

Energy

Manufacturing, the transportation of goods, the delivery of services and nearly all activities in everyday life are dependent on consistent energy supply and its role in supporting Africa's growing economies is vital. Infrastructure investment to produce and supply energy presents an opportunity to significantly and positively impact developing economies.

Werksmans provides transactional, regulatory and related services in the energy sector and has developed a reputation for "getting the deal done". Our team has broad and substantial experience in advising clients on all aspects of the energy sector and, as a result, has a thorough understanding of this sector. We advise clients on the full project development life cycle from land acquisition, EIA permitting, planning, bid submission, financing, development, procurement and construction through to financial close and commercial operation and maintenance.

Oil & Gas

With an in-depth understanding of the oil and gas sector's transactional, financing and regulatory frameworks, our experienced energy lawyers are familiar with the risks facing participants in the industry, such as policy uncertainty, procurement and execution risks, environmental risks and transportation logistics. By way of example, sub-Saharan Africa presents countless opportunities for oil and gas exploration.

Participants in this sector, however, face various challenges, some of which are unique to particular products or countries. These challenges include volatile oil prices and fluctuating profit margins, securing and registering long-term leases in geographically desirable locations, local licensing and ownership requirements, community development requirements and the like. In this context, choosing the right business partner is vital.



It is therefore important to have a legal team that understands the market and has broad experience in respect of the industry. Our team regularly advises clients who operate in the oil and gas sector (including crude oil, refined oil, LNG, LPG, etc.) on all aspects of the supply chain, including exploration and production, refineries, importation, storage, distribution, downstream markets, import, export, sale, storage, distribution, pipelines and price regulation.

Electricity

We act for clients developing and making use of various electricity sources and technologies, including solar photovoltaic, solar thermal, on shore wind, hydroelectric, land fill gas, biogas, biomass, geothermal, coal, oil and gas, nuclear and other technologies, with a focus on providing pragmatic, tailor-made solutions. Our transactional expertise covers the full spectrum of these complex projects (which often involve numerous cross border elements).

Our Team

The energy team comprises of members with varied and unique experience and skills. By way of example, the energy team includes the lead attorney that advised Pebble Bed Modular Reactor Proprietary Limited and the South African government in relation to the "PBMR Project", which was the only "new" nuclear project that gained any traction in South Africa for many decades. As a consequence, Werksmans has a detailed and unique understanding of the nuclear laws as they apply in South Africa and the South African government's historic approach to matters relating to nuclear projects.

In addition, our environmental team includes the previous senior legal advisor to the Department of the Premier and the Department of Environmental Affairs in the Western Cape, who was also the head of the Green Scorpions Directorate at the Department of Environmental Affairs and acted as the legal adviser to the drafting and commentary task team involved in the drafting of the National Environmental Management Act's amendments and regulations.

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Clients

Our team advises many different participants in the energy sector, including state owned energy utilities and related government agencies, financial institutions, integrated power and utilities companies, independent power producers, major multinational and local developers, sponsors, project companies, contractors, OEMs, service providers and empowerment partners. Our clients therefore includes many participants in the South African government's Renewable Energy IPP Procurement Programme, heavy energy users who are considering power projects and multinational companies who act as developers/contractors in the context of such projects.

Experience

Some of our significant matters in the energy sector include:

- Advised various participants (developers, investors, financiers, OEMs) in respect of various submissions and projects applied for and awarded as part of the South African Renewable Energy IPP Procurement Programme.



- Advised Vestas as turbine supplier and EPC contractor on various projects including Hopefield, Auorora, Tsitsikamma, Waainek/Chaba, Westcoast 1, Nojoli, Nobelsfontein, Oyster Bay, Karusa and Soetwater.
- Advised the sponsors and project company in respect of a 600MW coal-fired power plant in the Limpopo Province, South Africa, in the first bid submission phase under the South African Department of Energy's Coal Baseload IPP Procurement Programme.
- Advised Mitsubishi in relation to contractual, statutory and regulatory work pertaining to power projects.
- Advised the Industrial Development Group, a South African company, in arbitration against the Petroleum Oil and Gas Corporation of South Africa (Petro SA). The dispute related to a 30% share of an oil field (known as Block Q) off the coast of Equatorial Guinea.
- Advised the National Petroleum Corporation of Namibia Proprietary Limited on the amendment of the formula used to calculate the basic fuel price in Namibia.
- Advised Total South Africa Proprietary Limited in respect of its acquisition of the fuel business of Tosaco Commercial Services Proprietary Limited.
- Advised Pebble Bed Modular Reactor Proprietary Limited on corporate, statutory and regulatory issues relating to, inter alia, the design, construction and operation of nuclear power and fuel plants.
- Advised Sumitomo Corporation on all issues relating to solar energy in South Africa, including the statutory and regulatory regime, power purchase arrangements.
- Advised Mitsubishi Heavy Industries in the merger of the thermal power businesses of Mitsubishi Heavy Industries and Hitachi which included Hitachi's significant interest in the Medupi and Kusile power stations. It is reported that the merger will result in US\$150 billion revenue infrastructure joint-venture.
- Advised Total South Africa (Pty) Ltd in respect of National Petroleum Pipeline Tariffs and made related submissions to the National Energy Regulator on behalf of Total.
- Advised Engen Petroleum Limited in relation to refineries and "Clean Fuels 2".
- Advised the sponsors in regard to a bid for a 300MW gas to power project in Mozambique.
- Advised various investors, developers and funders in respect of various rooftop and off grid solar projects.
- Advised the lead developer in respect of a 100MW captive solar PV plant for a large mining corporation.

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