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Meetings, Workshops and Conferences

45th SAPP Management Committee Meeting, Gaborone, Botswana

The 45th SAPP Management Committee Meetings took place in Gaborone, Botswana, from 1-3 September 2015 and were officially opened by the Permanent Secretary in the Ministry of Minerals and Energy of the Republic of Botswana.



Mr. Kgomo Abi, the Permanent Secretary of the Ministry of Minerals and Energy, Botswana officially opening the 45th SAPP Meeting



Senior Officials and Sub-Committee Chairpersons during the Plenary Session of the 45th SAPP Meetings in Gaborone, Botswana





Officials to the 45th SAPP Meetings pose for a photo during official opening

The Minister informed the Management Committee that the SADC Summit approved the Revised Regional Indicative Strategy Development Plan (RISDP) and Implementation Framework for the period from 2015 to 2020 and the SADC Industrialization Strategy Roadmap and Action Plan at their Extra-Ordinary meeting of April 2015; and that these strategic documents identify **energy** as one of the main drivers of economic growth.

In response, the SAPP informed the Minister the status of the power supply and demand situation in the Region and noted with concern the capacity shortfall of 8,247 MW. The Minister was also informed that in 2014, the mainland SADC Member States commissioned generation capacity amounting to 1999 MW as follows: Angola 150-MW; Republic of South Africa 1654-MW; Mozambique 150-MW, and Zambia 245-MW, from rehabilitation and new projects. About 83% of that installed capacity was generated from renewable energy based resources (solar, wind and hydropower especially through the Renewable Energy Independent Power Producer Procurement Programme [REIPPPP] in South Africa).

SAPP Market Trading Platform (SAPP-MTP) Development

The development of the SAPP-MTP continued in the month of September 2015. Market trials for the forward physical markets (FPM) (month and week ahead) were successfully carried out in the month of September 2015. Live trading for the FPM markets is expected to start on the 1st of November 2015.

Factory acceptance tests (FAT) for the Intra-day market (DM) were successfully done on 30th September 2015 to the 2nd of October 2015 in Johannesburg, South Africa. The IDM system is expected to be commissioned on the 19th of October 2015 in Harare. Live trading for the IDM market is expected to start on the 1st of December 2015. This will complete the development of the SAPP trading markets. The SAPP will therefore have the following competitive trading platforms.

- Month ahead trading (FPM-monthly)
- Week ahead trading (FPM-weekly)
- Day ahead trading (DAM)
- Hour ahead trading (IDM)

ICP/ETG meeting

The SADC Energy Thematix Group (ETG) meeting was held in Gaborone, Botswana, on the 15th of September 2015. The SAPP was represented by Dr Musaba, the Centre Manager.

In his opening statement, the Director of Infrastructure and Services at SADC Secretariat, Mr Remigios Makumbe, reiterated the importance of the revised RISDP as adopted by the SADC Heads of State and Government during their extraordinary summit held in April 2015. The new plan had four priority areas out of which industrialization had been front-loaded. All other priority areas would have to contribute to this first priority. In the area of infrastructure a Master Plan had been developed with **energy**, transport, ICT and water being the most critical points. The International Cooperating Partners (ICPs) were requested to now align their activities



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to the revised RISDP and the priorities contained therein.

Speaking about the energy sector, Mr Makumbe mentioned the meeting of the SADC Energy Ministers on 24 July 2015 in Johannesburg, South Africa, at which meeting the Ministers had reiterated that efforts needed to be increased in order to avert the **power crisis** in the Southern African Region. In this respect the participation of the private sector as well as the promotion of renewable energy were crucial.

Finally Mr Makumbe informed the participants that the SADC Secretariat would soon be restructured to be in line with the revised RISDP.

Lawyers Meeting on SAPP Coordination Centre Constitution Review

The Task Team on the review of the SAPP CC constitution met on 17-18 September 2015 in Swaziland to continue with the review process of the SAPP CC constitution. The meeting managed to go through the entire constitution and came up with a Draft Revised Constitution for further inputs by the SAPP CC Board. The Task Team proposed to meet on 19-20 November 2015 to finalise the document and including incorporating further inputs from Members on the draft document that has been produced.

SAPP Quality of Supply Working Group (QOSWG) Meeting

The SAPP Quality of Supply Working Group (QOSWG) met in Windhoek, Namibia. The Working Group reviewed progress of the project of installing power quality meters on all SAPP interconnectors. It was noted that most power utilities have installed the meters. The Working Group then resolved to start sharing power quality data from 1 October 2015. Further, the working group started developing a guide for mitigating power quality problems in SAPP. The guide will be finalised by end of December 2015.

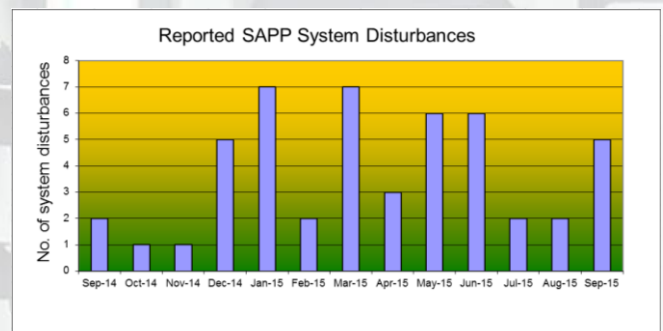


Some members of the SAPP QOSWG at the meeting in Windhoek, Namibia

System Operations

System Disturbances

In the month of September 2015, five system disturbances were reported on the SAPP interconnected power system. The first one was caused by an HVDC converter bridge fault and resulted in reduction of power transmission from Mozambique to South Africa. The second one was due to failure of a Current Transformer in Zambia but resulted in splitting of the interconnected system in Zimbabwe due to load rejection. The third one was a low frequency incident arising from the tripping of two generators in South Africa within few seconds. The last two resulted in loss of the tie line from Mozambique to Zimbabwe due to circuit breaker failure and then due to current transformer failure, respectively.



Reported SAPP System Disturbances



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Update on SAPP Projects

Zimbabwe – Zambia- Botswana –Namibia (ZIZABONA) Transmission Project

The ZIZABONA Lawyers Committee (LC) met on 26-27 September 2015 to review the Wheeling Agreement for the project. The meeting did not manage to complete the review process and a further meeting has been planned to finalise the document.

The Transaction Advisor continued work assigned during the ZIZABONA Management Committee meetings held in August 2015. This includes working on the financial model, the business case for the project, and financing options etc.

Mozambique –Zimbabwe-South Africa (MOZISA) Inter-connector Project

There is a change on the scope of the project. The line route in Mozambique has changed leading to an additional 400/220kV Cataxa substation. ZESA requested that the Orange Grove and Triangle substation upgrades to 400kV together with the interconnected 400kV line be added to the Project. The Transaction Advisor (TA) has submitted the cost associated with this additional scope from ZESA.

Central Transmission Corridor (CTC) Project

Tendering is underway for detailed Feasibility studies of the projects including Environmental and Social Impact Assessments.

Zambia -Tanzania – Kenya Inter-Connector Project

The project has three main components, which include construction of 700 kilometres of a double circuit 330kV transmission line between Serenje in Zambia and Mwakibete in Tanzania. There will also be construction of a single circuit 330kV line from Mbeya through Singida to Arusha that would

enable transfer of the power to Kenya. The third component is the construction of a 260 kilometres 330kV transmission line between Arusha in Tanzania and Nairobi in Kenya. Construction is expected to commence in 2016.

Mozambique-Malawi inter-connector

Tendering for detailed Technical and Environmental studies has been finalised. Studies are expected to commence before the end of 2015.

Electricity Trading

Energy Traded

A total of 85,096.70-MWh was traded in the competitive market in the month of September 2015 when compared to a total of 115,994.50-MWh traded in August 2015. The general power shortage coupled with the low water levels in major reservoirs such as Kariba Dam restricted generation levels experienced in the month resulting in less power being available for the market.

With regards to bids submitted, there were more buy bids than sale offers received in September 2015 in the day-ahead market trading platform. A total of 147,515-MWh Sale offers and a total of 514,503-MWh Buy bids were received in September 2015. There was a decrease of 127,310-MWh or 46% in Sale offers received and an increase of 137,588-MWh or 37% in Buy bids received in September 2015 when compared to August 2015 figures of 274,825-MWh Sale offers and 376,915-MWh Buy bids received.

Market Clearing Prices

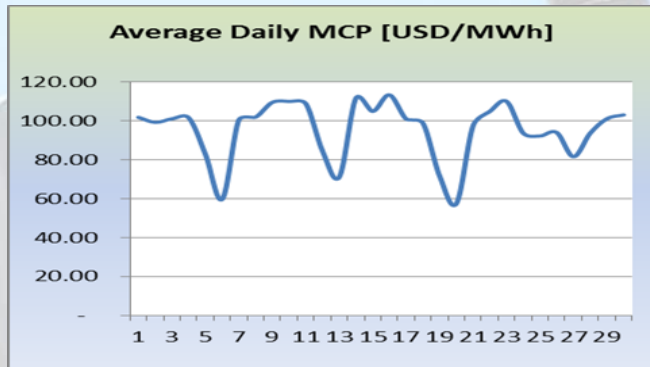
The average monthly market clearing price (MCP) was slightly lower during the month of September 2015 at 9.48 US\$/KWh when compared to the 9.58 US\$/KWh recorded in August 2015. Below is a summary of the daily average MCPs for the



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month of September 2015. The general increase in sale prices currently prevailing on the market often resulted in less matching of bids.



Daily Average MCP, September 2015

Market Revenues

A total of **USD 5,925,849.07** was exchanged on the DAM and PDAM market during the month of September 2015 when compared to a total of **USD 9,545,150.55** exchanged in August 2015. The decrease is mainly attributed to the decrease in traded volumes experienced in the month of September 2015 when compared to August 2015.

Environmental Corner

Environmental and Social Impact Assessment for the ZIZABONA line route in Zambia

The Environmental and Social Impact Assessment (ESIA) report for the line route in Zambia has been completed. The report has been circulated to stakeholders for comments before being submitted to the Zambia Environmental Management Agency (ZEMA) for review and approval.

PCB Phase-out Project

Following a meeting held between the SAPP-Coordination Centre (SAPP-CC) and the Africa Institute on the PCB Phase-out project in the SADC region, more utilities have now submitted

co-financing letters to enable the project to receive funding from the UNEP through the Global Environmental Fund (GEF).

Environmental Management Systems

SAPP utilities are at different levels of implementing Environmental Management Systems (EMS). To date Eskom and SEC have been ISO certified while the majority have started implementing the system. A few have not yet started due to lack of capacity and resources to hire consultants to assist them. The Environmental Sub-Committee (ESC) requested for Management Committee (MANCO) support during the 45th MANCO meeting in Gaborone Botswana.

Environmental Risk Management

The ESC is implementing Environmental Risk Management (ERM) for the region. The Sub-Committee has adopted the COSO Risk Management Framework based on ISO 31 000 standard. The ESC will complete the population of a risk register based on the COSO Framework by February, 2016.



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Upcoming Events

DATE	EVENT
28 Sept – 2 Oct, 2015	SAPP-MTP IDM FAT, Johannesburg, RSA
28 Sept – 2 Oct, 2015	JICA Mission to Zimbabwe, Harare, Zimbabwe
1 Oct 2015	Conference on Energy Access in Sub-Saharan Africa, Istanbul, Turkey
6 Oct 2015	Expert Working Group on IPPs in Africa's Electricity Sector Meeting, Addis, Ethiopia
13-15 Oct 2015	SAPP Traders and Controllers Forum, Lubumbashi, DR Congo
12-16 Oct 2015	IRENA Renewable Energy Week Training in Arusha, Tanzania
21 – 22 Oct 2015	SAPP- MTP Traders Certification Training, HIH, Johannesburg, RSA
22 – 23 Oct 2015	SAPP Market Rules Review Meeting, Birchwood Hotel, RSA
22 – 23 Oct 2015	DSM Working Group, HIH, Johannesburg, RSA
23 Oct 2015	Festival of Diplomacy Seminar, Rome, Italy
23 – 24 Oct 2015	AFSEC Technical Meeting, Cape Town, South Africa
5 Nov 2015	39th SAPP Executive Committee Meeting 20 th SAPP Anniversary Celebrations, Lusaka, Zambia
10 – 12 Nov 2015	SAPP, ZESA and ZESCO Control Areas Power Transfer Limits Studies Meeting, Harare, Zimbabwe
25 – 26 Nov 2015	SAPP Eskom Control Area Power Transfer Limits Studies Meeting, Germiston, South Africa



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