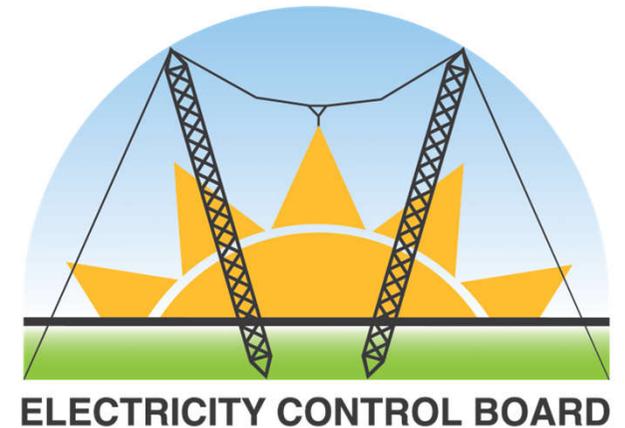


Challenges Experienced by Market Participants, IPPs, and CCs



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MTC Dome Hall
Swakopmund

Presentation Outline



- 1. Introduction & Purpose**
- 2. Responses Received**
- 3. Project Status**
- 4. Key challenges delaying Operationalization**
- 5. Proposed ECB Interventions**
- 6. Next Steps & Conclusions**





Introduction and Purpose



- Provide ECB with a progress update on MSB market participation.
- Highlight key milestones, challenges, and proposed solutions.
- Facilitate discussions for improved market operationalization.

Scope:

1. Anticipated trading commencement dates.
2. Status of project contracting.
3. Key challenges.
4. Proposed ECB interventions.



Responses Received



ELIGIBLE SELLERS

3

**CONTESTABLE
CUSTOMERS**

4

Key Issues Identified:

1. Delays in regulatory approvals & licensing.
2. Lack of coordination between stakeholders.
3. Contestable customer awareness gaps.
4. Funding bottlenecks due to pending approvals.

Slide 4

JMO

I suggest you remove the names of the EGs and the CCs. Just state how many responded. It seems like we are naming and shaming them.

Johann Malan, 2025-04-09T11:23:02.158

Project Status



	Market Participant 1	Market Participant 2	Market Participant 3	Market Participant 4	Market Participant 5	Market Participant 6	Market Participant 7
Project Capacity	24MWAc	30MWp – with varied IPP’s of 10MW each	2MW to increase to 10MW			61.6MWp	
Commence ment Date	No specific date of commencement	IPP’s do not yet meet conditions for Gx License	Trading set to start 2027	Q1 2026	Q2 2025	May 2025	Q1 2027
Project Contracting	55,000 MWh	68,300 MWh	22,780 MWh expects to increase Gx through license application with ECB	1,413MWh PPA negotiations with IPP	4,218 MWh	140,300 MWh Multiple off takers	62 500 MWh Under procurement Additional 126 600 MWh with BESS option

Slide 5

JM0 See comment on names of EGs and CCs. We have the information to also complete the status of the market participation by the other EGs and CCs.

Johann Malan, 2025-04-09T11:25:28.950

PM1 I suggest that we split between ES and CCs or at least indicate what the CCs are saying as well as EGs

Pinehas Mutota, 2025-04-09T17:05:31.556

Common Bottle Necks Across Projects



Regulatory Delays	Grid Connection Issues	Market Awareness & Off-Taker Hesitation	Impact due to delayed approval
Impact due to delayed approval	Securing off take agreements with CCs	CCs not well informed of MSB, & hesitant due to Knowledge gaps – uncertainties	Compliance with PPP Act

Proposed ECB Intervention	ECB Specific Programs & initiatives (response)
<p>ECB-led awareness campaigns for contestable customers and end – consumers .</p>	<p>MSB component will be included in the Stakeholder engagement and implementation strategy</p>
<p>Streamline generation license approvals. Simplify registration & improve rule flexibility</p>	<p>Development of a License Administration Management Portal LAMP simplify processes & improve flexibility in MSB rules through annual audits</p>
<p>Clarify RED's and <i>NamPower's</i> role in distribution-connected supply.</p>	<p>ECB in corroboration with NamPower and Distributors to review registration procedures</p>
<p>Guidance on Grid Connection Studies</p>	<p>Implement the transmission Network Connection Guidelines</p>
<p>Streamline PPP Procurement processes Ensure that distribution licensees conduct necessary connection studies and develop competitive procurement plans to take up their contestable quantity.</p>	<p>Licensees to comply with applicable laws and regulations.</p>
<p>Expedite issuance of transmission connection offer letters to unlock financing.</p>	<p>Studies are necessary and NP must comply to the Tx Nx CG</p>



Slide 7

JM0 Not sure how we would do this as it is controlled by the TX / Dx licensees.

Johann Malan, 2025-04-09T11:35:28.232

JM1 Issue is not the offer letters, but the studies associated with those offer letters. Maybe also mention implementation of the Tx Network Connection Guidelines. Maybe work with licensees to identify and pre-approve specific connection sites where studies have been done already, and then to procure EGs specifically for those sites.

Johann Malan, 2025-04-09T11:42:45.208



Next Steps & Conclusion



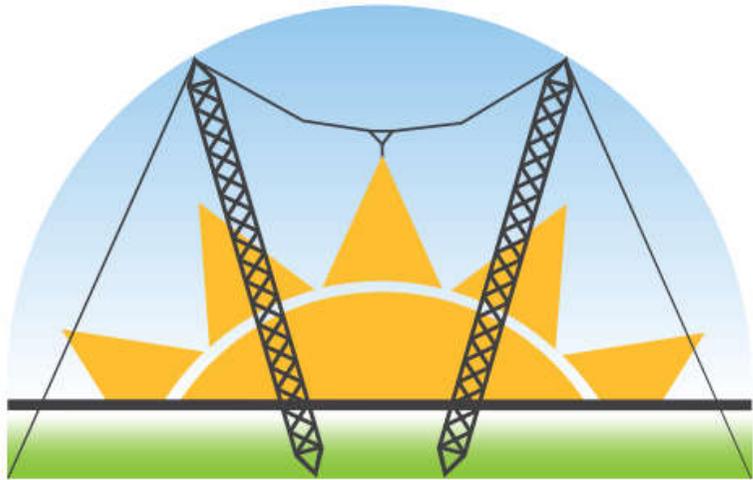
Regulatory Compliance		
	Recommendation	Timeline
The MO has developed the appropriate market participation, connection and use of system agreements. However, there are key outstanding mechanisms and agreements which require urgent attention.	Develop Network Capacity Allocation Mechanism	Q1 2025
	Develop Balancing Mechanism & Agreement for Exporter	Q1 2025
	Develop Congestion Management Mechanism	Q1 2025



Next Steps & Conclusion cont...



Market Operations Initiatives	Recommendation	Timeline
<p>The MO will invest in electronic trading platforms & digital tools to automate data exchange trading & scheduling to reduce manual work.</p>	Digitize market participation onboarding process	Q3 2025
	Develop backup systems for scheduling & data exchange	Q2 2025
	Create functional business specifications for new trading & data exchange systems	Q2 2025
	Automate & digitize scheduling and trading processes	Q4 2025
	Digitize data exchange between Traders, Systems Operations, Supply, Finance, and Billing	Q4 2025



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THANK YOU

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