



AMEU Strategic Adviser's Report
AMEU Good Hope Branch Meeting

Presented by

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Presentation outline

1. AMEU Convention 2017 update
2. AMEU DoL joint workshop
3. AMEU and NERSA top leadership meeting
4. SAPVIA Green Card
5. Cooperation with SAIPPA
6. AMEU MOU's with SAIPPA and SAIEE
7. DOE/SALGA/AMEU meeting
8. DOE AMEU Metro Forum
9. NEAC meeting
10. General

AMEU Convention 2017 Programme update(1)

1. Convention will be hosted by the NMBM in Port Elizabeth
2. Approximately 60 papers were received.
3. The Papers Committee members scored these papers
4. Programme now finalised – see AMEU website for copy
5. Besides the scoring the following criteria was also utilised in selecting the papers for the draft programme i.e.
 - Focussing on the convention theme
 - Creating a balance on the scores received and the topical and important issues
 - International papers

AMEU Convention 2017 Programme update(2)

5. Besides the scoring the following criteria was also utilised in selecting the papers for the draft programme i.e.
 - Focus also included bringing papers on cyber security – critical issue given Ransomware attack a couple of weeks on service delivery infrastructure
 - Focus on SHE
 - Focus on SSEG and its associated impact on munic business
 - As discussed WiE interests where possible was not given special attention - it will be incorporated within the overall programme by giving women authors preference and appointing more women as session
6. Other activities related to the AMEU Convention are still on track

AMEU DoL Workshop feedback (1)

1. At a joint AMEU and Department of Labour (“DoL”) full day workshop that was held in Johannesburg on the 19 May 2017 the DoL “cleared the air” and confirmed the following as per OHS Act (EIR) and advised us as the AMEU to inform and communicate to our membership and other interested parties accordingly of the following clarification the DoL had provided
2. Registered Persons can only formally register as such directly with the DoL
3. Registered Persons working only for an Electrical Contractor (and only duly registered with the DoL) can issue a Certificate of Compliance (“CoC”)

AMEU DoL Workshop feedback (2)

4. Only the DoL is authorised to register an Electrical Contractor.
5. **However, a Registered Person in the full time employ of a municipality is also permitted or authorised by the DoL to issue (or not issue) a CoC for a municipal owned infrastructure located and under the jurisdiction of the said municipality where the Registered Person works or is employed**

AMEU DoL Workshop feedback (3)

6. **In this regard and following on from the above NO other third party and for the avoidance of any doubt and misunderstanding including The Electrical Contractor Board (“ECB”) and the The Electrical Conformance Board (“ECB”) (including any of their agents, associates, surrogates etc.) are authorised or permitted to register an Electrical Contractor as per OHSA for and on behalf of the DoL.**
7. The last time that the ECB was allowed to register Electrical Contractors on behalf of the DoL was circa 2009 (included a transition period)

AMEU DoL Workshop feedback (4)

8. Any person (natural or unnatural) purporting to represent for and on behalf of the DoL in respect of registering Electrical Contractors will be liable for prosecution in terms of the prevailing law
9. All queries in respect of the aforementioned must be directed to the DoL and not to the AMEU

Meeting with NERSA, 2 May 2017 (1)

1. As requested by the AMEU EXCO I arranged as a priority a meeting on the 2 May 2017 between select top leadership of NERSA and AMEU
2. The following matters were addressed:
 - Resolution of absence of NERSA reps from select AMEU meetings
 - NERSA's role wrt impact of proposed new DOE licensing regulations on the business of metros/munics especially renewables 1 MVA distributed energy installations
 - Electricity distribution Service Authority versus Service Provider roles of Eskom and metros/munics from a Constitution perspective:

Meeting with NERSA, 2 May 2017 (2)

2. The following matters were addressed:
 - NERSA's commitment to conducting cost of supply studies in metros/munics
 - NERSA's role in alleviating NMD penalties by Eskom on metros/munics

SAPVIA Greencard launched (1)

- The SAPVIA GreenCard system (inclusive of its website) was officially launched by SAPVIA on 26 May 2017. Please refer to this website URL link for the website that PVGreencard website that was officially launched on Friday i.e. <https://www.pvgreencard.co.za/>
- the event was also attended by many stakeholders including NERSA, DoL, DOE, GIZ etc
- It was agreed that the AMEU will also adopt the use of the Solar PV Green Card as part of its quality assurance and SHER standards for solar PV rooftop installations within its respective municipality boundaries subject to the Department of Labour (“DoL”) also recognising and accepting the use of solar PV Green Card

SAPVIA Greencard launched (2)

- In this regard I personally engaged with Messers Jacob Malatse, Director (Electrical and Mechanical) and Pieter Laubscher, Deputy Director (Electrical and Mechanical) Inspection Directorate from the Inspection Directorate of the DoL to facilitate a priority meeting between SAPVIA and the DoL
- This meeting took place on the 10 April 2017 – I also attended this meeting which was very positive and constructive

Cooperation with SAIPPA

- At the request of The SA Independent Power Producers Association (**“SAIPPA”**) the AMEU Strategic Adviser, Vally Padayachee met with Tommy Garner, President and Dave Long, Secretary General of SAIPPA
- SAIPPA wishes to get closer to the business of the AMEU for mutual benefit through a cooperative agreement

MOU'S – AMEU with SAIPPA and SAIEE

1. Signed with the SA Institute of Electrical Engineers on Friday 4 August 2017
 - a. Includes focus on Women-in-Electricity (“WiE”)
2. Signed with SAIPPA in June 2017

DOE AMEU Metro Forum Mtg Feedback – DOE Solar Water Heater (“SWH”) Programme (1)

1. No progress noted to date
2. Still awaiting feedback and update from the DOE on the immediate next steps
3. The AMEU membership has respectively requested that this matter be treated as URGENT by the DOE
4. The AMEU Strategic Adviser, Vally Padayachee has also written to the DOE DDG requesting an update on status of the programme. Still awaiting a response from the DOE DDG

DOE/SALGA/AMEU MEETING, 2 August 2017

1. Strategic Adviser, AMEU was invited to be part of this meeting
2. IRP2016 is targeted to be presented to Cabinet by Feb/March 2017 – then if all goes well to be released shortly thereafter
3. Impending amendments and exemption to DOE licensing regulations expected to be formally released anytime now with some further amendments
4. No new generation licence applications (wrt Section 34) will be granted until IRP2016 is finalised, approved and released

DOE AMEU Metro Forum Mtg Feedback – Electrification Performance (2)

Gauteng

• City of Ekurhuleni

- In 2016/17, the municipality was allocated R40 million to implement 2759 planned connections, to date, the municipality has achieved 8373 connections and they have used their own funding to top up. Only one project which was completed and awaiting energization and is Ekuthuleni.
- 2017/18, the municipality is allocated R40 million to electrify Langaville 6, Marikana and Winnie Mandela informal settlements, the projects are under construction, the total number of planned connections that the municipality is expected to achieve is 2759.

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DOE AMEU Metro Forum Mtg Feedback – Electrification Performance (3)

Gauteng

• **City of Johannesburg (City Power)**

- in 2016/17, the municipality was allocated R40 million, to implement Setjwetla, Thembelihle phase1 and Lawley informal settlements, the planned connections were 2758 and the municipality achieved 4212, they have also topped up to achieve more connections.
- For 2017/18, the municipality is allocated R40 million for Meriting informal settlement and it's bulk infrastructure as well as Thembelihle phase 2 informal settlement. The total number of planned connections is 2550. Mr. Lipheko also added that this number will increase because in Meriting, most people have relocated to the area after they have seen that services are about to be provided there.

DOE AMEU Metro Forum Mtg Feedback – Electrification Performance (4)

Gauteng

• . City of Tshwane

- In 2016/17 the municipality was allocated R40 million for Nellmapius Ext 21 & 24 and Refilwe Manor electrification projects. The total planned connections were 1724 and the municipality has achieved 2794 connections, they have also topped up funds to achieve more connections. The Municipality was also implementing phase 3 of JJ substation. The project is ongoing, there was a delay in appointing the service provider, Mr. Mithoo added that they will spend all unreported funds before the end of June and there will be no need to apply for a rollover, all materials ordered will be delivered by end of May 2017.
- 2017/18, the municipality is allocated R30 million to achieve 2068 connections in Attridgeville Ext 19, Mamelodi ext 5 and Mamelodi ext 11, the projects are still in planning stage. They will continue to fund JJ substation with own funding

DOE AMEU Metro Forum Mtg Feedback – Electrification Performance (5)

Gauteng

- City Power shared information in terms of how they implement informal settlements. They indicated that they request for access roads so that they can be able to install the infrastructure, once this is done they are able to electrify the informal settlements.
- Buffalo City highlighted that they are experiencing challenges to electrify informal settlement because some people are refusing to move in order to make way for the infrastructure.
- City of Cape Town said they electrify informal settlements where they are.

DOE AMEU Metro Forum Mtg Feedback –Joint Position Paper DOE and DHS (6)

- Still in progress
- The chair reported that the DG for DoHS is new so he indicated that for him to sign anything on joint paper position he wants to meet with INEP leaders to brief him.

National Electricity Advisory Committee (“NEAC”) meeting feedback (1)

Monthly Report of Electrification funding for April 2017 by Licensed Municipal Distributors during the Government financial year 2016/17. The monthly report for April 2017 is based on the gazetted programme for 2016/17 financial year.

1. CAPITAL EXPENDITURE

1.1. 2016/17 Government Financial Year

Province	Allocations (R'000)	April- 2017			Year to Date Scheduled Transfers (R'000)	Year to Date Actual Transfers (R'000)	Year to Date Expenditure as reported by Municipalities (Excluding Top-up Funding) (R'000)
		Scheduled (R'000)	Transferred (R'000)	Actual Expenditure (R'000)			
Eastern Cape	462,349	0	0	21,700	462,349	458,099	266,018
Free state	79,350	0	0	3,210	74,350	73,172	48,369
Gauteng	171,000	0	0	2,757	154,000	169,885	188,424
Kwazulu Natal	554,100	0	0	33,445	552,100	564,050	162,275
Limpopo	310,204	0	0	0	297,000	309,000	125,545
Mpumalanga	124,358	0	0	1,894	124,358	123,658	69,655
Northern Cape	62,500	0	0	1,373	62,500	67,415	22,862
North West	70,664	0	0	0	70,664	67,389	39,455
Western Cape	111,721	0	0	1,683	111,721	113,578	70,015
Total	1,946,246	0	0	66,062	1,909,042	1,946,246	992,618

National Electricity Advisory Committee (“NEAC”) meeting feedback (2)

1.2 HOUSEHOLDS CONNECTIONS

Summary of Households Connections (2016/17 Government Financial Year)

Province Name	Planned Connections	Actual Connections April - 2017	Year to date Connections
Eastern Cape	19788	823	3076
Free State	3017	276	3297
Gauteng	8613	0	15 494
Kwazulu/Natal	28297	631	4426
Limpopo	18696	395	6223
Mpumalanga	6640	0	1 399
North West	2779	0	1 206
Northern Cape	1878	0	120
Western Cape	5078	89	3096
Total	94786	2214	38337

General (1)

1. For obvious reasons the level of awareness is being significantly increased wrt mitigating cyber attacks on especially smart grid infrastructure
2. Together with SALGA and other key stakeholders the AMEU is also investigating and addressing challenges and difficulties being experienced by metros/munics to improve service delivery mitigate revenue erosion, revenue protection, etc The mitigation may include a change in the business models
3. The AMEU is also looking at innovative models to facilitate the mentoring of especially engineering and other professionals to address the skills and competency challenges being faced by metros/munics. Initial focus will be on unemployed graduates and women graduates

General (2)

4. AMEU and SALGA is looking at a proposal by PICC (SIP 10) intended to improving the operational sustainability of metro/ munic electricity distribution functions noting the ffg:
 - a. 47% of the metros/munics have budgeted for <6% of their revenue for repairs and maintenance (NERSA benchmark is 6%)
 - b. about 50% of the metros/munics reflect a total power loss >25% (NERSA benchmark is 10 %) – tech and non tech
 - c. Average Selling Price vs Average Purchase Price (NERSA benchmark is 1.58) - about 66% reflect a ratio between 1 and 1,5
 - d. Power Purchases vs Total Expenditure (NERSA benchmark is 73%) – about 56% of metros/munics fall in the range 65% to 75%
 - e. Compliance per licensee averages 47% (NERSA)



Thank you