



MANAGEMENT COMMITTEE MEETING

MINUTES

Date: 16 February 2015

Time: 14:00 to 17:00

Venue: SAIPPA Offices, Bryanston

MEMBERS:

Mr Sisa Njikelana	Executive Chairman	Associate member	Present
Mr Brian Day	Secretary General		Apology
Mr Andrew Carr	Member	Sebenzana Consulting	Present
Mr Dave Long	Member	Associate member	Present
Mr Egmont Ottermann	Member	Pretoria Portland Cement	Apology
Mr Seelan Pillay	Member	Associate member	Apology
Mr Ian Langridge	Member	Associate member	Apology
Mr Wayne Glossop	Member	Wärtsilä South Africa	Present
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.

2. READING AND CONFIRMATION OF MINUTES

The committee confirmed the minutes of the meeting that was held on 10 November 2014 as well as 13 January 2015.

3. COMPETITION ACT

Members **NOTED** the competition act statement read.

4. ORGANISATIONAL OVERVIEW

The chairman presented an organisational overview. Members, particularly, noted the need to continue pressing for the creation of the so called IPP platform, since government seems to have bought into interacting with such a body. The activity levels of the association seem to be escalating and the workgroups are forming the backbone of these activities.

AGREED

- a. To arrange a two day strategy workshop to consider matters such as resourcing and public advocacy.
- b. To pursue the creation of an IPP platform with some vigour.

[Secretary General]

5. FINANCIAL STATEMENTS AND MEMBERSHIP

Members **NOTED** year to date financial statements tabled by the general secretary. It was heard that invoices for the next membership year could only be generated once certainty was obtained about the membership fees, at the members meeting arranged for 23 February 2015.

AGREED to draft a business plan for the organisation for consideration at the members meeting of 23 February 2015.

[Chairman]

6. WAR ROOM UPDATE

Members suggested that the war room processes were mostly Eskom inward focused and short term in orientation, and the core processes envisaged may already be in place. Members expressed concern that some stakeholders may view independent power producers as a short term “band aid” solution.

AGREED to engage DoE and BUSA on potential IPP capacity to assist generation shortages.

[Secretary General]

7. WORKING GROUPS

Co-generation: A written report from the co-generation workgroup tabled by Mr Long was **NOTED** with appreciation. He mentioned that the Energy Intensive User Group is opposed to independent power production as a long term solution, fearing over supply and cost concerns. On the validity of the respective IRP documents it was mentioned that only IRP 2010 was gazetted and is therefore

currently the only valid reference document that government is basing energy planning on. The modelling for future updates of the integrated resource plan will be conducted by a CSIR team convened for this purpose, on behalf of the IPP office. The absence of co-generation in the IRP 2010 document was mentioned.

AGREED

- a. That Mr Long and the workgroup assist EIUG to relook the long term energy projections used by EIUG in its advocacy work to establish the merits of the EIUG concern.
- b. That Mr Glossop do a half page summary for the committee on how the IRP modelling process is proceeding.

[Dave Long]

Network Access: The written report from the network access work group tabled by Mr Glossop was **NOTED** with appreciation. The group will be meeting with SAREC in the near future on grid code arrangements.

Coal: The coal workgroup cannot meet at the moment because of an open RFP from government and the fact that most of the members are competitors. The group will meet again after the June closing date of the RFP. A similar problem is at hand for the co-generation work group.

Wheeling: Members **NOTED** with appreciation a written report from the wheeling workgroup tabled by Mr Pillay. The group focused on third party wheeling rules. A two day workshop with EIUG is scheduled for 19 and 20 March on the rules. Mr Pillay appealed to members to comment on the draft position paper. Members thought that the rules as they are now outlined may not be in the national interest.

Embedded Generation: Mr Carr reported that the embedded generation rules proposed are strongly in the municipal domain and very complex. The workgroup is calling for a national implementation agency to help simplify embedded generation licensing processes. Mr Langridge advised that he is investigating best practices in Australia regarding embedded generation, which will be suggested to the AMEU and others.

AGREED that the secretary circulate the municipal bylaws recently promulgated in Drakenstein which includes clauses on embedded generation and co-generation, which are likely to be copied by many other associations.

[Secretary]

The chairman tabled a document covering the operations of the work groups including a recommendation that no person should serve on more than two workgroups which was **NOTED** with appreciation.

8. APPOINTMENT OF A SECRETARY GENERAL

The ad-hoc committee appointed to draft a policy proposal for the appointment of a new secretary general on paid terms, has not completed their work and will report back in due course.

9. MEMBERSHIP MATTERS

Members **NOTED** a copy of the membership register as it stands. The membership fees for the next session was debated and it was agreed to recommend to members at the next members meeting that the fees be unchanged except that the fee for individuals be increased to R1750 and for the small corporate members it be set at R12500.

AGREED

- a. That member recruitment is best done by members in their immediate contact circle.
- b. To retain the size based membership classes for now.
- c. To recommend to the members increasing individual fees to R1750 and small corp to R12500.

[All members / Secretary]

10. MEDIA RELATIONS AND COMMUNICATIONS

The chairman proposed the creation of a media relations and communications workgroup.

11. CONFERENCES

Members debated the value and wisdom behind involving the association in commercial conferences as well as which policy the association should be following in this regard. Members commented negatively on the value of many such conferences.

AGREED to draft a short guideline on conference involvement that excludes endorsements and exhibition participation but focuses on offering speakers and key note speakers.

[Secretary]

14. DATE OF THE NEXT MEETING

13 April 2015

8 June 2015

3 August 2015

12 October 2015

CLOSURE

The chairman thanked members and closed the meeting.

Thus read and confirmed:

CHAIRPERSON

DATE