

MANAGEMENT COMMITTEE MEETING

MINUTES

Date : 19 November 2012 **Time:** 14:00 to 16:00 **Venue:** SAIPPA Offices

Mr Doug Kuni	Exxaro	Present
Mr Thomas Garner	Cennerg	Apology
Mr Thibaud Vibert	Tenesol	Present
Mr Denis Stupan	Ago-Energy	Apology
Mr Egmont Ottermann	Pretoria Portland Cement	Apology
Mr Silas Zimu	Suzlon Wind Energy South Africa	Present
Mr Thabani Myeza	Sembcorp Silulumanzi	Present
Mr Dave Long	Individual member	Present
Ms Thandi Mazibuko	Individual member	Apology
Mr Paul van Niekerk	Secretariat	Present
Mr Jean Venter	Administrator	Present

1. WELCOME AND APOLOGIES

The secretary 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 2 July 2012.

3. MATTERS ARISING

NOTED that work delegated in the previous minutes was completed but that an event on localisation was not possible and may be scheduled for the future if speakers on the subject can be found. Members suggested contacting NIASA, IDC and DTI in this regard.

[Paul van Niekerk]

4. FINANCIAL STATEMENTS

The committee **NOTED** year to date management financial statements and a list of paid up members tabled by the secretariat.

5. WEBSITE

The committee discussed a statistical document outlining the web “hits” received by the site also indicating the most popular pages.

6. MEMBER EVENTS

Mr van Niekerk asked for suggested themes for events scheduled for 2013.

Mr Kuni suggested that event content must be very close to the general priority areas of IPPs and their regulatory space such as ISMO, 2nd Amendment, regulatory acts and Licencing.

AGREED to pursue themes on:

- a. Difference and relationship between PPAs and the grid code
- b. Ministerial determinations
- c. Regulatory framework for IPPs

Members suggested contacting Dr Wolsey Barnard regarding the above themes from a DoE perspective and closer co-operation between DoE and Saippa.

[Paul van Niekerk]

7. OFFICE BEARERS

The secretary advised that in terms of the constitution the management committee must appoint a chairman for the association and an executive officer. Members noted that Mr Garner was available for re-election on the basis that he will spend more time on activities of the association. Members also debated funding for an executive officer position.

RESOLVED to:

- a. Appoint Mr Garner as chairman of the association.
- b. Appoint Mr Kuni as executive officer of the association.
- c. To review the offices of chairman and executive officer in six months’ time.
- d. Retain the position of executive officer as a member company sponsored position.
- e. Extend appreciation to Exxaro for their financial support over the past few years.

[Secretary]

8. REGULATION

ISMO – Members advised that the independent system operator legislation is being delayed over the issue of transferring the transmission grid to the ISMO. Government is reluctant to agree to this transfer, and the effect of such a transfer on the balance sheet of Eskom is a

concern. Some stakeholders are fearful that the current ESI model being pursued may well be the wrong one for South Africa. From a Saippa perspective it does not matter if the grid is private or state but the playing field between competing generators must be level. Noted that the minister of state enterprises prefer Eskom to remain intact.

9. SECOND AMENDMENT TO THE ELECTRICITY ACT

Members noted that the PPC was very open and has very aggressively interrogated submissions by NERSA and other on the second amendment. Saippa did a presentation to the PPC which was well received. A certain governance balance is emerging between the roles of the PPC and the DoE.

10. REPRESENTATION

Members suggested that SAIPPA should participate in the activities of Business Unity South Africa.

AGREED that Mr van Niekerk will investigate how SAIPPA can obtain a seat on relevant Busa committees without having to pay a membership fee.

[Paul van Niekerk]

Messrs Kuni and van Niekerk reported on their involvement with the Grid Code committee structures. It was noted that SAIPPA had previously formally applied for a seat on the Grid Code committees and that it was **AGREED** to ensure that SAIPPA maintains its seat on the Grid Code committees.

AGREED to:

- a. Set up a meeting with Dr Wolsey Barnard to discuss more regular communications between Saippa and the DoE as well as participation of DoE in SAIPPA member briefing events.
- b. Request a standing meeting with NERSA on member licence applications.

[CEO]

11. ELECTRICITY SUPPLIERS LIAISON COMMITTEE

Mr van Niekerk then did an overview of the role and composition of the ESLC noting that the members were technical experts from Eskom, the Metros and smaller municipalities as represented by the AMEU. The body was formed many decades ago to form technical consensus on industry technical standards used by the participant entities.

12. ESKOM

Noted that members will be meeting with an Eskom delegation on the subject of Grid access for IPPs.

13. SASTELA/SAWEA/SAPVIA

Members noted that because SAIPPA is not technology or vendor orientated in nature, the organisation has access to stakeholders that may not be accessible to specialised industry bodies.

AGREED to set up a meeting with Mr Johan van den Berg of SAWEA and SAREC to discuss industry representation matters and opportunities.

[Dave Long/CEO]

14. STRATEGIC BUSINESS PLAN

AGREED to add an “Independent and open grid” as well as “generation competition” to the objectives of the organisation.

[Cindy Maree]

15. CLOSURE

The secretary thanked members present and closed the meeting.

Thus confirmed

Chairman

Date