

Interview with Paul Runge on African energy projects

To gain a better understanding of the state of the energy sector in Africa and the opportunities and projects currently available, I spoke with Paul Runge, MD at Africa Project Access who helped answer these key questions.

What is the state of the energy sector in Africa?

PR: AFRICA offers a trillion-dollar opportunity over the next decade, with a projected GDP of about about 6-7% annually. That means that our electricity generation, transmission and distribution capacity needs to match if not exceed the growth forecast. Unfortunately our current capacity lags behind the economic growth – however, there are a lot of plans in the pipeline to ensure that our future energy needs are met.

What opportunities are there for people who want to get involved in the power sector in Africa?

PR: There is a lot happening in the energy space in Africa right now – for instance, there is continued exploration for oil and gas, especially in the east African region. It is estimated that East Africa region holds 441.1 trillion cubic feet of natural gas. 1.9 trillion cubic metres of gas have been found in Mozambique and that will go a long way for electricity generation for Southern Africa.

I'm quite excited by the energy reforms taking place in Nigeria – the regulators are unbundling the utility and privatising the unbundled assets. The Nigerian government aims to increase its generation capacity ten fold by 2020. It also aims to ensure that 7% of is generated from renewable sources by 2025.

The Nigerian government also plans to increase its energy supply by ten fold by 2020.

Angola also represents another major opportunity, they have recently announced their \$17-billion “energy access” drive to ramp up electricity generation capacity from the current 1 200 MW to 5 000 MW by 2016 through the rehabilitation of the country's hydropower generation capacity.

Which projects stand out for you?

PR: In terms of hydro-generation projects, the Grand Inga 3 comes to mind. It is reportedly that that project has the potential to yield as much as 40 000 MW of emission-free capacity – almost the equivalent to South Africa's current installed base. Should fracking ever see the light of day in South Africa, we could see 20-trillion cubic feet (tcf) being recovered. This would potentially contribute about R80-billion to South Africa.

If you want to learn more from Paul Runge and uncover his insights into African projects, then you need to be at [Power and Electricity World Africa 2013](#).