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communication and self-healing properties. These elements will allow for an autonomous grid system that is better aligned to the aspirations of the modern world.

To successfully respond to these challenges, municipalities must change from a 'business as usual' situation to one that allows for a quicker response to changing market conditions – this is about creating enabling business models, tariff structures and re-engineering processes to adopt rapid technology changes and most importantly acquire appropriate funding models.

Refilwe, is privatisation within the energy market viable and sustainable?

My view is that to ensure privatisation is sustainable we require a clear constitutional and legislative direction, review of the current electricity supply industry model, concise privatisation objectives, a supporting policy framework and lastly a financial structure to fund the privatisation. We know that this is viable as it has been implemented in various electricity supply industries globally. However, in South Africa, the situation is unique due to socio-economic and cultural factors that need to be taken into consideration.

Open energy markets minimise monopolies and allow stakeholders and community members at large to be a part of the energy business. Energy trading within networks such as the power pools also provides access to IPPs to trade regionally. I believe partnerships between utilities, individual customers and private businesses reduce the impact of electricity costs and enhance job opportunities. Security of supply for municipalities through renewable energy sources is key to industry growth. It would be interesting to get stakeholders in the energy space to continue to come up with eco-solutions that benefit the country.

Jayshree, what are your views on privatisation and the role of regulation?

International observations have indicated that privatisation within the electricity sector has enhanced performance, service standards, quality, labour output and infrastructure expansion.

However, private entities are generally profit driven and mandated to serve shareholders or investors. Municipalities are driven by a constitutional responsibility mandated to serve the people. With a high level of cross subsidies within the electricity sector, this misalignment is an area that requires careful understanding and management to ensure that privatisation can be beneficial for the greater good of our customers.

The role of regulation within a privatised environment should be to protect the interests of the people, while maintaining the sustainability of the private entity.

Jayshree, what are the sector challenges you believe require urgent attention?

Whilst universal access to electricity, infrastructure and electricity theft have been high on our list of challenges, the introduction and integration of alternate forms of energy is a rising challenge for the sector. These technologies disrupt not only the operation of the electrical grid but also the revenue recovery models of municipalities.

Recent changes in legislation and regulation exempt generators under 1MW from obtaining a licence and allow the generator to wheel and trade energy. As generation technology prices fall and electricity grid prices soar, the business case for privatised generation is enhanced.

In order to survive, municipalities must be responsive to these dynamics and adapt their business models. Failing which, they may eventually find themselves with an ever increasing cost structure and a continuously declining revenue stream.

Another looming challenge is the incorporation of digitalisation. Customers and especially millennial customers are demanding better quality of services at reduced prices and information about these services to be easily accessible. Municipalities must embrace the digital era to improve service delivery and standards to ensure customer satisfaction.

Refilwe, what is your vision for your post as President of AMEU?

The fourth industrial revolution is upon us as a sector and I want to see the association taking advantage of technology, research and innovation. Technology is impacting every aspect of how we do things as far as how we generate, transmit and distribute electricity.

In my presidency period, the focus is to 'do things smart' through the key factors of technology, research and innovation. The Association has great programmes running and it's about time we connected them to create synergy throughout.

Clearly the new leaders within the AMEU have a mammoth task at hand. In order to guide the sector into the next industrial revolution the Association needs to prioritise research and innovation, while overcoming the disruptive forces of technological advancement. Furthermore, business models must be tuned to become robust and resilient in the face of a growing trend of own generation and distribution.

The 26th AMEU Convention 2018, hosted by the City of Tshwane Metropolitan Municipality on 7-10 October at the CSIR Convention Centre in Pretoria, will deep-dive into the impact of South Africa's energy revolution, with specific focus on energy pricing models, trading and wheeling, maintenance and asset management, IoT, mobility, as well as standardisation. Join Refilwe and Jayshree alongside municipal representatives, as they map the future of the country's municipal power sector. **ESI**