



## MANAGEMENT COMMITTEE MEETING

### MINUTES

**Date:** 19 October 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
Mr Dave Long	Member	Associate member	Present
Mr Seelan Pillay	Member	Associate member	Present
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. It was noted that Mr Ottermann has left member PPC and will not continue on the committee. A quorum was present.

#### 2. READING AND CONFIRMATION OF MINUTES

The committee confirmed the minutes of the meeting that was held on 3 August 2015.

#### 3. COMPETITION ACT STATEMENT

The committee **NOTED** the Competition Act cautionary notice tabled.

#### 4. REPORT BY THE CHAIRMAN

The chairman presented an industry activity report that was also pre-circulated. It was noted that the most recent IPP Platform meeting on the Eskom Grid Code application was not well attended. Information from NERSA indicates that they do not support Eskom's intentions to discontinue quoting on IPP grid connection applications. The importance of meeting with the CEO of Eskom to

represent the case for continued funding and support for IPP grid connections, was stressed. Members suggested that Eskom liquidity issues will continue for at least another decade. The costs quoted by Eskom to IPPs for grid connections has risen substantially in recent months. Members were concerned that key stakeholders can take disruptive actions such as the Eskom grid code application without some form of automatic consultation process with other key stakeholders.

**AGREED** that the grid access workgroup will meet with Mr Thava Govender of Eskom to discuss the Eskom application for exemption from a clause in the grid access code dealing with applications for grid connections.

[Ilan Langridge]

## **5. FINANCIAL STATEMENTS AND MEMBERSHIP**

The committee noted year to date financial statements tabled by the corporate secretary. The recent first meeting of a finance committee for the association was also discussed.

### **AGREED**

- a. That events in general should be priced so that the costs are covered.
- b. To cover the costs of the IPP Indaba from the central budget.
- c. To add Ms Jane Malone and Mr Ian Langridge to the finance committee in addition to the chairman, corporate secretary and Mr Pillay.
- d. To allow discretionary travel costs of up to R1000 against the S&T budget.
- e. Travel involving air travel to be approved by round robin by the management committee.
- f. The remuneration committee needs to draft short terms of reference for approval by the management committee.

[Eileen Bayley, Angela Davids, Adrie da Silva, Dave Long]

## **6. WORKGROUP REPORTS**

The gas workgroup tabled a report that was also pre circulated. Their next meeting is in November. A conference by the SA Gas Organisation in Cape Town was noted and documentation on the meeting will be circulated to the management committee in due course.

The wheeling workgroup tabled a report that was pre-circulated. The group met with Mr Thembani Bukula of the regulator to enquire about progress with the wheeling guidelines which is now three years in the making. (Nov 2012).

**AGREED** to follow up with NERSA in December/January on progress with the wheeling guidelines and to express the concerns of the industry at the long delays.

**[Seelan Pillay]**

The cogeneration workgroup likewise tabled a written report. Members discussed the reasons for the lack of interest in the recent RFP from government and concluded that the low price and the short lead time allowed for the RFP. The future of the STPPP programme was also discussed and note was taken of enquires from the regulator about how Eskom disbursed past STPPP funds. Members expected changes to section 12L of the Tax Act relating to generation tax benefits to be included into the 2016 national budget.

**AGREED**

- a. To host a cogeneration round table to consider advice to government on future RFPs.
- b. To involve an attorney in the meeting to manage Competition Act implications.
- c. To draft a detailed agenda for the meeting to allow members internal compliance processes.
- d. To follow up this round table meeting with a meeting with government.
- e. To discuss the STPPP with Eskom at any future engagements with them.

**[Brian van Oerle/Eileen Bayley]**

## **7. SECRETARY GENERAL RECRUITMENT COMMITTEE**

Mr Long advised that the committee did not manage to get applications for the position of secretary general for SAIPPA and expressed satisfaction with the status quo, but that the dual role of chairman and secretary general may sometimes be conflicting in nature, if occupied by the same person.

**AGREED** to discuss the role of secretary general at the IPP Indaba and to retain the status quo in this regard until then. The Recruitment & Remuneration committee needs to consider financial arrangements in this regard.

**[Dave Long/IPP Indaba]**

## **8. DEPARTMENT OF ENERGY**

Members noted the appointment of a new permanent director general of energy.

**AGREED** To follow up on the offer of the IPP Office of DoE to meet with SAIPPA on a quarterly basis.

**[Chairman]**

## 9. IPP PLATFORM

The chairman expressed disappointment at the responses received from members of the IPP Platform on various matters.

**AGREED** that the chairman will phone the various members of the IPP Platform to secure their buy-in or otherwise.

[Chairman]

## 10. SAIPPA INDABA

### **AGREED**

- a. To host the planned IPP Indaba to the first week of February 2016 on account of the amount of industry activities at this time.
- b. To cover matters such as the mandate of the association, future funding of the association and appointment of a secretary general, in the meeting.

[Eileen Shaw/Chairman]

## 11. DATE OF THE NEXT MEETING

7 December 2015 in Bryanston at 14:00

## 12. CLOSURE

The chairman thanked members and closed the meeting.

Thus read and confirmed:

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**CHAIRPERSON**

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**DATE**

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