



Namibia energy independence

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Expected to start commercial production in 2026, the Kudu Conventional Gas Development in Namibia's Orange Basin is poised to be a game changer for the country's energy sector. Last month, the government announced plans to collaborate with oil and gas supermajors TotalEnergies and Shell, alongside Kudu field operator, BW Energy, to facilitate a joint development plan for the asset.

The joint development plan will unite the technical capabilities of TotalEnergies, Shell and BW Energy to optimize the extraction and utilization of the Kudu field's 1.3 trillion cubic feet (tcf) of natural gas. In addition to these proven reserves, TotalEnergies and Shell have made a series of significant discoveries in the deepwater section of the Orange Basin, identifying up to 8.7 tcf of gas and 11 billion barrels of oil.

Representing an \$880-million investment, the Kudu Conventional Gas Development is currently in its Front-End Engineering and Design phase, with the Final Investment Decision expected in 2024. In October 2021, BW Energy acquired a semi-submersible rig - the West Leo - from offshore drilling company Aquadrill LLC, which is targeted for use as a production unit at the Kudu gas field. In May 2022, the company acquired additional 2D seismic data and is currently reviewing geophysical and well data from previous exploration activities to further identify additional exploration targets.

Development of the field will involve the drilling of three wells and will include the use of a floating production unit and subsea trees, with gas from the project set to be transported through a 170-km pipeline to an 885 MW combined cycle gas turbine in Uubvlei, approximately 25 km north of the town of Oranjemund in southern Namibia. Production from the field is forecast to peak in 2031 and will continue until the field reaches its economic limit in 2047.

As such, the Kudu Conventional Gas Development represents a pivotal opportunity for countries in the SADC to participate in resource sharing, with a view to attaining energy security. Gas from the field is poised to aid in Namibia's socioeconomic development, while further stimulating exploration of the country's resources. The export of surplus electricity from the combined cycle gas-to-power project is expected to advance economic growth in the southern African country, while driving the development and usage of sustainable and reliable energy sources within the region.

The MSGBC Oil, Gas & Power conference remains the only event entirely dedicated to exploring energy opportunities in Mauritania, Senegal, The Gambia, Guinea-Bissau and Guinea-Conakry.

Delegates are able to access high-level insights from African policymakers and government officials, one-to-one investor matchmaking services and exclusive oil and gas market forecasts.

Expressing concerns over the country's heavy reliance on imported electricity during a budget



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motivational speech, Minister of Mines and Energy, Tom Alweendo, emphasized the government's commitment to securing the nation's energy future and providing electricity access to all citizens and industries.

Alweendo highlighted that NamPower, the national power utility, has been tasked with accelerating the completion of its 220MW generation assets to strengthen Namibia's transmission infrastructure. This move not only aims to enhance domestic electricity distribution but also lays the groundwork for future electricity trading with neighboring countries. Key investments, including the development of the Auas-Kokerboom transmission line and battery storage, have received full support from the Ministry.

"It is crucial that we diversify our energy providers. The introduction of the modified single buyer system a few years ago signaled this intent," Alweendo stated. Independent power producers currently contribute 11 percent of Namibia's total local generation.

"To further enhance our energy security, the Ministry will soon unveil a 300MW accelerated feed-in-tariff program, expediting Namibia's journey to self-sufficiency," he added. This initiative not only aims to meet Namibia's energy needs but also aims to alleviate the burden on neighboring countries, which face similar energy challenges.

Meanwhile, the ministry remains committed to extending electricity access to rural and peri-urban areas. Significant progress was made in the 2022/23 financial year, with the electrification of 33 public schools in rural areas, and plans are in place to electrify an additional 30 schools.

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