

Ministry of Environment and Energy

Press Release: NET-METERING PROGRAM FOR GRID-TIED RENEWABLE ENERGY GENERATION IN SEYCHELLES

Monday 13th January 2014

For the Seychelles Islands, transformation of the energy sector through the development and deployment of Renewable Energy (RE) resources and technologies is not merely an option, but it is a significant way to improve our energy security and play our part in reducing the effects of Climate Change. Government recently approved a Net-Metering Program to encourage development in the RE sector, especially with regards to the application of Solar Photovoltaic systems.

The Program provides an incentive for customers to participate in renewable electricity generation by offsetting the energy which is produced from their RE system against the energy which they have consumed from the Utility Grid. The resulting difference is either settled by the customer or PUC.

If the energy consumed by the customer is more than that produced by the RE system, the customer will pay PUC the net consumption at the prevailing tariff rate. On the other hand, if the consumer's RE system produces more than his/her consumption, i.e. surplus energy from the RE system is fed into the Grid, then PUC will pay the customer for every unit supplied at a rate of 88% of the prevailing fuel-marginal cost. The remaining 12% accounts for energy dissipated in the grid during energy transfer from the customer's RE system to other parts of the grid.

It should be noted that this adjustment will be done during the monthly billing, and that the rate for buy-back will be reviewed simultaneously with the ongoing tariff fuel-adjustment exercise on a quarterly basis. The Seychelles Energy Commission is currently drafting the necessary legal texts containing rules for the Program.

Eligibility for the Program is for customers registering as auto producers, that is, generating for their own consumption. Given, the nature of current electricity tariff, a degree of control is required. Consequently, there will be a cap of 50% of energy consumption for only Commercial customers above 10kW, in other words, installation capacity should meet only 50% of their energy consumption. Whereas, Commercial customers 10kW and below, they can install PV system to cover 100% of their electricity consumption.

The figure for Capping will be reviewed and adjusted accordingly with the ongoing tariffs rebalancing exercise.

For More information, please Contact: Tony Imaduwa, SEYCHELLES ENERGY COMMISSION

Email: timaduwa@sec.sc or timaduwa@hotmail.com