

# KaXu

## The whole blue sky

A 100MW solar plant has been officially opened in the Northern Cape, capable of providing clean and sustainable power to approximately 80 000 homes in South Africa. This innovative solar power plant, made possible by the dynamic partnership between Abengoa and state-owned financier, the Industrial Development Corporation (IDC), together with KaXu Community Trust. It will boost the national grid and has been launched at the height of South Africa's energy challenges.

BY SAMANTHA MORGAN



80 000 homes will receive power from this project



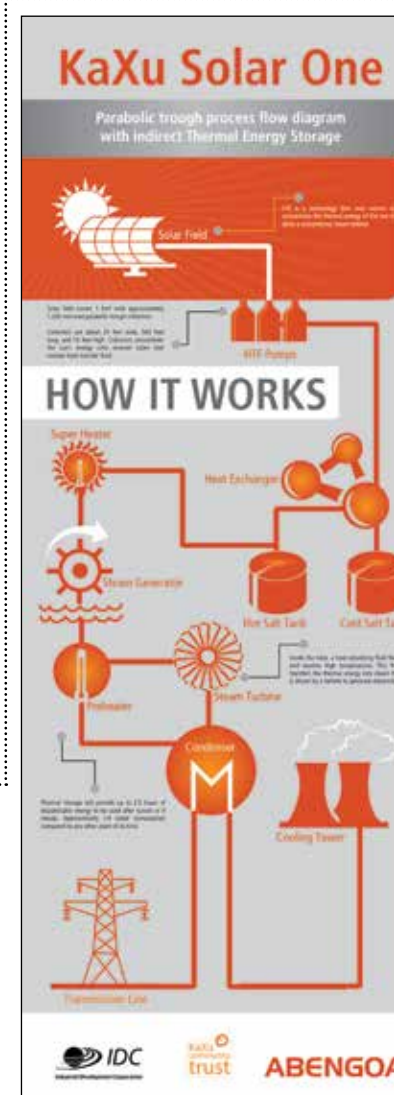
KaXu Solar One is the first solar thermal electric power plant in commercial operation in South Africa.

On arriving at the site, which spanned an area of approximately 3.5km by 1km, I was struck by how beautiful (in a stark sort of way) these solar receptors are. They stand to attention, proud to be soaking up the power of the Northern Cape sun. They truly are the collectors of Kaxu, which means 'the whole blue sky'.

Minister of Economic Development, Mr Ebrahim Patel, officially inaugurated this innovative solar power plant. He was accompanied by Deputy Minister of Public Enterprises, Mr. Bulelani Magwanishe, Premier of the Northern Cape, Silvia Lucas, executives of Abengoa and IDC and representatives of the local community.

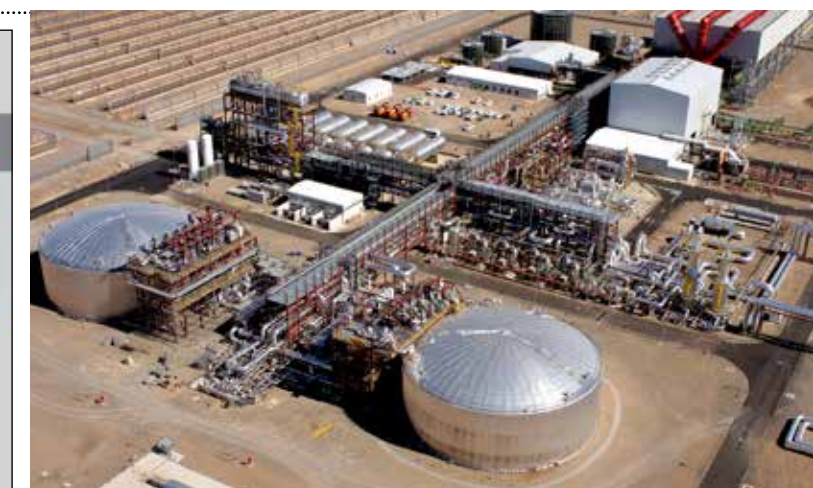
KaXu Solar One, the first Solar Thermal Electricity (STE) power plant in South Africa, incorporates a storage system that enables production of 100MW for 2.5 hours after sunset or before dawn. The project will result in approximately USD891 million direct and indirect investment inflows to South Africa, generate approximately USD516 million in taxes over the next 20 years, and has created 1 000 construction jobs during its three-year construction period.

This project, a well arranged public-private partnership, was awarded by the Department of Energy of South Africa and it will serve clean and reliable electricity to Eskom, South Africa's power utility, under a 20-year power purchase



agreement. Abengoa owns 51 percent of the project, the IDC 29 percent and KaXu Community Trust 20 percent.

"This is the largest greening Energy programme on the African continent," said Mr Patel. "This R7.9 billion plant will go a long way towards



addressing South Africa's energy crisis. Prior to 1996 only five million homes had power. Today another seven million homes are connected to the national grid."

Manuel Sanchez Ortega, Vice President and CEO of Abengoa, has stated: "We are proud of the role we are playing to help South Africa meet its ongoing energy demands. This project will leave a legacy that will benefit the community of Pofadder, Northern Cape and the entire country. This would not have been possible without the leadership of the South African Department of Energy".

IDC chief executive, Geoffrey Qhena, stated: "The project is based on a strong public-private sector partnership and forms part of our efforts to support Government's initiatives to introduce alternative sources of energy into the country's energy mix as contemplated in the integrated resources plan".

Fadiel Farao, Chairperson of the

KaXu Community Trust, says KaXu Solar One will be a catalyst for economic development role in the Khai Ma municipality in the Northern Cape. "The project has stimulated the local economy and will go a long way towards helping to generate much-needed economic opportunities for people in this area". KaXu Community Trust is made up of members of the local community.

Abengoa is building Khi Solar One, a 50MW solar plant using tower technology and has already started the construction of a third project, Xina Solar One, a 100MW parabolic trough plant. Xina Solar One will shape with KaXu Solar One the largest solar platform in sub-Saharan Africa.

This project is resulting in a stable predictable source of energy, benefitting over 400 000 individuals. Let the sun shine!

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