



### CONTENTS

<b>Meetings, Workshops and Conferences .. 1</b>
<b>41<sup>st</sup> SAPP Executive Committee</b>
Meeting..... 1
SAPP Energy Traders and System
Controllers Forum ..... 2
SAPP System Controllers Training on
the SAPP Trading Platform ..... 2
SAPP Constitution Review Workshop .. 2
Updating Status of PIDA Projects ..... 2
<b>System Operations ..... 3</b>
System Disturbances ..... 3
<b>Update on SAPP Projects..... 3</b>
MOZISA ..... 3
BOSA Project..... 3
<b>Electricity Trading..... 3</b>
Energy Traded ..... 3
Market Clearing Prices ..... 4
Market Revenues..... 4
<b>Environmental Corner ..... 4</b>
Regional PCB Phase-out Workshop ..... 4
Renewable Energy and Energy
Efficiency Strategy and Action plan
SADC Workshop..... 5
<b>Upcoming Events..... 5</b>

disturbances, environmental issues including the impact of climate change to generation capacity.



*Guest of Honour Honourable Minister of Mines and Energy, Hon. Obeth Mbuipaha Kandjoze During the Official Opening*

### Meetings, Workshops and Conferences

#### 41<sup>st</sup> SAPP Executive Committee Meeting

The SAPP Executive Committee held a strategic workshop on 12<sup>th</sup> October 2016 and its 41<sup>st</sup> meetings on the 13<sup>th</sup> of October 2016 in Swakopmund, Namibia. The strategic workshop discussed the SAPP vision, goals and objectives. The 41<sup>st</sup> SAPP meetings were officially opened by the Honourable Minister of Mines and Energy, Hon. Obeth Mbuipaha Kandjoze.

The meetings discussed among other issues, the demand and supply situation in the SADC region, status of implementation of generation and transmission projects, implementation of the SAPP Market trading system and performance of the competitive market, operational issues including mitigatory measures to reduce system



*Delegates to the 41<sup>st</sup> SAPP EXCO Meetings pose for a photo with Guest of Honour Minister of Mines and Energy*



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## SAPP Energy Traders and System Controllers Forum

The 13<sup>th</sup> SAPP Energy Traders and System Controllers Forum was held from 19 to 20 October 2016 in Lusaka, Zambia. Traders and Controllers shared various experiences and challenges in electricity trading and power system control in SAPP. They also had an opportunity to interact in person thereby providing an opportunity for team-building. They also had an opportunity to familiarize with the Zambia power network at the ZESCO National Control Centre in Lusaka, Zambia.



*Some SAPP Traders and Controllers at the Forum in Lusaka, Zambia*

## SAPP System Controllers Training on the SAPP Trading Platform

The SAPP through support from the European Union held a training workshop for SAPP system controllers on the operation of the SAPP Market Trading Platform (SAPP-MTP). The training workshop was held on 31<sup>st</sup> October to the 2<sup>nd</sup> of November 2016, in Johannesburg, South Africa. The workshop covered the operation of the Forward Physical Markets (month and week ahead), the Day Ahead and the Intra Day Markets. The main focus of the training was to familiarize the SAPP system controllers on the operation of the SAPP-MTP and especially the involvement of system controllers in transmission capacity management, scheduling, energy imbalance calculations among others.

The workshop was attended by two system controllers from all the SAPP members.



*SAPP System Controllers attending the Training on the operation of the SAPP Market Trading Platform (SAPP-MTP)*

## SAPP Constitution Review Workshop

The SAPP Task Team on the Review of the SAPP Coordination Centre (SAPP CC) Constitution met on 20-21 October 2016 in Livingstone, Zambia to review the SAPP CC Constitution. The meeting was attended by lawyers from ZESA, Zimbabwe, RNT, Angola, BPC, Botswana, Eskom, South Africa, ESCOM, Malawi, CEC and ZESCO, Zambia.

## Updating Status of PIDA Projects

From 24 to 25 October 2016 the African Union Commission (AUC) held a workshop on the Programme for Infrastructure Development in Africa (PIDA) projects. One of the main objectives was to update the status of PIDA projects. Participants were drawn from all economic communities in Africa and covered various sectors including energy, telecommunications, transport and water. African power pools, including SAPP, were represented at the workshop. It was noted that one of the PIDA projects which are advancing at a fast pace was the Zambia-Tanzania-Kenya power transmission interconnector project. This project will connect SAPP and Eastern Africa Power Pool and will enhance inter-regional electricity trading. The AUC has developed an online portal for updating the status of PIDA projects. Participants at the workshop were familiarized with the features for



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this online portal. The output of this workshop will also feed into the reports for the PIDA week scheduled for November 2016 in Cote d'Ivoire.

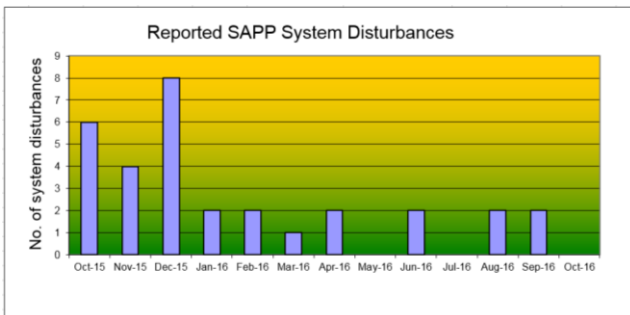


*Some delegates at the Nairobi PIDA Workshop organised by the AU Commission*

## System Operations

### System Disturbances

No system disturbance was reported on the SAPP interconnected power system in October 2016. Refer to figure below for an outlook of reported SAPP system disturbances.



*Reported SAPP System Disturbances*

## Update on SAPP Projects

### MOZISA

The Mozambique – Zimbabwe – South Africa (MOZISA) Interconnector is now being considered to be promoted in two phases (Zimbabwe – South Africa and Zimbabwe –

Mozambique). The details are being considered by the project sponsors before addressing the project structure.

### BOSA Project

The terms of reference for the part 2 of the Botswana-South Africa (BOSA) Interconnector were prepared including the project schedule. This will then lead to the detailed feasibility stage for the project.

## Electricity Trading

### Energy Traded

Trading in the market was higher during the month of October 2016 when compared to September 2016. Total traded volumes on the Day Ahead Market (DAM), intra-day market (IDM), Forward Physical Market Monthly (FPM-M) and Forward Physical Market Weekly (FPM-W) increased **by 20% to 131,520.7 MWh** in the month of October 2016, from the September figure of 109,612.3 MWh. Below is the overview of volumes traded in DAM, IDM, FPM-M and FPM-W for the month of October 2016.



*Traded Volumes in MWh in DAM, IDM, FPM-W and FPM-M for the month of October 2016.*



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## Market Clearing Prices

### FPM Monthly Prices

Non off-peak prices increased by 11.5% from 10.689 USc/kWh in September 2016 to 11.921 USc/kWh in October 2016. Off Peak prices marginally declined by 7.4% from 3.889 USc/kWh in September 2016 to 3.601 USc/kWh in October 2016.

### FPM Weekly Prices

The average price for the Peak period was slightly lower by 16.4% at 15.441 USc/kWh in October 2016 from the September average peak price of 18.466 USc/kWh. Standard period average prices marginally decreased from the September average prices of 10.830 USc/kWh to 9.462 USc/kWh. The average Off-Peak price marginally decreased by 10% from 5.343 USc/kWh to 4.807 USc/kWh.

### Day Ahead Market

The average monthly market clearing price (MCP) was much lower during the month of October 2016 at 6.305 USc/kWh when compared to the 9.165 USc/kWh recorded in September 2016. Below is a summary of the daily average MCPs for the month of October 2016.

## Market Revenues

A total of **USD 10,290,241.62** was exchanged on the DAM, IDM, FPM-W and FPM-M market during the month of October 2016 when compared to a total of **USD 10,155,198.92** exchanged in September 2016. The Increase is mainly attributed to the increase in traded volumes.

## Environmental Corner

### Regional PCB Phase-out Workshop

The PCB Phase-out regional workshop was convened in Pretoria, South Africa where participants were drawn from SAPP member utilities, Government representatives from the Ministries of Energy and Environment and the Africa Institute. The project shall be carried out within the period of 60 months after the signing the Memorandum of Agreement between member states and Africa Institute and the budget allocation.

The main objective of the project is to reduce environmental and human health risks from PCB releases through the demonstration of a regional approach to the introduction of cost-effective and socially acceptable environmentally sound management (ESM) of PCB oils, equipment and wastes held by electrical utilities and other PCB owners in participating countries. This is applied towards eliminating stocks by 2025 and low concentrations in articles (0.005%) by 2028.

The workshop agreed on the following:

- Establish the National Coordinating Committee (NCC)
- Develop a national implementation work plan based on regional plan
- Update the PCB Inventories in conjunction with Utility or utilities
- Test all suspect equipment for PCB
- Drain all PCB contaminated oil, into approved containers
- Store all collected PCB oil in safe storage and
- Transport PCB oils and wastes to a designated destruction facility in South Africa or overseas as shall be determined
- Select and release appropriate personnel for training during the project
- Ensure that officers representing the country are released to all regional and national project activities without hindrances
- Report completion of each of the above activities and other project milestones

The total project cost stands at USD7,710, 000. UNEP is the implementing agency for the project



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while Africa Institute is the Executing agency. UNEP remits the funds to the Africa Institute in tranches and equally the Africa Institute remits the funds to the recipient country in tranches based on the milestones. Utilities will receive funds from their respective governments.

### Renewable Energy and Energy Efficiency Strategy and Action plan SADC Workshop

A workshop to validate the Renewable Energy and Energy Efficiency Strategy and Action Plan (REEESAP) was convened in Johannesburg, South Africa on 5 to 6 October, 2016. The document presents a SADC-wide long-term vision on achieving sufficient, reliable, least cost, sustainable, clean modern energy services for SADC by 2030 through acceleration of scaling up of renewable energy and energy efficiency uptake. The key objectives of the REEESAP are to:

- Achieve energy security by closing the current demand/supply deficit largely in the power sector
- Increasing availability, accessibility and affordability of modern energy services
- Achieve low carbon development path and climate resilient energy systems in the region.

The report will be taken to Energy Ministers for adoption.

### Upcoming Events

DATE	EVENT
31 Oct – 2 Nov 2016	Controllers Training on SAP Trading Platform, Johannesburg, <b>South Africa</b>
31 Oct – 11 Nov 2016	SAPP visit – Data Collection Survey, <b>Tokyo, Japan</b>
1 -2 Nov 2016	AfDB Training Conference on Energy Infrastructure Climate Resiliency, <b>Lusaka, Zambia</b>
3 Nov 2016	Environmental and Social Management (ESMF) Disclosure <b>Meetings, Windhoek, Namibia</b>
7 - 11 Nov 2016	ACI Dealing Certificate Workshop, <b>Johannesburg, South Africa</b>
8 Nov 2016	Environmental and Social Management (ESMF) Disclosure <b>Meetings, Maputo, Mozambique</b>
11 Nov 2016	Environmental and Social Management (ESMF) Disclosure <b>Meetings, Gaborone, Botswana</b>
14 Nov 2016	Environmental and Social Management (ESMF) Disclosure <b>Meetings, Johannesburg, South Africa</b>
14 Nov 2016	Meeting with Black Rhino Blackstone, <b>Harare, Zimbabwe</b>
14 -15 Nov 2016	HRWG Meeting, <b>Lusaka, Zambia</b>
14 -18 Nov 2016	ZTK Draft Report Presentation, <b>Johannesburg, South Africa</b>
21- 25 Nov 2016	PIDA Week, <b>Abidjan, Cote D’Ivoire</b>
21- 22 Nov 2016	Zambia Tanzania Kenya Draft Report Presentation, <b>Arusha, Tanzania</b>
26 – 3 Dec 2016	Traders and Controllers Study Visit of European Electricity Market Operators and Power Transmission System Operators, Group A, <b>Europe</b>



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November 2016	Environmental and Social Management (ESMF) Disclosure Meetings, <b>Madrid, Spain</b>
5 – 6 Dec 2016	Finance Working Group Meeting, <b>Harare, Zimbabwe</b>
5 - 6 Dec 2016	Workshop on Transfer Limits, Eskom Control Area, <b>Germiston, South Africa</b>
7 – 8 Dec 2016	Workshop on SAPP Pool Plan, <b>Johannesburg, South Africa</b>
10 -17 Dec 2016	Traders and Controllers Study Tour, Group B, <b>Europe</b>
17-19 Nov 2016	Inter Power Games Preparatory Meetings for April 2017, <b>Windhoek, Namibia</b>
29 Nov 2016	MOZISA Management Meeting, <b>Johannesburg, South Africa</b>
13 – 16 Dec 2016	Workshop on Transfer Limits, ZESA & ZESCO Control Area, <b>Harare, Zimbabwe</b>



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