



MONTHLY REPORT

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Energising the region for economic development

Forum for Energy Ministers of Africa

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The 3rd forum for Energy Ministers of Africa was held in Cairo, Egypt from 31st May through to 2nd June, 2010. The theme of the conference is “The Challenge of Balancing Energy Access and Climate Change Imperatives”. The key issues addressed included the following:

- Energy Initiatives and Bodies in Africa in the context of AU Institutional Arrangement
- Progress made thus far, and the strategic projections for 2010-2012 and beyond
- Expanding and fast tracking the Regional energy integration initiatives to achieve accelerated economic growth
- Challenge of balancing energy access and climate change imperatives
- Consultative dialogue on the proposed new global energy strategy for the World Bank on the proposed new global energy strategy for the World Bank

Meetings and Conferences

SADC Infrastructure Meeting

A SADC Infrastructure meeting was held in Victoria Falls from 1 to 4 June 2010. This was the inaugural meeting for the telecommunication, transport, water and energy sectors. Common challenges encountered in the implementation of infrastructure projects and proposed strategies for improvement were drawn up.

Africa Forum For Utility Regulators (AFUR) Workshop on Power Markets Structures and Models

A workshop on power markets structures and models for Africa was held in Banjul, Gambia from the 30th of May 2010 to the 4th of June 2010. The workshop was funded by the European Union. The main purpose of the workshop was to present the various power market models for power utilities and regional power pools in Africa.

The following topics were discussed during the workshop

- Various power market models and structures
- Dominant participants and market power
- Regulatory Framework and Governance
- Tariff setting mechanisms
- Grid Codes and Regulation regimes
- How to attract private investors in the power sector including PPP strategies
- Case studies from various regions in Africa

Participants were drawn from electricity regulators in Africa and their regional representatives, power utilities and their regional representatives.

Angola Electricity Congress and Exhibition

An Electricity Congress and exhibition was held for Angola in Luanda from the 16th to the 17th of June 2010. The main purpose for the congress was to present opportunities for investment in the power sector in Angola including power sector reforms, regulatory issues etc. The workshop was attended by potential investors, IPPs, Government officials and the power utility in Angola. The SAPP CC was invited to present on the regional power trading opportunities in the SAPP.

System Operations and Planning

System Disturbances

Two (2) system disturbances were reported in the month of June 2010 on the SAPP interconnected system. One affected southern Mozambique and was attributed to bush fire while the other affected Zambia and Zimbabwe

and was caused by failure of a 330kV circuit breaker at Kariba North. Refer to *Figure 1* below for a general outlook of reported system disturbances.

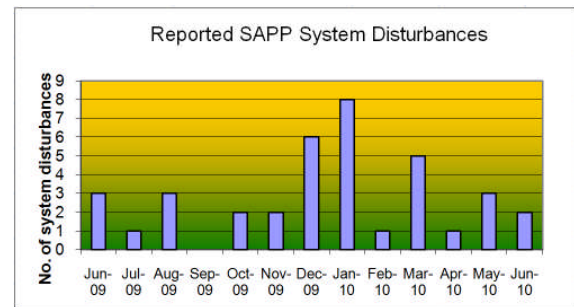


Figure 1: Reported SAPP system disturbances

Workshop for CEC on PSS/E

The SAPP Coordination Centre conducted a workshop for Copper Belt Energy Cooperation on the introductory programme on the use of the PSS/E software. This was held in Kitwe, Zambia.

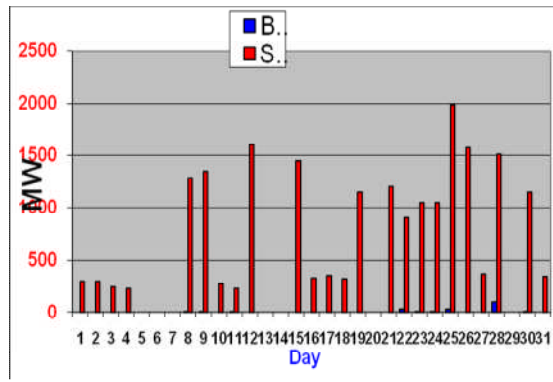
Day Ahead Market.

Trading on the SAPP Day Ahead market (DAM) continued during the month with at least more than two participants submitting bids on a daily basis. However the market continued to be subdued with no energy exchanges being recorded for the month of June 2010. The main reason for lack of market cross is the fact that the market is dominated by sale bids with very little or no buy bids.

Below is a summary of the market performance for the month of June 2010. The first graph shows the total daily volumes received for both buy and sale bids. Note

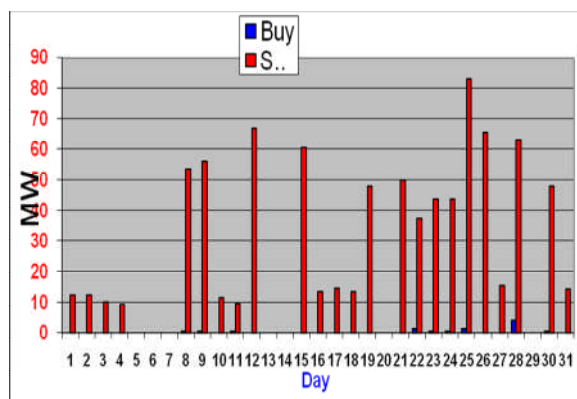
should however be taken that this is a summation of all the hourly daily bids.

Daily Total Bid Volumes Received for the Month of June 2010.



The second graph shows the average hourly volumes available on each day for the month of June 2010. It should however be noted that in some hours the volumes were much higher than these values since these are averages.

Daily Average Hourly Bids for the Month of June 2010.



Technical Issues

Telecommunication Working Group Meeting

SAPP and ACTOM met on the 8th of June 2010 for the EMS/SCADA Project contract negotiations. As agreed in the TWG meeting in December 2009, the contract documents were reviewed and the contract was signed between SAPP and ACTOM. It was agreed that the project will commence on the 1st of July 2010 for duration of one year.



Delegates present at the meeting.

System Disturbance Investigation

The 6th meeting of the SAPP system disturbance investigation and system dynamic studies project was held in Harare, Zimbabwe, on 10 June 2010. The objective of the meeting was to discuss and consolidate inputs to the final project report. The framework of the final project report was drafted and agreed. It is expected that the final project report will be completed by July 2010 and it will be presented at the next SAPP meetings in August 2010. Thereafter, the project will come to an end.

Environmental Corner

Africa – EU Energy Partnership

The Africa-EU Energy Partnership was held in Addis Ababa, Ethiopia on 9 to 10 June 2010. The objective of the meeting was to explore areas that would stimulate sustainable

economic and social development in Africa through an increased use of Africa's renewable energy sources. The Africa-EU Renewable Energy Cooperation Programme (RECP) at the meeting agreed a framework for renewable energy cooperation between Africa and Europe. This will contribute to the 2020 targets of the AEEP to increase the use of renewable energy in Africa and will initially cover the period 2010-2020.

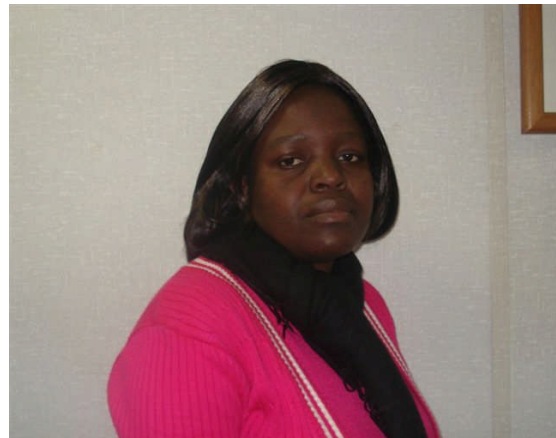
The first 10 year period will be divided into three phases. The initial start-up phase of 2 years, a first phase of three years and a second phase of 5 years. The programme will begin with a fast start-up phase of 2 years, which focuses on activities to begin late 2010 or early 2011. The start-up activities are identified within the key action areas of the program and will be implemented in close collaboration with the Regional Economic Communities such as the SAPP and will involve European and African energy authorities, renewable energy centres, utilities, private sector, financing institutions, researchers and civil society. The meeting agreed to present the programme concept at the Africa-EU Energy partnership meeting to be held in Vienna in September 2010.

**Environmental and Social Impact
Assessment Guidelines for Transmission
Infrastructure for the SAPP Region.**

The Environmental and Social Impact Assessment guidelines for Transmission Infrastructure have been re-drafted following a realization by the SAPP Environmental Sub-Committee (ESC) that the current (1999) guidelines are now outdated and need revision. The revised guidelines will be circulated to the members of the SAPP Management Committee (MANCO) for review. The ESC will seek the MANCO's approval during the SAPP meetings in Swaziland.

Appointments

Ms Edeline Mujongondi was appointed to the post of Office Secretary on a permanent basis at the Coordination Centre with effect from 01 June 2010 following the interviews that took place in Harare in May 2010. She holds a diploma in Secretarial Studies from The Pitman Institute in Harare, Zimbabwe. Edeline worked for ZESA from 1996 until her appointment as a secretary on a temporary basis at the Coordination Centre in July 2009.



Ms Edeline Mujongondi
Office Secretary

Upcoming Events for 2010

Date	EVENT	Venue
14-15 July	Revision of SAPP Operating Guidelines Task Team Meeting	Johannesburg, South Africa
20-30 July	SAPP –EU Study Tour of European Energy Markets	Paris, France Oslo, Norway
3-5 Aug	South East Asia Visit to SAPP	Harare, Zimbabwe
4 - 5 Aug	SAPP SCADA/EMS Project Kick-off Meeting	Harare, Zimbabwe
12-13 Aug	South Africa Country Seminar on DAM	Johannesburg, South Africa
16-20	Hydro Power Africa	Johannesburg, South Africa

Aug		
16-20 Aug	SAPP PSS/E Workshop and PPP Concepts	Johannesburg, South Africa
30 Aug-4 Sept	35 th SAPP Committee Meetings	Mbabane, Swaziland
15-17 Sept	22 nd Africa Hydro Symposium	Arusha, Tanzania
15 Oct	SAPP Executive Committee Meetings	Luanda, Angola
Dec 16	Conference of Parties	Mexico