



**AMEU Cape of Good Hope Branch
meeting
Lamberts Bay, Cape Town**

Vally Padayachee

FInstD; MBA; MSc(Eng); EDP (Wits)

AMEU: Strategic Advisor

12 August 2016



Content

- **Wednesday 8 June 2016**
 - Standing Committee
 - Legal & Statutory Committee
 - Tariff Committee
 - Education & Training Committee
 - Publicity and Papers Committee
- **Thursday 9 June 2016**
 - Technical Committee
 - AMEU visit to Kusile P/S – arranged by Eskom



Standing Committee meeting (1)

New AMEU Strategic Advisor appointed

- A special welcome was extended to **Mr Vally Padayachee** who has joined the AMEU as its newly appointed Strategic Advisor.
- As background Vally was amongst other appointments an ex :
 - Eskom Senior Manager
 - President of the AMEU ;
 - Chief Operations Officer/Vice President (Operations), City Power JHB
 - Director (Customer Services & Retail), City Power JHB
 - Director (Engineering Operations), City Power JHB
 - And until most recently a Board Member and Group Executive Director of (1) Altron Power (Powertech) and its subsidiaries (2) Powertech System Integrators (“PTSI”) and (3) Powertech QuadPro (“PTQP”)
- **AMEU Strategic Advisor high level role clarity**
 - Vally will report to and inter alia **assist** the AMEU President and the Executive Council in providing leadership and stewardship to the AMEU with focus on but not limited to:
 - strategic matters
 - marketing the value proposition of the AMEU to relevant and various stakeholders



Standing Committee meeting [2]

- Agreed to co-opt the chairperson of the Women in Electricity (“WiE”) AMEU special interest group to the Standing Committee.
- **FINANCIAL STATEMENTS AND MEMBERSHIP**
 - The committee noted year to date management financial statements
 - **AGREED** to circulate a list of outstanding membership fees to the committee for action



Standing Committee meeting [3]

- **STAKEHOLDER RELATIONS**
 - AGREED to arrange standing committee delegation meetings with NERSA and DoE Director General to solicit their cooperation in AMEU committees and to discuss other long outstanding issues from the various sub-committee agendas.
 - The meeting to be held shortly to allow the matter of convention participation to also be included into the discussion.



Standing Committee meeting [4]

- African Utilities Technology Council (“AUTC”)
 - The committee NOTED that a counter offer regional membership proposal was submitted to AUTC and that they are working on a response.
 - The committee considered the possibility that the AMEU board delegation could be structured as lesser number of voting members plus attendees.



Standing Committee meeting [5]

- WOMEN IN ELECTRICITY (“WiE”)
 - Ms Mokgosi presented a budget for the planned conference of that group in August in Bloemfontein which was APPROVED.
 - A report on the visit of two WiE representatives to a conference in Germany was presented and it was
 - AGREED
 - To circulate a copy of the slides to members of the committee electronically.
 - To encourage WiE to foster ties with US-AID/Power Africa.
 - To write to US-AID to thank them for the sponsorship and to also ask for a concession for two more years.



Legal & Statutory Committee (1)

- SALGA/Eskom MOU (1)
 - Members advised that NERSA was in the process of drafting a consultation paper on the powers and functions of local government in terms of electricity distribution.
 - The document will be open for public comment in July and will form the basis for various processes such as Eskom service delivery agreements with local government, demarcation issues, as well as licencing terms and conditions.
 - Eskom is opening up its training programmes to local government and a list of courses are available.



Legal & Statutory Committee (2)

- SALGA/Eskom MOU (2)
 - AGREED
 - To revive the AMEU/ESKOM consultation group on demarcation issues.
 - To circulate the list of available Eskom Academy of Learning courses to all members.
 - To circulate the draft NERSA paper on municipal powers and functions as soon as available.



Legal & Statutory Committee (3)

- Role of Electricity Inspectors In Municipalities
 - The committee previously called for a workshop with the department of labour to flesh out the roles and risks of the various parties involved in electrical installations.
 - The secretary previously despatched a letter requesting such a meeting to the department of labour.
 - AGREED to resend the letter previously sent to the department of labour calling for a workshop.



Legal & Statutory Committee (4)

- LARGE CUSTOMERS DEMANDING ESKOM TARIFFS IN MUNICIPAL DISTRIBUTION AREAS
 - Members advised that a court case involving Ekurhuleni was ongoing with the factory paying Eskom rates to the council and with a restraint to discontinue electricity supply in place.
 - AGREED to request SALGA to join the Ekurhuleni case as a friend of the court.



Tariff Committee (1)

- NERSA
 - NERSA attendance of AMEU meetings.
 - Previous meeting there was no NERSA representation.
 - Agreed to contact to NERSA to attend future meetings.
 - In their absence feedback will be requested from the committee.
 - Network charges
 - Wrote to NERSA for feedback. Still no feedback from NERSA.
 - Shirley Salvoldi, Eskom, reported that the DOE is also currently looking at the licensing regulations and the issue or aspect of network charges would be part of this process as well.
 - Ms Salvoldi also felt that the approval with regard to the NERSA regulations relating to SSEG is also part of the licensing regulations review exercise by the DOE. In this respect it may have an impact on the outcomes of the SSEG regulations approval.



Tariff Committee [2]

- NERSA – Electricity Resellers
 - Electricity resellers (1)
 - Ms Salvoldi reported that NERSA made their consultative document available for review.
 - Eskom has expressed some concerns with the contents of this consultative document. Eskom will be meeting with Eskom to address these concerns.
 - Ms Salvoldi indicated that the AMEU should take note that the concerns where in her opinion not only an Eskom matter – the AMEU should also get involved.



Tariff Committee [3]

- NERSA – Electricity Resellers
 - Electricity resellers (2)
 - Leshan Moodliar, eThekweni Metro, indicated that the document is in fact a guide and not a consultative document though NERSA may make the document mandatory.
 - Some of the concerns included the leaving out in the document of the tariffs and finances.



Tariff Committee [4]

- SMALL SCALE EMBEDDED GENERATION
 - As reported earlier by Ms Salvoldi this matter is still lying with the DOE who is looking at it in conjunction with the licensing matters.
 - SALGA in the interim has requested NERSA to approve tariff applications that are submitted by applicants especially metros, municipalities etc.
 - NERSA has to date approved SSEG tariffs for the City of Cape Town and NMBM.
 - The committee and especially the SALGA representatives encouraged the AMEU to also write to NERSA regarding the urgency with regards to obtaining the SSEG tariffs document approved.



Tariff Committee (5)

- COST OF SUPPLY STUDY
 - The committee was informed that NERSA was keen and probably in the process of conducting a cost of supply at Eskom and the metros/municipalities.
 - The committee requested that the AMEU enquire from NERSA on progress.



Education & Training Committee (1)

- SALGA: DISCUSSIONS WITH LGSETA AND ESKOM EAL
 - SALGA reported that the workplan will cover 5 core areas.
 - Detailed schedule of timelines are also included.
 - The issue of women in electricity is also critical and needs to be factored in this process.
 - Thys Moller indicated that the smaller municipalities who are not at the meeting today need to be also involved in this process because they have the greatest needs.
 - SALGA will circulate said docs and questionnaire today (8 June 2016).



Education & Training Committee (2)

- SALGA: DISCUSSIONS WITH LGSETA AND ESKOM EAL
 - Rakesh Maharaj (Sip 10 offices) indicated that the Statistician General had released some valuable statistics on the loss of skills in metros/municipalities. Mr Maharaj agreed to forward a copy of these stats to the Secretary General.
- ESKOM TRAINING INITIATIVES AND STANDARDISATION
 - Presentation done by Eskom by Vinod Singh and emphasised the S.C.O.T. process – presentation will be distributed to members.
 - Members were referred to the following website
<https://scot.eskom.co.za> and
 - For further information Alvin Fredericks can be contacted at frederA@eskom.co.za



Education & Training Committee (3)

- AMEU ELECTRICAL TRAINING WORKING GROUP
 - A meeting of this group is scheduled to take place on 26 July 2016 in East London. Feedback will be provided after this meeting
- Government certificate of competency
 - Thys Moller from Eskom indicated that nominations were submitted early in the year.
 - Rob Ferrier from Buffalo City had passed his GCC examinations recently.



Education & Training Committee (4)

- NATIONAL INFRASTRUCTURE SKILLS DEVELOPMENT GRANTS (“ISDG”)
 - Programmes are still running at NMBM.
 - Provincial meeting is scheduled to take place on 29 June 2016.
 - The AMEU links to the National Treasury “fell out” when Ms Palesa had left the employ of National Treasury. Mr Padayachee was mandated by the house to take this matter forward.
- SALGA/ESKOM PARTNERING AGREEMENT
 - This matter was discussed at the Legal and Statutory meeting.



Education & Training Committee (5)

- **WOMEN IN ELECTRICITY**
 - WiE did a presentation which included :
 - Feedback on the trip to USAID sponsored trip to Germany.
 - The planned WIE conference later in the year.
- **ENGINEERING COUNCIL (“ECSA”)**
 - The committee agreed that the AMEU should be represented on ECSA.
 - Mr Padayachee to enquire from ECSA if representation now was still possible



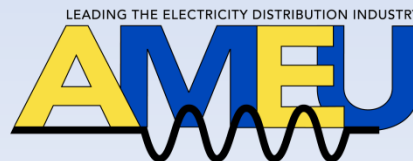
Publicity and Papers Committee (1)

- WEBSITE

- The secretary advised that the website has been updated for the coming convention and that the project to scan and list historical proceedings of the association is nearing completion. Members noted statistics on site activities tabled.

- DIGITAL AND PAPER NEWSLETTERS

- Members were advised that the current edition of AMEU news will be mailed in the next week. With the appointment of Mr Padayachee as technical advisor the inclusion of short articles in the respective publications on industry activities can resume.





Publicity and Papers Committee (2)

- CONVENTION 2016 (1)
 - The secretary and president elect provided an overview of organisational progress with the planning of the convention. Sponsorships are currently being recruited. Registrations for exhibition stands are soon to open. Approximately sixty papers have been offered and the adjudication process is in progress and will conclude on 10 June.



Publicity and Papers Committee (3)

- CONVENTION 2016 (2)
 - AGREED
 - To invite the CEO and/or chairman of NERSA to address the delegation on the morning of the first day of the 2016 convention.
 - To design a framed poster to commemorate the 100 years of the AMEU's existence.
- WOMEN IN ELECTRICITY
 - Members advised that planning for the WiE conference to be held in Mangaung in August is progressing and that the standing committee has approved a budget for the event. Various companies have already committed to sponsor the event costs of about R565 000.
 - The event will be held in the same hotel as the SARPA convention this year.



Technical Committee (1)

- SPECIAL INFRASTRUCTURE PROJECT 10
 - Mr Rakesh Maharaj from the PICC SIP10 office presented an overview of SIP10 and its mandate.
 - The project focuses on interdepartmental coordination required to speed up the delivery of electricity distribution
- DoE – ADAM project (1)
 - Members advised that SIP10 is pursuing the ADAM project and that some progress has been made.
 - The original funding projection done by Aurecon has been revised and a number of departments participated in a meeting to revive the project and will follow up with a further meeting in July.



Technical Committee (2)

- DoE – ADAM project (2)
 - Some of the funds that was made available under “mini” ADAM was taken back because it was not used. Mini ADAM was considered to
 - AGREED (1)
 - That SIP10 provide regular feedback on the ADAM project to this committee going forward.
 - To place the ADAM project under SIP10 in future agendas of this committee.



Technical Committee (3)

- DoE – ADAM project (3)
 - AGREED (2)
 - To request a close out report on Mini ADAM.
 - Members noted views that funding may be the lesser constraint in overhauling the networks and that human resources may indeed prevent the network upgrades regardless of funding being made available.
- **SOLAR WATER HEATING PROGRAMME**
 - Members advised of the history of the current plans of the Department of Energy for mass rollouts of solar water heater systems and the lack of progress in this regard. DoE has also not been able to provide reports to the metro forum on this. Some municipalities are known to be doing solar water rollouts on its own account.



Technical Committee (4)

- RENEWABLE ENERGY (1)
 - Ms A Ferry for SALGA presented research statistics on installed small scale photo voltaic energy in South Africa.
 - About 94MW of (non Gov) PV panels are currently estimated to be on the grid and it is estimated that over the next ten years this technology will displace around 20% of municipal revenue from electricity.



Technical Committee (5)

- RENEWABLE ENERGY (2)
 - Members indicated discomfort with the lack of direction on SSEG and emphasised the urgency of at least an interim arrangement considering the speed with which new installations are being deployed around the country.
 - The Department of Energy is said to be working on new licencing conditions that will help regulate the tariffs and installation approaches to SSEG. The content of these licencing conditions are not known at this time in the industry.



Technical Committee (6)

- RENEWABLE ENERGY (3)
 - AGREED
 - To request that the SIP10 office pursue regulation of small scale embedded generation with NERSA, Department of Energy and other departments that may have bearing.
 - To include an item on “SSEG Regulation” to the SIP10 item on the next agenda.

- 8. ESKOM SYSTEM SUPPLY STATUS (1)
 - Mr Moller presented an overview of the generation capacity forecasts and the impact of new plant and plant maintenance processes. He advised that no load shedding is foreseen and that the new TETRIS maintenance planning process was providing about 2.5 GW additional capacity to the grid.



Technical Committee (7)

- 8. ESKOM SYSTEM SUPPLY STATUS (2)
 - Unplanned outages had been reduced from 18% to 9%. The national load is currently at 2007 levels which is also a contributing factor to the no load shedding forecast of Eskom.
 - This also suggested that with various new power stations scheduled to come online in the next five years that investors should not be fearful of future electricity supply stability. Members suggested that Eskom may want to start advertising future energy availability to encourage investment.
 - to suggest to Eskom to actively promote future availability of energy in South Africa based on new generation plant and sound maintenance to the investor community.



Technical Committee (10)

- Electrification/NEAC (1)
 - Mr Maphumulo advised that the 5% levy that Eskom was charging on new electrification projects has been waived by the Department of Energy.
 - In cases where municipalities do electrification in Eskom licenced areas it is important for the municipality, Eskom and the Department of Human Settlements to meet before the project commences to ensure proper coordination and distribution of responsibilities upfront.
 - The funding of internal home wiring is now accepted to be a function of the Department of Human Settlements but funding remains elusive.



Technical Committee (11)

- Electrification/NEAC (2)
 - A workgroup, including AMEU engineers, are working on revising the INEP policy documents for completion by end June, in time for the new financial year. A special NEAC meeting will be held to approve the updated INEP policies.
 - AGREED to remove the matter of the 5% from the agenda.
- 10. LIST OF AMEU REPRESENTATIVES
 - Members noted a current list of AMEU representatives on the various external committees and bodies. Noted that the list needed to be updated for the change of strategic advisor and that various old committees listed are no longer active and can be removed.
- AGREED that Mr Vally Padayachee review and edit the list of representatives.



Technical Committee (12)

- SOUTH AFRICAN SMART GRID INITIATIVE
 - The project centred on an amount of R171m in donor aid for smart grid technology. A number of pilot smart grid projects have been signed off with various municipalities. A close out report is likely to be forthcoming in March 2018. The technologies involved SCADA, smart meter and asset management systems



Thank you

