

## **Eskom's solar heater plan slowly gains momentum**

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Eskom subsidised 1 520 solar water heaters in the first half of this year - nearly double last year's rate but still far too few to meet a target of installing 925 000 solar geysers by 2013.

"Installations are definitely slower than we would want," Andrew Etzinger, Eskom's general manager of customer network business, said this week. "Nevertheless, we are seeing very encouraging signs coming through of a change in the market."

Large local electrical geyser manufacturers were starting to make solar water heaters, while other industries were keen to leverage "mass production capabilities", Etzinger said.

In addition, insurance companies were finalising changes to rules to allow homeowners with burst geysers to claim funds towards the cost of installing solar water heaters, he said.

But solar geyser installers say the global financial crisis has started to hit the market hard.

Dylan Tudor-Jones, who chairs the solar heating division of the Sustainable Energy Society of Southern Africa (Sessa), said every member was "moaning that people are holding onto their money". Last month, 19 of Sessa's 194 members - mostly equipment importers - stepped down, suggesting they had closed shop or stopped dabbling in solar installations.

"I am still very positive that things are going to turn. I'm just not sure when," Tudor-Jones said.

Solar water heating has been identified as a critical component of Eskom's demand-side management programme, which calculates that 925 000 solar water heaters would reduce electricity use by 578 megawatts. By extension, installing solar geysers in every South African household would result in savings equal to a coal-fired facility the size of the Medupi plant, which is under construction.

While the number of Eskom-accredited suppliers has swelled from 10 a year ago to about 100, key impediments remain to meeting the target: high costs, low incentives, and a wide skills deficit in installation capacity.120663

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