



# **AMEU Strategic Adviser's Presentation**

## **AMEU Highveld Branch Meeting**

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# SALGA ESKOM TASK TEAM DISCUSSIONS (1)

**Just to recap – focus of the discussions are on the following aspects:**

1. Eskom – munic SDA
2. **Credit Control**
3. Debt Management (incl. Revenue and Debt Management & Payment of Current Accounts by Municipalities)
4. Revenue Collection (incl. Revenue and Debt Management)
5. **Surcharges Control**
6. Capacitation
7. Tariffs
8. Relationship between Eskom and Municipalities
9. Integrated Planning and Reporting e.g. Eskom's participation in the IDP processes with a view to align future master plans which go beyond electrifications
10. Notified Maximum Demand
11. Billing Systems
12. Technical and Non-Technical Loss Reduction
13. **Public Lighting**

# SONA 2020 (1)

1. We are taking the following measures to rapidly and significantly increase generation capacity outside of Eskom:
  - a. A Section 34 Ministerial Determination will be issued shortly to give effect to the Integrated Resource Plan 2019, enabling the development of additional grid capacity from renewable energy, natural gas, hydro power, battery storage and coal.
  - b. We will initiate the procurement of emergency power from projects that can deliver electricity into the grid within 3 to 12 months from approval.
  - c. The National Energy Regulator will continue to register small scale distributed generation for own use of under 1 MW, for which no licence is required.
  - d. The National Energy Regulator will ensure that all applications by commercial and industrial users to produce electricity for own use above 1MW are processed within the prescribed 120 days.
  - e. It should be noted that there is now no limit to installed capacity above 1MW.
  - f. We will open bid window 5 of the renewable energy IPP and work with producers to accelerate the completion of window 4 projects.

## SONA 2020 (2)

- g. We will negotiate supplementary power purchase agreements to acquire additional capacity from existing wind and solar plants.
- h. We will also put in place measures to enable municipalities in good financial standing to procure their own power from independent power producers.
- i. In line with the Roadmap announced last year, Eskom has started with the process of divisionalising its three operating activities – generation, transmission and distribution – each of which will have its own board and management structures.
- j. The social partners organised under Nedlac have been meeting over the last two weeks to agree on the principles of a social compact on electricity.
- k. This is a historic and unprecedented development since it demonstrates the commitment of all social partners to take the necessary actions and make the necessary sacrifices to secure our energy needs.

# SALGA ESKOM TASK TEAM DISCUSSIONS (2)

**The following is the latest wrt the task team discussions:**

1. Eskom in principle does not have an issue in eventually signing an SDA subject to certain conditions especially legal related being addressed by government
2. Convergence and/or consensus has NOT been reached on the following:
  - a) **Credit Control**
  - b) **Surcharges Control**
  - c) **Public Lighting**
3. The IMTT then requested National Treasury (“NT”) to come on board as an independent arbiter and make a recommendation on the resolution of the aforementioned three (3) aspects
4. In this respect NT met with members of the SALGA Eskom Task Team recently and heard views, arguments from both sides focusing on the above three aspects
5. **The latest feedback is that NT is now leading the SDA initiative and they have recommended an “Interim SDA” which will be implemented as a phased approach starting with those aspects that are relatively easy to implement**

# SALGA ENERGY REFERENCE GROUP (1)

## Purpose

- Given the challenges surfaced from the SALGA Energy Summit and the proposed Eskom reform, which is silent on the approach to holistic review of the industry, SALGA is planning to continue as per the 2018 Energy Summit Declaration and appoint a panel of experts (SALGA Energy Reform Reference Group) who will assess:
  - **the decision on the unbundling of Eskom**
  - **how it affects the municipalities**
  - **how the municipalities must respond to it**
- The reference group could further investigate all the challenges municipalities have encountered over the years.
- The work of the reference group will include recommendations to national government for further reform proposals or options as well as any policy and regulation reforms to ensure successful implementation.

# Roadmap for Eskom Restructuring – Extract from DPE Presentation (released 29 Oct 19)[3]

## The burning platform for Restructuring Eskom

1. A single entity creates large risk: all eggs in one basket – no diversification
2. Inability to ensure electricity supply security at an efficient cost
3. Eskom poses a great risk to the national fiscus through inefficient operations and other factors
4. Business model is outdated and based on the era of excess electricity supply and captive customers
5. Eskom is too large to manage, and systemically too important which incentivizes management not to change (moral hazard)
6. Lack of transparency, agility, operational excellence, wide spread inefficiencies and lack of accountability and consequence management
7. R440 bn debt (15% of SA GDP with high default risk )
8. Moral hazard: 2007, 2015 and 2019 bailouts, no fundamental operational changes
9. Loss of management and engineering skills
10. Monopolistic nature has prevented innovation and ability to deal with sector disruptions

# Roadmap for Eskom Restructuring – Extract from DPE Presentation (released 29 Oct 19)[4]

## Eskom of the future

- The Eskom of the Future will have 3 subsidiaries, Generation, Transmission, Distribution. Including the rationalisation of irrelevant subsidiaries (Eskom Finance Company and Enterprises)
- Initiate the restructuring process with the creation of the transmission subsidiary
- Do more detailed planning on creating competitive clusters of power stations within Eskom generation
- Continue efforts to substantially upgrade generation operations and available megawatts
- Implement the cost saving measures with greater urgency
- A concomitant resolution of the Eskom debt
- The distribution function requires further discussion given municipalities reliance on electricity sales
- Reconfigure the board of Eskom Holdings with skilled individuals appropriate to the tasks ahead; and
- appoint a new CEO
- Appoint an interim board for the Transmission Entity



## AMEU's CONTRIBUTION TO ADDRESSING THE INDUSTRY CHALLENGES AND RESTRUCTURING (1)

1. The AMEU is at the forefront of this process
2. AMEU is part of the SALGA Eskom task team
3. AMEU will play a pivotal role in the SALGA Energy Reference Group's processes and deliberations
4. AMEU has regular strategic meetings with Eskom Group Executive (Dx) and his team:
  - a. main focus is on the impact of Eskom's restructuring, unbundling, etc on the EDI sector and the municipalities electricity distributors.
  - b. The AMEU has indicated that it wants to play a direct role in the restructuring of Eskom – not as part of a fringe working group or forum
  - c. It is envisaged that the AMEU will be a member of an Eskom Restructuring Stakeholder Steering Committee

## AMEU's CONTRIBUTION TO ADDRESSING THE INDUSTRY CHALLENGES AND RESTRUCTURING (2)

5. Addressing the industry challenges and restructuring is also high on the agenda and “top of mind” at the various Eskom interventions includes :
  - a. AMEU Standing Committee
  - b. AMEU EXCO
  - c. AMEU Committees
  - d. AMEU Branches
  - e. AMEU Convention
6. AMEU task teams and/or workgroups
7. The AMEU held a workshop early this year and came up with seven(7) positions and/or stances wrt addressing the aforementioned industry challenges and restructuring

# AMEU WORKSHOP ON SERVICE DELIVERY CHALLENGES CURRENTLY FACING SA MUNICIPAL ELECTRICITY DISTRIBUTION UTILITIES (1)

1. A workshop was held early this year in Pretoria with AMEU EXCO members and select third party subject matter and industry experts also in attendance.
2. The workshop participants deliberated and focussed on the following **problem statement i.e.**

***“How might municipal power distribution utilities respond to the current challenges & emerging disruptors in the energy landscape, so that they excel in service delivery for all on a sustainable basis?”***

3. The workshop also gave the AMEU EXCO leadership (as a collective) an opportunity to inter alia deliberate, identify and address the **“municipality burning platform”** and the associated issues, challenges, etc in the context of the current status prevalent in the SA municipal power distribution utilities.

# AMEU WORKSHOP ON SERVICE DELIVERY CHALLENGES CURRENTLY FACING SA MUNICIPAL ELECTRICITY DISTRIBUTION UTILITIES (2)

## AMEU POSITIONS ( 7 OFF):

### AMEU POSITION 1:

**The need for increased collaboration amongst municipal power distribution utilities to resolve the known and identified challenges:**

(How might we (as an AMEU collective) better serve the leadership within municipality power distribution utilities so that we can encourage and/or achieve further beneficial collaboration?)

### AMEU POSITION 2:

**The need for cost-reflective tariffs to ensure the business sustainability of municipal power distribution utilities:**

(How might we redesign cost-reflective tariffs to ensure the long term business sustainability of municipal power distribution utilities?)

# AMEU WORKSHOP ON SERVICE DELIVERY CHALLENGES CURRENTLY FACING SA MUNICIPAL ELECTRICITY DISTRIBUTION UTILITIES (3)

## AMEU POSITION 3:

**The current business model(s) of municipal power distribution utilities (currently based primarily on “kWh”) is no longer viable and sustainable:**

(How might we re-design the power distribution utility business model(s) so that municipal power distribution utilities can deliver on their mandate of effective service delivery to their customers in a sustainable manner?)

## AMEU POSITION 4:

**An effective and structured infrastructure asset management programme is needed to address especially the aging infrastructure of municipal power distribution utilities**

(How might we prioritise and implement an effective replacement and aging infrastructure turnaround plan so that utilities are able to deliver on their service delivery mandate?)

# AMEU WORKSHOP ON SERVICE DELIVERY CHALLENGES CURRENTLY FACING SA MUNICIPAL ELECTRICITY DISTRIBUTION UTILITIES (4)

## AMEU POSITION 5:

### **The need for the ring fencing of power utility businesses**

(How might we motivate and convince national and local government to support and enable the ring fencing of all power utility businesses so that these utilities can be better managed separately from all other municipal services)

## AMEU POSITION 6:

### **The poor revenue collection and debt management in municipal power distribution utilities requires priority attention**

(How might we implement effective and efficient revenue collection and debt management processes and systems to ensure the business sustainability of municipal power distribution utilities?)

# AMEU WORKSHOP ON SERVICE DELIVERY CHALLENGES CURRENTLY FACING SA MUNICIPAL ELECTRICITY DISTRIBUTION UTILITIES (5)

## AMEU POSITION 7:

**Losses especially non-technical losses are currently high and at unacceptable levels in municipal power distribution utilities**

(How might municipal power distribution utilities effectively and efficiently manage their respective technical and non-technical losses down to acceptable levels on a sustainable basis at a number of municipal power distribution utilities?)

## NERSA Areas of Supply ('AoS') GIS Project

### -latest email clarification received by NERSA on 20 Nov 2019 (1)

1. “After the dawn of municipalities under the current dispensation, NERSA issued electricity distribution licences to all municipalities without having received any application.
2. The process was followed by a request to all municipalities to confirm whether they are distributing electricity in their areas or not.
3. Because there were no applications received, the areas of supply were not appropriately outlined therefore, the licences reflected TLC’s and TRC’s in the Schedule 1 of the licences.
4. For an extended period, this regime was sustained and the problems started compounding whenever Eskom or a municipality intends to expand their area of supply due to not having a clearly defined licensed area as most areas appeared on both licences.
5. It was then resolved that we should undertake a project which will result in the Schedule 1 of the licence being properly recorded.



## NERSA Areas of Supply ('AoS') GIS Project -latest email clarification received by NERSA on 20 Nov 2019 (2)

6. The Energy Regulator approved the GIS project with the following milestones:
  - a. Preparation of GIS polygons for current AoS where there is LV reticulation
  - b. Must seek consensus between Eskom and municipalities on the pre-prepared GIS polygons
  - c. Submission must be made to the Energy Regulator to approve the proper recordal of the supply areas and not re-issuing of a licence;
  - d. Issue the revised Schedule 1 to all verified licensees;
  - e. Uploading of all approved Schedule 1's with corresponding polygons with a NERSA identifier;
  - f. The project will not deal with MV connection or single customers.

**NERSA Areas of Supply ('AoS') GIS Project**  
**-latest email clarification received by NERSA on 20 Nov 2019 (3)**

7. The GIS project is not aimed at replacing or re-issuing of a distribution licence.
8. The licence is already issued and all that the project is seeking to address is to have areas of supply appropriately recorded up to a suburb level and excludes all the brown and green fields which are either not being reticulated or there is only one customer.
9. It further eliminates the notion that because a licensee has a network crossing through an area, automatically that area belongs to such a licensee.

**NERSA Areas of Supply ('AoS') GIS Project**  
**-latest email clarification received by NERSA on 20 Nov 2019 (4)**

10. The areas that were not included during the GIS project consensus meeting shall only be included in the licence after an application has been made by such a licensee.
11. The project has so far covered 70% of the country and with time and resources permitting, it is intended to wrap it up in 2021.

## NERSA Rules - NERSA Areas of Supply ('AoS') GIS Project -latest email clarification received by NERSA on 20 Nov 2019 (4)

1. During the GIS consensus meeting, a new breed of issues arose regarding the application to incorporate areas that are not included in the current GIS process and also that they will lead to unnecessary delays and challenges between Eskom and municipalities.
2. To minimise these challenges, it was resolved that Rules on licenseable areas of supply must be developed.
3. To avoid unnecessary delays, NERSA brought in various stakeholders on board to assist in the development of the Rules.
4. Various meetings and workshops were held until the final product which we believed was ready for broader public consultation.
5. The draft Rules were approved for consultation by the Energy Regulator in terms of section 35 of the Electricity Regulation Act, 2006 and stakeholders were given thirty days to submit their comments.

## **NERSA Rules - NERSA Areas of Supply ('AoS') GIS Project -latest email clarification received by NERSA on 20 Nov 2019 (5)**

6. NERSA received volumes of comments and they were analysed and incorporated into the draft version of the Rules.
7. NERSA will in due course publish a notice for the public hearing on the Rules wherein stakeholders will be afforded an opportunity to present their views on the draft Rules.

### **NOTE:**

**NERSA PUBLIC HEARINGS ON THE SAID NERSA RULES IS TO BE HELD IN 5 MARCH 2020**

# IRP 2019 released by DOE in Oct 2019 -summary

## The IRP 2019

Recommended Plan IRP 2019	Coal	Coal (Decommissioning)	Nuclear	Hydro	Storage	PV		Wind	CSP	Gas & Diesel	Other (Distributed Generation, CoGen,Biomass,Landfill)
Current Base	37149		1860	2100	2912	1474		1980	300	3830	499
2019	2155	-2373						244	300		Allocation to the extent of the short term capacity and energy gap
2020	1433	-557				114		300			
2021	1433	-1403				300		818			
2022	711	-844			513	400	1000	1600			
2023	750	-555				1000		1600			500
2024			1860					1600		1000	500
2025						1000		1600			500
2026		-1219						1600			500
2027	750	-847						1600		2000	500
2028		-475				1000		1600			500
2029		-1694			1575	1000		1600			500
2030		-1050		2500		1000		1600			500
TOTAL INSTALLED CAPACITY by 2030 (MW)	33364		1860	4600	5000	8288		17742	600	6380	
% Total Installed Capacity (% of MW)	43		2.36	5.84	6.35	10.52		22.53	0.76	8.1	
% Annual Energy Contribution (% of MWh)	58.8		4.5	8.4	1.2	6.3		17.8	0.6	1.3	
	Installed Capacity										
	Committed/ Already Contracted Capacity										
	Capacity Decommissioned										
	New Additional Capacity										
	Extension of Koeberg Plant life										
	Distributed Generation Capacity for own use										

## TID 2024 ROLLOVER CHALLENGES (1)

1. All municipalities informed of challenges and recommended remedial action
2. Based on action items arising from AMEU Committee meeting in Durban in November 2018 SALGA was requested by the AMEU (per the Strategic Adviser) to setup a meeting with National Treasury (“NT”) to discuss inter alia:
  - a) The need for NT to provide additional budgetary funds to municipalities to address the said TID 2024 rollover challenges
  - b) To address the sole supplier status of PRISM iro the security module provision – how should the munics treat this situation from a SCM perspective
3. Meeting was held with NT at SALGA head office a few weeks ago – AMEU and STSA was also present.

## TID 2024 ROLLOVER CHALLENGES (2)

4. Given the importance of the meeting and the impact of the outcomes of the meeting on especially the municipalities (and Eskom) National Treasury recommended that a follow up meeting be held soonest.
5. The follow up meeting was held at SALGA Pta on 11 June 2019 - also included reps from some of the metros and Eskom. NT still working on the way forward wrt to provision of additional budgets
6. At the July 2019 AMEU Tech Committee meeting in Durban NT indicated that there was no extra money available for budgets - munics had to budget for this internally
7. At the above AMEU Durban meeting it was decided that the AMEU, Eskom, SALGA and the STSA will as a collective take the process forward in respect of inter alia ensuring that the rollover change over challenge is addressed smoothly



# TID rollover event -What needs to be done

- Upgrade all token vending systems to STS Edition 2
- Upgrade all security modules to STS Edition 2
- Visit each meter, reset it to base date 2014 and update the security to STS Edition 2 level by entering two special tokens
  - Option 1: hand the two special tokens to the consumer to enter
  - Option2: use a dedicated team to enter the two special tokens



Simple ▶ Trusted ▶ Secure



# TID rollover event - constraints

- Budget for the vending systems upgrade
- Budget for security modules upgrade
- Budget for meter visits and resets
- 5 year window to do 9 million meters (7000 meters per day)
- ***Process should start now to meet the timeline***



Simple ▶ Trusted ▶ Secure



# ID rollover event - assumptions

- **9 million meter points in country**
  - 6 million (ESKOM)
  - 3 million (Metros)
- Customer enters the two special tokens into the meter
- 10% exception rate (requires a meter visit by technical staff)



Simple ▶ Trusted ▶ Secure

## MIGRATION OF INEP FUNDING TO USDG (1)

1. Matter was discussed at length at both the DOE AMEU Metro Forum on 19 Feb 19 and the DOE NEAC meeting on 21 Feb 19.
2. The migration to USDG is a fait-accompli, done & dusted.
3. It was reported at the NEAC meeting that Cabinet approved the migration in +-Nov 2018 and to be managed by the Dept of Human Settlements.
4. National Treasury also reported at the NEAC meeting that all metros were informed of the migration to USDG at the City Budgetary Forum before Cabinet had taken the decision.

## MIGRATION OF INEP FUNDING TO USDG (2)

5. It must be noted that this migration only affects METROS (Cat A municipalities) and does not affect other MUNICIPALITIES
6. Other municipalities will still benefit from the INEP funding
7. Eskom will also still benefit from the INEP funding even wrt electrification by Eskom within metros
8. Given(6) to (8) above DOE will still be involved in electrification projects
9. A further clarification meeting was held with the DoHS on 17 July 2017 in JHB. The DDG (DoHS) chaired this mtg

## AMEU Technical (5)

### Grid Code Advisory Committee ("GCAC") feedback

1. The GCAC is concerned that the majority of municipalities are not undertaking grid code compliance self assessments.
2. These self assessments would reveal gaps (if any) in the compliance requirements.
3. If there are gaps then municipalities are required to apply to NERSA for exemption(s)
4. This far only eThekweni Metro and CoCTN had applied for such exemption
5. AMEU is also giving favourable to exploring ways as to how to assist municipalities to comply with the grid code
6. Eskom is also concerned because some of their infrastructure is installed in munic areas for which grid code compliance is required
7. A meeting was held on 25 Oct 2018 with NERSA by both SALGA/AMEU. Some key decisions where taken at the meeting.

# ESKOM TARIFFS (1)

## Various MYPD processes & RCAs



- **Review of decisions:**
  - **Price Increase application for 2018/19**
    - Expected hearing date: January 2020
  - **RCAs Year 2, 3 and 4 of MYPD 3 period**
    - NERSA made a R32,69bn RCA balance decision in response to revised R67bn application
    - Reasons for decision were published by NERSA and following detailed analysis of the RfD the Eskom Board filed a review at high court in accordance with ERA and NERA – due to calculating errors and application of the methodology
    - Expected hearing date: February 2020
  - **RCA Year 5 of MYPD 3 period (not yet filed an application)**

The Energy Regulator approved as follows:

    - An RCA balance of R3,869bn in response to the R21,625bn application.
    - R 3,752bn will be recovered equally over 2 years starting 1 April 2020
    - No RfD for liquidation decision yet
  - **Price increase application for MYPD4 – R23bn government support**
    - Reason for Decisions (RfD) received
    - Urgent hearing on 4 December 2019 re. way dealt with R23bn Government support
- **RCA application for 2018/9 financial year**
  - Was submitted in August 2019 in accordance with MYPD methodology – not published yet

# ESKOM TARIFFS (2)

## Current NERSA approved price increases & RCAs



		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Standard tariffs: Nersa Decision	MYPD4 Revenue	176 409	190 939	205 107	214 598	229 620	245 693
	Eskom % revenue increase assumption for FY23 & 24					7%	7%
	MYPD3 RCA Year 2-4		7 776	7 776	7 776	7 776	0
		176 409	198 715	212 883	222 374	237 396	245 693
	MYPD3 RCA Year 5			1 876	1 876	0	0
	2018/19 RCA decision				?	?	?
	MYPD4 RCAs				?	?	?
	Other (i.e. MYPD4 review)			?	?	?	?
	<b>Total revenues</b>	<b>176 409</b>	<b>198 715</b>	<b>214 759</b>	<b>224 250</b>	<b>237 396</b>	<b>245 693</b>
	<b>Sales volumes</b>	<b>188 082</b>	<b>186 064</b>	<b>184 898</b>	<b>183 856</b>	<b>183 856</b>	<b>183 856</b>
	Avg price before RCA (pure MYPD4)	93,79	102,62	110,93	116,72	124,89	133,63
		5,23%	9,41%	8,10%	5,22%	7,00%	7,00%
	Avg price after RCA Yr 2-4		106,80	115,14	120,95	129,12	133,63
			13,87%	7,81%	5,05%	6,76%	3,50%
	<b>Avg price after RCA Yr 5</b>			116,15	121,97	129,12	133,63
	<b>Effective increases (at this stage!)</b>		<b>13,87%</b>	<b>8,76%</b>	<b>5,01%</b>	<b>5,86%</b>	<b>3,50%</b>



## ESKOM TARIFFS (4)

### Update on the latest developments regarding the Municipal Tariff rationalisation

Eskom had made an application for the rationalisation of Municipal tariffs on 6 November 2017. NERSA undertook a public participation process during 2018 and a decision was made on 28 November 2018. This decision was communicated to Eskom on 7 February 2019 that NERSA has not approved the rationalisation of Municipal tariffs. It was requested that an updated cost of supply study needs to be undertaken before it will be considered again. Eskom is in the process of finalising the updated cost of supply study. Eskom has also requested a further engagement with NERSA to understand the NERSA requirements as no reasons for the decision were given.

## AMEU (LEGAL AND STATUTORY)(1)

1. ELECTRICITY REGULATION ACT (“ERA”) 2006 - SCHEDULE 2, LICENCING EXEMPTION & REGISTRATION NOTICE was initially gazetted on **Fri, 10 November 2017**
2. In this regard NERSA issued set of rules for implementing these rules for public on 26 April 2018
3. However NERSA withdrew these rules after the DOE re-gazetted a revised SCHEDULE 2, LICENCING EXEMPTION & REGISTRATION NOTICE on 8 June 2018
4. **NERSA will be conducting public hearings on the matter. A date still to be agreed with the Regulator Support Unit.**

## AMEU (Legal & Statutory)(7)

### Proposed amendment of the designation of power Gx, Tx and Dx as an essential service

1. As reported previously and at the request of NUMSA the Essential Services Committee (“ESC”) is in the process of either amending or cancelling the said designation making power generation, transmission and distribution as an essential service
2. The AMEU together with SALGA has objected in writing to the ESC in respect to the aforementioned proposal by NUMSA
3. The AMEU made oral submissions in at ESC hearings in Witbank, Durban and JHB. AMEU represented at ESC mtg on 1 Nov 2018 in JHB
4. The ESC process is still ongoing

# MISA NATIONAL FRAMEWORK CONTRACTS (1)

## Framework Contracts

- MISA national framework contracts that MISA has established so far:
  - a. Framework contract for supply and delivery of Ground and Pole mounted frameworks in municipalities in various regions across South Africa.
  - b. Framework contract for contractors for Construction and Maintenance of Electrification Projects in municipalities in various regions across South Africa.
  - c. Framework contract for provision of Electrification Professional services to support municipalities in various regions across South Africa.

# AMEU (ED & TRG )(1)

## (extract from AMEU Electrical Training Comm feedback)

### **LG SETA Certification**

- Munics encounter delays to obtain trade test certification from LG Seta
- Documents are submitted several times but certificates are not forthcoming
- Munics must ensure that scanned copies are kept
- Training Working Group will engage LG Seta to ascertain if the process can be fast-tracked

### **New Electrician Learning Material and New Electrical Curriculum Development**

- Assistance on accreditation
- Trade Testing
- Invite GIZ

### **On the job training**

- Assessors required
- Mentors required

## AMEU (ED &TRG )(2)

### (extract from AMEU Electrical Training Comm feedback)

#### **Registration of new Apprentices**

- LG Seta will only fund the training if a signed contract is produced
- Contract to be available and filed in order for a learner to proceed to trade test
- Challenge: LG Seta is slow to providing contract numbers because the contract must be attached to the documents for trade test application
- LG Seta only registers an apprentice for 1 year, while an apprenticeship is 3 years

#### **E-Learning**

- E-learning is available in Cape Town where learners log into the system on their smart phones / laptops and register on-line for courses / modules. It also include the ARPL, Assessment and Homework tools.

#### **ORHVS Training**

- Extended to include protection training (basic) – 8 days
- Testing, switching, live, practical and theoretical assessment
- **Training material available for all Munics**

# AMEU (ED &TRG )(3)

## (extract from AMEU Electrical Training Comm feedback)

### **Trade Test (New)**

- Tasks remain 7
- Mark sheets will be changed
- New Grade Test Training modules will be implemented after April 2019 – phased in over 3 years
- Last intake of learners for old Trade Test is 30 June 2019
- TVET Colleges – all funding is channelled to them. No funds available from Department of Education for upgrade Munics Training Centres and TVETs approach munics to assist with training
- Focus to be shifted to training artisans for municipal environments and not general electricians
- Training Group needs guidance in sourcing funding allocated to TVETs to upgrade Training Centres

### **LV/MV Cable Jointing Qualification**

- In order to qualify as a LV jointer – 6 month training (POE to be submitted)
- In order to qualify as a HV jointer – 2 years training (POE to be submitted)
- RPL - skills assessment planned for internal semi-skilled staff

## **AMEU (ED &TRG )(4)**

### **(extract from AMEU Electrical Training Comm feedback)**

#### **QCTO Monitoring Visits**

- QCTO will visit all Training Centres for quality vetting – Cape Town will be visited on 25 March 2019
- QCTO to be invited to next meeting for clarity on future involvement

#### **PV Training (alternative energy training material)**

- Cape Town training document for certification of existing artisan to be competent to inspect and certify PV Installations. Implementation date is June 2019 and the training material will be available to other municipalities to use.

#### **ARPL process**

- RPL is ongoing, tools are being finalised by QCTO

#### **Date of Next Meeting of the AMEU Electrical Training Committee**

- Took place on 17-18 July 2019 in East London



# AMEU Technical (2)

## DOE Solar Water Heating Programme (1)

The following is the latest feedback received from the DOE on 19 May 2019:

### **1. DOE Solar Water Heater Programme seem to be back on track**

- Installation bid was released in the last quarter of the 2018/19 FY and currently under evaluation to appoint the Service Providers for installation in the 19 participating municipalities.
- Technical Feasibility Assessment (“TFA”) for the identified households will commence soon as appointment of the Service Providers is in the final stages of approval.
- It is expected that TFA will happen in June and July 2019 respectively.
- CEF has been appointed to facilitate the training of SWH installation assistants through accredited training institutions from which preparations have advanced to date.
- A tender to this effect will issued anytime soon.)

# AMEU Technical (2)

## DOE Solar Water Heating Programme (2)

The following is the latest feedback received from the DOE on 19 May 2019:

**1. Twenty (20) municipalities were selected to participate in this programme**

- Pilot project for 200 SWH Units in Nelson Mandela Bay municipality was completed in June 2018.
- The pilot areas are Walmer and Rosedale.
- 150 systems were also installed in Sol Plaatjie Municipality for repair and replaced in 2018 to address some of the dysfunctional systems from the previous phase.)

## NOTIFIED MAXIMUM DEMAND

1. NERSA “Call for comment” notice issued on 08 February 2018
2. The closing date for comments was 28 February 2019
3. The AMEU will as a collective also submitted comments
4. A workshop was held at NERSA yesterday, 19 Feb 2020

# THIRD PARTY WHEELING ON MUNICIPAL GRIDS

1. This project has not yet been started by NERSA.
2. NERSA had an informal meeting with the DoE to discuss it, included in the discussion was power trading including cross border trading.
3. The way to approach wheeling was not only to focus on transporting energy using third party network but also to look at energy trading and policy matters.
4. Direction is also sought from other stakeholders on the approach to energy trading and the future electricity market model.
5. After a workshop conducted by SALGA on Wheeling, NERSA and SALGA met on 11 October 2019 to discuss further on how to take the process forward. It was agreed that NERSA will work with SALGA and GIZ to develop a discussion document. The team will include personnel from DMRE

# NERSA - REGISTRATION FEES FOR SMALL SSEG

## INVITATION TO COMMENT ON THE REGISTRATION FEES FOR SMALL SCALE EMBEDDED GENERATORS

1. NERSA published call for comment on 16 December 2018
2. AMEU submitted comments on 24 Jan 2019
3. Some comments submitted by the AMEU:
  - a. It seems counter- intuitive to have a registration fee, when NERSA does not even have a registration process/rules in place.
  - b. The document states that NERSA has developed a registration procedure and registration application form but this is not included in the consultation paper for us to examine
  - c. The document is ambiguous because it talks of a R400 fee per site that is to be shared between the applicant and the distributor
4. SALGA recently wrote to NERSA Executive Manager to clarify other matters regarding registration process. This meeting has not taken place and no date has been scheduled.

# NRS MATTERS (1)

**The following specifications were published on the NRS website:**

1. NRS 069 - Guidelines for distribution connection charges for loads;
2. NRS 082 - Recommended maintenance

**Specifications due for publication**

NRS 093 (Asset Management )

**The following specifications were forwarded to NERSA for adoption**

1. **NRS 047** - Electricity supply - Quality of service and reporting guidelines (08 Mar 2017);
2. **NRS 048-2** - Electricity supply - Quality of supply - Part 2: Voltage characteristics, system acceptability levels, compatibility levels, limits and assessment methods (01 Aug 2017); and
3. **NRS 048-4** - Electricity supply - Quality of supply - Part 4: Application guidelines for utilities

# OTHER NERSA MATTERS(1)

## **1. NERSA rules wrt the Schedule 2 amended regulations as gazetted by the DOE**

- DoE has issued a new notice in December 18 for NERSA to concur before it is gazetted.
- NERSA received a letter from DOE requesting concurrence on the new Notice.
- NERSA is processing the request and will be inviting stakeholders to comment on the Notice before responding to the request by DoE.

## **2. NRS048 Part 9**

- A consultation paper was issued by NERSA on 15 Feb 2019.
- The public and other stakeholders commented.
- The document is in its final stages for approval by NERSA
- NRS048 Part 9 work group will also consider the said comments.



**Thank you**