



MINISTRY
ELECTRICITY AND ENERGY | REPUBLIC OF SOUTH AFRICA
Corner Visagie and Pretorius Street | Pretoria, City of Tshwane

MEDIA STATEMENT

ANNOUNCEMENT OF PREFERRED BIDDERS UNDER THE 3rd BID WINDOW OF THE BATTERY ENERGY STORAGE IN INDEPENDENT POWER PRODUCER PROCUREMENT PROGRAMME (BESIPPPP) IPPPP Tender No: DMRE/022/2023/24

30 MAY 2025

The Minister of Electricity and Energy, Hon. Dr. Kgosientsho Ramokgopa, has announced the appointment of five (5) Preferred Bidders under the Battery Energy Storage Independent Power Producer Procurement Programme (BESIPPPP) Bid Window 3.

The BESIPPPP Bid Window 3 was launched on 28 March 2024, with bids submitted on 28 November 2024. The evaluation process, conducted by an Independent Bid Evaluation Committee under strict security measures, took place at the IPP Office.

The Battery Energy Storage Programme is a critical initiative aimed at enhancing South Africa's power system by providing essential ancillary services and increasing grid capacity through energy storage.

The ancillary requirements for all the BESIPPPP Programmes are as follows:

- Instantaneous reserves,
- Regulating reserves,
- Ten-minute reserves, and
- Supplemental reserves.

BESIPPPP Bid Window 3 is a site-specific procurement round designed to facilitate the procurement of up to 616 Megawatts (MW) from facilities that will provide capacity, energy and ancillary services to NTCSA, as the Buyer, at five (5) specified sites in the Free State Supply Area, therefore only one Preferred Bidder is appointed per site.

The Department received a total of 33 bid responses on 28 November 2024. After the independent evaluation process, the following **five (5) Preferred Bidders** have been appointed under the Bid Window, representing a total investment of R9.5 billion:

Project Name	Developer	Substation	Contracted Capacity (MW)	Capital Cost Recovery Charge Rates (CCR) (R/MW/h)	Evaluation Price (R/MWh)	Total Score
Haru BESS	Scatec	Leander	123	228.84	2 037.10	97.58
Bloemhoek BESS	Mulilo	Theseus	124	204.30	1 801.24	98.16
Erfdeel BESS	Mulilo	Everest	123	203.47	2 157.29	98.16
Vanilla BESS	Mulilo	Havard	123	205.94	2 169.80	98.16
Retreat BESS	Mulilo	Merapi	123	235.32	2 477.86	98.16

The BESIPPPP BW3 round was again found to be highly competitive, with a marked increase in the number of bids relative to the previous bid windows, resulting in a 40% and 8% decrease in the average Evaluation Price, compared to Bid Window 1 and Bid Window 2 prices, respectively.

The five (5) Preferred Bidders have made the following commitments:

- **Black Shareholding:** will contract at a minimum of 40% in the IPP Project Companies; up to 30% black shareholding by construction contractors; and up to 42% in operations contractors.
- **Total Job Opportunities:** 852 job opportunities for RSA citizens (measured in job years), during construction and operations.
- **Local Content Spend:** Over R3.7 billion during construction and during the operation and maintenance phases.
- **Preferential Procurement:** Over R3 billion from B-BBEE companies, R1.3 billion from Black-Owned Enterprises, R1.1 billion from Qualifying Small Enterprises (QSEs) and Exempted Micro Enterprises (EMEs) as well as R562 million from Black Women.
- **Supplier Development, Skills Development, Bursaries for Black Students, Skills Development for Black disabled people, Enterprise Development and Socio-Economic Development initiatives:** R184 million over the lifetime of the projects.

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