RFI FOR THE PROVISION OF INDEPENDENT POWER PROVIDER FOR TRANSNET PIPELINES: CLARIFICATIONS

Commercial Clarification Questions

1. Load & Demand Data:

Question: The RFI does not provide full historical load profiles (hourly/15-minute data) for each site. Will TPL provide historical demand profiles and consumption data for all 40 sites to enable accurate sizing, modelling, and tariff determination?

Answer: Tables 1 and 2 list each site's supply voltage, tariff, NMD, average max demand, and highest monthly consumption for municipal- and Eskom-supplied sites. However, at this RFI stage, detailed hourly or interval profiles are not being shared. Respondents should base their proposals on the demand and consumption data provided in the RFI.

2. Energy Allocation Methodology

Question: Can TPL clarify how energy allocation will be handled across multiple sites with varying NMDs and tariffs?

Answer: Energy allocation across multiple sites with varying tariffs and Notified Maximum Demands (NMDs) has not yet been finalized.

Respondents are encouraged to propose robust, auditable energy allocation methodologies suitable for multi-site wheeling environments, taking into account:

- Site-specific demand profiles and NMD constraints
- Applicable Eskom and municipal tariffs
- Metering, reconciliation, and settlement mechanisms

Final allocation rules and settlement structures will be confirmed during the RFP phase, informed by regulatory requirements and commercial evaluations.

3. Contractual Structure

Question: Does TPL intend to pursue a single aggregated PPA, a multi-site PPA structure, or independent PPAs per site?

Answer: TPL has not yet determined the final contractual structure.

Respondents may propose:

- A single aggregated PPA covering multiple sites
- A portfolio / multi-site PPA framework
- Individual site-specific PPAs

Proposals should clearly outline the commercial, operational, and risk implications of the proposed structure. TPL will evaluate these options during the RFP stage based on value, flexibility, bankability, and ease of administration.

4. Offtake Commitment

Question: Will the future RFP specify a minimum offtake volumes or guaranteed energy purchases?

Answer: Any binding offtake commitments will only be considered and defined during the RFP and contracting stages.

5. Creditworthiness & Guarantees

Question: Will TPL provide any credit support or guarantee instruments to facilitate project financing?

Answer: TPL has not yet determined whether credit enhancement instruments (e.g. guarantees, letters of support, or payment security mechanisms) will be provided.

Respondents may outline financing structures that:

- Do not require credit guarantees, or
- Identify the type of credit support typically required for similar projects

All credit and security arrangements will be evaluated during the RFP phase in line with Transnet's internal governance, treasury, and approval processes.

Wheeling-Specific Clarification Questions

6. Site Location Data

Question: Annexure A lists broad locations but not GIS coordinates. Will TPL provide precise GPS coordinates for each site to determine wheeling routes, network paths, and losses?

Answer:

Station/Depot	Lat.	Long.
Fynnlands	-29.8900960779	31.0242914703
Island View	-29.8949614137	31.0225313013
Mngeni	-29.8226054249	30.8099537348
Hillcrest	-29.7938295748	30.7624974138
Twini	-30.0282735592	30.8799786742
Pietermaritzburg Hilltop	-29.589708116	30.3993233313
Duzi	-29.5327309683	30.3716939443
Howick	-29.4771766878	30.1945815505
Mooi River	-29.1579727274	30.0259350562
Ladysmith	-28.5427518199	29.7884451339
Mnambithi	-28.6163717815	-28.616371781
Fort Mistake	-28.1859081355	29.9627395998
Newcastle	-27.7407010264	29.9943635741
Quagga	-27.5085075694	29.7514732528

Wilge	-27.229428717	28.3900293611
Sasolburg	-26.8258562437	27.850726164
Coalbrook	-26.7972871839	27.8570258634
Meyerton	-26.5781443499	28.114810321
Secunda	-26.5896073974	29.1436947855
Kendal	-26.0081132458	28.9694995838
Witbank	-25.8629400181	29.1664383615
Alrode	-26.2980406787	28.1199699062
Tarlton	-26.0793765172	27.6404662871
Jameson Park	-26.46793954	28.42547592

7. Future Load Changes

Question: Are any of the sites expected to undergo material increases/decreases in demand within the next 5–10 years?

Answer: TPL does not currently confirm any material increases or decreases in demand across the listed sites.

However, respondents should assume that:
Load profiles may evolve due to operational changes, efficiency initiatives, or future expansions
Renewable solutions should be scalable and adaptable over the project life
Proposals that incorporate flexibility for future load variation will be viewed favorably.

8. General Wheeling

Question: May we understand the reasoning behind TPL's view on a wheeling mechanism for their energy consumption, given that some municipalities do not currently have approved wheeling frameworks?

Answer: TPL considers wheeling as a strategic option due to its dispersed geographical footprint spanning multiple provinces and supply authorities, as well as the potential benefits of scale, cost efficiency, and long-term tariff stability. Wheeling allows renewable generation to be developed at suitable locations and supplied to multiple sites, rather than being limited to site-specific generation.
TPL acknowledges that wheeling frameworks are not yet fully implemented across all municipalities. This RFI therefore seeks to understand market capabilities, available solutions, and potential mitigation strategies where wheeling is not currently feasible. Alternative supply models may also be proposed where wheeling constraints exist.

Question: Is TPL energy agnostic?

Answer: Yes. TPL is technology-agnostic at this stage and is open to proven, commercially viable renewable energy technologies that meet its operational, technical, and compliance requirements. While solar PV and hybrid solutions are of particular interest, respondents may propose alternative renewable technologies where appropriate.

Question: Could TPL indicate its anticipated COD for the generation projects?

Answer: TPL has not yet defined a fixed Commercial Operation Date (COD) for generation projects. Anticipated timelines will be influenced by the selected delivery model, regulatory approvals, grid access arrangements, and procurement processes.
Respondents are encouraged to propose realistic COD assumptions based on their project development approach and clearly state any dependencies or risks.

Question: Would TPL be able to share typical hourly consumption profiles?

Answer: At this RFI stage, detailed hourly or interval profiles are not being shared. Respondents should base their proposals on the demand and consumption data provided in the RFI.
More detailed load profile information may be made available during the RFP phase to shortlisted bidders, subject to confidentiality and internal approvals.

Question: Can TPL provide missing NMD and average maximum demand information for Mngeni, Alrode, and Witbank?

Answer: Where certain NMD or average maximum demand values are not available, respondents should make reasonable engineering assumptions based on the provided energy consumption data and similar site characteristics.

Question: How many Service Providers is TPL willing to appoint?

Answer : TPL has not decided on the exact number of service providers yet. We are considering different options:

- One main provider for all sites,
- A few providers for regional clusters,
- Or separate providers for specific sites if needed.

The final approach will be confirmed in the RFP based on what works best for cost, efficiency, and grid constraints.