

## **BIOGAS**

### **Powering communities is possible, but not happening because of Nersa**

The South African Pork Producers' Organisation (SAPPO) has called on the National Energy Regulator (Nersa) to review its position regarding the purchasing of power from independent producers.

The organisation says many of its members are busy with or planning to install biogas facilities on their farms with a view to reducing their own electricity consumption or selling electricity back to the national grid. The production of biogas – which is done in many other countries such as the USA and Australia – can also be used for renewable energy credits and can also help offset the cost of the operation.

However, local pig farmers say this process is expensive and that the low tariffs offered by Nersa for the electricity produced, is far below market value to make it worthwhile, even to manufacture electricity for own use.

There is a huge potential to generate power from biogas, which will alleviate the strain on the national grid. In the pork industry alone, as much as 150 - 200MW can be supplied during peak periods, which will make a massive contribution to the strained output.

The main reasons for pig farmers to start such facilities on their farms are to deal with pig effluent in an efficient way and because they thought that it would be financially viable for farms.

They are also interested in providing clean power, which, unlike many other renewable energy solutions, can be stored for future use. This makes the use of biogas even more attractive as the turbines are only run when power is required during peak hours. The turbine can be “online” within only four minutes of receiving a start signal.

The added advantage of producing electricity and then selling it back to the grid does however not materialise mainly because the tariff Nersa offeres is far lower than what it cost to produce the biogas or even what farmers are paying for own electricity on the farm.

Despite these obstacles there are biogas facilities, such as at the Riverside Piggery outside Pretoria, which are viable to an extent.

At this facility power is created for own use. This includes hot exhaust gas that creates hot steam, which is used to make hot water for use in the farm's abattoir. Pig manure is an excellent source of methane needed for the production of biogas. Riverside has two turbines and have the potential to create more power than the farm needs, but Nersa simply won't buy that power at a reasonable rate.

The production of biogas for electricity use is an excellent example of how the pig industry is innovating and utilising all resources to be more competitive and environmentally friendly.

But farmers won't be spending on this technology if there aren't added benefits to them and the broader community. Clearly, South Africa needs more electricity – even in the long term – and this is a perfect way for everyone to win.

But why would farmers do this if Nersa doesn't assist them with the right price? Clearly this must change, SAPPO believes.