



MINUTES

Date: 15 February 2016

Time: 13:00 to 17:00

Venue: SAIPPA Offices, Bryanston

MEMBERS:

Mr Sisa Njikelana	Chairman	Associate member	Present
Mr Andrew Carr	Member	Sebenzana Consulting	Present
Mr Dave Long	Member	Associate member	Present
Mr Seelan Pillay	Member	Associate member	Present
Mr Ian Langridge	Member	Associate member	Present
Mr Wayne Glossop	Member	Wärtsilä South Africa	Present
Mr Brian van Oerle	Member	Fieldstone Africa	Present
Mr Yousuf Haffejee	Member	Associate member	Present
Mr Jean Venter	Corporate Secretary	Secretariat	Present

1. WELCOME AND APOLOGIES

The chairman welcomed members present and noted that all members were present and that the meeting was quorate.

2. COMPETITION ACT STATEMENT

The committee observed the competition act cautionary note in the agenda.

3. READING AND CONFIRMATION OF MINUTES

The committee confirmed the minutes of the meeting that was held on 7 December 2015.

AGREED to add "BUSA" and "ESKOM War Room" as standing items on the agenda under stakeholders.

[Cindy Maree]

Mr Pillay confirmed that SAIPPA comments on the regulatory clearance account were provided to NERSA early in December 2015. The committee thanked Heather from Prana Energy for compiling the comments into a report.

AGREED

- a. To list the RCA comments on the website with a note on the front page and offering credit to the members who contributed to the report. (BT)
- b. Copies of SAIPPA comments and position papers should be sent to members before or at the time of submission to the relevant external stakeholders. (ALL)
- c. The chairman to pursue conclusion of a collaborative MOU with the department of energy as agreed previously in a meeting with Dr Barnard. (SN)
- d. To follow up with NERSA on the wheeling regulatory framework progress. SP&SN
- e. To increase targeting gas companies with membership marketing at conferences. SN
- f. To investigate SAPP links and benefits for SAIPPA members, with the chairman of SAPP. SN
- g. To draft a short SAIPPA position on Eskom Budget Quotes for IPPs. IL&BvO
- h. To write to the Grid Code Advisory Committee to convert the alternate IPP vote to a full vote and to write to Kelvin Power Station to join SAIPPA. AC&SN

[Bruce Turner/Jean Venter/Chairman/Seelan Pillay, Ian Langridge/Brian van Oerle/Andrew Carr]

4. REPORT BY THE SECRETARY GENERAL

The committee **NOTED** a report that was pre-circulated from the secretary general.

Members mentioned that the banks did not currently have the needed liquidity to fund large energy projects in South Africa.

AGREED

- a. To mandate the chairman to pursue relations and collaboration with SALGA. SN
- b. To invite lending institutions to SAIPPA membership. YH&SN

[Yousuf Haffejee & Sisa Njikelana]

5. CHAIRMAN'S REPORT

The meeting **NOTED** a written report from the chairman that was pre-circulated to members.

The chairman emphasised that all members should be involved in the workgroups.

6. WHEELING CHARGES WORKGROUP

Mr Pillay advised that NERSA did not, to date, convene the five sub-workgroups that was created last year to finalise various aspects of a wheeling charges framework. The NERSA wheeling charges advisory forum has also not met for some time due to lack of progress at NERSA. The chairman

suggested that SAIPPA develop a framework and present it to DoE for their comment. It was not clear why NERSA has been so reluctant for such a long time to complete this process.

AGREED

- a. To convene the advisory forum.
- b. To engage SALGA and AMEU on the wheeling charges framework.
- c. To convene some form of round table event around wheeling charges.
- d. To interact with the IPP Office on the wheeling charges framework, STPPP and cogeneration arrangement. SN

[Secretary General]

7. COGENERATION WORKGROUP

Members noted that the renewables programme was grinding to a halt and that the STPPP renewal process offered restrictive terms to poor performing participants. Unregulated roof-top photo voltaic installations have added some 130MW of energy to the nation to date, according to SAPVIA.

Mr van Oerle asked to be released as convenor of the cogeneration workgroup as he is not involved in the South African market any more.

AGREED to declare two vacancies on the committee and to co-op two new members, one specifically for the cogeneration workgroup convenorship. The constitution needs to be checked in this regard.

[Corporate Secretary]

8. GAS WORKGROUP

A RFQ for gas supply is expected in March or April from the department of energy. Some of the IPP Office staff dealing with gas energy has resigned.

9. EMBEDDED GENERATION AND GRID ACCESS

No meetings of the workgroup since the previous executive committee meeting.

The work on a small scale embedded generation regulatory framework and licencing regime has been handed over to the department of energy. The department of energy appears to be doing a broad review of licencing arrangements. A paper from the department of energy on new licencing rules for generation of less than 1MW is expected soon.

AGREED that all workgroups should meet before the IPP Indaba in March.

[All]

10. STAKEHOLDER ENGAGEMENT

Members noted that the Eskom “War Room” was no longer in operation. Members suggested that the five points that came out of the war room should still be pursued where ever possible.

Mr Long suggested that a strong SAIPPA team attend the upcoming BUSA Energy Sub-committee meeting.

AGREED that Messrs Njikelana, Pillay and van Oerle attend the BUSA Energy Sub-committee meeting. Matters of Wheeling, Licencing, small-scale embedded regulation and ISMO to be raised.

[Chairman, Seelan Pillay and Brian van Oerle]

11. FINANCIAL STATEMENTS AND MEMBERSHIP

The committee **NOTED** year to date management financial statements and a draft Budget. Mr Haffejee suggested that a membership class for consultants could generate substantial additional revenue.

AGREED to adopt the draft budget for the 2016/2017 financial year as tabled. Costs outside of the budget needs to come back to the committee after consultation with the finance committee.

[Adrie Da Silva]

AGREED that the secretary will negotiate free attendance for the chairman and Mr Hafejee to the upcoming meeting of the fossil fuel foundation. Can speak and also advertise event to our members.

[Jean Venter]

12. DATE OF THE NEXT MEETING

11 April 2016

13. CLOSURE

The chairman thanked members and closed the meeting.

Thus read and confirmed:

CHAIRPERSON

DATE