



MANAGEMENT COMMITTEE MEETING

MINUTES

Date: 12 June 2017 **Time:** 14:00 to 16:00 **Venue:** SAIPPA Offices, Bryanston

MEMBERS:

Mr Thomas Garner	Chairman	Exxaro Resources	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	Apology
Mr Wayne Glossop	Member	Wärtsilä South Africa	Apology
Mr Kheephe Moremi	Member	Sebenzana Consulting	Apology
Mr Brian Day	Member	Clean Energy 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** the apologies above.

A quorum was present.

2. COMPETITION ACT NOTICE

Members **NOTED** the competition act cautionary notice tabled.

3. CONFIRMATION OF THE AGENDA

The agenda for the meeting was confirmed.

4. CONFIRMATION OF MINUTES

The minutes of the meeting that was held on 13 February 2017 were confirmed.

5. **MOU with AMEU and SALGA:** Mr Long tabled a draft cooperation MOU with the AMEU for consideration. A key feature of the MOU is that the two organisations may attend appropriate committee meetings reciprocally.

AGREED

- i. To adopt the draft MOU with the AMEU and to mandate the chairman and secretary general to sign the document on behalf of the association.
- ii. Either Messrs Long, Garner or Day to attend the sets of AMEU committee meetings held three times a year.
- iii. The AMEU representative, probably Mr Padayachee, to attend the SAIPPA SSEG meetings.

[Mr Long]

6. FEMALE PARTICIPATION IN SAIPPA WORK:

The Chairman advised that Murray and Roberts is intending to join SAIPPA and that their representative will be key to broadening female representation in SAIPPA.

7. IRP 2016 COMMENTARY

AGREED that Mr Long will enquire with DoE on progress with the IRP draft.

[Mr Long]

8. STRANDED CO-GEN ASSETS

Mr Long advised that BUSA was not receptive to act on co-generation stranded STPPP assets because the acting CEO of Eskom has already agreed to review this matter. Members suggested that SAIPPA keep close contact with PowerEX as an alternative avenue for selling co-generated power to. Members advised that the W Cape high court decision invalidating certain nuclear procurement processes also sets a precedent invalidating a number of other ministerial determinations including renewable and coal projects.

AGREED

- a. To adopt a strong stance against Eskom actions involving selling any parts of the 19% reserve margin into the regional market.
- b. To enquire with the IPP office on their stance on the impact of the W Cape high court nuclear ruling, on other forms of energy procurement.
- c. That the chairman will contact Dr Wolsey Barnard on IRP2016 progress.

[Messrs Long and Garner]

9. REGULAR GOVERNMENT MEETINGS

AGREED to set up a follow up meeting with the IPP office and that the chairman and Mr Long will attend.

[Messrs Long and Garner]

10. WORKING GROUPS

There was no coal and co-generation activities to report on. Mr Pillay advised that his time was constrained due to a large project activity. The Gas working group met and noted that gas developments are now totally subject to the IRP completion, the Gas RFP, and are also suspended due to the W Cape high court ruling on nuclear ministerial determination. Members questioned if SSEG and wheeling charges framework does not have enough common ground to be dealt with together in regulatory terms.

AGREED

- I. that Mr Long will chair the Coal and Co-generation group until Mr Pillay is available again.
- II. That Mr Langridge round robin a report on the SSEG & Wheeling Working Group.
- III. Messrs Carr and Langridge to debate synergies between SSEG and wheeling regulations.

[Messrs Langridge, Long and Carr]

11. FINANCIAL STATEMENTS AND MEMBERSHIP

NOTED unaudited financial statements for the three months ended May 2017, as well as a membership register. Mr Long advised that he had communicated with approximately 36 persons who showed interest in SAIPPA membership at the Africa Energy Conference. Diesel Electric, Murray and Roberts, and Fusion Global are showing interest in joining SAIPPA.

12. MEMBER EVENTS

Mr Long provided an overview of planning on two upcoming member events.

13. REGISTER OF MEMBER CAPACITIES

Mr Long proposed doing a survey of members to establish the generation footprint of our members.

AGREED to support a survey of member generation capacities.

[Mr Long]

14. COMPETITION ACT AND ESKOM MONOPOLY

Mr Long advised that a limited survey of members indicate little support for pursuing Competition Act litigation against Eskom. It is possible that the NGO known as OUTA will pursue.

AGREED to remove the Competition Act matter from the agenda.

[Angela Davids]

15. AFRICA ENERGY INDABA

Mr Long reported that attendance and exhibition at this event is holding promise.

16. COSATU CLIMATE CHANGE WORKGROUP

Mr Long met with this workgroup and presented slides on the IPP industry. The group focused on transformation issues.

17. BUSA ENERGY WORKGROUP

AGREED that the chairman attend some of the BUSA meetings.

18. SASA

Mr Long will be workshopping electricity pricing with SASA to avoid exclusion of co-generation in future from government procurement due to costing issues that may be unique to their members.

19. SAWEA & SAREC

Mr Long met with the executive director of SAWEA and SAREC. It was agreed that the organisations will collaborate and a follow up meeting will be held in July. Discussions with SASTELA has also been initiated.

20. COAL LITIGATION

Mr Haffejee advised that Earth Life Africa has won a court challenge against new coal projects on the basis of ministerial consideration of climate change factors, when approving the projects. New climate impact reports will be submitted to the minister and the projects should be on track by next year.

21. DATE OF THE NEXT MEETING

Move next meeting to early September 2017.

[Angela Davids]

22. CLOSURE

The chairman thanked members and closed the meeting.

Thus signed on behalf of the committee

Chairman

Date