

KWA-ZULU NATAL BRANCH

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**MINUTES OF THE GENERAL MEETING HELD AT THE SUPPER ROOM KOKSTAD TOWN
HALL, KOKSTAD**

THURSDAY, 24th & FRIDAY, 25th MARCH 2011

PRESENT:

Maxwell Mthembu	Msunduzi
Peter Fowles	AMEU
Rens Binderman	SARPA
Bob Wallis	Merz & McLellan/Mott Macdonald (present day 1)
Sandile Maphumulo	eThekwini
Deena Govender	eThekwini
Veer Ramnarain	eThekwini
Jay Kalichuran	eThekwini
Roy Wienand	eThekwini
Jayshree Pershad	eThekwini
Leshan Moodliar	eThekwini
Nathi Nkwanyana	eThekwini
Pradesh Ramsunder	Ladysmith
Rodney Goosen	Newcastle
Mhlengi Sangweni	Kokstad
Gerhard Balzer	Umvoti
Ken Tupper	Abaqulusi
Oswald Mahlaba	Abaqulusi
Msizi Mqedlana	Umzimkhulu
Nkosana Ntlekeni	Eskom
Helmut Oellermann	Eskom (present day 2)
Reggie Dlamini	Eskom (present day 2)
Derek Watson	Beka (present day 1)
Brent Killian	Beka
Danny K Mabuse	Eason (present day 2)
Deena Chetty	NES Group (present day 1)
Delon Naidoo	NES Group (present day 1)
Gerald Brown	Megatron Federal
Ron Millard	PB Power
Brook Mthethwa	KV3 (present day 2)
Rolf Niemand	Igoda
Shyle Greef	ABB (present day 1)
Pieter Strydom	Tank
Sabeer Sheik	ITRAMIS (present day 2)
Maxwell Banda	Cullin Africa
Louis Steyn	ADC Energy
Brian Macklin	Advanced Product Technology
Jack Carne	Actom
Leslee Naicker	Actom
Leon Fourie	PB Power (present day 1)
Edwin Subramoney	Strike Technologies
Elsie Mashigo	Powertech Transformers
Miriam Rampopo	Lighting Structures (present day 2)
Asaph PHEME	Landis & Gyr
Nico Nel	Light-Be Lighting
Peter Horn	CBI-Electric
Jacques Van Eeden	CBI-Electric
Russell Meyer	Optron Geomatics (present day 2)
Daniel Read	Optron Geomatics (present day 2)
Philip Fouche	Lucy Switchgear

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Glen Ward	Zest
Siva Govindasamy	Isizwe
Derrick Ramnarian	Isizwe
Dennis Reddy	Isizwe
Nonhlanhla Zulu	Aberdare cables
Siphithi Sibeko	Aberdare Cables
Kris Yankanna	Aberdare Cables
Henni Scholtz	Aberdare Cables (present day 2)
Steve Leech	Pragma Africa (present day 1)
Tim Beavon	Pragma Africa (present day 1)

APOLOGIES:	Sew Harilal	eThekwini
	Ivan Laban	eThekwini
	Raj Dhrochand	eThekwini
	Jaap Le Grange	Umlalazi
	Mark Donaldson	Endumeni
	Dwayne Baker	Umhlathuze
	Scott Morrison	Aberdare Cables
	Henry Swanepoel	Aberdare Cables
	Tony Coetzer	ICS
	Claudia Coetzer	ICS
	Danie Van Wyk	Motla Engineering
	Simphiwe Mohale	KVA Engineering
	Benjamin Bosch	Conlog
	Gary Dawson	Genlux Lighting
	Wendy Long	Alectrix
	Muzi Mntungwa	Sengikhona Solutions
	Neil van der Merwe	KV3
	Pragasen Pillay	Itron
	Harold Hayes	Landis & Gyr
	Mlungisis Mavana	Landis & Gyr

1. WELCOME AND OPENING OF MEETING

Maxwell Mthembu formally welcomed everyone to the meeting.

2. NOTICE OF MEETING

The notice of the meeting was duly served.

3. APOLOGIES

Apologies were noted.

4. ADOPTION OF THE AGENDA

The agenda was approved and adopted by Peter Fowles.

5. CONFIRMATION OF MINUTES OF THE MEETING HELD ON 25th and 26th November 2010 at the Ithala Game Reserve.

Copies of the minutes had been circulated to all members. Minutes were then confirmed as correct and were then proposed by Sandile Maphumulo and seconded Philip Fouche.

6. MATTERS ARISING FROM THE MINUTES

None

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7. REPORT FROM MEMBER OF EXECUTIVE COUNCIL

Peter Fowles reported back from the Committee meetings that was held on 09/10 February 2011.

Standing Committee➤ **Financial Statements**

- The unaudited statements for 2010 indicate a small loss
- Slow payment of subscription fees – only 70% was received at the year (still R270 000.00 outstanding)
- There was still R200.000.00 outstanding from the convention delegate registration fees

➤ **Convention 2011**

- The arrangements for the 2011 convention were progressing well
- There is a possibility of weight restrictions in the exhibition area
- The civic function and the gala dinner will be a combined function

➤ **Affiliate Report**

- 7 new members have joined the Affiliates bring the total now to 181

➤ **AMEU Training**

- There was a LGSETA approval for the training of 15 GCC per annum. A contracts meeting was held on 18 February 2011
- To look for alternative training institutions

➤ **Position of President-Elect**

- The President-Elect has resigned from City Power and the AMEU is awaiting confirmation as to what is continued relationship is with the AMEU.

➤ **AG Focus on Electricity Losses**

- A letter from EDI Holdings has been distributed in November 2010

Legal & Statutory Committee➤ **Medium Term Risk Mitigation Plan (MTRMP)**

- A meeting was held with Eskom on 2 December 2010 to discuss the IDM approach.
- It was agreed to establish a team to finalize the ECS rules

➤ **Supply Chain Management**

- IMFO to conduct SCM and PPP training at venues around RSA
- To advise on 2011 dates when available

➤ **General Machinery Regulations (GMR)**

- DoL meeting was held on 28 February 2011 to discuss the possible changes

➤ **Eskom Distribution in Municipal Areas**

- A 2nd meeting was held on 2 December 2010 to discuss Eskom principles

➤ **Electrical Registration and Inspection Council (Eric) – Certificate of Compliance**

- A letter to the Chief Inspector of DoL to raise issues of the legal opinion (2005) on the requirements for CoC prior to property transfers
- Opinion to Gauteng attorneys who are:-
 - Advising sellers to refuse to issue CoCs
 - Buyer can include the requirement in the contract of sale (civil issue)

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➤ **EDI Restructuring Legislation**

- Cabinet resolved on 8 December 2010 to terminate the restructuring process
- EDI Holdings to be closed
- The 17th Constitutional Amendment Bill is reported to still be on the Cabinet agenda of 2011
- The DoE will be taking over the restructuring process

Tariffs Committee

➤ **Eskom Tariff Issues**

- **Environmental Levy** – The AMEU to discuss the use of funds raised with SALGA
- **MYPD**
 - Alignment of tariff increase dates needs the Board approval and NERSA agreement to recover revenue shortfall
 - MYPD3 draft due by the end of March 2011 for approval by December 2011
- **Eskom Homeflex TOU Tariff**
 - Pilot project proceeding – 10 000 services in Sandton, Table View and Margate: AMI meters for appliance control may be accelerated.
- **ULM (Utility Load Management)**
 - Roll out in the Municipalities areas queried

➤ **Energy Conservation Scheme**

- One of the mitigation strategies is to avoid load shedding during 2011/12.
- It was agreed to establish a team of Eskom and Municipalities experts to assess the proposed rules
- Municipalities to be encouraged to plan according to NRS 048-9

➤ **NERSA – FBE Rate Meeting**

- Meeting was scheduled for the 2nd March 2011 and was cancelled the day before

➤ **Eskom Strategic Price Direction**

- Most of the goals of 2007 price direction was achieved
- To look at price structures and not price levels (MYPD)
- New price objectives to :-
 - Contain cost reflective signals to promote economic efficiency and sustainability
 - Structures that will not expose Eskom to unacceptable revenue risk
 - Designed to be non-discriminatory as possible

➤ **NERSA Tariff Issues (Guidelines)**

- A list of defaulting Municipalities – on unapproved tariffs
- Link to document listing approved tariffs
- IBT Position paper – AMEU/SALGA/Eskom team
 - Meeting was held on 11 January 2011
 - Committee approved the request to SALGA to submit NERSA
 - SALGA submitted a paper and request for a workshop with stakeholders within two weeks
 - A copy of the IBT position paper
 - A copy of the SALGA letter
 - Paper to be distributed to Municipalities if there is no response from NERSA with a 'reasonable' period

➤ **AMEU Annual Tariff Survey**

- Presentation by Stephen Delport on 'tariff comparison' is ready for use by the Municipalities
- Initial training workshops are to be arranged with Metros and larger Municipalities
- Enabling environment is still to be finalized

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Education & Training Committee

➤ **Skills Shortage**

- No further surveys.
- Article from ERIC to be provided on training of Contractors

➤ **Electrician Trade Test**

- Meeting held with DoL at Indlela on the 19th November 2010
- No update received as yet

➤ **Eskom Training Initiatives**

- Development of Line Construction qualifications to proceed
- Will provide a structured career path of training leading to greater functional mobility
- All training will lead to a formal qualification
- 5 Municipal representatives on the 'expert team' to assist

➤ **LGSETA – Engineering Bursaries**

- Approval from LGSETA for funding for training costs of 15 GCC candidates per annum
- No sustenance and travel costs to be funded by the scheme
- There is a lack of information from Eskom on the 'Eskom Academy of Learning'

➤ **National Treasury – Training for Section 56/57 Managers**

- UNISA to be requested to introduce a correspondence course

Restructuring Committee

➤ **Benchmarking Pilot Study**

- Performance benchmarking results conference held on 23/24 February 2011 at Emperors Palace, Kempton Park

➤ **EDI Holdings Close out Report**

- Background and history
- EDI Holdings deliverables – project status for each region
- **Lessons learned**
 - Enabling legislation is critical to the success of restructuring
 - It is a complex process
 - Visible and committed strategic leadership / sponsorship is critical
- **Conclusions**
 - EDI Holdings in its current format will not be able to underpin the projected economic growth or provide customers with a reliable electricity supply
 - Municipalities that have completed the ringfencing of their electricity business are realizing the significant benefit from the ringfencing projects
- **Way Forward**
 - DoE will take over the programme previously undertaken by EDI Holdings
 - The AMEU's role and responsibility will become even more important as it is the only technical entity that has first hand understanding of the Municipal component of the EDI that can render national level assistance to EDI

Technical Committee

➤ **Renewable Energy Issues**

- Review of Energy White Paper – process has been stalled

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➤ **ECS Rules**

- Concern at the lack of communication on EEDSM issues – AMEU e-bulletin to be a possible vehicle
- Update on the meeting of 2nd December 2010 with Eskom
- Agreed to participate in the review of proposed ECS rules
 - Four AMEU representatives were nominated

➤ **Copper Theft / Revenue Management**

- Incidents appear to be increasing
- Members to be encouraged to establish plans to react to such incidents
- Letter to be written to SAPS to request action on the implementation of the 2nd Hand Goods Act

➤ **Electrification – Allocations DORA**

- The meeting of AMEU/DoE Forum was held on 20th January 2011
- INEP revised policy of electrifying informal settlements
- Subsidy levels for 2011/12 – R7 300 (urban) / R8 000 (rural)

Publicity and Papers Committee

➤ **AMEU Technical Convention**

- To be held on the 26th to the 28th September 2011
- To be held at the International Convention Centre in Cape Town
- The theme of the convention is “Surviving the Energy Crisis and How Technology can Assist”
- The call for papers has been issued

➤ **Eskom / Munics Boundary Disputes**

- A meeting was held on 2nd December 2010
- It was agreed to change certain principles
- Certain issues not included in the revised presentation
- Another meeting was to be arranged

➤ **Benchmarking**

- Future of the projects is being discussed with DoE, NERSA and ‘some others’
- Was discussed at the conference that was held on 24 February 2011

➤ **Compliance with SANS 474 – NRS 057**

- Code of Practice for electricity metering
- NERSA requirements for a licence
- Silent on auditing of meter workers
- Only one SANAS accredited calibration and test laboratory
- Matter to be referred to the ESLC

➤ **Load Shedding – NRS 048-9**

- Know about it document
- Asked Eskom to shed you?
- Licence condition letter checklist

8. E-BULLETIN & AMEU NEWS

E-Bulletin articles of interest to be fwd. to Peter Fowles. Articles and news of interest to be sent to Max Clark for publication.

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9. REPORT FROM THE AFFILIATES REPRESENTATIVE
Kris Yankana presented the Affiliates report.
10. Presentation by Pragma Africa – Case Studies on Effective Asset Management within the Public Sector
Presentation can be obtained on request.

DAY 2

All who attended the dinner enjoyed a very relaxing evening.

11. Presentation by Actom – Lighting Products & Power Conservation
Presentation can be obtained on request.
12. Presentation by PB World – Loss Reduction in Kurdistan
Presentation can be obtained on request.
13. Presentation by eThekweni – Financial Impact of IBT & Electricity Tariff Applications
Presentation can be obtained on request.
14. Presentation by Eskom – Eskom's Forward View on Demand & Supply
Presentation can be obtained on request.
15. Presentation by Eskom – Eskom's Current Integrated Demand Management Program
Presentation can be obtained on request.
16. Presentation by Eskom – Mass Rollout of Low Pressure Solar within KZN Municipalities
Presentation can be obtained on request.
17. Presentation by APT – Fault Current Effects & Protection
Presentation can be obtained on request.
18. Presentation by Aberdare Cables – Re-Identification of Cables
Presentation can be obtained on request.
19. Additional Items
None
20. Next Meeting Date and Venue
23/24 June 2011 in Richards Bay or Ladysmith.
21. Vote of Thanks
Peter thanked all the presenters for their presentations and gave a brief summary of all the presentations that were done over the two day period.
Sandile did the vote of thanks by thanking Mhlengi and his staff and the town of Kokstad for hosting the meeting and the presenters and sponsors for their support.
22. Closure
The Chairman thanked everyone and wished all a safe journey home.