS 3RD PARTY VERIFICATION OF A BUILDINGS' PERFORMANCE

NET ZERO carbon

- LEVEL 1: BASE BUILD**
 - Heating
 - Cooling
 - Ventilation
 - Fixed Lighting (non-Tenare)
 - Miscellaneous fans & pumps
 - Hot water
 - Vertical Transportation
- LEVEL 2: BASE BUILD + OCCUPANT EMISSIONS**
 - Electrical appliances
 - Tenare lighting
 - Plug loads
 - Operational and process energy
- LEVEL 3: EMBODIED CARBON**
 - Extraction and processing of raw materials
 - Manufacturing of materials and equipment for use in the building
 - Transport of materials and equipment to the site
 - Construction and installation of the building structure, systems and equipment
- LEVEL 4: RENOVATION EMISSIONS**
- LEVEL 5: DEMOLITION EMISSIONS**

Offsets disclosed on certificate

Modelled or measured data disclosed on certificate

VLEIHIUS DEVELOPMENT

Size: 1350m²
Year certified: 2018
Net Zero certifications achieved: Net Zero Carbon (Pilot) Level 2; Net Zero Water- (Pilot) Level 2; Net Positive Ecology - (Pilot) Level 1; Occupant Emissions (modelled) & Occupant Consumption (modelled) & Site Ecology - Brownfield (modelled).
Offsets: Including 0% Offset Purchased
Location: Linden, Johannesburg

The lightweight, low Portland cement concrete construction adds good thermal mass and showcases a fresh precedent for the "brick and mortar" domination of the South African construction industry.

Access the case study [here](#)

DEFINING NET ZERO CARBON & PREFERRED PATHWAYS

NET ZERO EXISTING BUILDINGS REFERS TO OPERATIONAL ENERGY USE.

GBCSA NET ZERO CARBON PREFERRED PATHWAYS

The pathway to net zero is defined along 4 sequential steps that building owners must follow to achieve net zero carbon.

For existing buildings, NZC relates to operational energy and is defined by the World Green Building Council (WGBC) as:

"When the amount of carbon emissions associated with the building's operational energy on an annual basis is zero or negative. A net zero carbon building is highly energy efficient and powered from on-site and/or off-site renewable energy sources, with any remaining carbon balance offset."

27 Net Zero/Positive certified to date by GBCSA

GREENCREEK GREENBARN


Project Floor Area: 897m²
Year Certified: 2021
Certifications achieved: Net Zero Carbon level 1
Modelled
Offsets: Including 0% Offset Purchased
Location: Johannesburg

Situated within Greencreek Riverwalk estate, developed by Balwin Properties, the leisure project with a plethora of amenities such as outdoor gym, laundromat, food garden and an art gallery. The design of a traditional rustic farmhouse rooted in nature, peacefulness and simplicity consists of simple initiatives which contribute to the sustainability of the entire estate.

Access the case study [here](#)


CASE STUDY: IN2FOOD BONAERO

Project Floor Area: 22281m²
Year Certified: 2021
Certifications achieved: 4 star Custom Industrial + Net Zero Carbon level 1 (modelled)
Offsets: Including 0% Offset Purchased
Location: Johannesburg



In2Food – Bonaero is a facility that manufactures food for Woolworths and various airlines situated within close proximity to the OR Tambo airport. The factory boasts an impressive solar PV system which annually yields more power than the factory utilises thereby making the facility net zero carbon energy.

Access the case study [here](#).



CITY INDUSTRIAL PROPERTY

Project Floor Area: 13606m²
Year Certified: 2021
Certifications achieved: Net Zero Carbon – Level 1
Building Emissions (modelled) Including 0% Offset Purchased
Location: Bellville Cape Town



City Industrial Property - Bellville Facility is the flagship facility for City Logistics based in Cape Town South Africa. The building is an industrial property building comprising of a warehouse space and ground and flat face office spaces.

A number of the interventions range from mixed-mode ventilation, low VOC interior finishes, low flow sanitary ware fittings, rainwater harvesting, LED light fittings and efficient lighting control systems. Heat efficiency and cycle facilities and zero CDPG insulation to name a few. The project also has a PV system installed in order to reduce the main power usage and in the case of CPT-Bellville Facility, a system equal for the project to target and achieve a Net Zero Carbon certification.

Access the case study [link](#).



Most on site-renewables are designed for building use only, however, if capacity exists to produce excess electricity, this can be fed into the grid

	GRID TIED FEED IN SYSTEM	GRID TIED NONFEED IN SYSTEM	OFF GRID SYSTEM
DEFINITION	Installed on rooftop and also referred to as small scale renewable energy generation (SSREG), these solar energy systems connect to the grid. Excess solar grid electricity and renewable energy and feed-in excess energy into the grid. Also referred to as SSREG with export; the electricity generated by the PV system is used on the property. The excess energy is fed back into the electricity grid.	Installed on rooftops and also referred to as small scale renewable energy generation (SSREG) without export. Renewable energy used directly in the building to reduce peak load and electricity taken from the grid. Buildings use grid electricity and renewable energy but does not feed into the grid.	These systems have no connection to the grid. They are physically separated and electricity isolated from the grid.
SIZE LIMITATION	The system size is determined by the physical limitations of the building. The capacity of the grid to accommodate exported power may also limit the system size.	The system needs to be designed in response to the physical limitations of the building.	Limited to the potential generation capacity based on suitable available area.
OUTPUT LIMITATION	<10MW - 100MW output.	<10MW - 100MW output.	Unlimited.
BATTERY STORAGE	Typically not installed.	Optional.	Essential for operating an off-grid system if you require power 24/7.
FEED INTO THE GRID?	Yes, align with feed-in tariffs. Most of the electricity generated by a grid-tied feed-in system is consumed on-site. Sometimes, more electricity is generated than consumed in the case, a limited amount of power is allowed to flow back onto the electricity grid and your electricity account is credited at the SSREG tariff. Over a 12 month period, all properties with SSREG systems must have consent which means that they consume more power than they generate.	No - A reserve power flow blocks excess energy being fed into the grid with the electricity generated by the PV system being used on the property only when there is a demand for it. Excess electricity can be used to charge batteries.	Stand-alone or off-grid PV systems usually have batteries and a charge controller. The system feeds electrical circuits on the property and are electrically separate from the electricity service provider's grid.


BALWIN HQ JHB

Project Floor Area: 7265m²
Year Certified: 2022
Certifications achieved: 6 star Office v1.1 + Net Zero Carbon level 1 (modelled)
Including 0% Offset Purchased
Location: Johannesburg



In order to target Net Zero carbon energy the project had to focus on energy efficiency first. This is achieved through sub-metering and effective monitoring, through the provision of motion sensors to designated zones, and improved lighting power density through efficient lighting design.

Access the case study [here](#).



GETTING TO ZERO

A GUIDE TO DEVELOPING NET ZERO CARBON BUILDINGS IN SOUTH AFRICA

"Technically, it is absolutely possible to achieve net zero carbon buildings. It requires determination and enabling building standards, bylaws and policies to make it happen at scale. Critical mass of net zero carbon buildings is required to meet political and planetary climate goals. The building sector has the potential for significant greenhouse gas emissions reduction at a lower cost than other sectors."

[GBCSA blog article and guide link.](#)



UK PACT COUNTRY PROGRAMMES

ON SITE SOLUTIONS



Argon Poorun
GreenCape
Energy sector lead



HOTEL NIEU

Project Floor Area: 1513m²
Year Certified: 2020
Certifications achieved: Net Positive Carbon – Level 2; Occupant Emissions (modelled)
Including 0% Offset Purchased
Location: Pretoria



Hotel Nieu aims to produce more energy on site than it will use. In addition to applying green passive design principles, the hotel is designed through an iterative design process that includes specifying high performance materials and active energy-producing systems like solar PV with battery backup.

With a north orientation for good passive heating, the south and west-facing elevation includes double-glazed aluminium and fixed solar panels linked to Enbridge Power control modules, and an installed hot water solar pre-heater that also feeds the construction water-based (in situ) heating in winter.

Access the case study [here](#).



Advancing Net Zero Status report: 2021

WBCS Case study library



"The greenest building is the one that is already built" (Gleeson, 2007). Half the buildings built by 2050 already exist and retrofitting them is key to achieve decarbonisation targets. Whilst technically challenging, renovating existing buildings to net zero standards brings many co-benefits, including better internal comfort levels and extending the building's useful life. The Pretoria building by Lemmy Informa Consulting, featuring the deep results of the energy, 2.154-ton industrial structure that was originally built in 1960. The building is a Carbon Zero Carbon Standard compliant and LED2 Platinum certified and is now a net-zero building that saves energy equivalent to 350 employees. The retrofit resulted in a reduction in carbon footprint of more than 95% compared to new construction, and directly 85% of the construction and operation costs. The retrofit features energy efficiency measures and on-site renewable energy production."



On-site PV Business Case

2022 version



GreenCape Sector Development Agency



Who we are

GreenCape is a non-profit organisation that drives the widespread adoption of economically viable green economy solutions.

We work with businesses, investors, academia and government to help unlock the investment and employment potential of green technologies and services, and to support a transition to a resilient green economy.

Link: [2022 Market Intelligence Reports](#)

Defining the Problem

- Rising Tariffs
- Loadshedding

Defining the Problem

Best case scenario: Loadshedding for another 3-5 years

Year	Duration of outages (hours)	Energy shed (MWh)
2007	-	176
2008	-	476
2014	121	203
2015	852	1325
2016	-	-
2017	-	-
2018	127	192
2019	530	1352
2020	859	1790
2021 (TTU)	1216	2455

Executive Decision Support Pack

Providing all the information you need to make an informed investment

- Aim:** Highlight the viability of PV within the context of SA's energy context
- Content:** Detail the key factors which would influence your business decision
- Call to Action:** Connecting with DTIC for design quotations, Connecting with Franchisees, Provide third party quote validation

Defining the Problem

Rising Electricity Tariffs - Up approx. 40% 2017-2021

Period 2017-2021 increase: ~40% | Average per annum increase: 11%
Bulk price analysis, expect variance between municipalities

Why PV makes sense now

- Cheaper c/kWh
- Flexible procurement options
- Technology & support

Current Progress 2017-2021

140 PV Engagements with Decision-makers

66% procurement rate (Have gone on to discuss procurement with service providers)

Defining the Problem

National Supply Crisis

EAF (energy availability factor), The percentage of maximum energy generation that a plant is capable of supplying to the electrical grid, limited only by planned and unplanned outages.

Down from 72% in 2018 to 61% in 2021

Why does PV makes sense now?

Declining PV Costs

Key Drivers

- Mass production of PV panels have driven manufacturing costs down 82% since 2010
- Progress in inverter and ancillary component technology has had a further cost reduction effect
- Reduced perceived risk on PV development allows for cheaper project finance

Solar PV Procurement Options Why does PV makes sense now?

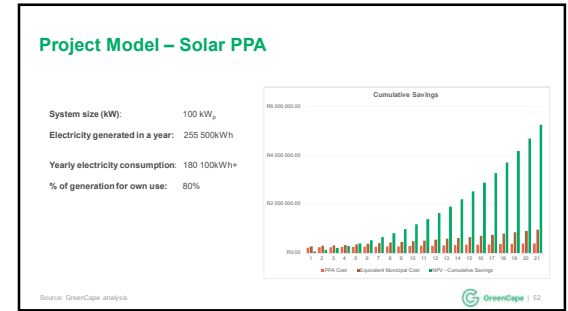
Option	Description
Balance Sheet	The solar PV system is funded by the customer, the cost is high but in return the client gets all of the savings benefit. The client takes ownership of the annual costs of running the solar PV system.
Debt Finance	Banks offer loans for solar PV installations for a period of between 5-10 years and monthly payments are a fixed fee. The collateral requirement for the debt funding is often taken against the underlying property or the system (asset).
Lease agreement	The installation, maintenance and management of the solar panel and its components is paid for by the solar PV provider, while the business pays a fixed monthly lease payment for the duration of the lease term. The fixed monthly payment is determined based on the estimated annual production of the solar system and not on the solar energy produced or consumed.
Rent-to-Own	The solar PV system is installed at no upfront cost. The installation, O&M of the system are fully covered by the solar services provider. This funding mechanism includes insurance and performance guarantees, with the biggest advantage being reduced electricity costs from day one.
Power Purchase Agreement (PPA)	The solar PV system is installed at no upfront cost. The installation, O&M of the system are fully covered by the solar services provider. This funding mechanism includes insurance and performance guarantees, with the biggest advantage being reduced electricity costs from day one.

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Costing

- Market price benchmarks
- Expected ROI
- Implications of storage

GreenCape



Additional Benefits Why does PV makes sense now?

Benefit	Description
12B Tax Incentive	Section 12B of the Income Tax Act makes provision for a capital allowance for movable assets used in the production of renewable energy. The incentive makes allowances 100% asset accelerated depreciation in first financial year that the asset is brought online. This equates to a 28% deduction on the business' income tax.
Carbon Intensity Reduction Less Carbon Tax	The first phase has a carbon tax rate of R120 per ton of carbon dioxide equivalent emissions. This rate will increase annually by inflation plus 2 per cent until 2022, and annually by inflation thereafter.
Roof Rental	Affected industries: Energy, manufacturing & construction, mining, chemical The owner rents their rooftop to a solar provider who builds a solar system and enters into a PPA to sell the energy from the system. The company entering into the PPA does not necessarily need to be the same as the company leasing the rooftop. Market rate per m2: R 5.00 - 7.00
PV Resale to Tenants	The owner installs solar PV system benefiting from a reduced power purchase agreement rate and then 'on-sells' the electricity generated by the PV system to tenants at a rate equivalent to the Higher municipal tariff

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Market Price Benchmarks 2021/22 Costing

Procurement Options / System Size	<100 kWp	<500 kWp	>500 kWp	>1 MW
Balance Sheet (per kWp)	R 11 000 - 15 000	R 10 500 - 13 000	R 10 000 - 12 000	R 8 000 - 9 500
Debt Finance (5 - 10 year period)	Above amortized plus 5-8% interest pa			
Lease-to-Own (per month excl. escalation pa)	R 7 000 - 14 500	R 12 000 - 60 000	R 50 000 - 100 000	R 85 000 - 250 000
Power Purchase Agreement (PPA) (per kWh)	0.90c - R 1.20	0.80c - R 1.00	0.60c - 0.90c	0.56c - 0.70c

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Energy Storage Costing

Technology	Pros	Cons	Cost Range R/kWh
Lithium - Ion	Low operating and maintenance cost	High upfront cost Recharge time Lifespan of 3600 cycles (10 yrs depending on use)	Upfront: R 4 000 – 10 000
Diesel Generator	Higher energy density - 27x Li-Ion Lifespan of 20000 hrs (20 yrs depending on use)	Rising diesel prices Chance of breakdown Potential carbon tax on emissions	Upfront: R 2000 – 2500 (Per kW) Operating: - 1. Fuel: R 4 – 5 - 2. O&M: 0.20c-0.50c

Over the course of a 20 year period Li-Ion will still cost upwards of 5 times more than diesel genset. Battery lifetime and resulting replacement costs are highly dependent on the nature of usage

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Why does PV makes sense now?

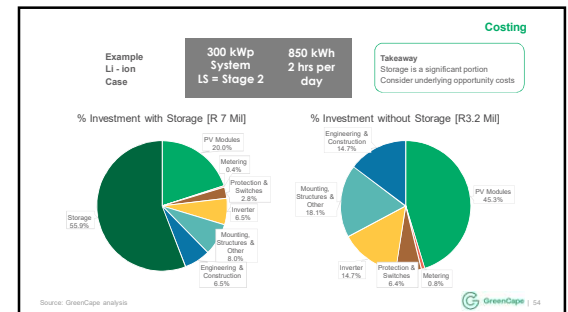
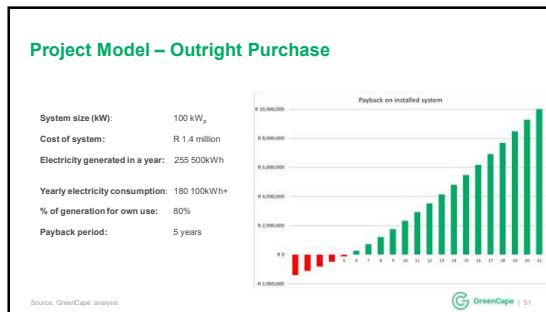
Technology

- Most Municipalities in the Western Cape and NERDA have approved list of inverters that comply with grid connection requirements
- It is recommended that service providers implement tier 1 components
- Tier 1 suppliers generally offer longer warranties and have an option of warranty extension

Support


- Projects are implemented quicker due to increase in expertise and availability of components. On average turnaround is 3 months from signing to commissioning.
- Most EPC companies have O&M agreements with clients to service the solar system
- The PV Green Card is becoming a key regulatory certification for installers rationally

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Regulations

- ❑ Licensing
- ❑ Registration & feed-in tariffs



System Sizing

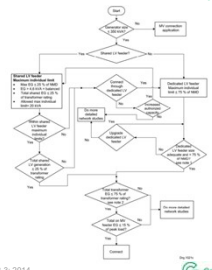
Regulations

Beyond the site-specific design elements that influence the achievable size of the PV system, there are also limitations based on the connection to local infrastructure:


Shared LV Feeder
The maximum individual generation limit in a shared LV feeder is 25% of the customer's modified maximum demand (NMD), up to a maximum of 20 kVA (generators greater than 20 kVA should be connected through a dedicated LV feeder).

Dedicated LV Feeder
The maximum generator size is limited to 75% of the NMD.

The NMD for a site will have been determined upon initial connection to the grid.



Source: Grid Interconnection of Embedded Generation - NRS 007-2-3: 2014




Thank You

Argon Poorun – Energy Services Analyst
argon@greencape.co.za
+27 78 983 1981


Licensing & Registration

Regulations

	Activity	<100kW	100kW-1MW	1MW-100MW
NERSA	Registration	❑	✓	✓
	Licensing	✓	✓	✓
Municipality / Eskom	Application for connection	✓	✓	✓


❑ Not required when there is already an existing point of connection. The local distribution utility must keep a register of such installations and must prescribe the conditions for connection.

Source: GreenCape analysis

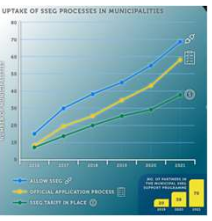


SSEG Processes


Regulations



Legend:
■ Comprehensive SSEG process
■ Basic SSEG process / Making process
■ No process
■ Not a distribution utility / Eskom
■ Municipal SSEG process / Feed-in tariffs



Source: Sustainable Energy Africa



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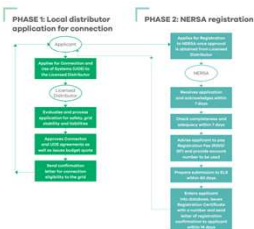
OFF SITE SOLUTIONS & WHEELING



James Beatty / Adam Griffin
Empower




Licensing & Registration



The service provider should facilitate these processes. We are available to assist if this becomes a project bottleneck.

Source: GreenCape analysis



Tariff Information

Regulations



Link: SSEG Tariff Map

Consult in conjunction with your local municipalities most recent tariff book

Source: GreenCape analysis





07 July 2022

ENPOWER: ELECTRICITY TRADER VS IPP

Contracting directly with an Electricity Trader has multiple advantages for off-takers and project developers / IPPs

1 GENERATION RESOURCE VARIETY

In the current market municipalities only allow wheeling from one single third party supplier.

A trader can source generation from wind, solar and gas generation assets, etc. and bundle energy via an off-taker through one supply contract with the off-taker. This gives the off-taker the opportunity to attain greater renewable energy penetration. Signing a PPA with a single source generator is a massive long-term risk.

2 RISK MITIGATION FOR THE OFF-TAKER

An off-taker contracting with a single supplier not only carries the risk of the generator's resource, but also carries the opportunity cost of a market that is constantly evolving. A trader can add multiple sources to the portfolio and provide more flexibility, thus reducing the market risk and opportunity costs to the off-taker by not restricting the generation to a single generation facility or IPP for an individual term.

3 RISK MITIGATION FOR THE PROJECT DEVELOPER

ENPOWER trading engages in a mix of guaranteed long and short term power purchase options.

Pooling of customers and generators allows for attractive investment opportunities with reduced risk.

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OFFSETS

Jonathan Booth
Carbon Trust

Carbon reductions are not enough to meet Paris Agreement goals, and reaching Net Zero at the global level will require for all offsets to eventually be carbon removals

Most offsets available today are **emission reductions**, which are necessary but not sufficient to achieve net zero in the long run. Carbon removals scrub carbon directly from the atmosphere.

Users of offsets should increase the portion of their offsets that come from carbon removals, rather than from emission reductions, ultimately reaching 100% carbon removals by mid-century to ensure compatibility with the Paris Agreement goals.

Creating demand for carbon removal offsets today will send the necessary market signal to increase supply.

The Oxford Principles for Net Zero Aligned Carbon Offsetting
September 2023

ENPOWER: IMPLEMENTING THE TRADE

The trade will be implemented via a combination of smart meters and integration into the Open Access Energy trading platform

- The **OPEN ACCESS** Energy platform provides following services:
 - Allowing for secure and automatic exchange of metering information by reading and sharing data of meters owned by the Municipality and privately – this service is provided to municipalities for **FREE**
 - Metering data** is then fed into the platform in real time, to match electricity generation and consumption in 30 minute intervals (or as required)
 - The platform will allocate the traders credits from **GENERATION** to nominated customer
 - At the end of the billing cycle the platform will invoice off-takers based on their consumption; and
 - Settle the generators based on their **AGREED** pricing.

Carbon offsets are used to offset residual emissions remaining after EE and renewables options have been exhausted

- So long as grid electricity remains carbon intensive, there will always be residual emissions resulting from building operations
- Residual carbon emissions can be offset through purchasing carbon offsets (1 offset = 1 tonne of CO₂) through a voluntary carbon trading scheme
- Not all carbon offsets are equal however, and only those schemes that apply rigorous certification and audit processes should be considered
- Carbon Offsets have been defined by GBCSA as those carbon emissions traded through well established, trusted voluntary carbon trading schemes that include rigorous audits and certification processes. The GBCSA has approved the following schemes to date:
 - Credible Carbon
 - Gold Standard
 - Climate, Community and Biodiversity Standard (CCBS)
 - Verified Carbon Standard (VCS)
 - ImpactChoice

Carbon offset schemes designated by South Africa's carbon tax regulations

Clean Development Mechanism (CDM), a UN administered scheme that is being replaced by Article 6 of the Paris Agreement

Gold Standard

An offset scheme for non-governmental emission reduction projects in the CDM, the Voluntary Carbon Market and other climate and development interventions

Verified Carbon Standard
A VERRA STANDARD

An internationally recognised standard for certifying carbon emissions reductions, administered by VERRA

Due to this, at the organisation level, many companies target Carbon Neutral before Net Zero

By 2050 at the latest

5 to 10 years

1.2°C aligned pathway

Carbon removal offsets (blue bars), Carbon reduction offsets (grey bars)

Point at which Carbon Neutral could be reached (yellow diamond), Point at which Net Zero is reached (red diamond)

Cost effective mature decarbonisation technologies available (dotted line), R&D scaling required to make decarbonisation technologies cost effective (dashed line)

*While Carbon Neutral can be achieved on Scope 1 & 2 emissions alone, Net Zero must incorporate Scope 3 emissions, if Scope 3 accounts for >40% of total carbon emissions. Further, Net Zero requires for value chain emissions to be reduced in line with sectoral decarbonisation pathways, and for residual emissions to be offset through carbon reduction offsets only.

Renewable energy can be purchased from off-site generators through a wheeling arrangement; electricity is 'wheeled' from a renewable facility to a commercial consumer over the grid

- Wheeling is defined as the transfer of electrical power via a utility's transmission or distribution system between different grid or network service areas
- The main advantages of wheeling is that a customer's full power demand can be met regardless of ground or roof space restrictions in the immediate vicinity of the building
- As off-site generators of renewables are in optimal production areas (i.e. high wind or solar resources), and in areas where environmental and social impacts can be minimized, wheeling allows for lower-cost, lower-impact, cleaner energy to be utilized when needed.
- Practically wheeling has 3 main parties: the client, a large energy user; the supplier / installer of the solar farm, and Eskom. The client agrees to a power purchase agreement with the supplier/traders and Eskom, in the Grid Operator, signs a connection and Use-of-System Agreement with the supplier/ installers to commit to transporting the power on its grid

Wheeled electricity is typically generated in areas that are optimal for the generation technology

There are important differences to note between reaching Net Zero at the building level and Net Zero at the organisation level

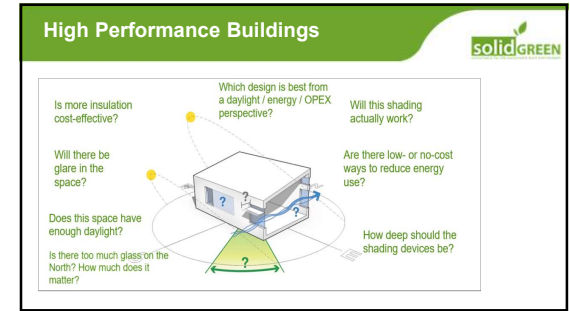
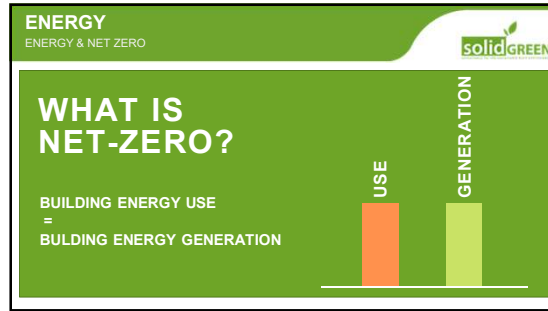
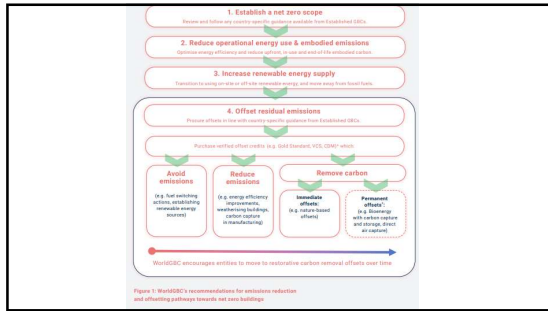
The Science Based Target initiative (SBTi) sets the standard for organisational level Net Zero targets, and requires for sectoral, science aligned decarbonisation trajectories to be followed and residual emissions to be offset through carbon removal offsets

More than one standard exists for Net Zero at the building level, however, for the most part, carbon reduction offsets are allowable in meeting the criteria

Organisations could develop their own offsets projects, or purchase offsets from the market

Develop own offset projects		
Pro's	Con's	
Ability to forward plan and lock in carbon prices	Requires extensive internal resources and new skillsets, and long term planning	
Ability to create additional shared/societal value through the business model	Limits flexibility and ability to capitalise on carbon price swings	
Ability to create an additional revenue stream, if surplus credits are generated	Exposure to unintended consequences/unforeseen risks arising from mitigation projects	

Purchase carbon offsets from the market		
Pro's	Con's	
Offsets can be purchased as and when needed	Limited ability to create additional shared/business model value	
No forward planning of offset projects required	Missed opportunity to develop additional revenue sources	
Minimal internal resources/new skillsets required	Long term uncertainty over carbon prices on the market	

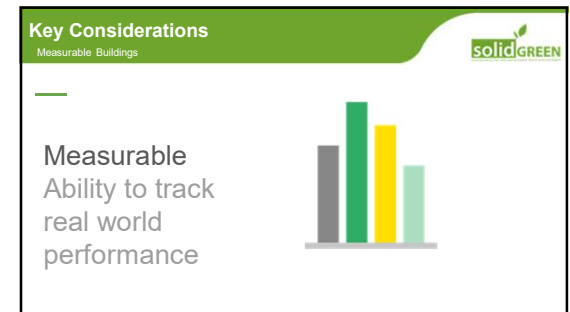
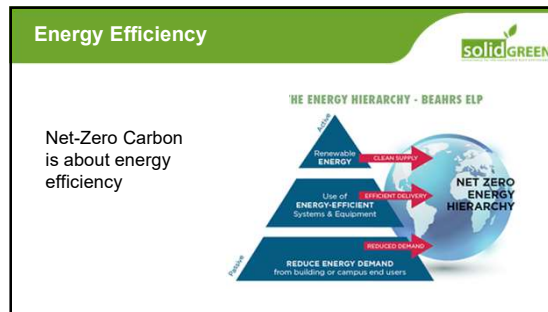
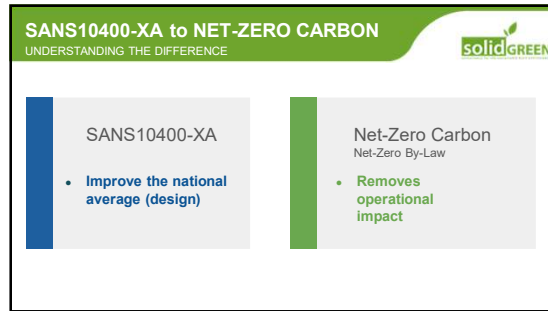


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NET ZERO CASE STUDY


Chilu Lombe
Solid Green Consulting

CARBON TRUST GREEN BUILDING COUNCIL GBCSA ACADEMY




Key Considerations

Maximise use of nature




Powered by nature


Daylight




Outdoor air



Sunlight



Key Considerations




DECOUPLE COOLING FROM VENTILATION

Most cooling systems mix air for cooling and air for ventilation. Keeping them separate will allow buildings to use outdoor air only to maintain comfort.


OUTDOOR

COOL OUTDOOR
TEMP 12-24 °C

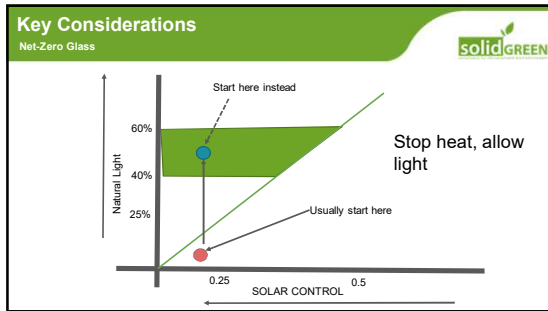
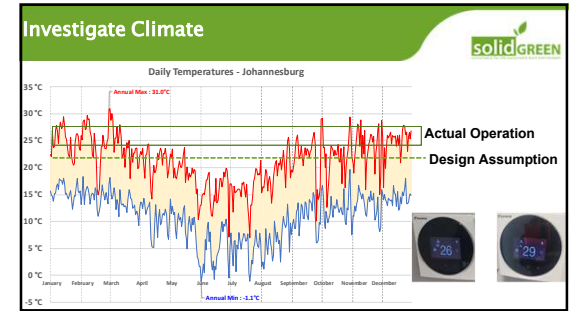


FRESH AIR


INDOOR





COOLING



Fresh Air Decoupled









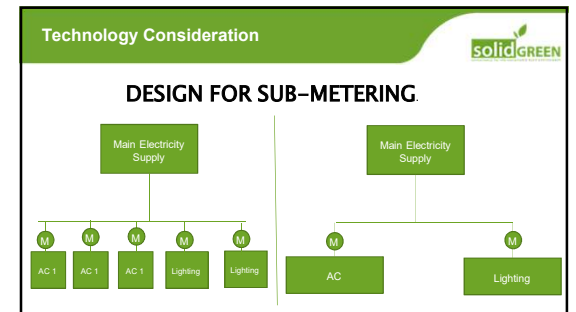
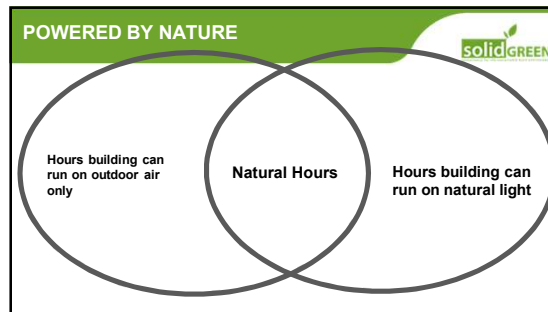
Fresh Air
Cooling

Key Considerations

Simplicity



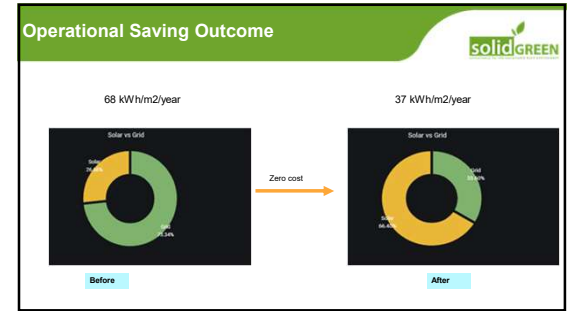
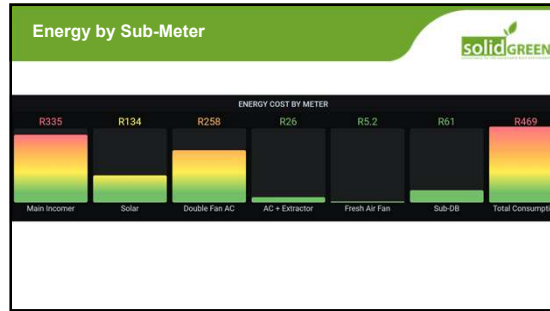
Being energy efficient doesn't always have to be a complex solution

Technology Consideration

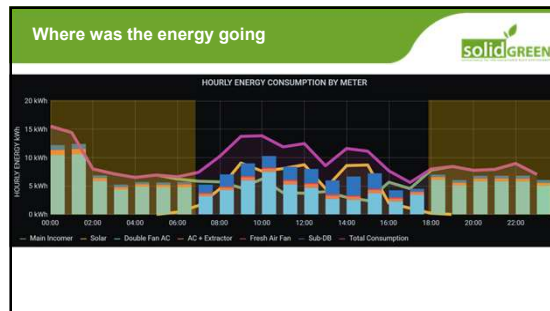
Net-Zero ≠ Off-Grid

Grid feed in is key to achieve net-zero



Technology Consideration

The road to net-zero is paved with data



Where to from here

Next Steps – Net-Zero

- Investigating wheeling

Next Steps – Energy Security

- Investigating batteries

Net-Zero process reduces battery requirement by 45%

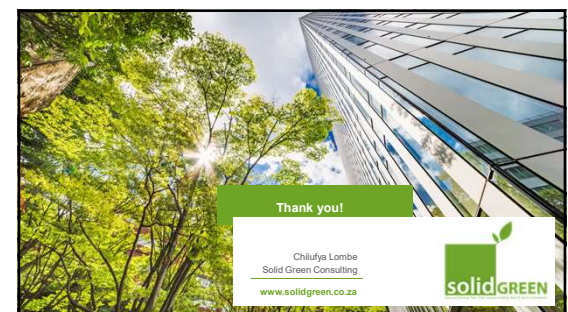
Post Occupancy Performance

MDA Office

GRID ENERGY COST	R335
SOLAR SAVINGS	R134
GRID ENERGY USE	162.5 kWh
SOLAR GENERATION	65.0 kWh

Energy Use At Night: **R220**

POTENTIAL SAVINGS: **R145**



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NET ZERO EMBODIED CARBON – WHATS NEXT?

Georgina Smit
GBCSA Head of Technical

Whole Life Carbon Vision 2050

New buildings, renovations and retrofits will have net zero embodied carbon, and all buildings including existing buildings, must be net zero operational carbon.

Net Zero Operational Carbon

Definition
A net zero carbon building is highly energy efficient with all remaining energy from onsite and/or other renewable sources.

Guiding Principles

1. Measure and disclose carbon
2. Reduce energy demand
3. Generate balance from renewables
4. Improve verification and rigor

Net Zero Embodied Carbon

Definition
A net zero embodied carbon building (new or renovated or refurbishment) uses the highest resource efficiency with upmost carbon reduction to the greatest extent possible and all remaining embodied carbon reduced to, as a last resort, offset in order to achieve net zero across the lifecycle.

Guiding Principles

1. Prevent
2. Reduce and optimise
3. Plan for the future
4. Offset

Embodied carbon vs operational carbon

What part of the building has the most embodied carbon?

Source: Steffen, K. (2015). 'Testing Whole Building LCA Research and Practice'.

We cannot "net zero energy" our way out of the climate crisis.

Buildings are currently responsible for 39% of global energy related carbon emissions: 28% from operational emissions, from energy needed to heat, cool and power them, and the remaining 11% from materials and construction.

Towards the middle of the century, as the world's population approaches 10 billion, the global building stock is expected to double in size. Carbon emissions released before the built asset is used, what referred to as 'upfront carbon', will be responsible for half of the entire carbon footprint of new construction between now and 2050, threatening to consume a large part of our remaining carbon budget.

Source: 'Net zero Buildings: Where Do We Stand?' World Business Council for Sustainable Development. <https://www.wbcsd.org/Content/Downloads/2044163321.pdf>. Accessed 11 Sept. 2021.

Embodied carbon is measured through a life cycle assessment (LCA) that addresses the entire life cycle of products along 5 life stages.

FIGURE 1: LIFECYCLE STAGES
Data source: BS EN 15026:2011

STAGE: PRODUCT, CONSTRUCTION, MAINTAIN AND USE, END OF LIFE, BEYOND THE LIFECYCLE.

SPES: Embedded, Embodied, Operational, Embedded.

MODULE: A1, A2, A3, A4, A5, B1, B2, B3, B4, B5, B6, B7, C1, C2, C3, C4, D.

© New Building Institute

LCA SCENARIO COMPARISON

60 YEARS vs 20 YEARS

Strategies to Reduce Embodied Carbon Across Typologies

1. Choose low carbon materials
2. Design for re-use & disassembly
3. Use less materials
4. Design for adaptability
5. Perform a Whole Building Life Cycle Analysis
6. Implement a low embodied carbon procurement policy

THE LCA of Aulster Terns California State University project reveals that, over 60 years, embodied emissions account for 22 percent of total carbon. Shorten that to 20 years, and embodied emissions shoot up to 46 percent, restoring the importance of embodied carbon in achieving near-term reduction goals.

EMBODIED CARBON VS OPERATIONAL CARBON

EMBODIED – the carbon footprint of construction materials

OPERATIONAL – the building energy consumption when in use

GBCSA LEVEL 3 UPFRONT EMBODIED CARBON (A1-A5)

GBCSA LEVEL 4 RENOVATION CARBON

GBCSA LEVEL 5 DEMOLITION CARBON

Whole life carbon*
Embodied carbon*

PRODUCT stage: A1-3, A4-5

CONSTRUCTION (PROCESS) stage: A4, A5

USE stage: B1-7

END OF LIFE stage: C1-4

D: Demolition

Operational energy use: B6

Operational carbon* & OPERATIONAL CARBON

End of life carbon*

Beyond the lifecycle*

Setting targets for embodied carbon reduction

2017 Embodied Carbon Benchmark (ECB) Study: "This research establishes an expected order of magnitude and range for building initial embodied carbon: the initial embodied carbon of buildings is typically less than 1,000 kgCO₂e/m² and commonly ranges between 200 and 500 kgCO₂e/m² for commercial office buildings."

London Energy Transformation Initiative (LETI) – sets absolute targets (kgCO₂e/m²) with phased targets

Architecture 2030 Embodied Carbon challenge – relative reduction

Office: Building compliant with current Building Regulations vs Ultra-low energy building

Ultra-low energy building: SINGAPORE ECBC Climate Emergency Design Guide

Fig 7. The Report 10-12 shows embodied carbon targets for the major UK post-war construction in a building energy efficiency report.



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THANKYOU



CARBON TRUST GREEN BUILDING COUNCIL GBCSA