



Municipalities Roundtable Summary

5th September 2023

Background and Objective

The Municipalities Roundtable addressed Active Partnering Models, Energy Reduction and Load Curtailment. Solutions are being assessed to address challenges faced by the impact of poor municipal service delivery on factory operations. Status of pilot projects in the City of Ekurhuleni were a key area of focus.

Presentations

Municipalities Strategic Project Overview - Deveena Subramony, Project Manager, Manufacturing Circle Case Study: Active Partnering in Msunduzi - Melanie Veness, Chairperson: Association of Business Chambers (ASAC) Public Private Partnerships: An NT Perspective - Themba Mdletshe, National Treasury Cities Support Programme - Rudewaan Arendse - Project Lead, Industrial Park Revitalisation Programme, National Treasury Demand Side Management for the mid-sized manufacturing sector - https://youtu.be/_Apto-j4ze0 Industrial Energy Efficiency Programme - Julie Wells, Project Manager, NCPC-SA Load Curtailment in Practice - Simon Pickett, Eldo Energy

Key Discussion Points

SESSION 1: ACTIVE PARTNERING A review of approaches by industry to actively address the inherent lack of municipal service delivery.

Municipalities Strategic Project Overview

 A lack of communication by municipalities (specifically key decision makers with authority and influence) are current stumbling blocks that need to be addressed).

Msunduzi Municipality Case Study

- Ongoing issues with maladministration, and excessive spending as a result of vandalism, theft, illegal connections, and contractors not doing work.
- Constant electricity cuts due to not having paid Eskom.

SESSION 2: DEMAND SIDE MANAGEMENT

A focus on managing and optimising the consumption of energy by factories, sharing strategies to reduce peak demand and shifting consumption to off-peak periods; and promotion of industrial energy efficiency opportunities.

City of Ekurhuleni Industrial Hubs: Springs, Wadeville and Spartan

Progress to date and hurdles to overcome- perspectives by PFG Glass and Multotec:

- Municipality lacks ability to counter cable theft, maintenance and loadshedding management.
- Municipal resources are limited including overtime and technicians.
- Active collaboration within industry is needed.
- The Spartan Energy User Group has been established to focus implementation of demand management across different factory sites.
 - o Current challenges include:
 - Access to information establishing the top 80% energy users.
 - Distribution and network designers start with major transformers, and then identifying who is connected.
 - Clarity on how the municipality views load curtailment- when is enough and what is the average.

Actions and next steps

• There is a greater need for industry middle management to counter the lack of municipal service delivery, thereby sustaining factory operations.

- National Treasury support is required within government to facilitate alignment across departments.
- Municipal aging infrastructure needs to be addressed. Companies can't afford outages. Businesses require more certainty of profits and outcomes. Failing this, motivating for future investment on the basis of bankability and ROI is not achievable.

Attendees

Agbiz ArcelorMittal Ardagh Group City of Ekhuruleni Coca Cola Beverages Africa Eldo Energy Manufacturing Circle Manufacturing Circle Manufacturing Circle Multotec Multotec National Treasury

Theo Boshoff Jerry Dungu Thami Mkhuzangwe Mike du Toit Perusha Moodley Dhelia Raman J P Blumenthal Natalie Hendricks Mzisi Nzama Simon Pickett Jo Bryden Deveena Subramony Philippa Rodseth Johan Robbertse Renier van Rooyen Themba Mdletshe

- National Treasury NBL NCPC Nemai Consulting
- Rudewaan Arendse Nicie Vorster Julie Wells Ciaran Chidley

Nyamezela PG Group PG Group Pietermaritzburg & Midlands Chamber of Business PwC SA Steel Mills TIPS TIPS Webber Wentzel Zestweg Chris Vuso Richard Kumalo James de Smidt Melanie Veness

Zimiti Chodeva Umar Mia Dominic Ramos Lucas Mthembu Yael Shafrir Eduard Werninghaus

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