

20 OCTOBER 2017

MANANGEMENT MEETING

14h30-16h30

**Secretariat Offices, 4 Karen
Street Bryanston**

MANAGEMENT COMMITTEE AGENDA

Date: 20 November 2017

Time: 14:30 to 16:30

Venue: SAIPPA Offices, Bryanston

MEMBERS:

Mr Thomas Garner	Chairman	Exxaro Resources	To attend
Mr Dave Long	Secretary General	Associate member	To attend
Mr Andrew Carr	Member	Sebenzana Consulting	To attend
Mr Seelan Pillay	Member	Associate member	To attend
Mr Ian Langridge	Member	Associate member	Apology
Mr Wayne Glossop	Member	Wärtsilä South Africa	Apology
Mr Brian Day	Member	Clean Energy Africa	To attend
Mr Kheephe Moremi	Member	Sebenzana Consulting	To confirm
Mr Yousuf Haffejee	Member	Associate member	Apology
Mr Jean Venter	Corporate Secretary	Secretariat	To attend

1. WELCOME AND APOLOGIES

2. QUORUM PRESENT -fifty percent of the members plus one shall constitute a quorum.

3. READING AND CONFIRMATION OF THE AGENDA

4. COMPETITION ACT STATEMENT

The following competition law caution is to be read out at the start of each SAIPPA meeting. The competition law caution should also be recorded in the minutes of each meeting of SAIPPA.

"Competition law caution:

In terms of SAIPPA's Constitution, SAIPPA members are required, at all times, to ensure that they are fully compliant with the Competition Act. In this regard, SAIPPA and its members will not engage in any discussion, activity or conduct that may contravene any provisions of the Competition Act. In particular, members shall not discuss, communicate or exchange any commercially sensitive information, including non-public information relating to prices, marketing and advertisement strategy, costs and revenues, trading terms and conditions, purchasing strategies, terms of supply, or distribution strategies. This applies not only to interactions in the context of formal SAIPPA meetings but also to discussions, communications or exchanges between members before, during or after SAIPPA meetings."

5. READING AND CONFIRMATION OF PREVIOUS MINUTES

APPENDIX A

- 4 September 2017

6. REVIEW OF ERA SCHEDULE 2 AMENDMENTS -DL

7. WORKING GROUPS: STATUS AND ISSUES FOR 2017

- 7.1 Coal and Co-generation - **SP & DL**
- 7.2 SSEG and Grid - **DL**
- 7.3 Wheeling – **AC**
- 7.4 Gas -**DL**

8. NEW ITEMS

- 8.1 USAID & SAEP Programme - **DL**
- 8.2 SAWEA AGM feedback - **DL**
- 8.3 Strategy for IPP Procurement by DOE - **DL**

9. FINANCIAL AND MEMBERSHIP REPORTS

APPENDIX B

10. MATTERS ARISING FROM 4 SEPTEMBER 2017 MINUTES

- 10.1 Membership Drive
- 10.2 BUSA Energy Sub- Committee Meetings

11. ADDITIONAL ITEMS

- _____
- _____
- _____

12. Proposed Meeting dates for 2018

- 15 February EXCO and Members meeting
- 9 April
- 4 June
- 6 August
- 15 October

13. CLOSURE



MANAGEMENT COMMITTEE MEETING

MINUTES

Date: 4 September 2017

Time: 14:00 to 16:00

Venue: SAIPPA Offices, Bryanston

MEMBERS:

Mr Thomas Garner	Chairman	Exxaro Resources	Apology
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	Apology
Mr Kheepe Moremi	Member	Sebenzana Consulting	Apology
Mr Brian Day	Member	Clean Energy Africa	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 apologies above.

A quorum was not 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 12 June 2017 were confirmed.

5. WORKING GROUPS

Members noted that co-generators are finding the grid code testing requirements problematic and that most Eskom stations are exempt from the code for similar reasons. A co-generation workgroup meeting focused on this matter together with persons from the grid code committees

and it was agreed that the code will need to be amended. Mr Padayachee of the AMEU will join the next small scale embedded generation workgroup meeting as per the MOU with that organisation. Members noted a notice from PETRO SA on a new gas and oil exploration contract signed with a Russian company. On the wheeling regulations, NERSA indicated willingness to complete the regulations but claimed that they had resource issues. Mr Long indicated that he is in communication with the chairman of SASTELA with closer cooperation in mind.

6. REPORT OF THE SECRETARY GENERAL

Mr Long advised that he has done a presentation responding to the section 77 notice of labour action and opposition to renewable energy generation. He referred to the IRP 2010 and pointed out that in total the amount of energy industry jobs is on the increase and that renewables are not reducing the number of jobs, even in coal. A visit to the IPP office of DoE provided insights indicating that government is unlikely to trigger new energy generation procurements until 2023, due to current surpluses. Signature of power purchase agreements for REIPPP rounds 3.5 and 4 will be subject to tariffs being less than 77 cents per kWh. This is likely to impact on at least half the successful bidders, their funding and shareholders.

Mr Long proposed that SAIPPA refocus its efforts on energy sales and generation business outside of national government. For instance, to large industry, municipalities. Due to there not being a quorum present the decision was supported and **NOTED** and deferred for round robin decision. The respective SAIPPA workgroups to refocus activities onto the enablement of business on a wider basis.

Mr Long advised of arrangements for the next member breakfast event. Finding and removing obstacles to private generation and electricity sales to industry and local government was identified as a priority subject.

7. FINANCIAL STATEMENTS AND MEMBERSHIP

NOTED unaudited financial statements for the period ended August 2017, as well as a membership register. Funding of the organisation is generally acceptable. A few members still need to settle their memberships.

8. DATE OF THE NEXT MEETING

Next meeting is on 16 October 2017.

9. CLOSURE

The chairman thanked members and closed the meeting.

Thus, signed on behalf of the committee

Chairman

Date



JEAN VENTER – VdW&Co
Professional Accountant SA Pr:3348

Revenue Statement year to date October 2017

	Last Year	March	April	May	June	July	August	September	October	YTD	Budget
Revenue											
Event Revenue	11 000	0	0	0	3 250	4 300	500	275	1500	9 825	40 000
Interest Received	21 947	2 064	2 245	2 178	2 389	2 325	2 266	2 142	1991	17 601	10 000
Membership Dues	532 090	308 800	67 775	37 300	43 500	14 500	6 600	4000	1800	484 275	600 000
Unallocated	634	0	0	0	0	0	0	0	0	0	0
Total Revenue	565 671	310 864	70 020	39 478	49 139	21 125	9 366	6 417	5 291	511 701	650 000
Expenditure											
Audit Fees	(9 120)	0	0	0	0	0	0	0	0	0	0
Bank Charges	(600)	0	(300)	0	(30)	(450)	0	0	0	(780)	0
Consultants	(173 000)	(20 000)	(20 000)	(20 000)	(20 000)	(20 000)	(20 000)	(20 000)	(20 000)	(160 000)	(240 000)
Event Costs	(22 657)	0	0	0	(8 860)	(90)	0	0	0	(8 950)	(40 000)
Internet & Email	(2 007)	0	(99)	(160)	0	(155)	(252)	(156)	(51)	(873)	(2 000)
It Costs	(839)	0	0	0	0	0	0	0	0	0	0
Marketing	(28 985)	0	0	0	0	0	0	0	0	0	0
Printing	(2 070)	0	0	0	(121)	0	(2)	0	0	(123)	(5 000)
Secretariat	(144 000)	(13 000)	(13 000)	(13 000)	(13 000)	(13 000)	(13 000)	(13 000)	(13 000)	(104 000)	(156 000)
Stationary	(1 911)	0	0	0	0	0	0	0	0	0	(2 000)
Travel Costs	(4 745)	0	(7)	0	0	(2 934)	(1 106)	0	0	(4 046)	(20 000)
Web Support	(308)	0	0	0	(89)	0	0	(100)	0	(189)	0
Total Expenses	(390 242)	(33 000)	(33 406)	(33 160)	(42 100)	(36 629)	(34 360)	(33 256)	(33 051)	(278 961)	(465 000)
Surplus/Loss	175 429	277 864	36 614	6 318	7 039	(15 503)	(24 994)	(26 839)	(27 760)	232 739	185 000
Surplus B/F Retained	220 321	395 750	673 614	710 228	716 546	723 585	708 082	683 088	656249,1	395 750	395 750
Surplus	395 750	673 614	710 228	716 546	723 585	708 082	683 088	656 249	628 489	628 489	580 750

Assets and Liabilities at August 2017

	Last Year	March	April	May	June	July	August	September	October	Budget
Assets										
Bank Balance 1	14 787	14 787	14 787	14 787	14 787	14 787	14 787	14 787	14 787	0
Bank Balance 2	673 883	662 947	690 441	696 759	703 798	689 095	664 101	637 562	609 802	0
Debtors	5 000	5 000	5 000	5 000	5 000	4 200	4 200	3 900	3 900	0
Total Assets	693 670	682 734	710 228	716 546	723 585	708 082	683 088	656 249	628 489	0
Liabilities										
Creditors	(297 920)	(9 120)	0	0	0	0	0	0	0	0
Total Liabilities	(297 920)	(9 120)	0	0	0	0	0	0	0	0
Grand Total	395 750	673 614	710 228	716 546	723 585	708 882	683 088	656 249	628 489	0

Membership Report - October 2017

Company Name Membership Class Fees Received 2015 Fees Received 2016 Fees Received 2017 Notes

Exxaro Resources Ltd	Sustaining Membership	-	-	58 500,00	Re-joined membership in Nov 2016
Cennergi	Corporate Membership - Large Company	31 500,00	35 000,00	37 300,00	
Industrial Development Corporation	Corporate Membership - Large Company	21 000,00	35 000,00	37 300,00	
Mondi	Corporate Membership - Large Company	44 000,00	35 000,00	37 300,00	** 2014 fees (R12 500) only rec'd in 2015
Murray & Roberts Power & Energy	Corporate Membership - Large Company	-	-	27 975,00	**New member, prorata fee**
SAPPI Southern Africa Ltd	Corporate Membership - Large Company	31 500,00	35 000,00	37 300,00	
Tongaat Hulett (Ltd)	Corporate Membership - Large Company	31 500,00	35 000,00		
RCL Foods Sugar & Milling (Pty) Ltd (prev. TSB Sugar)	Corporate Membership - Large Company	31 500,00	35 000,00	37 300,00	
Bosch Projects (Pty) Ltd	Corporate Membership - Medium size Company	21 000,00	22 600,00	24 000,00	
African Carbon Energy (Pty) Ltd	Corporate Membership - Small Company	10 500,00	11 300,00	12 000,00	
Authentic Oil & Gas Synergy Services Pty Ltd	Corporate Membership - Small Company				
Bio2Watt (Pty) Ltd	Corporate Membership - Small Company	10 500,00	11 300,00	12 000,00	
Clarke Energy South Africa (Pty) Ltd	Corporate Membership - Small Company	10 500,00	11 300,00	12 000,00	
Clean Energy Africa Investments	Corporate Membership - Small Company	7 000,00	11 300,00	12 000,00	
FSLR Development South Africa	Corporate Membership - Small Company	10 500,00	11 300,00		
Gas2Power	Corporate Membership - Small Company	-	4 710,00		
Hamon SA (Pty) Ltd	Corporate Membership - Small Company	10 500,00	11 300,00	12 000,00	
Holumen	Corporate Membership - Small Company	-	-	4 000,00	New member, joined in August 2017
Kigeni Energy (Pty) Ltd	Corporate Membership - Small Company		3 700,00	12 000,00	
MBHE African Power Pty Ltd	Corporate Membership - Small Company	10 500,00	11 300,00		
M K S Advertising and Solutions cc	Corporate Membership - Small Company	-	-		New member, joined in Sept 2017
N & M Technologies	Corporate Membership - Small Company	5 250,00	11 300,00	12 000,00	
PEC Engineers (Pty) Ltd	Corporate Membership - Small Company	10 500,00	11 300,00	12 000,00	
Power Alt	Corporate Membership - Small Company	1 750,00	11 300,00	12 000,00	
Sebenzana Consulting (Pty) Ltd	Corporate Membership - Small Company	10 500,00	11 300,00	12 000,00	
Sembcorp Siilumanzi	Corporate Membership - Small Company	10 500,00	11 300,00		
Solek	Corporate Membership - Small Company	10 500,00	11 300,00	12 000,00	
Sunelex Energy	Corporate Membership - Small Company	-	-		
Wärtsilä South Africa	Corporate Membership - Small Company	10 500,00	11 300,00	12 000,00	
South African Sugar Association	Associations/NPO's	12 000,00	12 000,00	12 800,00	
Mr Dave Long	Individual Membership - Professional	1 050,00	1 100,00	1 200,00	
Mr Donald McGillivray	Individual Membership - Professional	175,00	1 100,00	1 200,00	
Mr Edmund JL Cele	Individual Membership - Professional	700,00	1 100,00	1 200,00	
Mr Francois Retief	Individual Membership - Professional	1 050,00	1 100,00	1 200,00	
Mr Ian Langridge	Individual Membership - Professional	1 050,00	1 100,00	1 200,00	
Mrs Jane Molony	Individual Membership - Professional	1 050,00	1 100,00	1 200,00	
Ms Keketso Mokoena	Individual Membership - Professional	-	825,00	1 200,00	
Ms Kholekile Mbanga	Individual Membership - Professional	525,00	1 100,00		
Mr Lester Kirk	Individual Membership - Professional	-	460,00	1 200,00	
Mr Letsitsi Machelo	Individual Membership - Professional	262,50			
Mr Lulama Gaga	Individual Membership - Professional				
Mr Marshall Koopman	Individual Membership - Professional				

Ms Maseko Matseke	Individual Membership - Professional	-	-	-	New member joined in Mar 2017
Mr Mohau Thage	Individual Membership - Professional	-	-	-	
Mr Oliver Barker	Individual Membership - Professional	-	1 100,00	1 200,00	
Mr Seelan Pillay	Individual Membership - Professional	1 050,00	1 100,00	1 200,00	
Mr Sisa Njikelana	Individual Membership - Professional	1 050,00	1 100,00	1 200,00	
Mr Siseko Lande	Individual Membership - Professional	-	-	-	New member joined in Mar 2017
Ms Solomon Masilo	Individual Membership - Professional	-	-	1 200,00	New member joined in Jan 2017
Ms Sue Rohrs	Individual Membership - Professional	1 050,00	1 100,00	1 200,00	
Mr Sydney Chimunda	Individual Membership - Professional	-	-	-	
Mr Sydney Zeederberg	Individual Membership - Professional	1 050,00	1 100,00	-	
Ms Thandazile Mazibuko	Individual Membership - Professional	-	-	2 500,00	** 2015 & 2016 fees received in April 2017 **
Ms Thokozile Zambane	Individual Membership - Professional	-	460,00	1 200,00	
Mr Yousuf Haffjee	Individual Membership - Professional	1 050,00	1 100,00	1 200,00	
Ms Ziyanda Mpakama	Individual Membership - Professional	-	460,00	-	

TOTAL MEMBERS - 57

Barloworld Power	Corporate Membership - Large Company	-	-	-	Membership revoked by MANCOM - April 2016
Abeinsa Business Development (Abengoa)	Corporate Membership - Small Company	7 875,00	-	-	Cancelled membership - Apr 2016 (comp restructure)
ADC Projects (Pty) Ltd	Corporate Membership - Small Company	10 500,00	11 300,00	-	Cancelled membership - Mar 2017
African Renewables (Pty) Ltd	Corporate Membership - Small Company	-	-	-	Cancelled membership - Sept 2015 (Financial constraints)
Bergwind Energy (Pty) Ltd	Corporate Membership - Small Company	5 250,00	-	-	Cancelled membership - June 2015 (Comp is very small & cannot keep up with membership payments)
Cresco Project Finance	Corporate Membership - Small Company	-	-	-	Cancelled membership - April 2015 (Financial constraints)
Dr Danisa Eileen Baloyi	Individual Membership - Professional	525,00	-	-	Cancelled membership - Dec 2015 - no value received
DSD Power Africa (Pty) Ltd	Corporate Membership - Small Company	-	11 300,00	-	Cancelled membership Mar 2017 - ceased SA operations
Exxaro Resources	Sustaining Membership	-	-	-	Cancelled membership - Sept 2015 (replaced by subsidiary, Cennerg)
Itochu Corporation	Corporate Membership - Small Company	-	8 475,00	6 000,00	Cancelled membership June 2017 - Spoke to Dave Long about this
Jeka Resources	Corporate Membership - Small Company	-	-	-	Cannot afford corp membership, wants to convert to individual - June 2017
Kgatelelo Pele Energy Solutions (Pty) Ltd	Corporate Membership - Small Company	-	-	-	Not interested in participating with SAIPPA - June 2017
KPMG	Corporate Membership - Large Company	13 125,00	35 000,00	-	No longer vested in IPP due to slowed down initiatives - Oct 2017
Mooli Hydro (Pty) Ltd	Corporate Membership - Small Company	10 500,00	-	-	Cancelled membership Mar2016 - financial constraints
Mr Brian Day	Individual Membership - Professional	350,00	-	-	Only required membership for Jan - Apr 2015
Mr Doug Kuni	Individual Membership - Professional	-	-	-	No benefit received from this, no payment for 3 years - June 2017
Mr Ike Maboe	Individual Membership - Professional	-	1 100,00	-	Cancelled membership - June 2017 - no value received
Mr Julian Eslait	Individual Membership - Professional	-	-	-	Cancelled membership - Dec 2015 (moved to another BU, not involved in IPP
Mr Pieter Van Dam	Individual Membership - Professional	1 050,00	1 100,00	-	Resigned n June - no need for the membership
Mr Phumelele Madala	Individual Membership - Professional	-	1 100,00	-	Resigned, no longer in IPP
Mr Wiehann van Zyl	Individual Membership - Professional	-	-	-	Cancelled individual membership, converted to small corporate for Solek
Orion Engineered Carbons (Pty) Ltd	Corporate Membership - Medium size Company	21 000,00	-	-	Cancelled membership - Dec 2015 (Not required any longer)
PPC Group Services Pty Ltd	Corporate Membership - Large Company	31 500,00	35 000,00	-	Cancelled membership in July 2017, fiscal challenges
SUZLON Wind Energy South Africa (Pty) Ltd	Corporate Membership - Small Company	-	-	-	Cancelled membership - April 2015 (left South Africa)
Umfoloji Sugar Mill (Pty) Ltd	Corporate Membership - Large Company	31 500,00	-	-	Cancelled membership in Dec 2015, drought caused cutback in expenditure
Vula Green Energy	Corporate Membership - Small Company	-	-	-	Cancelled membership in July 2017, no pmt received, company not trading

Total Membership Fees received	508 287,50	532 090,00	484 275,00
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