



MINUTES OF AN INTERIM MANAGEMENT COMMITTEE MEETING

DATE: 30 AUGUST 2010 VENUE: SAIPPA OFFICES RANDBURG

Members:

Mr Thomas Garner	Chairman	Present
Mr Barry Elliot	Member	Present
Mr Dave Long	Member	Present
Mr Doug Kuni	Member	Present
Ms Thandi Mazibuko	Member	Present
Mr Joseph Nkadimeng	Member	Present
Ms Judy Nwokedi	Member	Apology
Mr Mark Pickering	Member	Apology
Mr Kevin Robinson	Member	Present
Prof Gordon Sibiya	Member	Present
Mr Nico Smith	Member	Apology
Mr Jonathan Tsuene	Member	Present
Mr Thibaud Vibert	Member	Apology

1. Welcome and Apologies

The chairman welcomed members present and noted the above apologies.

2. Organisational format and Constitution

The committee noted that the stakeholder meeting held on 26 July 2010 recommended a review of the use of a Section 21 company as a legal vehicle for the association. The consensus was that a Section 21 company is unlikely to add value to the organisation and involved substantial additional administrative and legal complexity. The committee then work-shopped a draft constitution tabled by the administrator and made a number of amendments.

AGREED to:

- a) Use a common-law association structure for the association.
- b) Return the Section 21 Company to EXXARO.
- c) Adopt the constitution as tabled with certain amendments.

- d) Circulate the updated constitution to members of the committee.
- e) Investigate registering the name and branding of the association.
- f) Arrange an antitrust briefing for members of the committee.
- g) Draft a set of operating rules and delegations for the committee.

[Action: Administrator]

3. Membership

The administrator then tabled a list of signed up members showing four corporate members and two associate members. The committee debated what strategy it needed to follow to recruit new members and **AGREED** that a word of mouth "viral" type strategy would be most effective. All members were asked to forward names that they would commit to, to recruit, to the chairman by Monday 6 September 2010.

[Action: All members of the committee]

AGREED to update and align the membership application form with the membership structure outlined in the new constitution.

[Action: Administrator]

4. Financial Matters

The committee considered future financial management and reporting arrangements of the association, noting that the bank account that is tied to the Section 21 company contains around R100 000, being part of a R300 000 contributed by Exxaro as seed capital for the association.

AGREED to mandate the administrator to open and conduct a trust account in name of the association. The chairman undertook to discuss closure and transfer of the remaining funds in the Section 21 company related account.

[Action: Administrator & Chairman]

AGREED to include into the envisaged operating rules document, a section on expenditure authorisation delegations.

[Action: Administrator]

5. Website

The administrator advised that the Saippa website is in the process of being updated with the new branding of the association, and that this process will be completed by the end of the week.

6. Projects, Resources and Lobby Positions

The committee then debated the scope and nature of projects that the association needs to embark on. The immediate needs centred on the IRP2 process, ISMO, energy wheeling, and COFIT arrangements. The main processes of the association to be lobby processes. Messrs Kuni, Tsuene and Long volunteered to take up lobby tasks to assist government and other stakeholders in forming policy and a regulatory environment conducive to the activities of independent power producers. Members indicated a preference for SAIPPA to develop a twenty year vision for the industry and then to work backwards to inform current policy and legislation to that end.

AGREED to hold a one day workshop on 29 September 2010 at Willow Park or similar venue, to develop a programme of projects, lobby mandates and strategic positions on key issues, for the association and its office bearers. Signed-up members as well as members of the interim management committee must be invited to the workshop.

[Action: Cindy Maree]

AGREED that Nuclear energy developments in South Africa will have an impact on the activities of independent power producers and that Saippa needs to maintain a strategic interest in this field.

AGREED that Mr Kuni will distribute a list of DoE energy workgroups to members of the committee as soon as possible.

[Action: Doug Kuni]

Members suggested that the implications of the international carbon pledges that South Africa made in recent times are still not well understood.

The chairman of SANEA at a recent event commented negatively on the role of independent power producers in South Africa, probably on behalf of its patron, Eskom. **AGREED** to challenge SANEA, Sawea and Sastec, to a debate on the benefits and future role of independent power generation. The debate to be scheduled after the Saippa workshop of 29 September.

[Action: Doug Kuni]

AGREED that Mr Kuni will request that DoE allow Saippa representation on the DoE Private Power and the ISMO committees. Mr Long was mandated to represent SAIPPA on the COFIT committee. *matters.*

[Action: Doug Kuni & Dave Long]

7. Media and Industry Relations

The committee debated its position on media relations and **AGREED** to include a policy statement and mandates into the proposed Saippa operating procedure document for consideration at the next meeting.

Members suggested that relationships with other industry associations are valuable in that it provides additional sources of information and influence.

AGREED to send a letter of support to Sawea on a reciprocal basis.

[Action: Doug Kuni]

8. Date and venue of the next Meeting

The committee **AGREED** to meet every second month in future, and to target the teen Wednesday of every second month in 2011.

Workshop – 29 September 2010

Management Committee – 20 October 2010

Management Committee – 8 December 2010

9. Closure

Mr Kuni then thanked stakeholders for attending the meeting.

Thus confirmed



Chairman

8 December 2010.

Date