

SAPP ORGANIZATION, GOVERNANCE AND ENABLING POLICES IN PARTICIPATING COUNTRIES

Presented by:

A. de Sousa Fernando

SAPP Management Committee
(Chairperson)

<http://www.sapp.co.zw>

Executive peer exchange to SAPP
and Eskom Power Pool

26 – 30 June 2006

CONTENTS

1. ABOUT SAPP

2. MANAGEMENT STRUCTURE

3. CONCLUSION

About the SAPP

The SAPP was created in [August 1995](#) through a SADC treaty.

[SAPP Governing Documents:](#)

- [Inter-Governmental MOU](#): Enabled the establishment of the SAPP.
- [Inter-Utility MOU](#): Establishes the SAPP Management & Operating principles.
- [Agreement Between Operating Members](#): Establishes the specific Rules of Operation and Pricing.
- [Operating Guidelines](#): Provide Standards & Operating Guidelines.

The role the SAPP

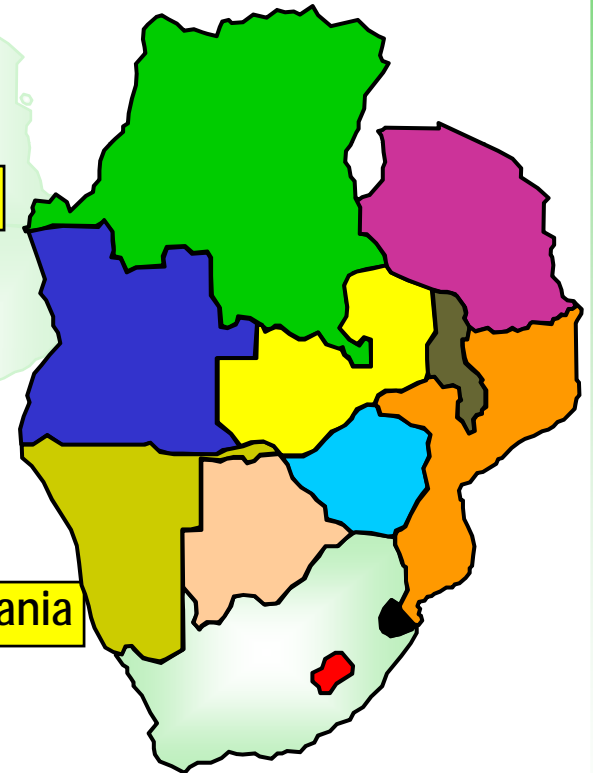
- Coordinate the planning and operation of the electric power systems among the member utilities.
- Reduce both capital and operating cost through coordination.
- Increase system reliability and security of supply through emergency support when required.
- Provides forum for regional solutions to electric energy problems.

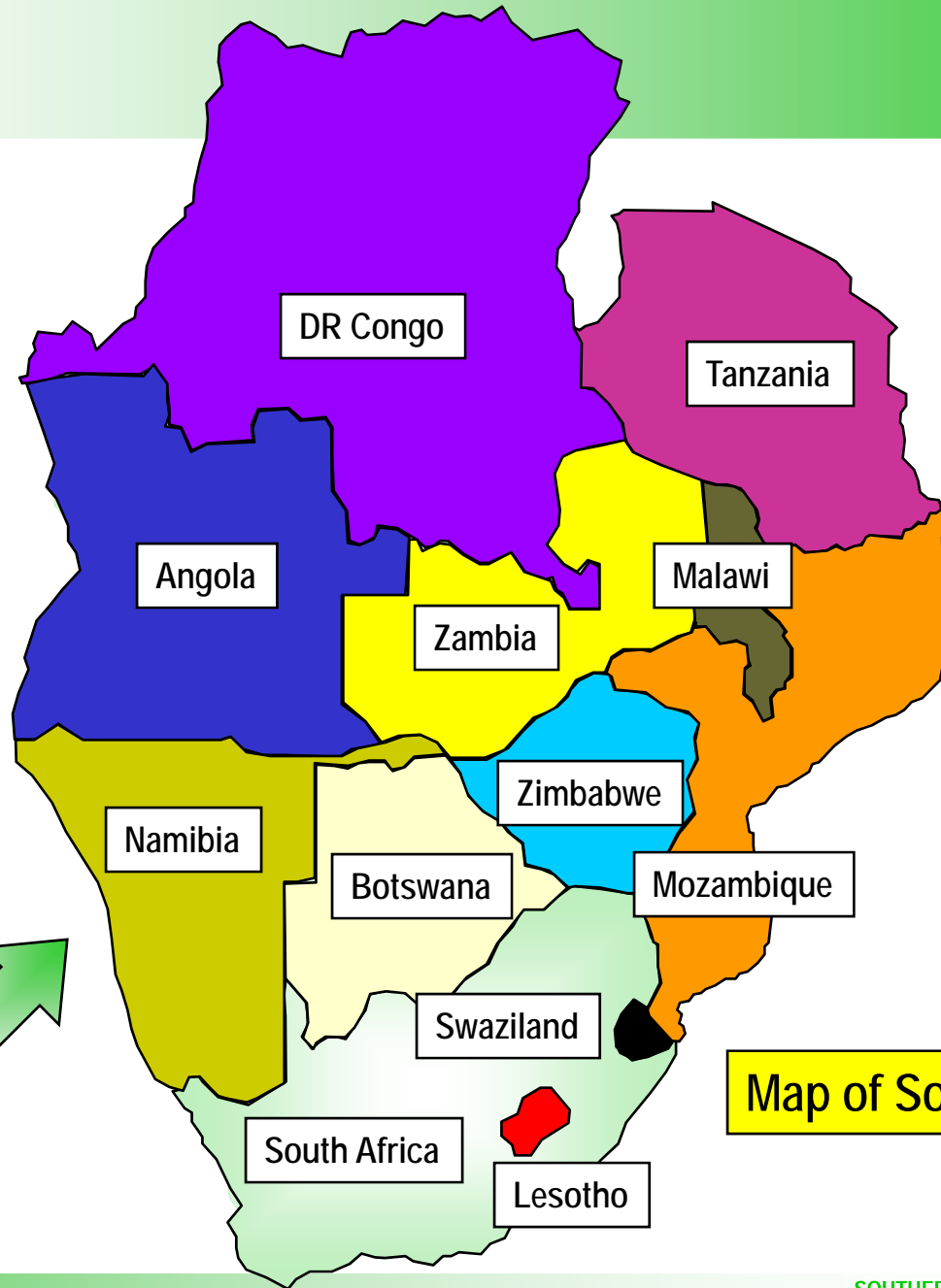
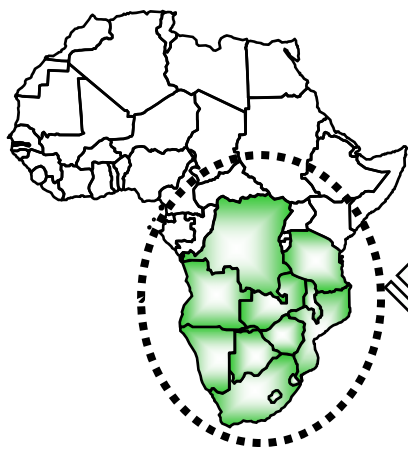
SAPP Membership

SAPP is an **association of 12 member** countries represented by their respective electric power utilities organised via SADC

MEMBERS

1. Botswana Power Corporation (**BPC**) of Botswana
2. Electricidade de Moçambique (**EDM**) of Mozambique
3. Empresa Nacional de Electricidade (**ENE**) of Angola
4. Electricity Supply Corporation of Malawi (**ESCOM**) of Malawi
5. **Eskom** of the Republic of South Africa
6. Lesotho Electricity Corporation (**LEC**) of Lesotho
7. **NamPower** of Namibia
8. Societe National d'Electricite (**SNEL**) of the DRC
9. Swaziland Electricity Board (**SEB**) of Swaziland
10. Tanzania Electricity Supply Company Ltd (**TANESCO**) of Tanzania
11. **ZESCO** Limited of Zambia
12. Zimbabwe Electricity Supply Authority (**ZESA**) of Zimbabwe

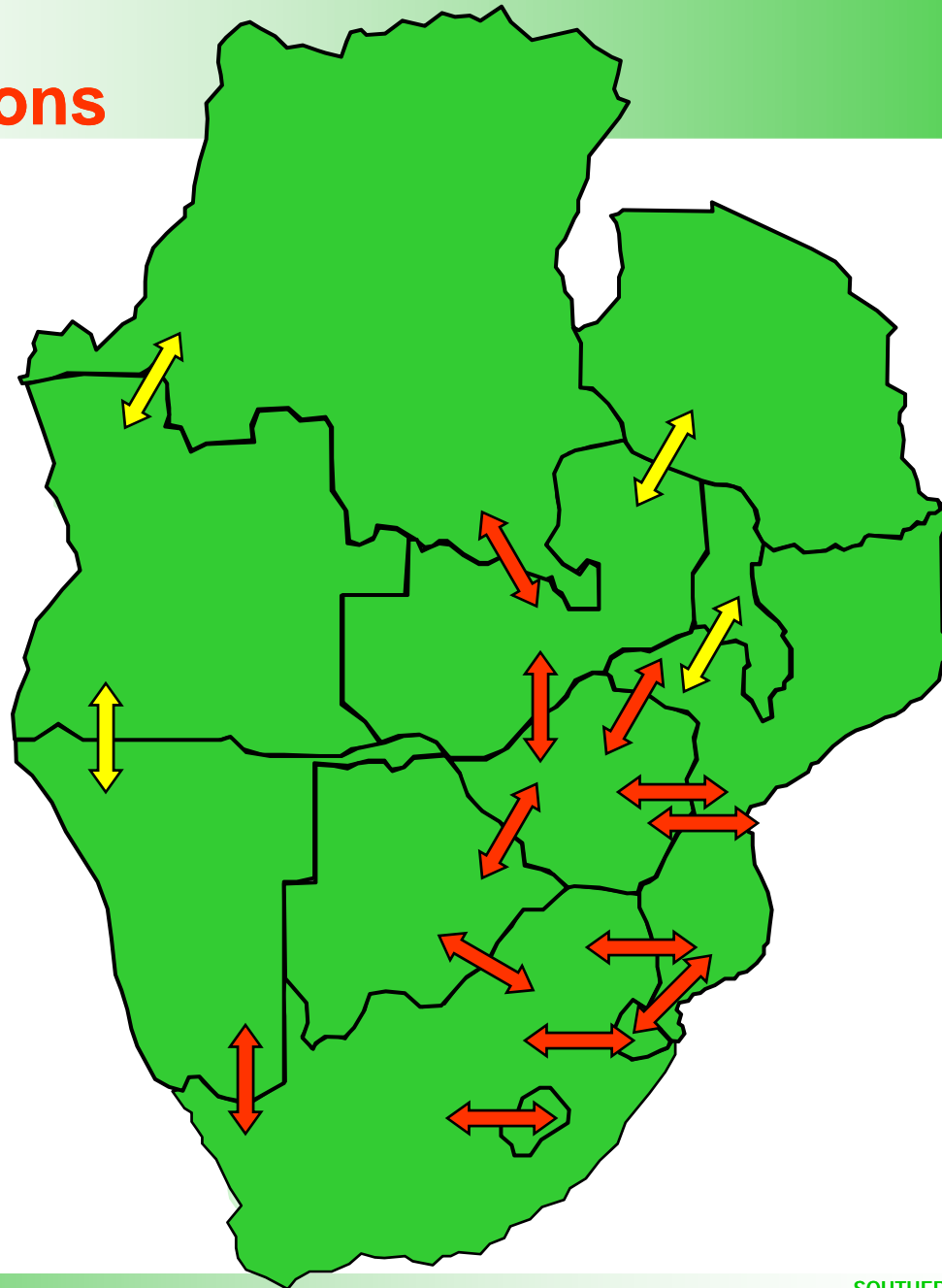




Map of Southern African



SAPP Interconnections

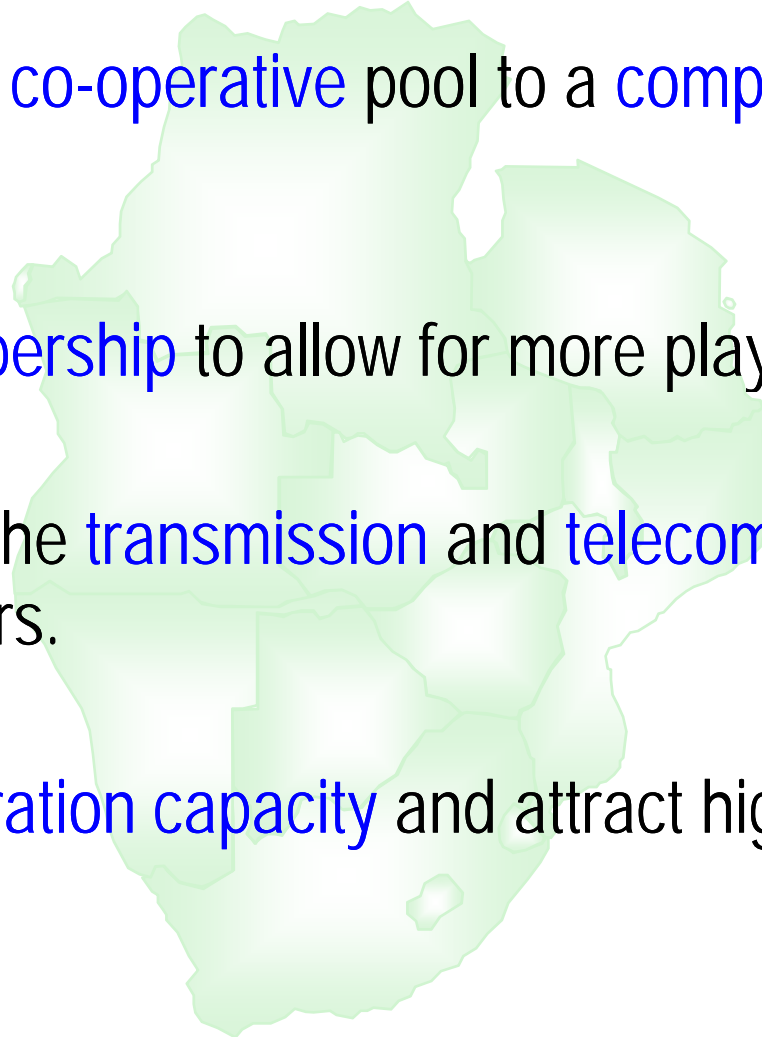


SAPP Vision

- Facilitate the development of a **competitive** electricity market in the Southern African region.
- Give the end user a **choice** of electricity supply.
- Ensure that the southern African region is the region of choice for **investment** by energy intensive users.
- Ensure sustainable energy developments through sound economic, environmental & social practices

Steps for promotion SAPP Vision

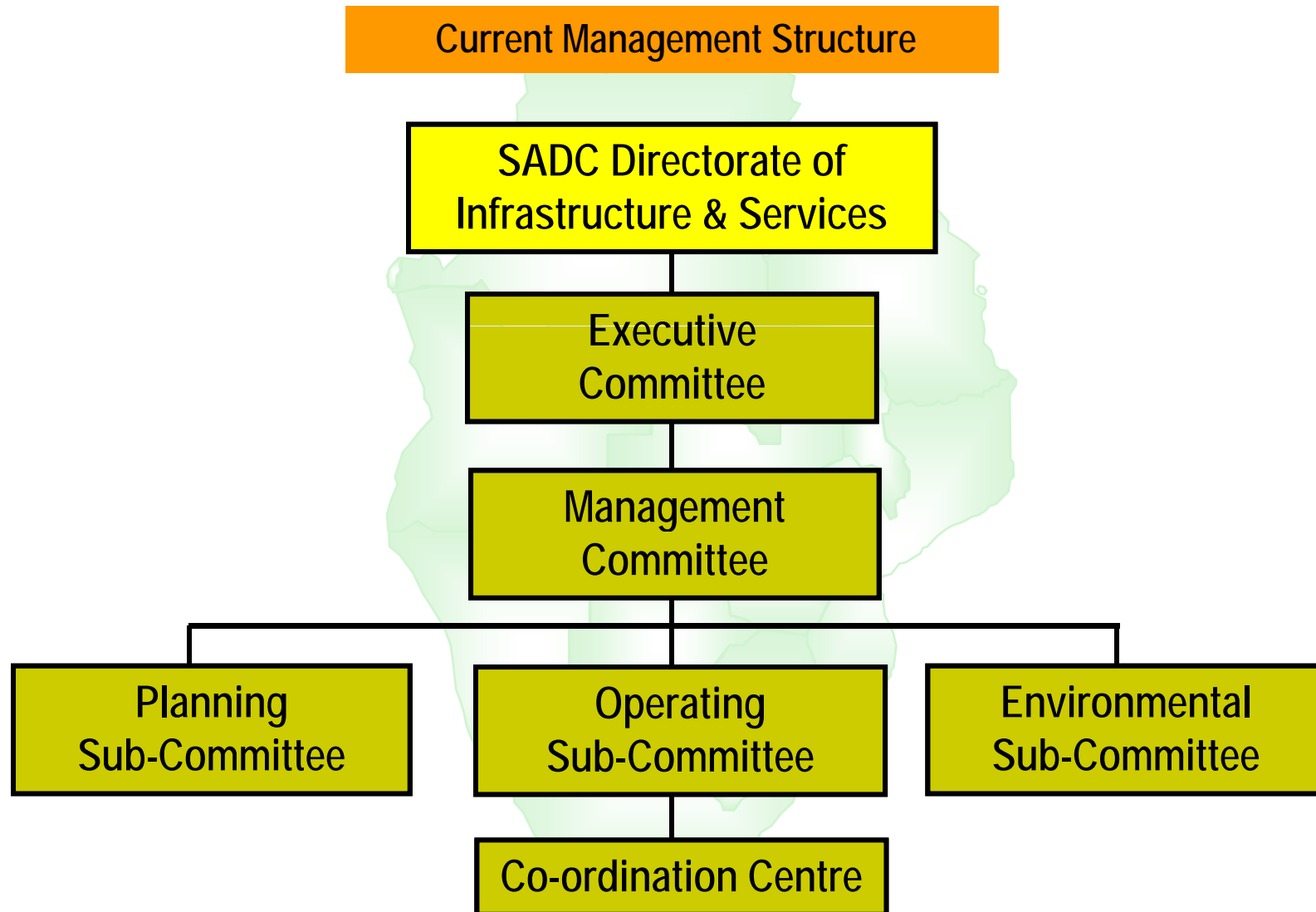
- Changing from a **co-operative** pool to a **competitive** power market.
- Reviewing **membership** to allow for more players.
- Expanding both the **transmission** and **telecommunication** links between members.
- Expanding **generation capacity** and attract high intensive energy users.



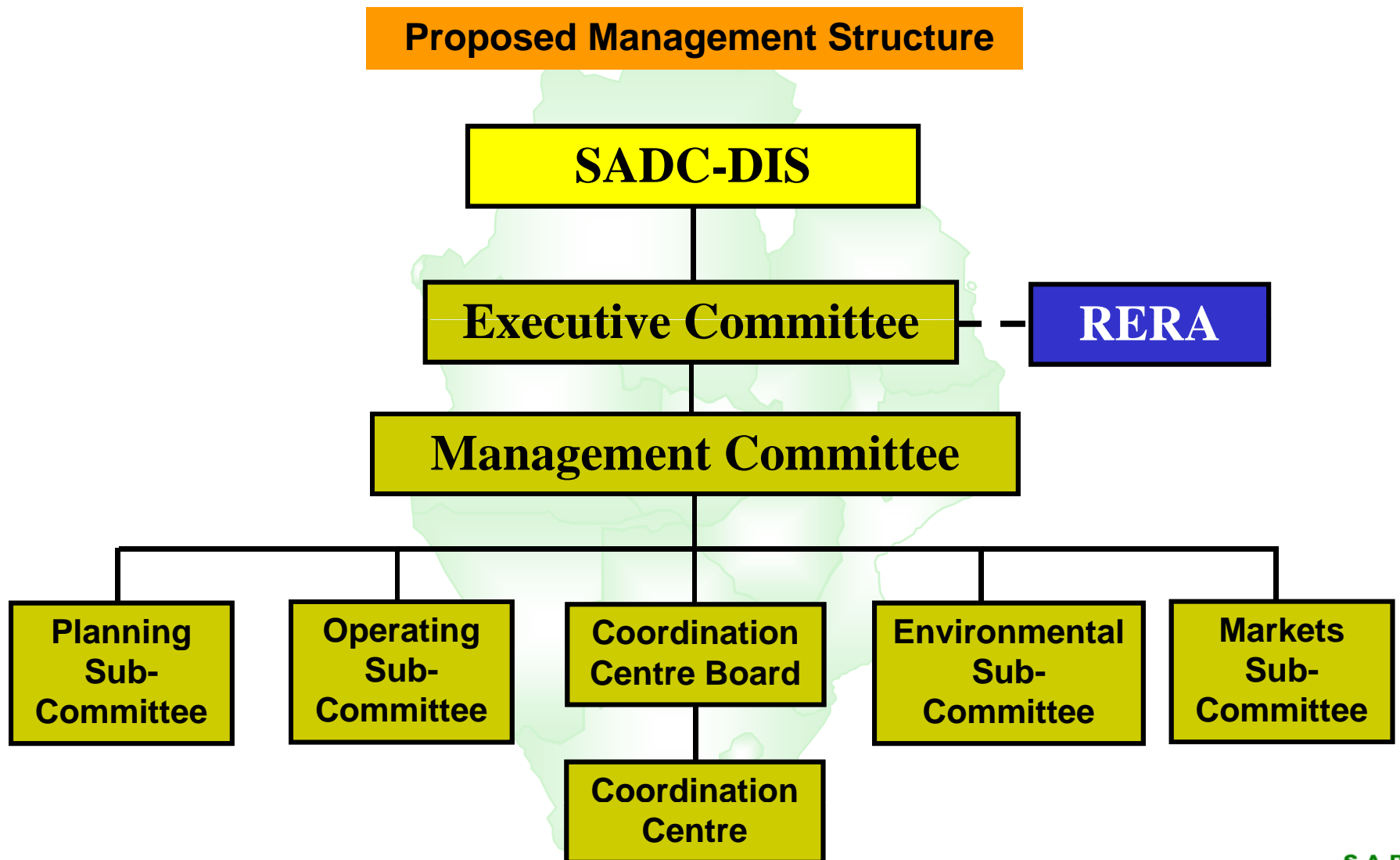
SAPP Objectives

- To provide a forum for the development of a world class, robust, safe, efficient, reliable and stable interconnected electrical system in the region.
- Harmonise inter-utility relationships.
- Co-ordinate the development of common regional standards on QOS; measurement and monitoring of systems performance; enforcement of standards, and facilitate the development of regional expertise through training programmes and research
- Implement strategies in support of sustainable development priorities.

SAPP Management Structure



SAPP Management Structure



Responsibilities and Duties

The Role of the SAPP Co-ordination Centre

- Organisation to implement SAPP objectives.
- Provide a focal point for SAPP activities.
- Facilitate the Short Term Energy Market – STEM.

Duties of the Planning Sub-Committee (PSC)

- Reports to the Management Committee
- Review of the Pool Plan
- Software evaluation and other planning tools which will enhance the value of planning activities.
- Other duties specified in the Inter-Utility MOU.

Responsibilities and Duties

Duties of the Operating Sub-Committee, OSC

- Reports to Management Committee.
- Responsible for operating and other duties as specified in the Agreement Between Operating Members.

Duties of the Environmental Sub-Committee, ESC

- Reports to the Management Committee.
- Responsible for alerting and advising the Management Committee about environmental and other matters, as described in the Inter-Utility MOU.

Responsibilities and Duties

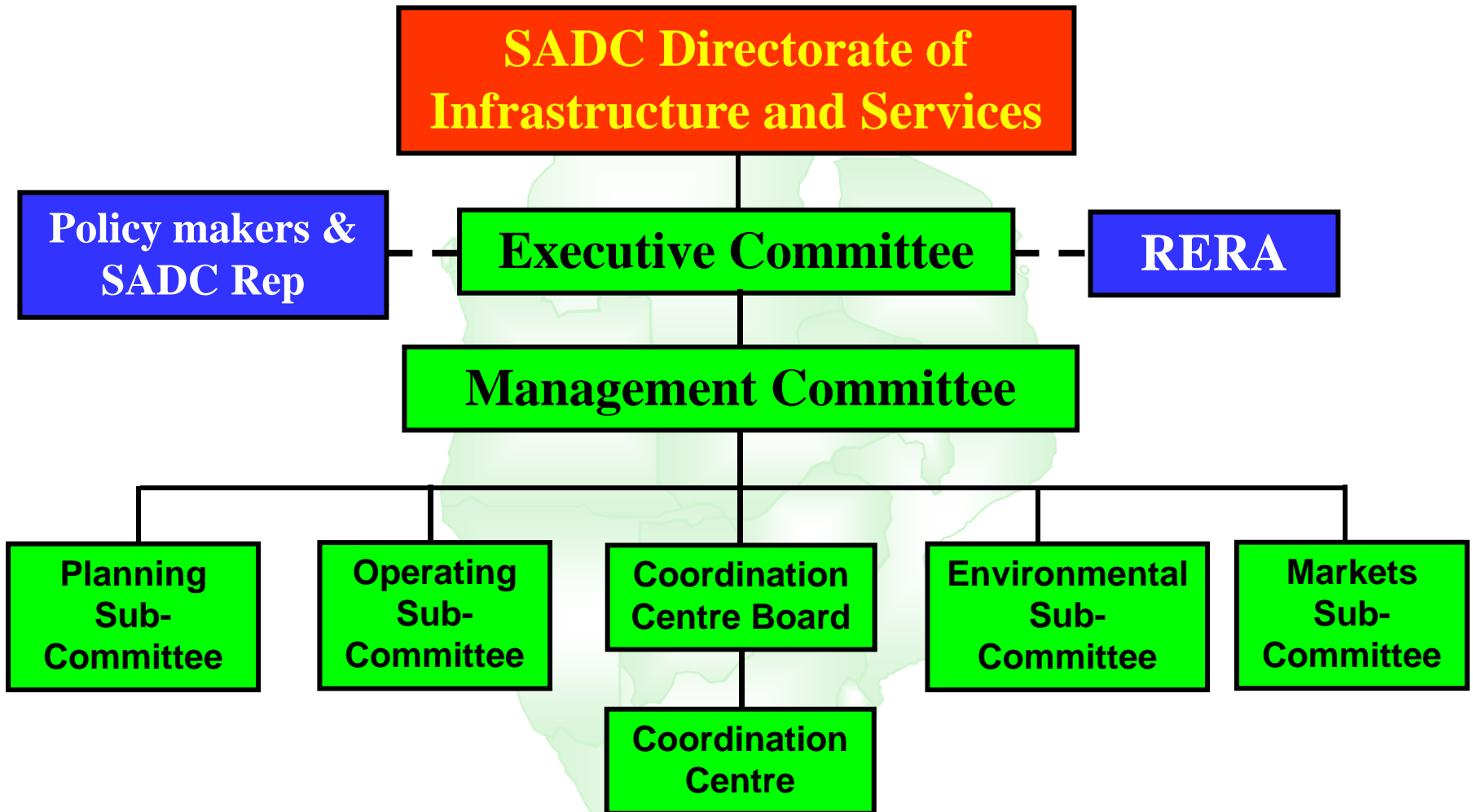
The Management Committee

- Reports to the Executive Committee.
- Oversees the administration of the Pool and ensures that the objectives of the Pool are met.
- In those areas that exceed its authority, the Committee makes recommendations to the Executive Committee.

The Executive Committee

- Reports to the SADC Energy Ministers Committee.
- The Committee is the Governing Authority of the Pool and is the authority governing the administration and formulating the objectives of the SAPP.

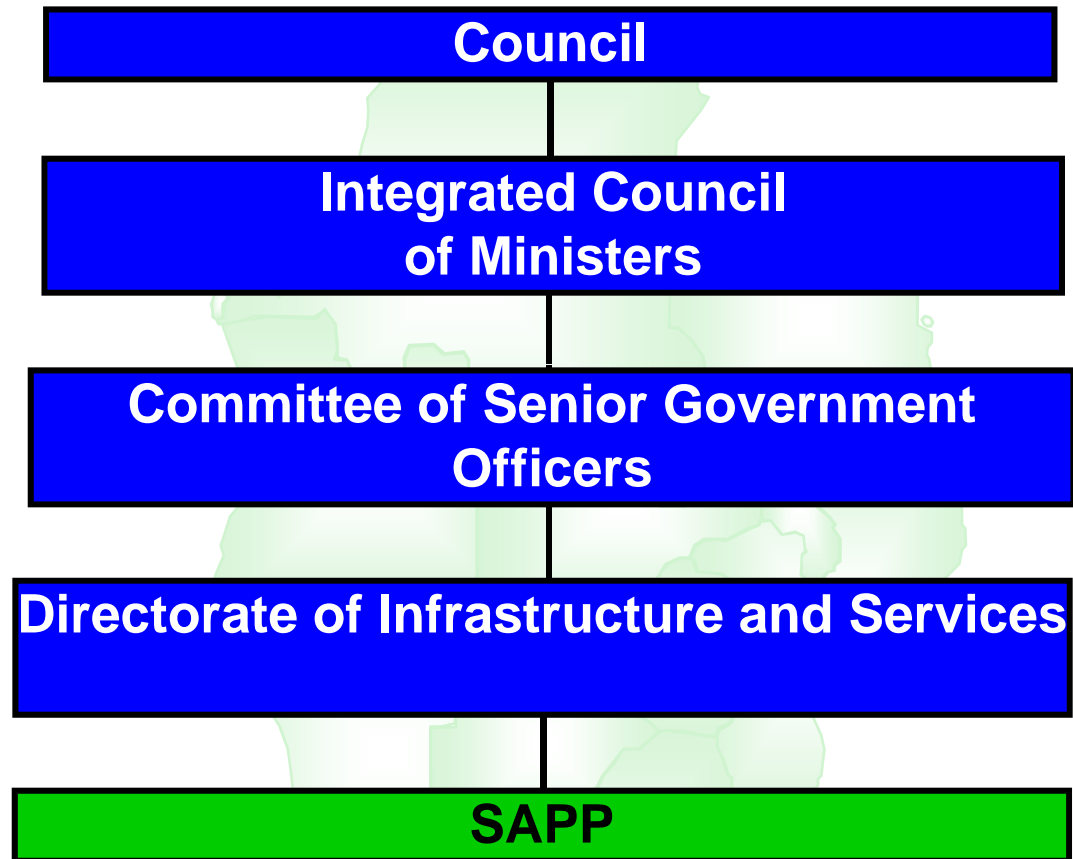
Proposed Management Structure of the SAPP



Notes on the new Management Structure of the SAPP

- RERA - Not a full member. RERA to be invited to SAPP meetings when required.
- Policy Makers and SADC Representatives -Recommended that SADC attends Executive Committee meetings.
- SAPP Management Committee - The Coordination Centre Board will report to the SAPP Management Committee in the new structure. The Coordination Centre will report to the Coordination Centre Board.

Reporting Protocol



Conclusion

- ➔ The current SAPP institutional arrangements have worked well so far.
- ➔ In the last few years, the need for SAPP to review governance and membership has arisen because:
 - i. The SADC has undergone a process of restructuring.
 - ii. Most of the SADC governments are reforming their Electricity Supply Industry.
 - iii. There is a strong desire to admit new members into SAPP such as non-national power utilities.

SAPP is currently working on a new governance and membership structure.

END

SOUTHERN AFRICAN POWER POOL



Thank you!

