

# Momentous Energy: RustMo1 Solar Farm

**23**  
Employees

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**USD 3.2 mio**  
Fund investment

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**Partnerships with local colleges to sponsor students**  
Social Responsibility

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**Region:** South Africa  
**Sector:** Renewable Energy  
**Year of investment** 2012  
**Fund intermediary:** Evolution One  
**Financial intermediary:** Inspired Evolution  
**SIFEM investment into fund:** USD 8 mio  
<http://inspiredevolution.co.za/>

*RustMo1 Solar Farm is a 7MW solar photovoltaic power (PV) generation plant developed by Momentous Energy near Rustenburg, South Africa.*

It is our goal to create clean and renewable energy for the region, together with creating employment and providing skills training.

## Situation in South Africa

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Despite a decline in poverty levels, 20% of the South African population live in extreme poverty and 45% of the people are moderately poor. Inequality in the country is among the world's highest and remains a serious problem.

Currently only about 85% of South Africa's population has access to electricity and the country's demand is expected to double in the next 20 years. Large-scale national electrification interventions have provided a foundation for many communities to improve their economic well-being, health and quality of life, but around 8 million people still lack access to electricity.

- The Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) has been designed by public authorities to encourage private companies to assist in reaching a targeted production of 10,000 GWh of renewable energy. This is equivalent to about 5% of the present electricity generation in South Africa, and is the amount of electricity required for approximately 2 million households. Projects which succeed to take part in the program are able to sell their production to the national grid at previously agreed tariffs.
- Local job creation, local ownership, and economic and socio-economic development are criteria which the projects must fulfill to qualify for the REIPPPP. This is particularly significant as South Africa has a rate of unemployment of 25%.

- Photovoltaic is emerging as a major power source due to its numerous environmental and economic benefits and proven reliability. It is the fastest growing power generation technology in the world.
- The South African government aims to have photovoltaic energy supplying 19.7% of the country's renewable energy by 2030 as part of increasing and diversifying the sustainable energy mix.

## Development Effects in a Nutshell

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Momentous Energy is a local South African sponsor, developing a 7 MW solar PV plant, RustMo1 Solar Farm. The solar PV plant is constructed on a 19ha farm and feeds electricity into the national grid as part of the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP).

- The RustMo1 Solar Farm will generate approximately 12.3 GWh of clean energy per annum, displacing 12,500 tonnes of CO2 emissions.
- The establishment of RustMo1 builds local capacity and skills required to develop the entire sector as it is the first independent power producer to inject energy into South Africa's electricity grid. The project thus paves the way for future commercial solar farms.
- Momentous Energy is committed to hire locally where possible and has so far directly generated 23 permanent jobs in the operations phase and 83 temporary jobs in the construction phase. .

## Social Responsibility

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- The Momentous Foundation Community Trust was set up to own a 17% share of the RustMo1 Solar Farm, specifically as way to support the local Tsakane and Lapologang communities. Disbursements from the share income will go towards the socioeconomic development of the area.
- Momentous Energy has created partnerships with the local colleges to sponsor students and offer technical support. These initiatives contribute to skills and capacity development in the local community

## Data as of August 2014

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Obviam has made reasonable efforts to ensure the accuracy of the data presented. A case study is made possible both through Obviam's first-hand experience and/or the information provided by Obviam's investment partners. Data is valid as per the date recorded.



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