



CONTENTS

Meetings, Workshops and Conferences .. 1	
<i>EAPP - SAPP - COMESA Consultative Meeting</i>	1
<i>Grand Inga Virtual Conference</i>	1
System Planning 2	
<i>Review of SAPP Load Forecasting Methodology</i>	2
<i>Impact of the Integration of Renewable Energy Technologies on SAPP Grid – Part 2</i>	2
<i>Setting up SAPP Data Management System</i>	2
<i>COVID-19 Impact Assessment</i>	2
Update on SAPP Projects 3	
<i>Regional Transmission Infrastructure Financing Facility (RTIFF)</i>	3
<i>Mozambique – Tanzania Interconnector Project</i>	3
<i>Angola – Namibia Interconnector Project</i>	3
<i>Botswana – South Africa Interconnector Project</i>	3
<i>Kolwezi – Solwezi Interconnector Project</i>	3
<i>Mozambique – Zambia Interconnector Project</i>	3
<i>Zambia – Tanzania Interconnector Project</i>	3
<i>Luapula Hydro Power Project</i>	3
System Operations 4	
<i>SAPP System Disturbances</i>	4
Electricity Trading 4	
<i>Volumes</i>	4
<i>Prices</i>	4
<i>Market Revenues</i>	5
<i>The SAPP Balancing Market Development</i>	5
Environmental Corner 5	
<i>World Bank - SAPP Virtual Meeting on the SAPP Grievance Mechanism</i>	5
<i>Environmental and Social Impact Assessment – Task Team Virtual Meeting</i>	5
<i>Environmental and Social Management Framework Dissemination</i>	6
<i>Statutory Fee for Authorities to Review Applications, Scoping and TORs and Final ESIA Reports</i>	6
Upcoming Events – 2020 6	

Meetings, Workshops and Conferences

EAPP - SAPP - COMESA Consultative Meeting

A joint meeting was held between EAPP, SAPP and COMESA to prepare for the work to be undertaken by an appointed Consultant on the enhancement of cooperation between EAPP and SAPP. The objective of the project is among other things to capacitate Regional Regulatory Associations and Power Pools to oversee and stimulate increased regional power trade more effectively. The development of an EAPP – SAPP Governance framework would also be addressed.

Grand Inga Virtual Conference

A special virtual Pan-African conference was held on the Grand Inga Project and hydroelectric power generation in the DRC. The virtual sessions focussed on the following:

- Power Generation and Transmission
- Financing Options and Arrangements
- Legal and Regulatory Arrangements
- Target Market Issues
- Socio – Economic and Environmental Implications
- Special Purpose Vehicle / Governance Issues

Participants included the African Power Pools, South African government, the African Union and African Development Bank among others.



System Planning

Review of SAPP Load Forecasting Methodology

The technical and financial evaluations of the Load Forecasting Methodology Study for SAPP were completed during the month of June 2020. A meeting on contract negotiation and clarification was held with the preferred Consultant on 8th June 2020.

A kick-off meeting for the project is scheduled for 16th July 2020 where agreements on the Consultant's approach and methodology, project deliverables and timelines, project governance and data requirements will be made.

Impact of the Integration of Renewable Energy Technologies on SAPP Grid – Part 2

The Assessment of the Impact of Renewable Energy Technologies on the Operation of the SAPP Grid – Part 2 study is on-going. Part 2 work includes the definition of the procedures and investments required to implement modified dispatch processes in the region. A range of sensitivity studies are to be carried out to investigate contingency situations in the power system and significant increases and decreases in the output of the VRE generation.

The core delivery phase of the project runs from June 2020 to the end of August 2020, where the following simulations will be done:

- Perform detailed simulations of capacity and transmission interconnection plans to see if ramping, spinning reserve and interzonal capacity is sufficient
- Determine if capacity plans need to be augmented to include additional capacity
- Simulate scenarios that explicitly considers n-1 contingency as well as renewable contingency.

The second workshop where the presentation of preliminary results of the study will be done is scheduled for the end of August 2020. This workshop will then be preceded by the submission of the Draft Report.

Setting up SAPP Data Management System

The SAPP is setting up a data management system which aims to enable SAPP to have a central depository of all data related to planning, project preparation and development, operations, markets and environment. This will be assisting the SAPP to easily access the data for any future requirements or studies.

The Consultant's procurement process is on-going. A meeting to consolidate technical evaluations is scheduled for 14th July 2020.

COVID-19 Impact Assessment

The Southern African region has seen increases in COVID-19 infections since March 2020. In response, most countries have taken lockdown measures of varying intensity in a bid to flatten the curve of new infections.

The lockdown imposed by the COVID-19 pandemic has led to an overall decline in electricity demand. The residential electricity demand increased, however, the drastic reduction of industrial and commercial businesses, as well as the suspension of large portion of service sector related activities has more than offset the growth of household consumption.

In June 2020, the Res4Africa Foundation with support from the SAPP produced the report; *"The Impact of COVID-19 on Africa's energy sector and the role of Renewable Energy to empower a long term and sustainable recovery"*.



Southern African Power Pool (SAPP)
24 Golden Stairs Road, P.O. Box EH52, Emerald Hill,
Harare, Zimbabwe,
Tel: +263-4-335517/335558 / 335468 Fax: +263-4-307023
Email: info@sapp.co.zw Website: www.sapp.co.zw



SAPP in conjunction with SADC Secretariat, RERA, SACREEE and the World Bank have engaged a consultant to assess the impact of Covid-19 on the electricity sub-sector in the region and recommend mitigations.

Update on SAPP Projects

Regional Transmission Infrastructure Financing Facility (RTIFF)

The Consultant issued a framing paper on the establishment of a SAPP Regional Transmission Infrastructure Financing Facility which highlights the rationale for RTIFF and its function. The draft final report for phase 1 was also issued for final comments.

Mozambique – Tanzania Interconnector Project

The Project Information Memorandum and request for funding have been prepared and submitted to the African Development Bank for consideration.

Angola – Namibia Interconnector Project

The Facility Agreement for funding the Angola – Namibia (ANNA) Interconnector Project was amended and signed between SAPP and the DBSA. Correspondingly, the contract between SAPP and the Consultant, Aurecon was extended to July 2021.

Botswana – South Africa Interconnector Project

The Draft Final Feasibility Report was issued for comments. However, the project received feedback and authorisation from the Minister of Environmental Affairs in South Africa to conduct stakeholder consultations, after a long waiting period due to the COVID-19 lockdown period.

Kolwezi – Solwezi Interconnector Project

The Final Scoping Report in Zambia was finalised and submitted to ZEMA for review and approval. The Final Scoping Report and Terms of Reference (TORs) for the ESIA in DRC were finalised and submitted to ACE, the environmental authority for review and approval.

Mozambique – Zambia Interconnector Project

The contract for the additional technical scope of work was signed between SAPP and the Consultant. A kick-off meeting to discuss the methodology and approach took place on 18 June 2020.

However, the additional environmental scope of work will be conducted by the Consultant WSP which has to consider alternatives for the site visits should it not be possible to conduct face-to-face interactions due to the impact of COVID-19. The next step is to arrange for a kick-off meeting.

Zambia – Tanzania Interconnector Project

The Inception Report was submitted to ZESCO and SAPP for comments. A workshop was held on 12 June 2020 to discuss the Transmission Line Route Report.

ZESCO submitted the Draft Final amendment ESIA Report to the Zambian Environmental Management Agency (ZEMA) for review and approval.

Luapula Hydro Power Project

The Luapula Hydro Power Project requires funding for the Feasibility Studies. SAPP continues to assist the utilities to secure funding for the technical studies as the funding window for the SADC Project



Southern African Power Pool (SAPP)
24 Golden Stairs Road, P.O. Box EH52, Emerald Hill,
Harare, Zimbabwe,
Tel: +263-4-335517/335558 / 335468 Fax: +263-4-307023
Email: info@sapp.co.zw Website: www.sapp.co.zw

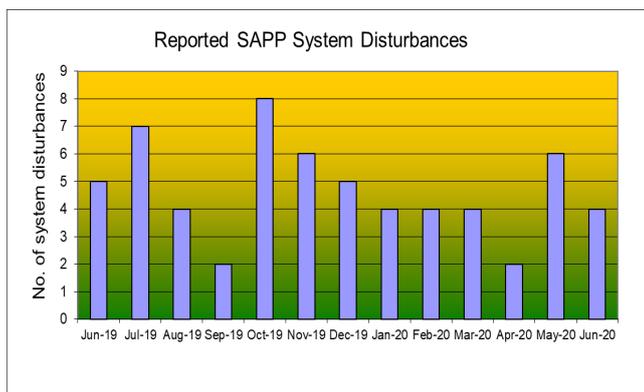


Preparation and Development Facility (PPDF) closes in December 2020.

System Operations

SAPP System Disturbances

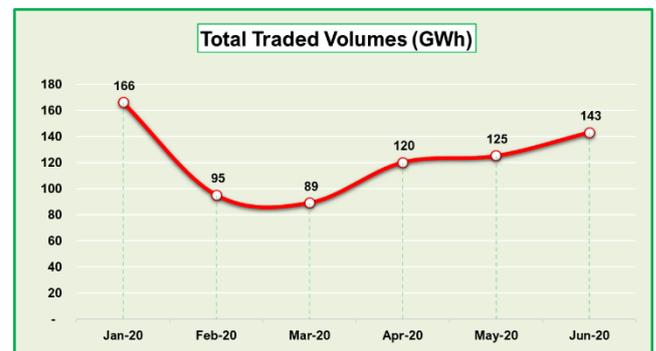
In the month of June 2020, four (4) SAPP system disturbances were reported on the interconnected power system. In the first one, the 220 kV Zambia - DR Congo interconnector no. 1 tripped on distance protection, but the other two interconnectors did not trip. The cause of the fault was vandalism of conductors in the DR Congo territory. In the second one, blocking and de-blocking of HVDC converter bridges at Kolwezi in DR Congo due to a transient HVDC line fault caused fluctuation of power frequency, transmission voltages, and tie line power flows, most pronounced in Zambia. In the third one, the 330 kV Mozambique - Zimbabwe interconnector tripped on distance protection due to a line fault in the Zimbabwe territory. The last one resulted in collapse of the southern Mozambique power system. To save life of a man who climbed a 275 kV tower, the affected line was switched off. In that configuration, one interconnector from South Africa to Mozambique was overloaded and it tripped. Refer to figure below for the general outlook of reported SAPP system disturbances.



Electricity Trading

Volumes

Trading on the market was higher during the month of June 2020 when compared to May 2020. Total traded volumes on the Day Ahead Market (DAM), Intra-Day Market (IDM), Forward Physical Monthly Market (FPM-M) and Forward Physical Weekly Market (FPM-W) increased by 14% to 143 GWh in the month of June 2020, from the May 2020 volume of 125 GWh.



Monthly Traded Volumes (GWh) in DAM, IDM, FPM-W and FPM-M (January 2020 to June 2020).

Prices

FPM Monthly Prices

Non off-peak market clearing prices increased from the May 2020 figure of 9.6USc/KWh to 11.4USc/KWh in June 2020. The off-Peak market clearing price was 3.0 USc/KWh in June 2020 being the same as for May 2020.

FPM Weekly Prices

The average market clearing price for the peak period was higher by 45% at 17.8USc/KWh in June 2020 from the May 2020 figure of 12.3USc/KWh. Standard period average market clearing prices increased from the May 2020 figure of 5.3USc/KWh to 6.0USc/KWh in June 2020. The average off-peak market clearing price increased from 2.3USc/KWh in May 2020 to 2.8USc/KWh in June 2020.

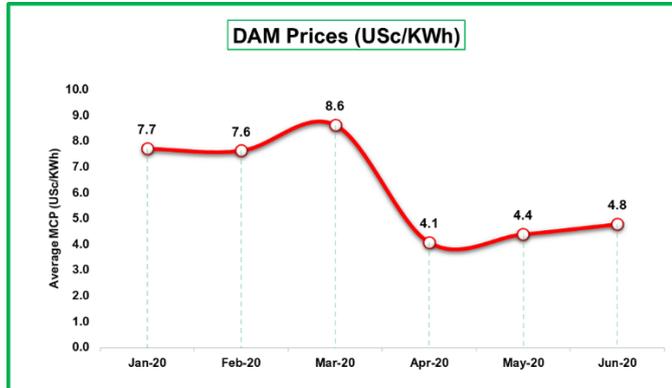


Southern African Power Pool (SAPP)
 24 Golden Stairs Road, P.O. Box EH52, Emerald Hill,
 Harare, Zimbabwe,
 Tel: +263-4-335517/335558 / 335468 Fax: +263-4-307023
 Email: info@sapp.co.zw Website: www.sapp.co.zw



Day Ahead Market

The monthly average DAM market clearing price (MCP) was higher during the month of June 2020 at 4.8 USc/KWh when compared to 4.4 USc/KWh recorded in May 2020.



Monthly Average Market Clearing Prices from January 2020 to June 2020.

Intra Day Ahead Market (IDM)

The average IDM price for the peak period for the month of June 2020 was 8.4 USc/KWh, up from the May 2020 figure of 6.3 USc/KWh. The average IDM price for the standard period in June 2020 was 5.6 USc/KWh when compared to May 2020 figure of 4.0 USc/KWh. The average off-peak period price recorded for June 2020 was 2.0 USc/KWh being an increase on the May 2020 figure of 2.3 USc/KWh.

Market Revenues

A total of USD 7.3 million was exchanged on the competitive market during the month of June 2020 when compared to USD 5.4 million exchanged in May 2020. The change is mainly attributed to changes in traded volumes and changes in prices. USD 13 million was exchanged on the competitive market during the month of June in 2019.

The SAPP Balancing Market Development

The SAPP Balancing Market (BM) Project kicked off in March 2020. The consultant has so far completed the detailed technical

design. The Consultant is building the BM trading modules in the current SAPP-Market Trading Platform System. The targeted completion date is February 2021.

Environmental Corner

World Bank - SAPP Virtual Meeting on the SAPP Grievance Mechanism

The SAPP developed the Grievance Mechanism (GM) Procedure, aimed at managing complaints raised by the Affected Parties during project implementation. This includes grievances that may occur because of member utilities and/or associated contractors' activities. The GM has since been submitted to the World Bank for a no objection.

Pursuant to the GM submission, a virtual meeting was held with the World Bank, on 12 June 2020, to address modalities associated with the operationalisation of the GM. Factors to consider would include, but not limited to:

- GM roll out in utilities;
- Roles and responsibilities; and
- Monitoring and reporting.

These activities would be preceded by the development of a coordination work plan by the SAPP. The meeting took cognisance of the various stages of projects under development and recognised the need to incorporate the requirements to the GM to levels that may be practicably possible. It shall be a requirement to periodically report on the GM status on the various projects.

Environmental and Social Impact Assessment – Task Team Virtual Meeting

The ESC Environmental and Social Impact Assessment Task Team convened a meeting to address the SAPP Environmental and Social Management Framework (ESMF) dissemination Terms of References and payments of environmental statutory fees for



Southern African Power Pool (SAPP)
 24 Golden Stairs Road, P.O. Box EH52, Emerald Hill,
 Harare, Zimbabwe,
 Tel: +263-4-335517/335558 / 335468 Fax: +263-4-307023
 Email: info@sapp.co.zw Website: www.sapp.co.zw



Review of Application, Scoping and TORS and Final ESIA Reports.

Environmental and Social Management Framework Dissemination

The following were some of the issues discussed, after review of the draft ESMF dissemination TOR:

- A clarification meeting should be arranged with the prospective service provider;
- A refresher workshop be held with the ESC prior to engaging a wider stakeholder group;
- The TOR should provide clarity on the intended target groups, that is, professional bodies, utilities, ESC members, government officials, with a consideration of SADC as significant stakeholder;
- The TOR to provide clarify on the monitoring and evaluation of projects in the utilities.

The TOR will be revised prior to submission for procurement purposes.

Statutory Fee for Authorities to Review Applications, Scoping and TORs and Final ESIA Reports

The discussion was intended to initiate the gathering of information regarding the requirement of the payment of the statutory fee by the project proponent, in the respective SADC countries. It was established that different Environmental legislation has requirements for the payment of the statutory fees prior to the review of the submitted report, this payment is required at different phases of the ESIA studies, such as at Application phase, Scoping and TOR phase as well as the Final ESIA Report phase.

It was noted that in other countries power utilities are exempted from the payment of the fees while other countries do not exempt the

utilities from paying the statutory fees associated with the submission of ESIA reports.

Upcoming Events – 2020

DATE	EVENT
1 July 2020	43 rd SAPP CC Board Meeting, Virtual
13–15 July 2020	SADC Ministers of Finance & Investment Meetings, Virtual
16 July 2020	Africa Energy Commission Webinar on Impact of Covid-19
22 July 2020	Energy Efficiency in Smart Buildings Through IOT Sensor Integration, Virtual
28 July 2020	Regional Gas Master Plan Validation Workshop, Virtual
13 August 2020	Role of the Smart Grid in Facilitating the Integration of Renewables, Virtual
1 – 3 September 2020	55 th SAPP Meetings
2 September 2020	44 th SAPP CC Board Meeting
September 2020	SADC Joint Energy and Water Ministers' Meetings, Tanzania
14 -18 September 2020	Power Africa Week, Johannesburg, South Africa
October 2020	SADC Energy Thematic Group Meeting, Gaborone, Botswana
20-22 October 2020	Africa Energy Forum, Amsterdam
29 October 2020	49 th SAPP Executive Committee Meeting and SAPP AGM, Kinshasa, DRC
27 November 2020	45 th SAPP CC Board Meeting, Harare, Zimbabwe



Southern African Power Pool (SAPP)
 24 Golden Stairs Road, P.O. Box EH52, Emerald Hill,
 Harare, Zimbabwe,
 Tel: +263-4-335517/335558 / 335468 Fax: +263-4-307023
 Email: info@sapp.co.zw Website: www.sapp.co.zw

