

TRADE LEAD – ArcelorMittal South Africa is inviting independent power producers (IPPs) to participate in a request for information (RFI) process for the supply and management of several photovoltaic (PV) power plants at its operations.

OVERVIEW – A subsidiary of ArcelorMittal Holdings, which is a leader in the global steel industry, ArcelorMittal South Africa, is the largest steel producing company on the African continent. With its head office in Vanderbijlpark, the company has six operational sites: Vanderbijlpark, Newcastle, Vereeniging, Pretoria, Thabazimbi and Saldanha, now in care and maintenance.

OBJECTIVE – To substantially reduce the blended price of electricity, improve its control of input costs and ensure a stable and secure supply of electricity for its operations, ArcelorMittal South Africa intends to enter into a power purchase agreement (PPA) with an IPP to build, own and operate the planned PV power plants.

Further, the company has repeatedly stated that continued, unaffordable increases on regulated costs, including energy tariffs, are having a seriously negative impact on its financial performance.

SCOPE OF WORK – The power plants at the Vanderbijlpark operations will have supply capacities of 10MW and 100MW while the other sites will each have 10MW plants. The land for the power plants will be made available by ArcelorMittal South Africa to the successful IPP/IPPs.

As part of the PV power plant project, the successful IPP/IPPs will be responsible for:

- Conducting all pre-feasibility and bankable feasibility studies to confirm financial and technical viability
- Conducting the environmental impact assessment and other surveys required for the implementation of the project
- Applying for all governmental and legal permits and licences required for implementation of the PV power plants
- Sourcing the required finance for the development and implementation of the project
- Conducting all engineering, procurement and construction work.

CONSIDERATIONS – Interested IPPs are invited to express their interest in writing on a company letterhead, indicating the power plant capacity they are interested in (100MW, 10MW or both).

INSTRUCTIONS – Please reach out to the contacts below for the entire RFI document.

The closing date for submissions is 28 August 2020 at 14:00.

The U.S. Commercial Service and the USAID Power Africa in South Africa would like to support eligible U.S. firms in bidding on this project. Please reach out to Mlamli Mjambana Mlamli.Mjambana@trade.gov and Megan Taylor metaylor@usaid.gov to receive more information on:

- RFI document & Evaluation Questionnaire
- RfB documents as soon as they are out,
- Contact information for procurement unit, and
- Additional information on how the U.S government can assist with government support including financing, pilot projects, technical or business advice, etc.