



MANAGEMENT COMMITTEE MEETING

MINUTES

Date: 08 June 2015 **Time:** 14:00 to 17:00 **Venue:** SAIPPA Offices, Bryanston

MEMBERS:

Mr Sisa Njikelana	Executive Chairman	Associate member	Present
Mr Andrew Carr	Member	Sebenzana Consulting	Apology
Ms Heather Griffiths	Member	Represented Andrew Carr	Present
Mr Dave Long	Member	Associate member	Present
Mr Egmont Ottermann	Member	Pretoria Portland Cement	Present
Mr Seelan Pillay		Associate member	Present
Mr Ian Langridge	Member	Associate member	Present
Mr Wayne Glossop	Member	Wärtsilä South Africa	Apology
Mr Brian van Oerle	Member	Prana Energy	Present
Mr Yousuf Haffejee	Member	Associate member	Apology
Mr Jean Venter	Corporate Secretary	Secretariat	Present

1. WELCOME AND APOLOGIES

The chairman welcomed members present and noted the above apologies.

A quorum was present.

2. READING AND CONFIRMATION OF MINUTES

The committee confirmed the minutes of the meeting that was held on 13 April 2015.

3. COMPETITION ACT

The competition act notice tabled was **NOTED**.

4. CHAIRMAN'S REPORT

The chairman presented his industry and organisational report, which was discussed. Members noted that various countries in the region were unbundling their electricity utilities and that grid costs tended to first rise and then dropped after these unbundling's. Members suggested some form of regional conference on the situation and opportunities for IPPs in the various countries, for actual power producers, possibly hosted by the power pool and funded by the African Development Bank.

AGREED

- a. That the secretary general attempt to source the most recent version of the regulatory amendment act and that the management committee update the previous SAIPPA position paper on the act, for submission to the parliamentary portfolio committee.
- b. Mr van Oerle will draft a note on outstanding issues with assistance from Messrs Langridge and Njikelana, to be discussed with Mr Thembani Bukula of NERSA and will seek to set up a new meeting date. Meetings with NERSA should ideally be held quarterly.
- c. That the Secretary General investigate options for a regional IPP conference with African Development Bank and with the Southern African Power Pool.
- d. To include briefings from the grid access unit and from national grid control centre at the next members meeting on 24 June 2015. (SG)
- e. To invite SAIPPA members to attend the SAIREC conference from 4 to 7 October 2015. (SG)

[Secretary General, Mr Langridge and Mr van Oerle]

Members discussed the role of BUSA and some reflected negatively on the way BUSA presents its positions without reference to its constituents. Meetings with open agendas are being held that create difficulties for members to obtain mandates for their positions and these meetings are often then regarded as basis for BUSA positions with other stakeholders.

5. WEBSITE AND INFORMATION HUB

Members discussed the need to create a central repository of industry and association papers.

AGREED that the secretary general discuss website document archive options with the webmaster at the secretariat.

[Secretary General]

6. FINANCIAL STATEMENTS AND FORECAST

Members **NOTED** year to date management statements tabled by the secretariat. The statements included a forecast of income and expenditure to the end of the current financial year.

7. MEMBERSHIP

The meeting **NOTED** a schedule of members including their standings.

AGREED

- a. To send reminders to members who are not paid up.
- b. That members of the committee identify prospective members ongoing and submit to the secretariat for formal invitations.
- c. That the secretary general and the secretariat schedule formal or informal membership induction events from time to time.
- d. To routinely enquire from members who resign the reasons for their decision to resign.

[All members, Roberta Govender, Secretary General]

8. ELECTRICITY SUPPLY SITUATION

Members indicated that the impact on electricity supply of the Eskom “war room” was not known at this time and that some parties were concerned that the war room did not include civil society and labour components. BUSA positions in the war room appears to be politically over cautious.

AGREED

- a. To pursue more direct political communication on the priorities of the electricity industry.
- b. To pursue relations with SALGA on electricity industry priorities.

[Secretary General]

9. WORKGROUPS

Co-Generation

Mr Long tabled a report which was noted with appreciation. He mentioned that a request for bids has been published by the department of energy but that the request is limited and particularly targeting existing capacity at a low cost per unit. The STPPP programme is now operational again.

Network Access

Mr van Oerle presented a report which was noted with appreciation. Members advised that Kelvin Power Station was representing the entire Independent Power industry on the grid code network access working group, a situation dating from when that company was the only independent power producer in the country.

AGREED that the workgroup will recommend to the management committee who should represent SAIPPA on the grid code network access group. The position is that of an alternative to Kelvin Power Station.

[Mr van Oerle]

Embedded Generation

The embedded generation group has not met since the previous meeting of the management committee because it is waiting for action from NERSA on the new framework for small scale embedded generation.

Wheeling Workgroup

NERSA appointed four work team heads who will convene the workgroups to address specific wheeling issues requiring additional attention in the draft regulations. Progress is very slow.

Gas Working Group

Members **NOTED** with appreciation draft terms of reference presented by Mr van Oerle for a new gas working group. It was mentioned that the creation of the workgroup will bring new gas related members to SAIPPA. The ANC is strongly in support of a new gas industry in South Africa.

AGREED

- a. To adopt the terms of reference of the gas working group as tabled.
- b. To appoint Mr Glossop as chairman of the gas working group and that the chairman will facilitate finding a new chairman for the position of chairman of the network access group that will be vacant then.

[Chairman, Mr Glossop]

10. APPOINTMENT OF A SECRETARY GENERAL

Mr Long for the *ad-hoc* committee advised of the process followed to source a secretary general and that an internal search did not produce a candidate. It appears easier to source a chairman internally than a secretary general. A proposal from the secretariat was discussed and it was **AGREED** to do an interview with the particular candidate.

[Mr Long]

11. OPERATIONAL POLICIES

The secretary general tabled a set of draft policies on a number of members which were debated. Members discussed if the association should be insular in its approach to membership but it was recognised that most members have foreign principals and that this does bring influence and support to the industry. A further discussion covered the level of involvement that SAIPPA should have in marketing operations of members and non-members. Also covered was the way SAIPPA may be involved in external commercial conferences.

AGREED

- a. That SAIPPA should allow any company to join regardless of it being a local or foreign based company provided that they meet the constitutional criteria of having an interest in the IPP industry in Southern Africa.
- b. Not to involve SAIPPA in the marketing of products and services of members and non-members.
- c. That marketing approaches by companies should be forwarded to the general secretary for circulation to members, if the content is likely to be of high interest to members, or otherwise to decline, or to work the approach into the funding plan for one of the member events, at risk of the company involved.
- d. To endorse selected commercial conferences on merit, and to focus on chairing sessions or doing papers, or to use the floor to best advantage. There should be two to three free tickets associated with participation and airline travel costs if in other parts of the country.
- e. To list the members on the SAIPPA website to ensure that marketers know the scope of the audience involved.
- f. To accept sponsorship offers for members meetings.
- g. Vendor participation in a meeting must not dilute the content of the event for SAIPPA.
- h. Vendor sponsors can only be mentioned on the actual marketing material of an event as a sponsor by reference, but not as branding on the SAIPPA general website or in the form of advertisements.
- i. SAIPPA only to pay for airline tickets for event attendance by its representatives if the SAIPPA management committee requested representation at an event.
- j. The policy document to be updated for round robin approval.

[Secretary General]

12. MEMBER EVENTS

AGREED to draft a meeting programme for the remainder of this year including the management committee meeting dates and member meetings every quarter.

[Corporate Secretary, Angela Davids]

AGREED to respond to the enquiry by General Electric for a meeting with the chairman by inviting that company to join the association.

[Secretary General]

13. DATE OF THE NEXT MEETING

24 June 2015 – Members Meeting

3 August 2015

14. CLOSURE

The chairman thanked members and closed the meeting.

Thus read and confirmed:

CHAIRPERSON

DATE