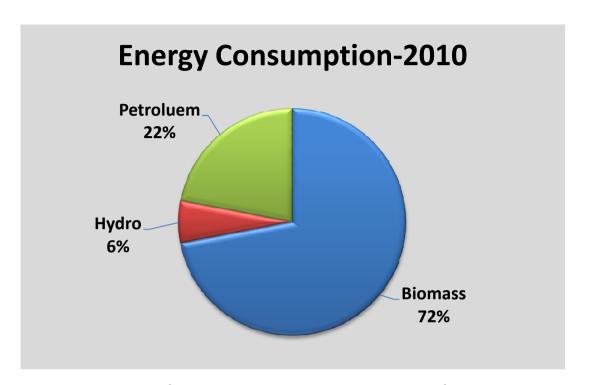
# Ministry of Energy



#### Opportunities in The Ghana Renewable Energy Act 2011, Act 832

Mahu Seth & Mawufemo Modjinou

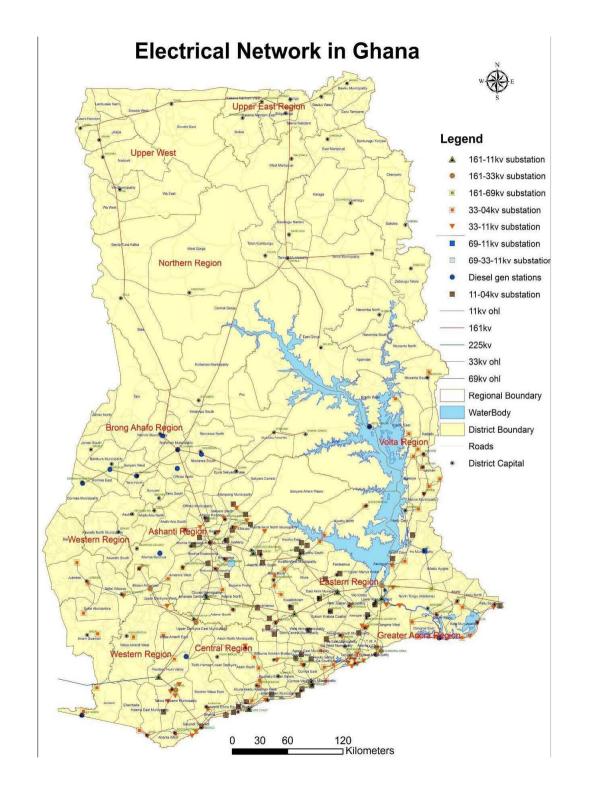
**APRIL 2012** 

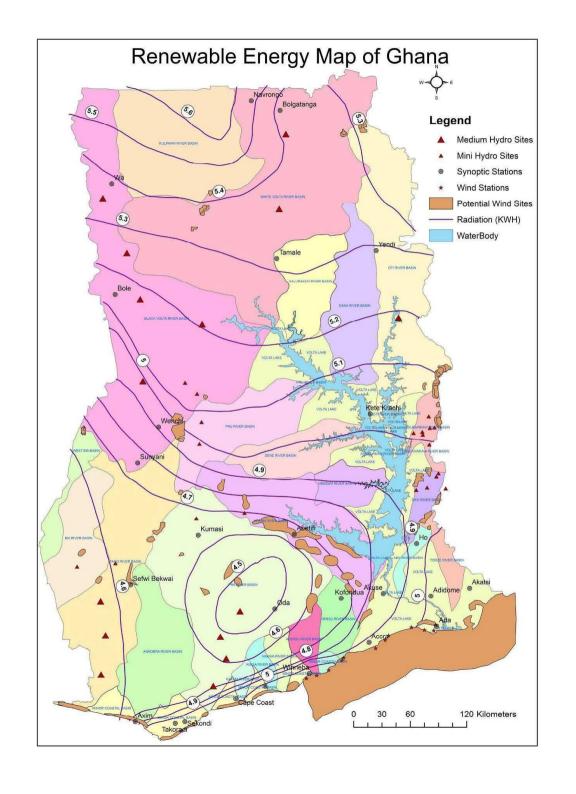


- Renewable Energy (biomass and hydro) accounts for 78% of total energy consumption in Ghana.
  - ➤ More than 60% of electricity generated is from hydro power - Akosombo & Kpong
- The share of modern renewable energy technologies (Wind, Solar PV, hydro below 100MW, Bio-fuel) for electricity is however very negligible (<0.1%).

# Electricity Generation Capacity of Ghana (End of December 2010)

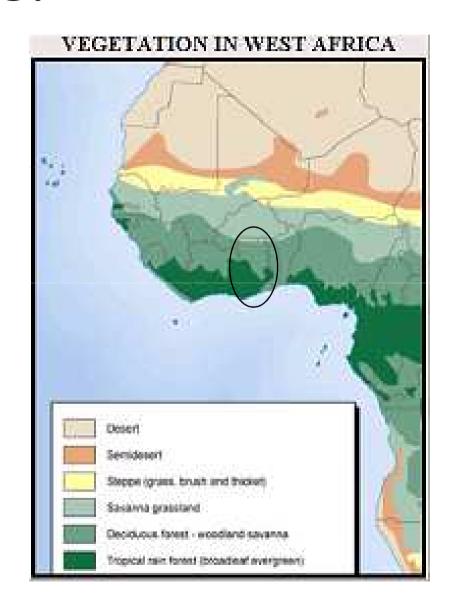
Plant		Fuel Tune	Capacity (MW)	
		Fuel Type	Installed	Dependable
Hydro Generation				
	Akosombo	Water	1,020	900
	Kpong	Water	160	140
	Sub-Total		1,180	1,040
Thermal Generation				
		LCO/Diesel/Natural		
Takoradi Power Company (TAPCO)		Gas	330	300
		LCO/Diesel/Natural		
Takoradi International Company (TICO)		Gas	220	200
Sunon Asogli Power (Ghana) Limited		Natural Gas	200	180
		LCO/Diesel/Natural		
Tema Thermal 1 Power Plant (TT1PP)		Gas	110	100
Mines Reserve Plant (MRP)		Diesel/Natural Gas	80	40
Tema Thermal 2 Power Plant (TT2PP)		Diesel/Natural Gas	49.5	45
	Sub - Total		989.5	865
	Total		2,170	1,905





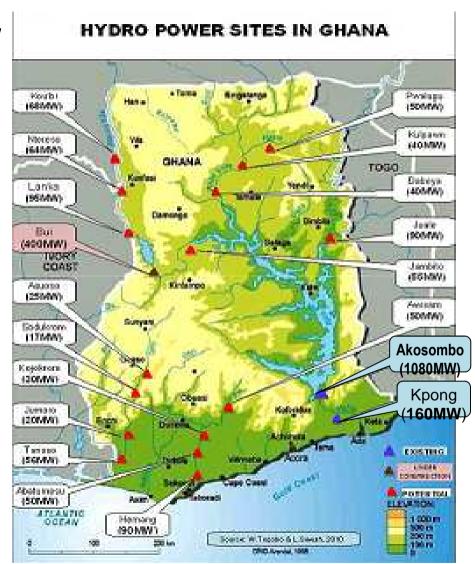
# **Biomass Energy Potential**

- Biomass is Ghana's dominant energy resource in terms of endowment and consumption.
- Resources cover about 20.8 million hectares of the land mass of Ghana (23.8 million hectares)
- Used mainly for cooking and heating in the country.



#### Hydro Power

- Potential is about 2,420MW
- Akosombo & Kpong.
  (1,180MW) provide 60-70% of electricity requirement
- Bui (400MW) under construction
- Remaining sites (21) with total capacity of about 840MW are yet to be developed.



## Classification of Hydropower

- Three size categories:
  - Up to 1 MW (small-scale)
  - 1 MW to 10 MW (medium-scale)
  - 10 MW to 100 MW (large-scale)
- The largest potential for new hydro power plants exists for "medium scale hydro sources" of up to 100 MW, summing up to about 1,243 MW (Energy Commission 2006b).

# Mini Hydro sites

REGION	SITE	POWER MIN (kW)	POTENTIAL . (kW)
Upper East	Jpper East I. Akunki Obota at Gowri		100
and	2. Abimogar at Bolgatanga	16	100
Upper West	3. Nanpumago at Nansa (Tumu)	160	400
	4. Tumu	200	1000
	5. Bele at Anhiwiemu	30	150
	6. Bogdoo at Mempeasem	40	200
	7. Doli at Mempeasem	13	50
	8. Doli at Dole	18	100
	Total	499	2,100
	I. Wusuri at Wusuri Damongo	40	200
Northern	2. Sorto at Sorto	40	200
	3. Gushie at Gushie Tampion	44	200
	4. Peli at Zoggo	77	400
	5. Mbuom at Pong Tamale	10	50
	6. Persuo at Savelugu	30	150
	7. Stillum at Stillum Kumbugu	20	100
	8. Kaungawni at Gushiegu	20	100
	9. Daka at Yendi + Sambu	100	500
	10. Nacahnkpeni at Zabzugu	20	100
	II. Nachankpeni (Dam 4)	100	500
	12. Badoloo at Takpagaya	68	300
	13. Nayogo at Ngoribogu	100	500
	14. Kuma at Baala Wulesi	20	100
	15. Kumoo at Mampe	220	1000
	16. Achibunya at Busunu	4	20
	Total	913	4,420
	I. Pamu at Kosan (Dorma Ahenkro)	6	50
Brong Ahafo	2. Pamu at Atesikurom	6	50
	3. Pamu Sromani	6	50
	4. Yifaw aat Yifaw	6	50
	5. Tain at Berekum	300	1,500
	6. Fia at Nkaranza	40	200
	Total	364	1,900

# **Medium Hydro Sites**

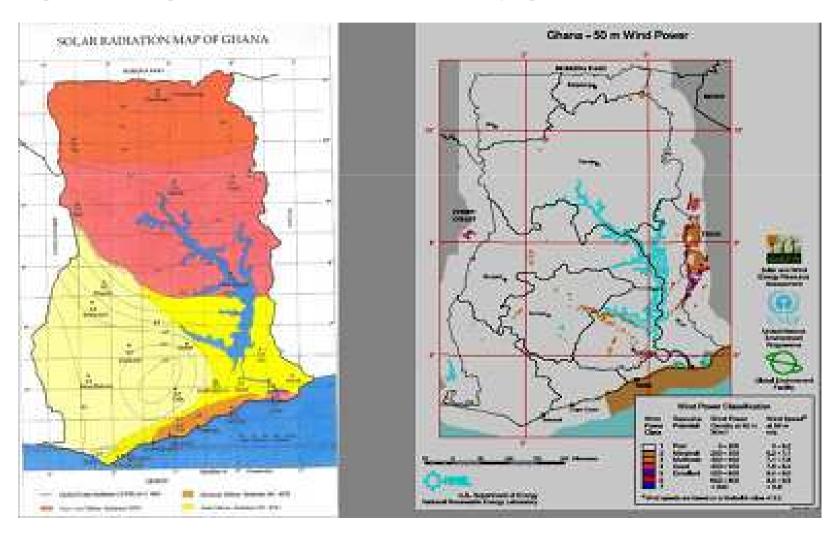
	CATCHMENT	POTENTIAL	ANNUAL ENERGY	
RIVER BASIN	AREA (KM²)	(MW)	(GWH)	
Black Volta				
Koulbi		68	392	
Ntereso	146820	64	257	
Lanka		95	319	
Bui		400	1000	
Jambito		55	180	
		Total: 682	2,148	
White Volta				
Pwalugu		48	184	
Kulpawn		36	166	
Daboya		43	194	
•		Total: 127	544	
Oti River			•	
Juale		90	405	
-		Total: 90	405	
River Tano				
Asuaso		25	129	
Sedukrom	14700	17	67	
Jomoro	14700	20	85	
anoso		56	256	
		Total: 118	537	
Pra River				
Awiasam		50	205	
Hemang	22200	90	336	
Abatumesu	22290	50	233	
Kojokrom		30	136	
•		Total: 220	910	
Total		TOTAL POTENTIAL: 1237	4544	

### SHP Potential Sites in Ghana



#### Solar & Wind Resource Potential

 Ghana has proven Solar and Wind Energy potentials for off-grid and grid connected electricity generation.



## **RE Policy Direction**

- Promotion of all forms of renewable energy resources in the country to.
  - achieve at 10% contribution of modern renewable energy services in the electricity generation mix by 2020.
  - reduce the demand on woodfuels from 72% to 50% by 2020 through the use of efficient technologies and alternative options such as LPG, biogas etc.
  - develop of other RETs for mechanical, heat and transport energy including biofuels for export (where appropriate).

### Opportunities in RE Act 2011, Act 832

- Renewable Energy Act 2011 (Act 832) provides the necessary fiscal incentives for renewable energy development by the private sector (IPP)
  - Legal and regulatory framework
  - Feed-in-Tariff
  - Obligatory purchase
  - Renewable Energy Fund
- Support for the development of RE regulatory and pricing frameworks for grid connected RE systems

### Opportunities in RE Act 2011, Act 832

- Support for resource assessment and feasibility studies for grid-connected RE systems based on wind, biomass, hydro and solar.
- Support for estate developers, Institutions and households to integrate grid tie RE in buildings.
- Support for use of decentralized mini-grid and offgrid RE systems for remote communities and Islands that cannot be connected to grid electricity within the next 5-10 yrs

### **RE Strategies: Woodfuels**

- Support for the regulation of the woodfuel industry (production, transportation & marketing)
- Promote production and used of improved and more efficient woodfuel technologies
  - efficient charcoal production technologies,
  - improved cookstoves (charcoal & firewood)
- Promote the use of alternative fuels such as LPG, biogas etc.
- Support sustained regeneration of woody biomass resources through legislation and fiscal incentives – RE Act 2011, Act 832

# **Investment Opportunities in Renewable Energy Sub-sector (solar, biomass, mini-hydro and wind)**

#### Target is to attain 10% RE by 2020

Energy Source	Exploitable Potential (MW)	Investment Requirement US\$ (million)
Wind	200-300	250-400
Solar	20	100-150
Medium – small Hydro	150	200-300
Modern Biomass /waste to energy	90	90-150
TOTAL	500MW	640-1,000

#### Areas of Investment in the RE

- Production
- Transportation
- Storage
- Distribution, Sale and Marketing
- Importation
- Exportation and Re-exportation &
- Installation and Maintenance

Investment opportunities

## **Licensing Requirements**

Energy Commission prescribed fee.

 Acknowledgement of receipt within 5 working days and final decision in writing within 60 days after the 5 days.

#### PROCEDURES FOR AN IPP ENTRY INTO THE FLECTRICITY MARKET

IPP Undertakes Pre -feasibility study

IPP Identifies a Buyer or an Off-Taker (e.g ECG or any other Bulk Customers).

Detailed feasibility studies to ascertain Technical Feasibility and Financial Viability of Project.

IPP interacts with relevant Regulatory Agencies, such as the Energy Commission – EC (Licensing and Technical Regulations) and the PURC (Pricing Regulation)

IPP obtains Site clearance by Environmental Protection Agency (EPA) & EC.

IPP Obtains Environmental Permit from EPA

Concluding a Memorandum of Understanding between IPP and Off-Taker after securing PURC's No-Objection in principle.

Obtaining License from the Energy Commission

IPP obtains relevant approvals of identified relief's from Governmental Agencies such as (GIPC), Ministry of Energy (Renewable Energy Law) and Ministry of Finance & Economic Planning etc.

IPP concludes PPA with Off-Taker

#### Conclusion

- The Renewable Energy Sector will attract over 1.0 billion USD in investment in the next 8 year.
- Private sector participation is key.
- The Government is committed to the renewable energy action plan to attract international support and investments from the private sector

# Thank you

For more information, please contact: <a href="mailto:smagbeve@yahoo.com">smagbeve@yahoo.com</a>, <a href="mailto:mawufemo@mcom.com">mawufemo@mcom.com</a>