

**Unlocking the electricity transmission grid:
An independent system and market operator for South Africa**



The **Free Market Foundation** invites you to attend a full day conference at the **FNB Conference & Learning Centre**, Grayston Drive, Sandton on **Thursday, June 9** – see programme attached.

- Government has confirmed that Independent Power Producers (IPPs) will in time generate 30% of South Africa's electricity
- The Integrated Resource Plan (IRP2010) has been promulgated
- The key to the efficient utilisation of IPPs is an Independent System and Market Operator (ISMO) as proposed by the Department of Energy
- The ISMO Bill has been gazetted and public submissions are due June 13

Through the conference, the FMF hopes to advance the implementation of the ISMO as proposed by the Department of Energy. We will explore **alternative grid models** from the UK, India, Brazil, US and Scandinavia; consider **appropriate grid options for South Africa**; and garner the **viewpoints** of key role-players.

Confirmed speakers include:

Minister Dipuo Peters | Department of Energy
Deputy Director-General Ompie Aphané | Department of Energy
Robert Lane | Cameron McKenna: Regulated Industries Team, **UK***
Barun Mitra | Liberty Institute, **India***
David Waltenberg | Advocacia Waltenberg, **Brazil***
Ashley Brown | Harvard Electricity Policy Group, **USA***
Peter Fritz | Sweco: Energy Markets Analysis Group, **Sweden***
Leon Louw | Free Market Foundation
Jayendra Naidoo | Business Leadership South Africa
Roger Baxter | Chamber of Mines
Karl Lawrenz | TransAfrican Energy
Thomas Garner | Energy Intensive User Group
Doug Kuni | South African Independent Power Producers Association
Mark Pickering | Meridian Economics

* See bios below

Conference fee: R1,500 (limited motivated sponsorship available to academics and others; media welcome free)

Seating limited, so please RSVP soonest via www.fmfevents.co.za

Thanks & regards

Gail Day | Events Co-ordinator | 011 884 0270 | gailday.fmf@mweb.co.za

Sponsors

Business Leadership South Africa
Dewey & LeBoeuf
EE Publishing
Exxaro
Free Market Foundation

Overseas speaker bios

Robert Lane is Head of the Regulated Industries Team at Cameron McKenna and has been advising in the energy sector for over 20 years. Robert has worked extensively on the England & Wales electricity reforms and on the Northern Ireland restructuring, including the recent introduction of the Single Electricity Market. This involved developing the design with the Regulator and Government, and designing the detailed documentary matrix. He regularly advises in relation to utility related mergers and acquisitions, with recent transactions including a bid for United Utilities Electricity, and taking part in the auction for the new nuclear sites in the UK. Robert also acted for a potential bidder for British Energy.

Barun Mitra is a commentator on current affairs on a range of issues from economic development to environmental quality. His articles have appeared in publications across the world. He is the founder and director of the Liberty Institute, a non-profit, independent public policy research and advocacy organisation, based in New Delhi. Liberty Institute is dedicated to harnessing the power of the market to enhance individual freedom in economic and political domains. Barun is currently working to apply his insights from the political process to a few policy areas such as climate change and energy, and property rights (particularly land rights). The aim is to understand the political dynamics surrounding these issues, and leverage them to stimulate policy change in a way that makes reforms politically acceptable.

David Waltenberg is Senior Partner at Advocacia Waltenberg, São Paulo, Brazil. He is legal counsel in the area of electricity law and other areas of public and private law, including tax, commercial and corporate law. He has participated in the implementation of hydroelectric and thermoelectric power plants and in negotiations of corresponding project or corporate finance and concession agreements and/or authorisations. David has been legal counsel to national and multinational entrepreneurs in the processes of privatisation of energy companies in Brazil, and has participated in negotiations of power supply to intensive energy consumers. He has been legal counsel to electrical energy utilities in the relationship with the federal granting authority, including administrative litigation, and to the entities responsible for the Wholesale Energy Market (MAE) and the coordination of interconnected electrical system operation (ONS).

Ashley Brown is Counsel to Dewey & LeBoeuf. He is currently the Executive Director of the Harvard Electricity Policy Group at Harvard University's John F. Kennedy School of Government, a leading think tank on matters related to electricity restructuring, regulation and market formation. Ashley served 10 years as a Commissioner of the Public Utilities Commission of Ohio. He has also served as an arbitrator in matters relating to the evolution of competition in infrastructure industries. He has served on the Boards of Directors of three different companies in the electricity industry and has extensive teaching experience in public schools and universities and is a frequent speaker and lecturer on regulatory, infrastructure, and energy policy matters in North and South America, Europe, Africa and Asia. Ashley has advised the governments of more than 15 countries and counselled many private clients as well on regulatory and infrastructure matters. He has written many publications about electricity markets and regulation, including being the co-author of *The Handbook for Evaluating Infrastructure Regulatory Systems*, published by the World Bank.

Peter Fritz is leading the Energy Markets Analysis Group at the international consulting firm Sweco. For the last 20 years Peter has been one of the key figures of electricity market reform in the NORDEL region. As early as 1990 he was Project Manager for an investigation at Swedish Energy Agency to outline the new market structure in Sweden. A result of this study was the creation of an independent transmission operator in 1992. Over the years he has served as an adviser to the TSO and to the Regulatory Authority concerning national grid tariffs, the organisation of the frequency control, metering and settlement and price regulation of monopoly activities. He has served as secretary in a number of departmental committees to draft and adjust electricity legislation. During the last 10 years Peter has been the project leader for the Market Design Research program.

DRAFT PROGRAMME | Thursday, June 9

Unlocking the electricity transmission grid: An independent system and market operator for South Africa

08h00-08h45	Registration / Finger breakfast	
-------------	---------------------------------	--

08h45-09h45	SESSION 1: Welcome, overview and terminology	
-------------	--	--

	Chair	Ayanda Khumalo (Free Market Foundation)
30 mins	Welcome	Minister Dipuo Peters (Department of Energy)
15 mins	Overview	Leon Louw (Free Market Foundation)
15 mins	ISMO terminology 101	Karl Lawrenz (TransAfrican Energy Pty (Ltd))

09h45-11h00	SESSION 2: Alternative grid models: UK, India, Brazil	
-------------	---	--

	PANEL	
	Chair	
75 mins	United Kingdom	Robert Lane (Cameron McKenna: Regulated Industries Team)
	India	Barun Mitra (Liberty Institute)
	Brazil	David Waltenberg (Advocacia Waltenberg)

11h00-11h30	Tea	
-------------	-----	--

11h30-12h20	SESSION 2 cont: Alternative grid models: North America, Scandinavia	
-------------	---	--

	PANEL	
	Chair	
50 mins	North America	Ashley Brown (Harvard Electricity Policy Group)
	Scandinavia	Peter Fritz (Sweco: Energy Markets Analysis Group)

12h20-13h00	SESSION 3: ISMO / Policy elements	
--------------------	--	--

	Chair	
20 mins	The ISMO Bill explained	Speaker tbc
20 mins	Policy elements of an independent grid	Mark Pickering (Meridian Economics)

13h00-14h00	Buffet lunch	
--------------------	---------------------	--

14h00-15h15	SESSION 4: An appropriate grid model for South Africa: Viewpoints	
--------------------	--	--

	PANEL	
75 mins	Chair	Clive Ferreira (Fieldstone Africa)
	Business Leadership South Africa	Jayendra Naidoo
	Chamber of Mines	Roger Baxter
	Cosatu	Speaker tbc
	Department of Energy	Deputy Director General Ompie Aphone
	Energy Intensive User Group	Thomas Garner
	SA Independent Power Producers Association	Doug Kuni
	UK, India, Brazil, North America, Scandinavia	Overseas speakers above

15h15-15h45	Tea	
--------------------	------------	--

15h45-16h30	SESSION 4 cont: Viewpoints	
--------------------	-----------------------------------	--

45 mins	PANEL (as above)	
---------	-------------------------	--

16h30-17h00	SESSION 5: Summary & way forward	
--------------------	---	--

30 mins	Summary of matrix results & way forward	Leon Louw (Free Market Foundation)
---------	---	---