Attacq looks to solar as load shedding dents retailers' sales, pushes up operating costs

By Nqobile Dludla

15 Mar 2023

Attacq plans to reduce its reliance on diesel generators used to keep the lights on at its shopping malls, opting for solar and battery power to cope with the rising costs from the energy crisis.

Mall of Africa in Midrand outside Johannesburg. Source: Reuters/Siphiwe Sibeko

Ongoing load shedding has harmed retailers such as Shoprite, Woolworths, Pick n Pay and Mr Price, whose recent results showed a dent in sales and rise in operating costs as they crank up diesel generators to power stores.

On Monday, 13 March, fashion retailer TFG said its African business would lose about R1bn in retail turnover because of the power outages.

The retailers have said they are collaborating with shopping mall landlords on alternative backup power solutions other than diesel generators which cost a lot more to run.

Vukile to invest R350m in solar PV backup power across its malls

14 Feb 2023

R27m spent on diesel

Commercial property group Attacq consumed 204,951 litres of diesel in the six months to 31 December, up significantly from 11,788 litres used in the comparable prior year, Michael Clampett, an asset and property management executive at the company, told investors.

That equated to R27m.

"Our view is that in the longer term, it's not sustainable to run all our assets as we do today on diesel generators and we've got a strategy to wean ourselves off that over time," Clampett said.

The property group will achieve this through battery rollouts for buildings and precincts and add about 2.3 megawatts (MW) of rooftop solar energy to the existing 8.5MW mainly at its retail hubs, he added.

This mix of alternative energy will be fitted by the landlord, and tenants will pay a fee to Attacq for every kilowatt used.

Earlier, Attacq reported a 27.3% rise in half-year distributable income per share, while rental income increased by 4% to R1.2bn.