



SAPOA
SOUTH AFRICAN PROPERTY
OWNERS ASSOCIATION



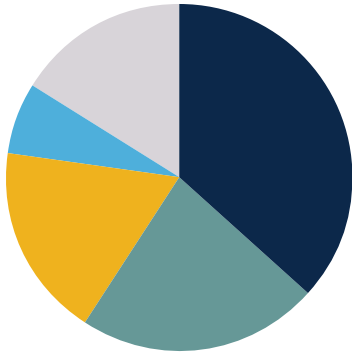
IMPACT OF **LOAD SHEDDING**

ON THE COMMERCIAL PROPERTY INDUSTRY

SURVEY

Q1

Which sector of the property industry do you primarily operate in?



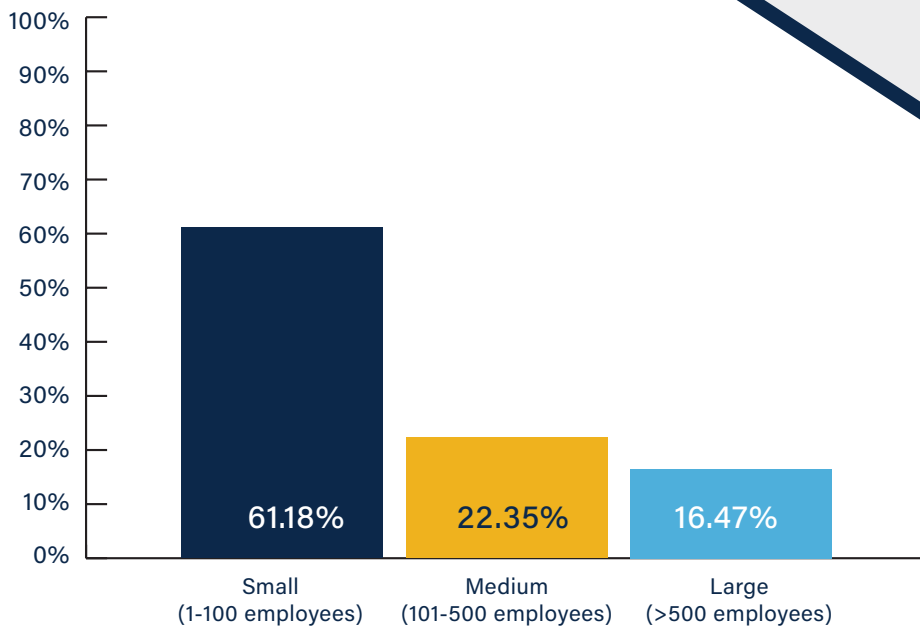
Q2

What is the total square meterage of your portfolio?



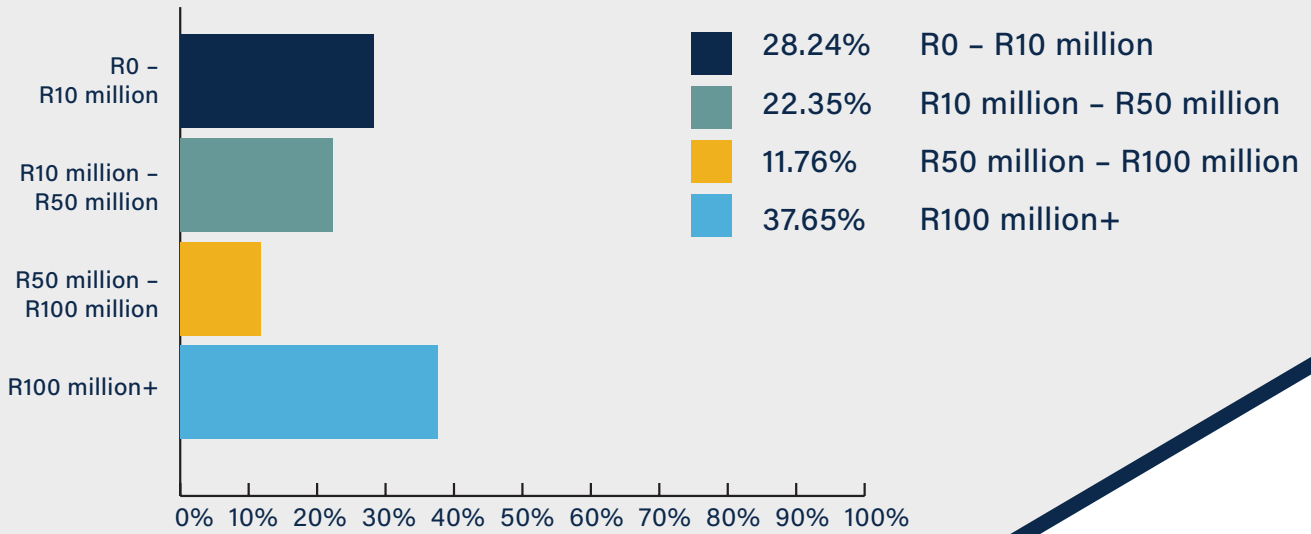
Q3

What is the size of your organisation?



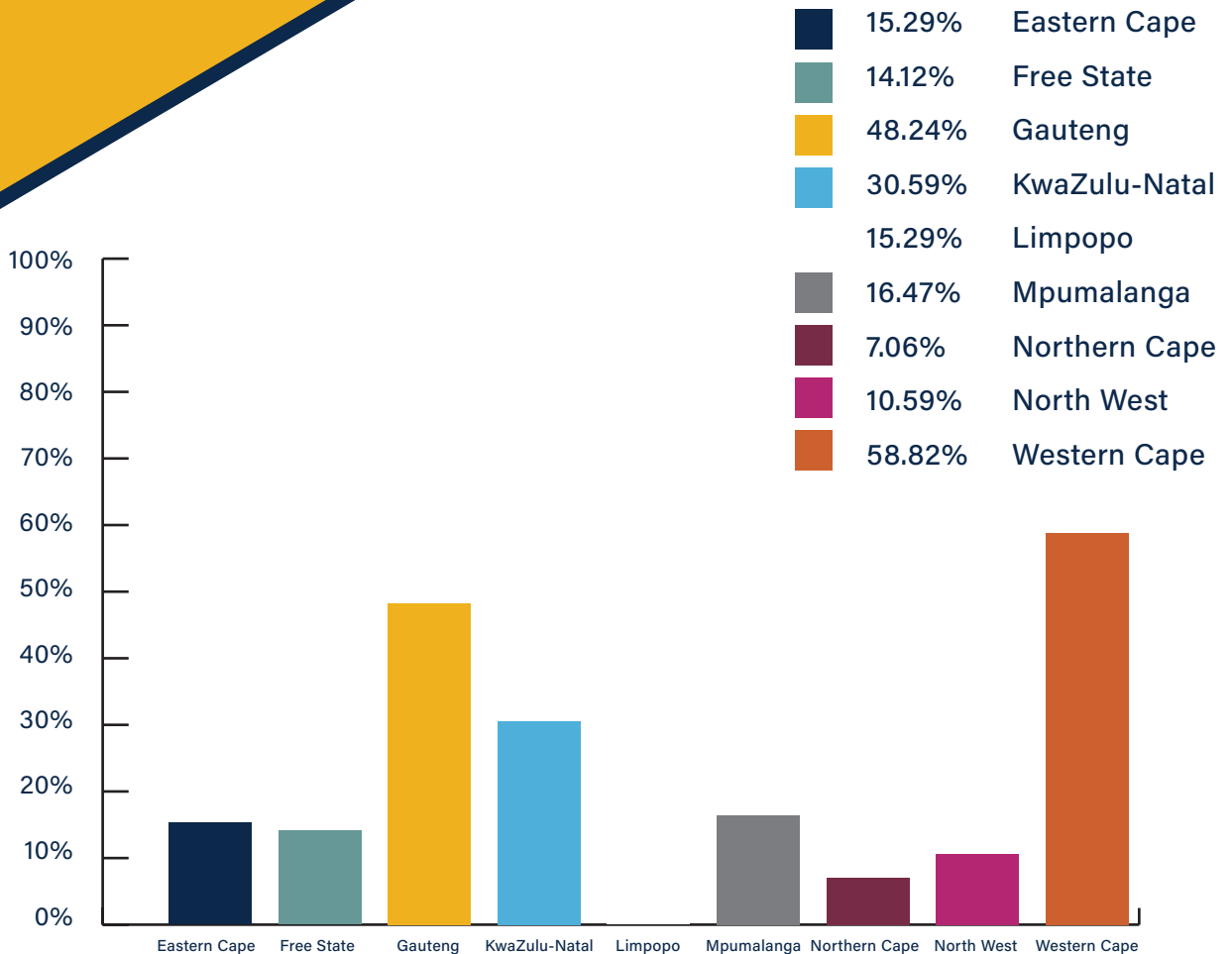
Q4

What is your organisation's annual turnover?



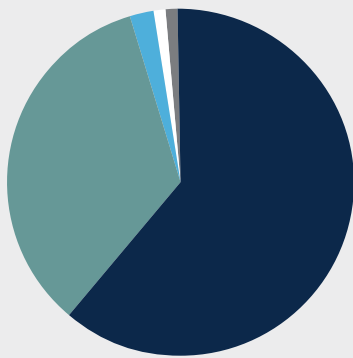
Q5

Which province are your assets located in?



Q6

How often, if ever, would you estimate that your organisation experienced load shedding in the last year?



- 61.18% Daily
- 34.12% A few times a week
- 0% About once a week
- 2.35% A few times a month
- 1.18% Once a month
- 1.18% None

Q7

During 2022, how long did the average load shedding period last?



- 4.71% Below 2 hours
- 84.71% 2-4 hours
- 10.59% 5-8 hours
- 0% Above 8 hours

Q8

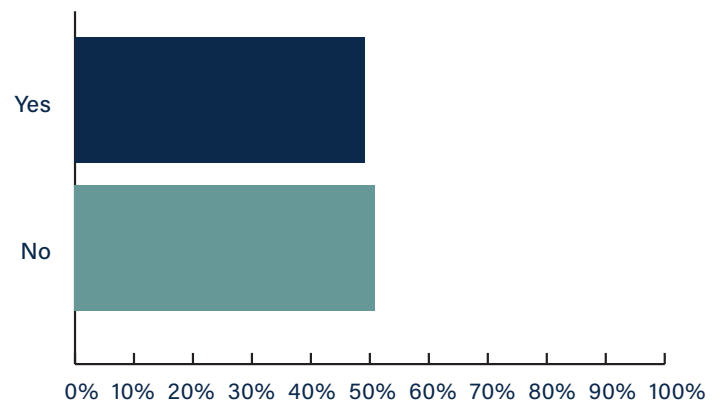
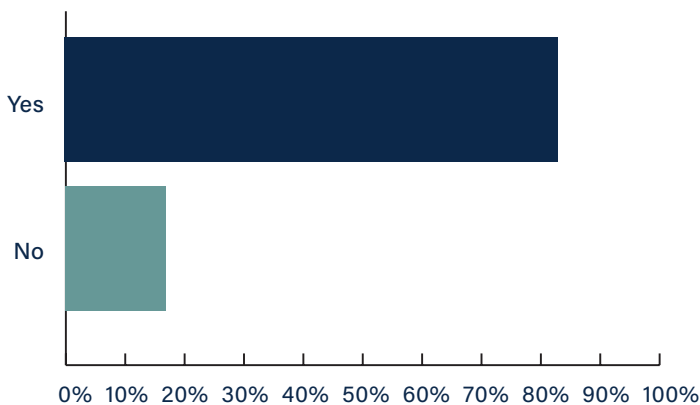
What preventative measures do you have in place to combat load shedding?

Diesel generators

- 83.05% Yes
- 16.95% No

Solar

- 49.15% Yes
- 50.85% No



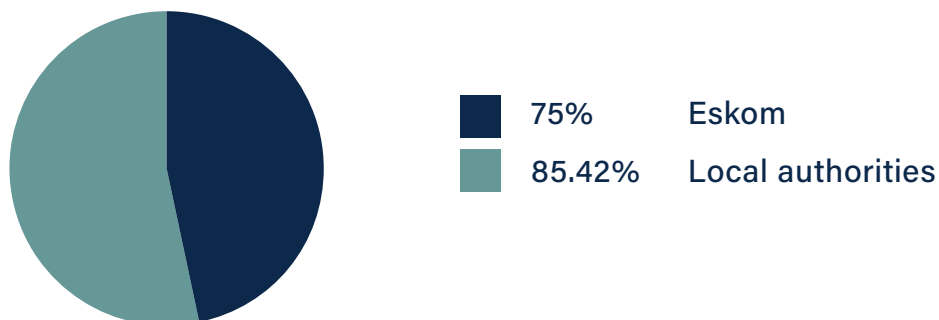
Q9

What tariff of diesel are you being charged on average to run your generators?

Coastal : 21.50/litre In land : 22.80/litre	R 26 /litre
R25/litre	retail diesel prices
We pay the current cost of diesel at the time purchased as well as labour to collect and fill.	R 7,90 PER KWH
Market	R24 /litre
approximately R23/litre	R 26.00 /litre, excludes filling costs
R21.00 to R24.78 /litre	R20 /litre
Not sure	R21.09 /litre
Group average in 20022 R24 - buy at wholesale	R22 /litre
R30 /litre	R22.26 /litre
R21.65	R24 /litre
R5 - R8 per kwh	R21 to R24 /litre
Normal pump tariff	Retail price plus service fee
No special tariff, procure diesel at the "pump" price	Current pump price
R5k per month	Wholesale supply tariffs
Going rate	Standard diesel rate at the pump
MARKET PLUS	R21.00 /litre
R 2 per kilowatt	Normal diesel charge, if recharged ourselves otherwise a R1,000 refueling charge.
R23 /litre	Price at the pump
not sure	R23 /litre
R27.50 /litre	R24 /litre

Q10

How many applications have you submitted in the past year to either Eskom or local authorities for solar approvals?



Q11

What is the average time for your application to be approved by Eskom/Municipality?

3 - 4 months	Eskom between 3 to 6 months. Municipality 2 to 6 months	1 months
Varies 1/2 months for Gauteng and Western Cape but projects over 1 MVA problematic in KZN (eThekweni) and Mpumalanga (Mbombela)	2 months	2 months
12 months	6 months	> 6 weeks
2 Months	3 months +	6 months
	3 months	6 months
	6 months	5 years
		12 months

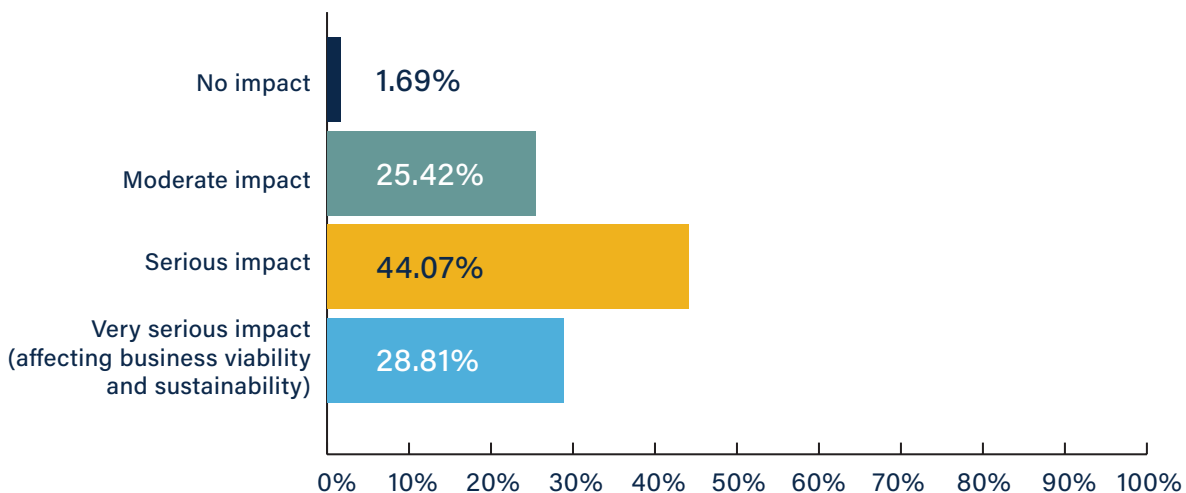
Q12

What is the size of these projects measured in MWp (size of the plant in terms of panel sizes)?

multiple above 1MW	4.5MWp	0,04MWp
Varies Gauteng and Western Cape 150kWp to 900 kWp but in KZN eThekweni 6MWp and Mbombela 3 MWp	the biggest one is 320 MWp	350kwh
.5MWp (500KWp)	26,25 MWp	All < 1 MW
	.6 MWp	
	13,5 MWp	

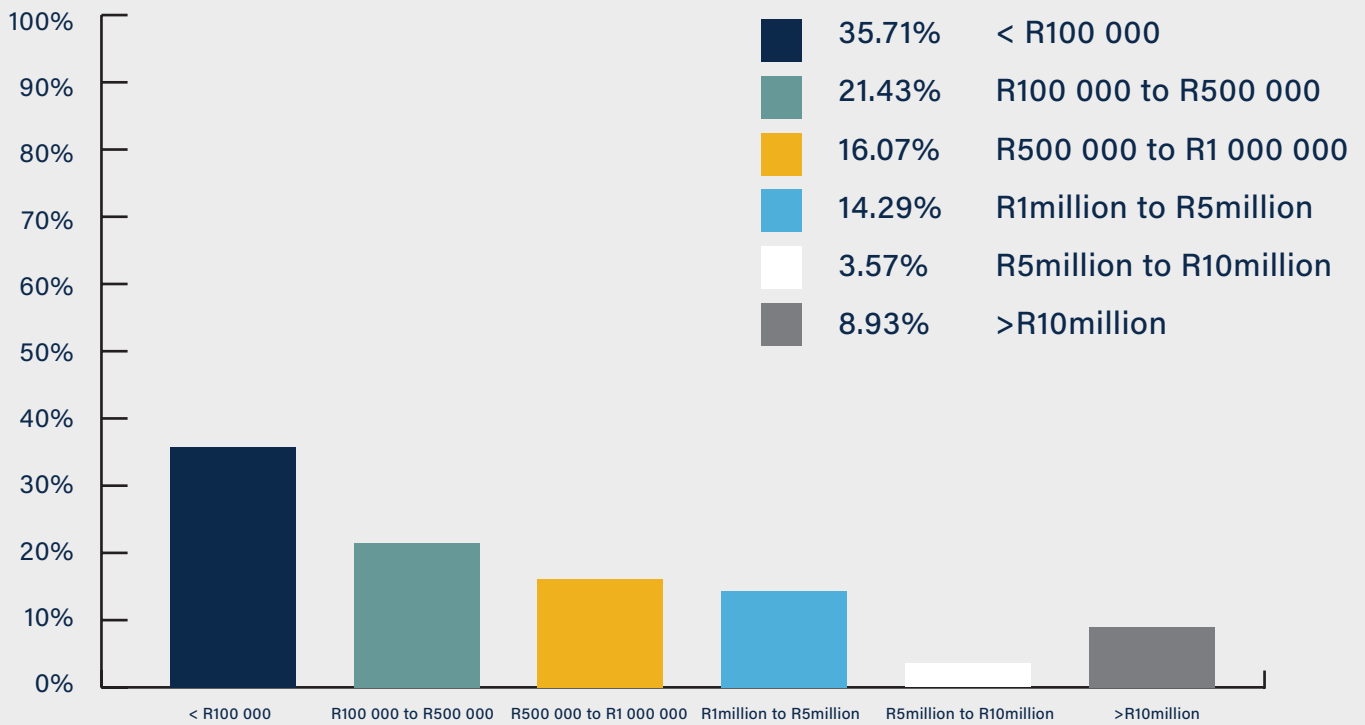
Q13

How would you describe the impact of load shedding on your business so far?



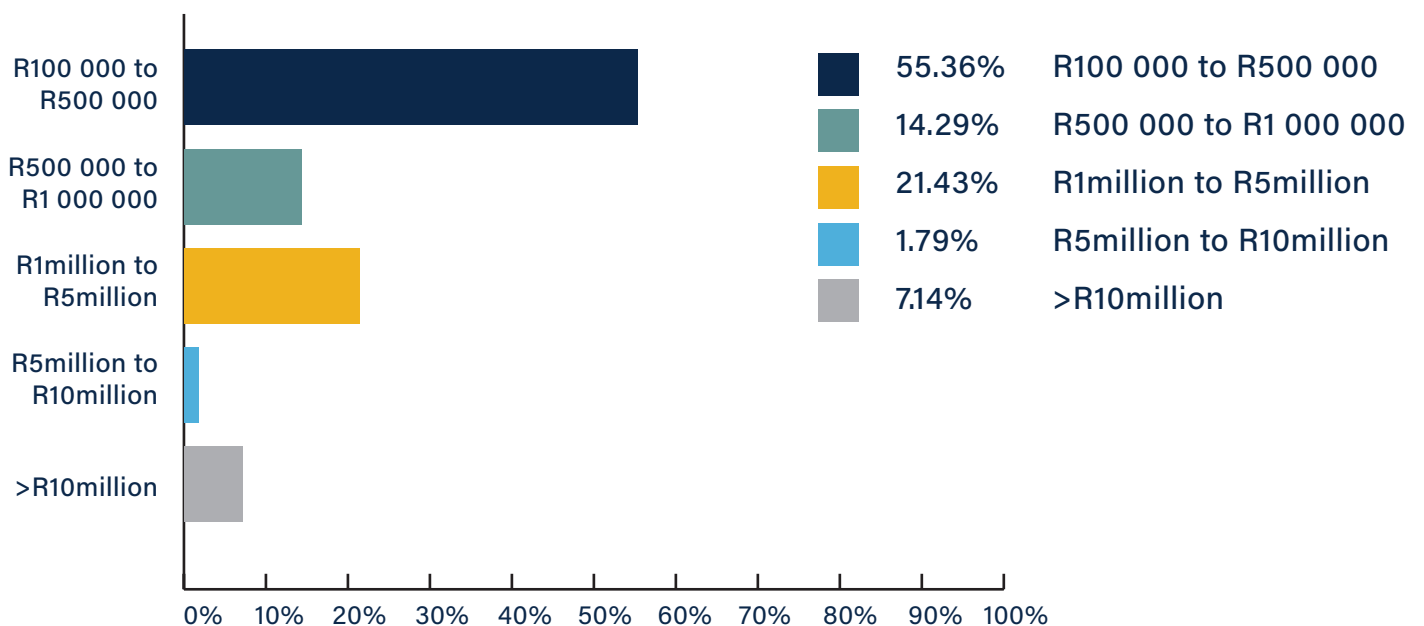
Q14

Please provide an estimate of the monthly, direct costs associated with load-shedding (i.e. additional fuel costs to run generators).



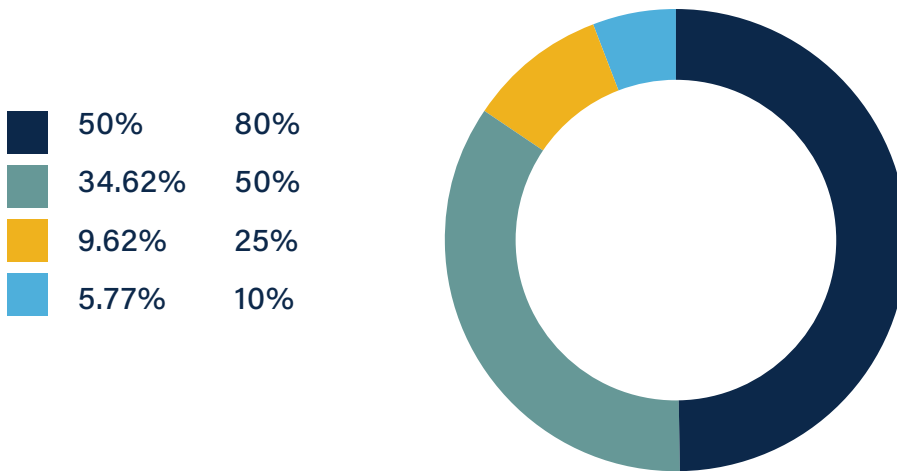
Q15

Please provide an estimate of the monthly, indirect costs incurred as a result of load-shedding (i.e. lost labour productivity, resultant damage to machinery, etc.)



Q16

At what level do your assets operate during load shedding:



Q17

What was the capital outlay to install backup power solutions for your entire portfolio?

81 Generators over a period of time. Based on the 2 recent replacements due to a fire, approximately R 150 million

R 50 million

R 500 000

R 20 million plus

R 2.0 -R4.0 million

R 450 million

R 5 million

R 500 000

R 3 million

R 100 million

R 4,5 mil

R 500m

R 20 million

R 15m

R 400 000

R 1 million

R 5 million

R 10 million

Greater than R 10 million

R 8 to R 10 million

Approx R 700 000

R 18 million

R 150 million

R 5 million

R 1 million +

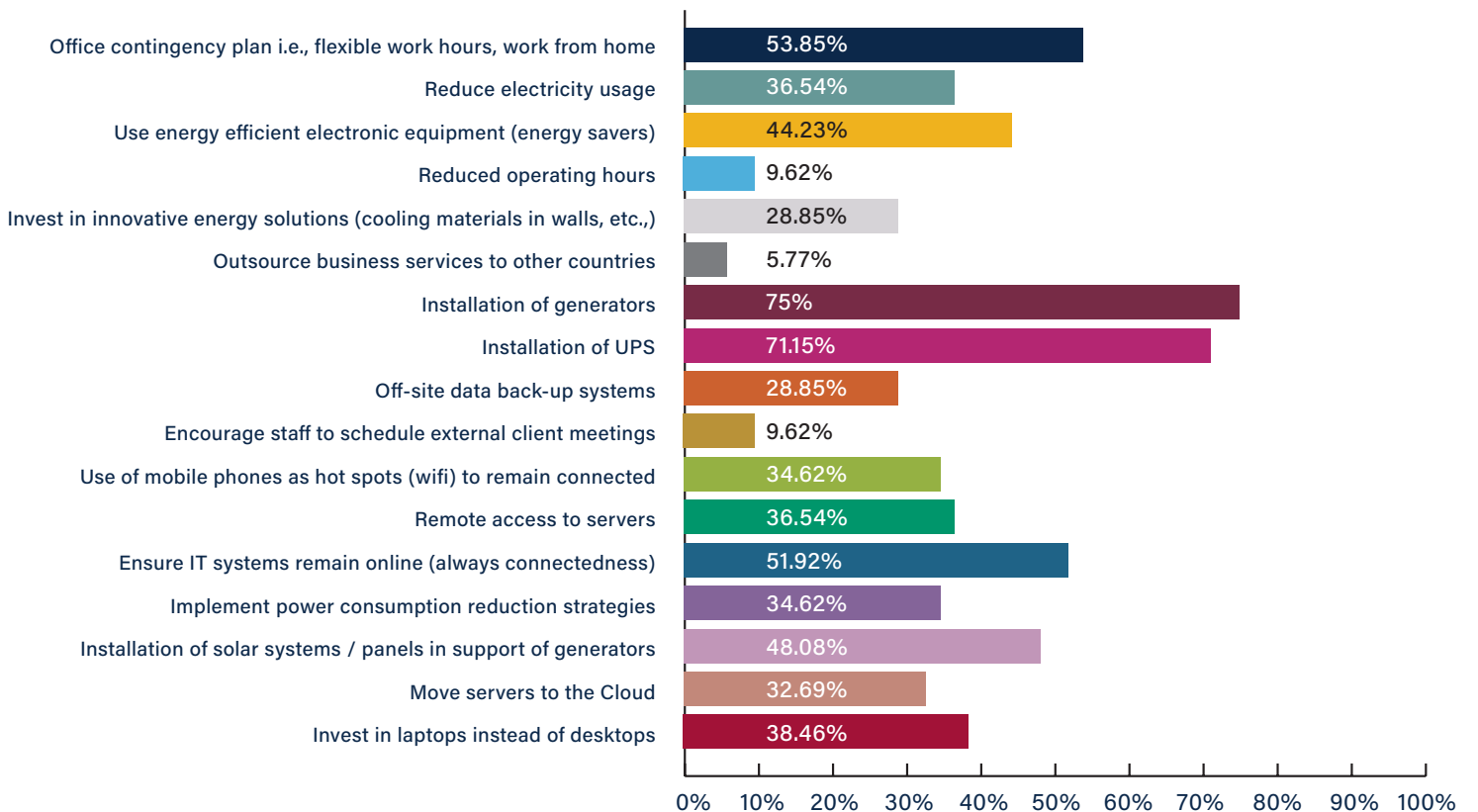
Q18

What is the impact on service delivery in general?



Q19

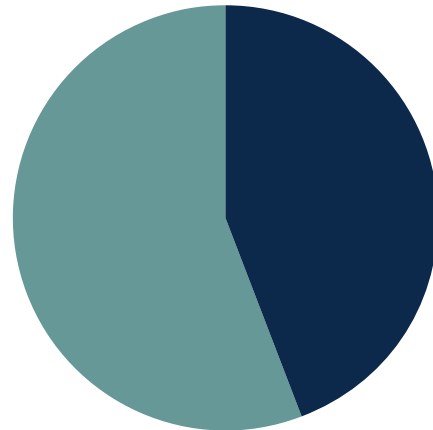
What actions has your organisation had to take to mitigate the impact of load shedding on your organisation?



Q20

Are you currently generating your own electricity (i.e. solar, wind, gas, biomass etc.)?

44.23% Yes
55.77% No



Q21

If YES, what solutions are in place and what % of electricity demand does your own electricity generation cater for?

Solar and generator: 100% except Canal Walk which is 30%

Solar, caters for 8% of total consumption

20%

One major PV plant serving four buildings - +/-60%

Solar

Solar - 7%

Rooftop solar capacity of 37,08mWp, providing 14% of total electricity consumption

Roof solar to generate power for 10-15% of power

solar

80%

13.5MWp capacity out of 126MWp total

GRID TIED PV SYSTEM - 65%

PV 30%

Solar, gas,diesel = 40%

Solar - 10-15%

80%

We have solar installations that produce about 30% of our energy.

10%

30%

Battery back-up including UPS.

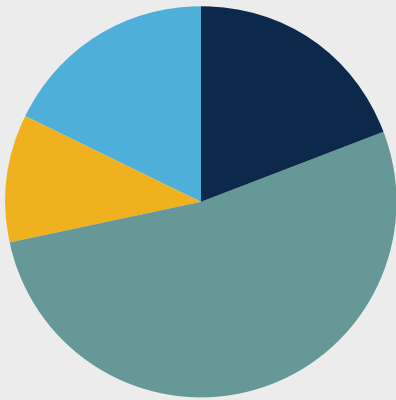
We in the process of kitting out an Inverter along with a Solar Panel support. Diesel is way too expensive to consider.

30%

60%

Q22

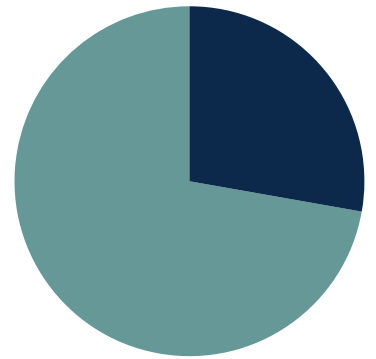
If NO, please elaborate on the factors inhibiting your entity from pursuing such generation solutions:



- 28.95% Technical limitations
- 78.95% Cost
- 15.79% Availability
- 26.32% Lack of Local authority support and approvals

Q23

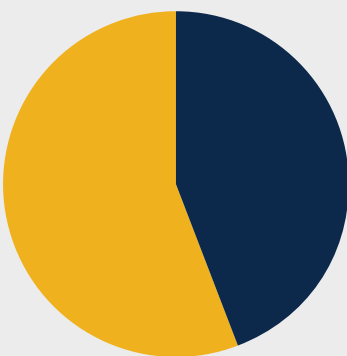
Has the availability of diesel ever been a problem or caused backup solutions to fail?



- 28% Yes
- 72% No

Q24

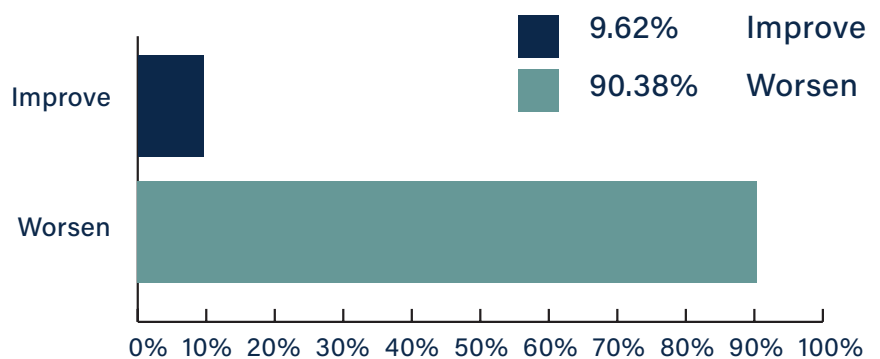
Has the installation of backup solutions (and extended use) lead to an increase in fire risk and or actual incidents?



- 44.23% Yes
- 55.77% No

Q25

Do you believe that load shedding will improve or worsen in future?



Q26

Is there any other aspect not mentioned above that you believe can assist to alleviate the current load shedding situation?

Increased tax incentives

Central Government needs to appoint competent people to resolve the situation. Also allow local government to take their own action

Better government decisions on how serious the situation is. Stop interfering with decision making and do every possible to assist the company to do their work.

Local Government should play a bigger role in the short term solutions

Government to introduce emergency power procurement. Opening of wheeling frameworks for all municipalities. Reduction in prices for battery storage solutions

Take electrical generation out of the hands of govt and put it in the hands the private sector

Privatise Escom. Make government minor investor

Yes, despite the current impact it impedes future growth and development, which has a far greater impact.

SARS TO REPAY FUEL LEVY REBATES DUE TO ESKOM.

Improve battery Technology

Sell excess power to grid at better prices.

Road Accident Fund Rebate on fuel price for Genset's

Effective Management of SOE's.

Generation of an energy base load. No quick fix.

Offer tax incentives for producing your own power.

Government and ESKOM must deal with the underlying problems (corruption, crime, cartels, bloated and inefficient ESKOM, government interference, stop coal exports), as well as the ageing infrastructure, Deregulation of generation industry . End ESKOM's monopoly.

Municipalities should start generating their own electricity to reduce reliance on Eskom.

Open market to independent power producers

Privatize and let Business Solve

Privatise electricity supply by listing Eskom on the stock-exchange with government taking over legacy debt. Government to retain a non-controlling 20% shareholding in Eskom. Municipalities to procure electricity directly from the private sector.

A Tax-break for small to large companies to carry out inverters and panel installations.

Increase the tariff for feeding back into the grid

Load sharing where buildings/streets which can be inter connected to assist with power generation and usage. Tax rebates on installation of infrastructure to assist with power generation. Local authorities financing the installation of power generation at residential level and cross housing providing generated power to other households and businesses. Instead of large capital outlays because business and persons do not want to expend money on alleviating the power outs with funds they may have but would not like to part with either because it is savings they have built up for emergency funds or do not have wish to affect the cash flow of their business. This need to be considered as more important as business and persons will find ways (even if inconvenient) to work around the power outages rather than expend their funds.

Resolve the problem with eskom , remove politics and capital interest. We do not have to follow international trends.

Government should forfeit import taxes on all solar equipment and generators

Q27

Is there anything else you would like to add?

We would like to see increased public pressure by local industry bodies on all three spheres of government to expedite solving the power crises.

Unless load shedding comes to an end rentals will come under pressure as tenants cannot afford to carry high diesel costs ad infinitum which negatively affect property values. Standby generators are not supposed to run as they currently are and will need to be replaced at a huge cost which Landlords can ill afford. SARS needs to allow a full write off in the first year to assist Landlords

Improve access to soft loans for PV,UPS, Batteries

Privatise

Let the large users such as South32 Smelter (Richards Bay) that have signed long term contracts with Eskom sign with Karpower (not Government) and remove them from the grid.

Government must take ownership of the crisis and make a concerted effort to stamp out corruption.

Cost of business is increasing with loadshedding. Furthermore, within the SA context, too much time is focussed on conformance vs. performance of the business.

Complete separation of generation, transmission and distribution asap. Increase grid connection and wheeling capacity to accept IPP electricity production.

Section title schemes are finding it a nightmare to navigate this as backup power solutions are often very costly. The result is that occupants suffer in the meantime.

Thanks SAPOA!!