



## SOUTHERN AFRICAN POWER POOL

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### **SAPP Membership Application and Admission Guidelines**

**APRIL 2023**

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#### **1 Title**

This document shall be cited as “**SAPP Membership Application and Admission Guidelines**”.

#### **2 Objectives**

This document sets forth the guidelines for admission of new Members. The membership rights and obligations are specified in the Southern African Power Pool (SAPP) Inter-Utility Memorandum of Understanding (IUMOU) and other subsidiary agreements and guidelines.

#### **3 Definitions**

Where there is conflict between this annex and the IUMOU, the interpretation and definition contained in the IUMOU shall apply. Except where otherwise indicated, articles referred to in this annex refer to the IUMOU.

3.1 “**Appeal**” shall mean the process of challenging an application decision.

3.2 “**Applicant**” shall mean an Electricity Supply Enterprise that seeks to join the SAPP.

3.3 “**Conditional Membership for Market Participants**” is meant for power developers who intend to construct power plants for trading on the SAPP markets to be able to provide comfort to their funders before the plants are constructed. Conditional Membership shall be granted to an applicant meeting the following conditions:

- (i) Where applicable, be licensed and or supported by a competent body/authority(ies) within their jurisdiction to engage in cross border electricity trade.
- (ii) The Conditional Membership for Market Participants will be for a period of five (5) years, following which the entity must meet the requirements for

Membership as contemplated in Article 5 of the IUMOU. The Conditional Membership is subject to renewal.

(iii) Payment of the prescribed application fees shall apply. No Conditional Membership participation fees are to be applied.

3.4 **“Day”** shall mean a Gregorian calendar day and business shall be understood to mean a business day in the Host country.

3.5 **“Electricity Supply Enterprise”** means either a Power Utility, Independent Power Producer, Independent Transmission Company and/or a Service Provider which:

- (i) operates a control centre around the clock; or
- (ii) owns or controls, through other means, the operation of several generating units and regularly operates such units to meet a portion or all of its load obligations; or
- (iii) owns a transmission system already interconnected internationally with neighbouring Electricity Supply Enterprise(s) or which may be interconnected with such Electricity Supply Enterprise(s) sometime in the future or
- (iv) operates or contracts generation capacity or load.

3.6 **“Independent Power Producer”** means the operator of a privately-owned generating facility connected to the SAPP grid;

3.7 **“Independent Transmission Company”** means the operator of a privately-owned transmission facility connected to the SAPP grid;

3.8 **Market Participant** means a Member which:

- a) operates or contracts generation capacity or a load of at least 5 MW that is physically connected to the SAPP Grid; and
- b) complies with respective national legislation on cross-border trading; and,
- c) is not be tied to a single buyer contract; or, where such contract exists, must have counter party consent to trade the contracted power on the market; and,
- d) possess capability of balancing agreed schedules or must have a contract for balancing agreed schedules with a SAPP operating member.

3.9 **“National Power Utility”** means a Member that;

- a) operates the national control centre or national grid in its country; and,
- b) carries out transmission system and/or market operations functions; and,
- c) is a Member State owned entity or is designated as such by a SADC Member State,

*PROVIDED* that where a Member State has more than one entity that operates a control centre or carries on transmission or market operations functions separately and independently of each other and in the absence of a declaration by the Member State, the entity in charge of the national control centre shall be deemed the National Power Utility.

- 3.10 **“Operating Member”** means a Member which
- a) operates a permanent generation facility of total capacity of at least 300 MW physically connected to the SAPP Grid at a voltage level of at least 110 kV; and/or,
  - b) operates a transmission system of 110 kV and above which is physically connected to the SAPP Grid at a voltage level of at least 110 kV; and,
  - c) has capability to provide ancillary services.
- 3.11 **“Service Provider”** means an entity authorised by means of legislation or other consent to provide electricity market related services within the jurisdiction of its incorporation or establishment.

#### **4 Membership Eligibility**

- 4.1 Any Electricity Supply Enterprise situated in a SADC country and any non-SADC country is eligible to be considered for membership for SAPP.
- 4.2 The applicant shall indicate the class of membership applied for as indicated in Section 7 of this document.

#### **5 General Conditions for Admission**

- 5.1 Applicant must meet the following conditions:
- a) where applicable, be licensed and or authorized by a competent body/authority(ies) within their jurisdiction to engage in cross-border electricity trade.
  - b) Applicants from non-SADC member states , shall:
    - (i) comply with the provisions of the Inter-Governmental MOU,
    - (ii) require approval of the SADC, and
    - (iii) meet any other conditions that may be stipulated in a separate written agreement.
- 5.2 Documentation to be submitted with an application:
- a) Where applicable, certified copy of licence(s) or authorisation to engage in cross-border electricity trade issued by a regulator or competent authority /body.
  - b) Maps showing current and planned interconnection to the SAPP Grid,
  - c) For applicants from non-SADC member states, certified copy of signed accession with SADC treaty and proof that any specified terms and conditions have been met, and
  - d) Any other details as may be specified by the SAPP.

## 6 Application Procedure

These guidelines, related information and associated forms for membership of the SAPP shall be freely available to prospective members from the offices of the SAPP Co-ordination Centre (SAPP CC) in Harare, Zimbabwe (the Host Country) and on the SAPP website.

- 6.1 Enquiries and completed applications shall in the first instance, be submitted to the SAPP CC Executive Director in Harare who shall be responsible for communication concerning membership applications.
- 6.2 The SAPP CC shall be responsible for verifying completeness of such application.
- 6.3 Upon verification, the SAPP CC may request the applicant to submit additional information in support of its application, invite applicant for meetings and/or request for inspection of the applicant's facilities as part of the process. Where a physical inspection of the applicant facilities is necessary, the applicant shall be required to pay in advance the associated costs.
- 6.4 Certified copies of supporting documents shall be delivered in hard copy by hand or by post to the SAPP Coordination Centre [24 Golden Stairs Road, P. O. Box EH52, Emerald Hill, Harare, Zimbabwe]. Subsequent correspondence may be sent by e-mail.
- 6.5 The applicant shall be required on application to pay a non-refundable application processing fee as specified by the SAPP from time to time.
- 6.6 Where the SAPP requires an applicant to pay for any costs related to inspections of the applicant's facilities, such a payment shall be made within twenty-one (21) days on receipt of the invoice.
- 6.7 In the event of failure to pay any of the costs as prescribed in Clauses 6.5 and 6.6 above the application shall lapse.
- 6.8 Such an application shall be considered, and a response provided in writing within a period of 12 months from the date of receipt. Where the application process exceeds the said period, the applicant will be advised accordingly.
- 6.9 Where an application has lapsed, the applicant may submit a new application.
- 6.10 Where the application is successful, the applicant shall be required to accept the offer in writing and fulfil the relevant conditions within a period of 90 calendar days from the date of offer failing which the offer will automatically lapse.
- 6.11 An unsuccessful application shall be communicated to the applicant in writing stating the reasons thereof. The unsuccessful applicant shall have the right to appeal within 30 days from the date of notification. The SAPP shall appoint an Appeals Committee to consider the appeal within a period of 90 days from the date of receipt of the appeal. The decision of the Appeals Committee shall be final and binding.

## **7 Membership Categories**

Applicants shall apply and be considered for one of the following categories:

- a) National Power Utility
- b) Operating Member
- c) Market Participant
- d) Conditional Membership for Market Participants