



*We speak to Wayne Glossop, Business Development Manager at Wärtsilä, in advance of the International Gas Cooperation Summit in Cape Town this December*

**What is your vision for the development of South Africa's LNG sector over the next decade? What needs to happen to make this a reality?**

**WG:** Given the important role that gas power plays in balancing renewables on the system, South Africa will need to find unique and innovative flexible LNG import solutions that will match their flexible demand requirements. This will entail challenging the current LNG industry 'norms' and pioneering new solutions within the LNG Sales and Purchase Agreement and import terminal areas to create projects that meet South Africa's unique energy requirements.

**What role can Wärtsilä play in the advancement of Southern Africa's LNG-to-Power sector?**

**WG:** Based on the draft IRP which highlights the need for flexible gas power (Combined Cycle Gas Engine technology), we see a significant role for ourselves to enable South Africa to achieve its least cost, and high renewable, energy transition. Wärtsilä also has deep expertise in the development of flexible 'LNG-to-wire' projects worldwide and our hope is to share this knowledge and experience with key stakeholders as the sector is developed.

**Why will the development of a robust gas economy be so important for South Africa for the country's future development?**

**WG:** Contrary to what many people may say, our view is that the potential for a gas economy is very limited when considering imported LNG as your main source of gas. Flexible power will dominate the consumption but demand will be limited for other users due to pricing constraints. However, should South Africa realise their domestic sources of gas (such as shale gas), then we see a huge opportunity for a gas economy to be established. In this case, domestic gas sources will enable a significantly reduced energy cost whilst creating huge job creation and economic growth for the country, as was experienced with the shale gas discoveries in the US.

**What challenges does Wärtsilä currently face when doing business in Africa's energy sector?**

**WG:** There is a fine line between the energy sector and politics and when that line is crossed, one typically experiences stalled progress or 'less optimal' developments being promoted. This is an unfortunate reality which not only creates challenges for companies like Wärtsilä, but the biggest impact is felt by the country's population either from high tariffs or unreliable energy supply, or both.

**What topics are you most looking forward to discussing at this year's International Gas Cooperation Summit?**

**WG:** We are looking forward to discussing what next steps need to be taken once the IRP is finalized to realize the 8GW gas power pipeline to 2030.



*Wayne is the Business Development Manager for Wartsila Energy Solutions across Southern Africa responsible for the development of gas; renewable; storage; and LNG terminal projects. Prior to Wartsila, he has had the privilege of working in a Power utility (Eskom), and a renewable IPP. Wayne is a Professional Engineer with an MBA and MSc in Power Engineering.*

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