

Smart Grids and their Potentials in Namibia's Electricity Sector

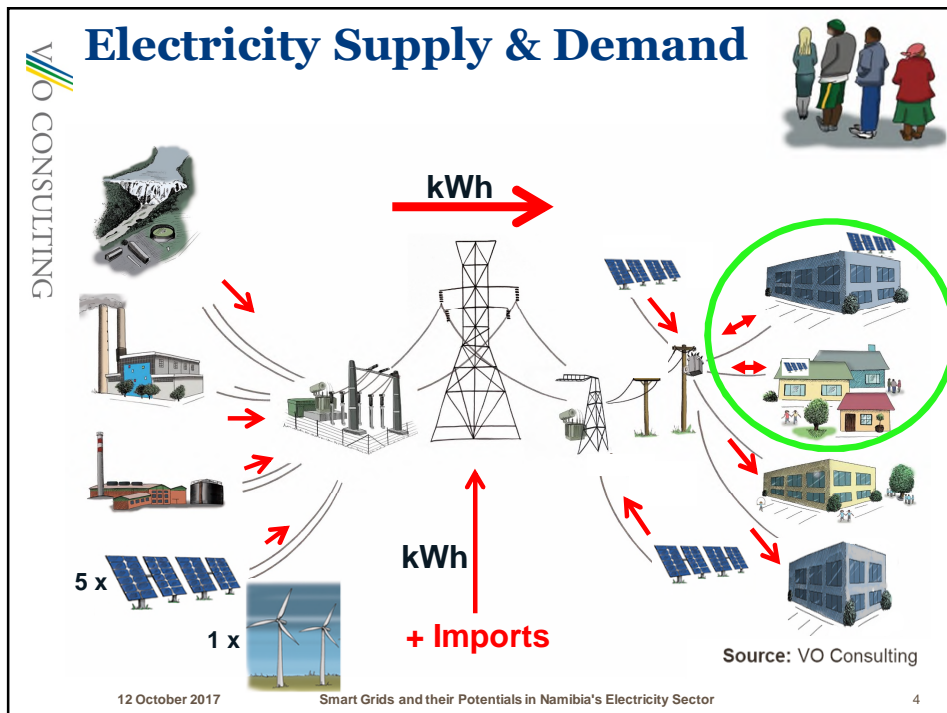
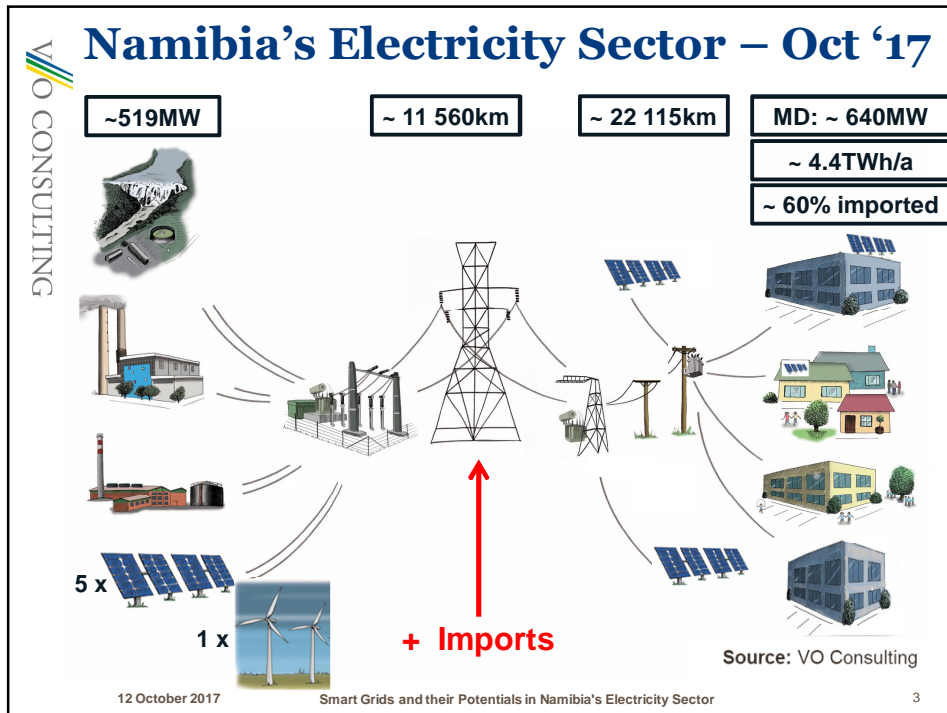
**Konrad Adenauer Foundation
NamPower Convention Centre
Windhoek, Namibia
12 October 2017**

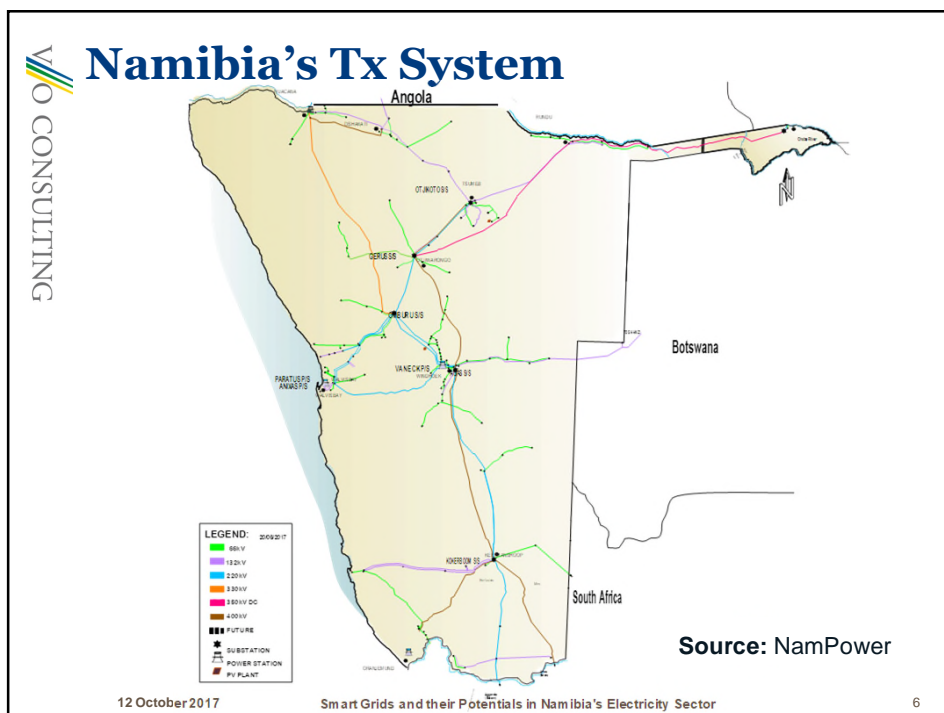
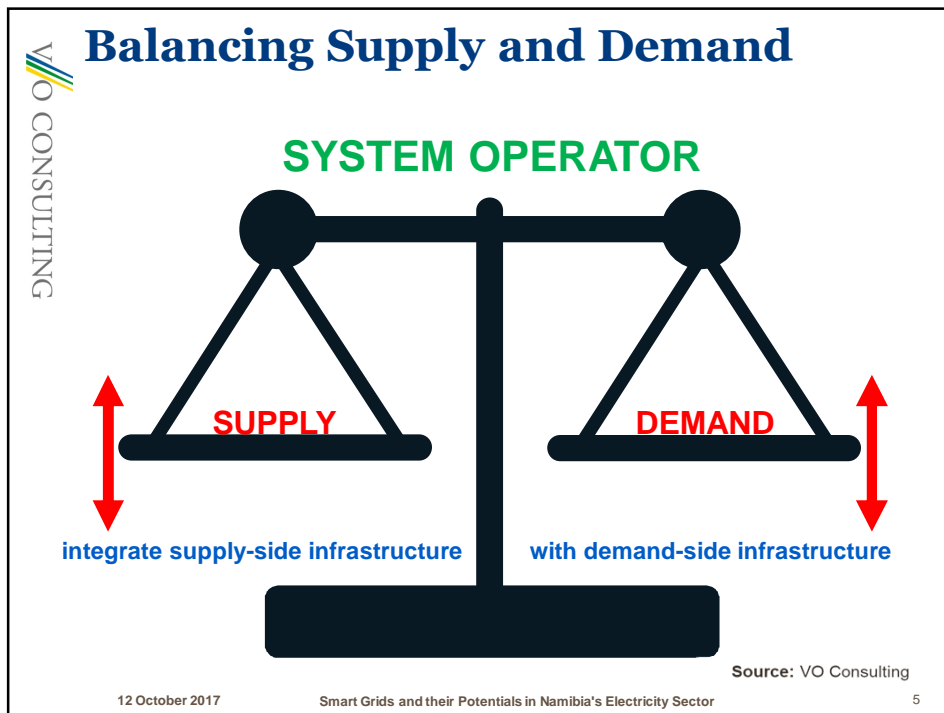
Dr Detlof von Oertzen

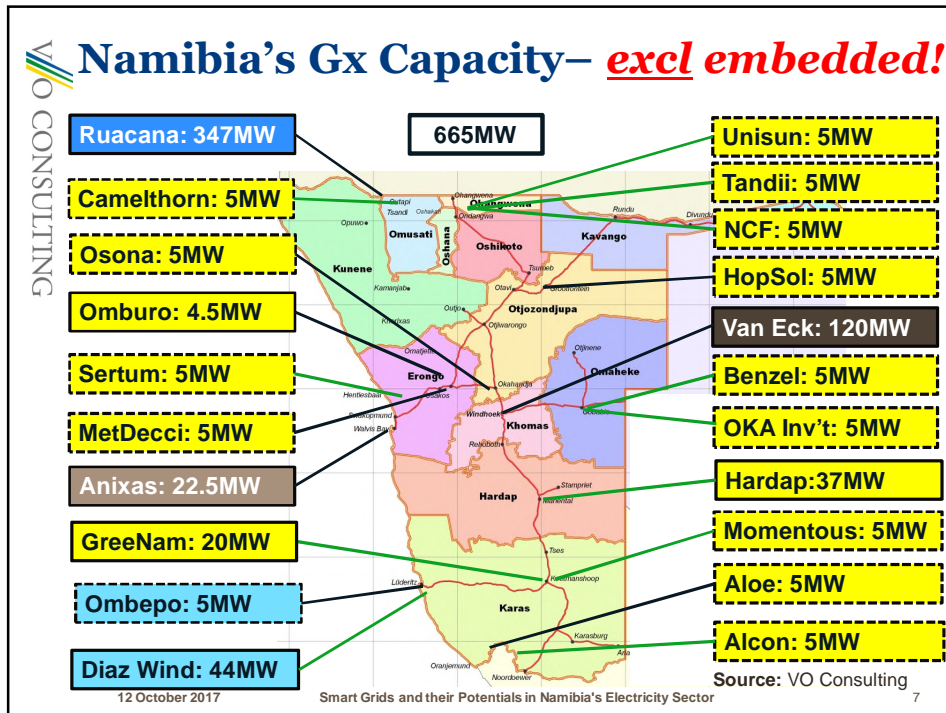

Working Definition: *Smart Grid*

A Smart Grid

- **is a modern electricity transmission, distribution and supply grid**
- **that allows for the co-ordination of electricity generating plant, grid infrastructure, and electricity end-users,**
- **using information & communication technology**
- **to maximise the reliability, resilience and stability of the system as a whole,**
- **while minimising costs and negative impacts.**







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- The Challenges**
- centralised network structure
 - extensive north-south backbone
 - long lines with few load centres
- } high-cost assets
- rapid penetration of intermittent generation plant
 - few in-network assets for direct control & response
- while the following concerns remain highly relevant*
- security of supply / import dependence
 - limited access to electricity
 - affordability of electricity
- and*
- a multitude of innovative technologies revolutionise the sector, and will significantly shape its future.
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Rationale for a Smart(er) Grid

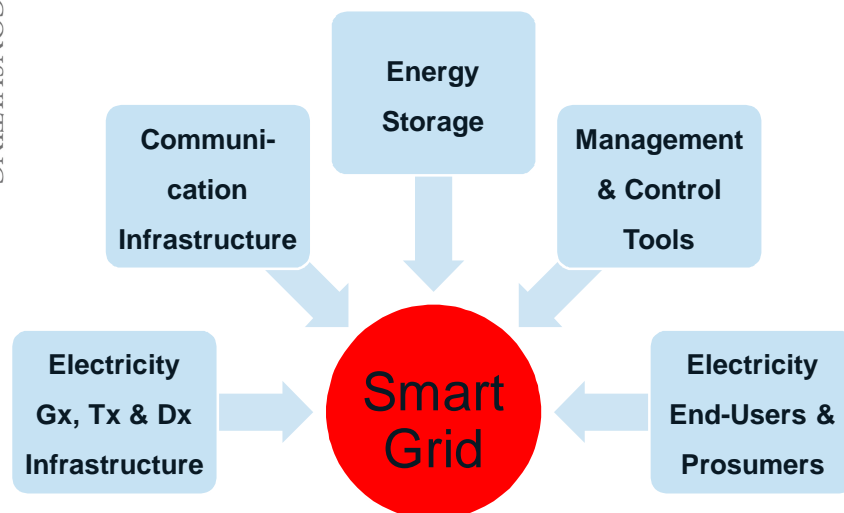
- Namibia's solar resource is immense, and some good wind resources exist too, and others.
- The intermittent future has arrived.
- The choices: *try to rule it out*; ignore it; or *embrace it*.
- Transform our comparative advantages into competitive advantages.
- Strategic imperative: learn to manage intermittency
- Smarten up the grid -> storage, comm & control tools.

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Ingredients of a Smart(er) Grid



Source: VO Consulting

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Elements of a Smart(er) Grid

- **End-users & prosumers willing & able to participate**
 - i.e. decide not to defect the grid and go it alone
- **Portfolio of distributed electricity generation sources**
 - to create a resilient & cost-effective local generation mix
- **Modernised Tx, Dx and supply grid infrastructure**
 - to allow for bi-directional transactive electricity exchanges
- **Energy storage options**
 - to optimise supplies, and provide ancillary services
- **Grid-wide two-way communication infrastructure**
 - to bi-directionally transmit & receive data across the network
- **Management and network control tools**
 - to monitor, control, protect, respond and ability to remedy.

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Towards the Grid of the Future

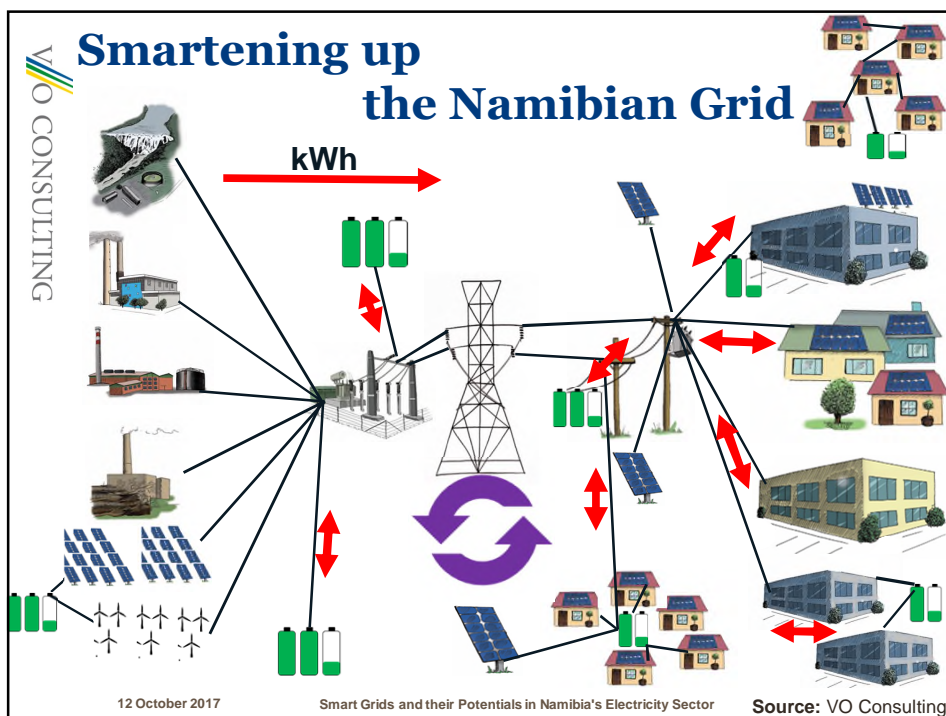
With strategic intent, we should

- **focus sector-wide electricity developments**
- **to establish an increasingly smartened-up grid**
- **that integrates all main supply- & demand-side assets,**
- **benefitting from multiple distributed generation supplies,**
- **attracting & fairly rewarding public & private investments,**
- **to ensure that grid electricity supplies become and remain secure, increasingly accessible, and affordable,**
- **thereby enabling national development opportunities to the benefit of all people in Namibia.**

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What should we do to reap benefits?

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- **Recognise** that the business-as-usual approach to development in the electricity sector no longer applies.
- **Develop a value-focused national strategy for the roll-out of a smart(er) grid, benefitting from our renewable endowments.**
- **Include smart grid requisites** in all main planning docs shaping the electricity sector, i.e. NIRP, TxMP, REDMP...
- **Design transmission & distribution infrastructure to enable successive integration into a smart(er) grid.**
- **Create the legal & regulatory provisions** for the entry of smart grid elements across the electricity value chain.

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Take Away Messages

- **Smartening-up the grid is essential to ensure that the grid is adding value for all participants, and to benefit from our plentiful renewable energy resources.**
- **Our future electricity mix will consist of a multitude of decentralised electricity supplies, some being non-firm.**
- **There is considerable value in a diversified supply mix powered by locally abundant energy endowments.**
- **To remain relevant, the grid must offer benefits that stand-alone systems do not offer – *deliberate design!***
- **A smart(er) grid integrates up- and downstream electricity assets to create value for the entire system.**

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Thank you!

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