

Sappi signs milestone 175GWh per annum renewable energy Power Purchase Agreement with Enpower Trading

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In a positive move to reduce its carbon footprint, Sappi Southern Africa has concluded a milestone 175GWh per annum renewable energy Power Purchase Agreement (PPA) with Enpower Trading, a NERSA-licensed private electricity trading company.



Brett Eloff (deal origination, Enpower), Lavendran Reddy (regional sourcing, SappiSA), James Beatty (CEO, Enpower), Alex Thiel (CEO, SappiSA), Simon Le Roux (trading manager, Enpower), Tyrone Hawkes (strategy, SappiSA), and Stafford Augustine (procurement, SappiSA).

Sappi's decision to partner with Enpower Trading aligns seamlessly with its broader sustainability goals and is a significant move towards attaining its Science Based Target (SBTi) objectives. By implementing this renewable energy solution at its multiple South African operations, it is expected that Sappi SA and Sappi Limited's Scope 1 and Scope 2 emissions will be reduced by 6% and 4% respectively.

The power supplied to Sappi will be sourced from SolarAfrica Energy's Sun Central PV project. SolarAfrica Energy, an integrated energy solutions provider, is executing one of the largest solar farms in South Africa – the 1GW Sun Central PV project is located southeast of De Aar in the Northern Cape.

With the agreement signed in April, power will be supplied as from the end of December 2025. The agreement initiates a first-of-its-kind PPA in which Enpower Trading will supply Sappi with a utility-scale renewable power solution over a five-year period, paving the way for an evolving strategic partnership between Sappi and the trading company.

As a leading global provider of everyday materials made from wood fibre-based renewable resources, Sappi focuses on building a more circular economy by making superior alternatives that replace fossil-based products. The implementation of renewable energy trading through this agreement enables Sappi to demonstrate leadership in sustainable business practices, whilst reducing its reliance on fossil fuels and ensuring cost effectiveness.



James Beatty, CEO, Enpower, with Alex Thiel, CEO, SappiSA

“This agreement underscores our commitment to increase our share of renewable and clean energy alternatives and moves us closer to reaching our regional and global targets. This makes a significant impact in reducing our carbon footprint and reaffirms our support for SDG7: Clean Energy. We are pleased to be working with like-minded, sustainable partners in pursuing these goals,” says Alex Thiel, CEO of Sappi Southern Africa of the partnership.

Similarly, this is an important stride toward Enpower Trading realising its goal to contribute to the transformation of the South African electricity supply industry by providing cleaner and more affordable power to the South African marketplace.

James Beatty, CEO of Enpower Trading, says: “Enpower is delighted to reach this critical milestone with Sappi and looks forward to growing our relationship. We seek to support Sappi in achieving its decarbonisation objectives. Moreover, Enpower believes the execution of this ground-breaking PPA provides a template solution that, when delivered at scale, presents a key to solving the loadshedding crisis faced by South Africa.”

The project will bolster generation onto the grid, facilitating greater diversification of energy supply as South Africa advances toward a more competitive energy market.

Enpower Trading and Sappi have collaborated closely to address potential risks inherent in a pioneering partnership of this nature. Although the integration of renewable energy into Sappi’s manufacturing processes and operations will require adjustments within its production plants, metering, and billing systems, Sappi and Enpower Trading are committed to overcoming the anticipated challenges through careful planning and collaboration, leveraging the innovative solutions provided to navigate this transition smoothly.

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Sappi



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