

MINUTES

OF THE MEETING OF THE ENERGY AND CLIMATE CHANGE PORTFOLIO COMMITTEE HELD AS A SKYPE MEETING ON 1 JUNE 2020 AT 11:00.

PRESENT: COMMITTEE MEMBERS

DEMOCRATIC ALLIANCE (DA)

Cllr Z Sulelo (Chairperson)
Cllr G Peck (Deputy Chairperson)
Cllr C Fry
Cllr G Gordon
Cllr M Kleinschmidt
Cllr C Bew
Cllr A Benadie

AFRICAN NATIONAL CONGRESS (ANC)

Cllr X Peter

CONGRESS OF THE PEOPLE (COPE)

Cllr M Cassim

COUNCILLORS ABSENT WITH APOLOGY:

Cllr L Gungxe
Cllr L Nyingwa

COUNCILLORS ABSENT WITHOUT APOLOGY:

Cllr F Nkuzana
Cllr J Middleton

VISITING COUNCILLORS:

Cllr P Maxiti (Mayco Member)

OFFICIALS:

K Nassiep	Executive Director: Energy & Climate Change
L Mahomed Weideman	Director: Sustainable Energy Markets
L Rencontre	Director: Electricity Generation and Distribution
D Leeuwendaal	Electricity Generation and Distribution
H Essop	Electricity Generation and Distribution
E Capes	Electricity Generation and Distribution
S Mosdell	Sustainable Energy Markets

L van Rensburg	Sustainable Energy Markets
A Stone	Sustainable Energy Markets
M Haw	Sustainable Energy Markets
B Coetzee	Support Services (WWS)
M Abass	Organisational Performance Management
M Fillies	Organisational Performance Management
J Barnes	Human Resources

EXECUTIVE COMMITTEE SERVICES:

A Kline
M Levendall

LEGAL SERVICES:

T Gwadiso

INTERPRETER:

None

PRESS:

None

PUBLIC:

None

ECC 01/06/20 OPENING

The Chairperson, Cllr Sulelo, welcomed all those present at the meeting and a moment of silence was observed.

ECC 02/06/20 APPLICATIONS FOR LEAVE OF ABSENCE

It was noted that the following application for leave of absence was received for this meeting.

- Cllr L Gungxe

It was noted that Cllr J Middleton was unable to connect to the meeting due to technical difficulties.

Cllr Peter informed the meeting that apologies were received for the meeting for Cllr L Gungxe and Cllr L Nyingwa.

RESOLVED that the application for leave of absence received for this meeting be noted.

ACTION: A KLINE

ECC 03/06/20 CHAIRPERSON'S REPORT

The Chairperson's report is attached to the official minutes of the meeting as Annexure A.

Cllr Cassim enquired regarding how many Municipalities in South Africa had a fixed charge for electricity. Cllr Sulelo requested that a comparison between the City of Cape Town and other Metros with regards to the fixed charge for electricity be presented at the next Portfolio Committee meeting. This would include a background regarding the reasons why the fixed charge was introduced.

RESOLVED that the Chairperson's report be noted.

ACTION: A KLINE; CLLR SULELO

ECC 04/06/20 CONFIRMATION OF MINUTES: 2 MARCH 2020

RESOLVED that the minutes of the ordinary meeting of the Energy and Climate Change Portfolio Committee held on 2 March 2020, be approved.

ACTION: A KLINE

ECC 05/06/20 PROGRESS REPORT: MATTERS RECEIVING ATTENTION

1. DRAFT TRANSPORTATION POLICY

Mr. Barnes informed the meeting that a report was drafted for submission to the Portfolio Committee meeting in June 2020 but the signatory process for the report was not completed in time. Mr. Barnes confirmed that a report would be submitted to the next Energy and Climate Change Portfolio Committee meeting.

RESOLVED that a report regarding the progress of the Draft Transport policy for staff be submitted to the next Energy and Climate Change Portfolio Committee meeting.

ACTION: J BARNES; CLLR SULELO; K NASSIEP

2. INTRODUCTION OF ENERGY AND CLIMATE CHANGE DIRECTORATE TO SUBCOUNCILS

Ms. Mahomed Weideman reported that there had been no further presentations conducted at Subcouncils and that the department would engage with Subcouncil Managers with regards to online presentations and consultations with Subcouncils.

RESOLVED that the implementation and feedback of the Energy and Climate Change presentation programme be submitted to the Energy and Climate Change Portfolio Committee meeting on a quarterly basis for information.

ACTION: L MAHOMED WEIDEMAN; K NASSIEP

3. COCT PUBLIC LIGHTING PROJECT LISTING – MAJOR PROJECTS (2018-2019 & AHEAD)

LIGHTING IN KHAYELITSHA

The matter was dealt with under item ECC 06/06/20

4. CLIMATE CHANGE POLICY PRINCIPLES: PRINCIPLE 7

Cllr Sulelo reported that a workshop was arranged for May 2020 but was postponed due to the Covid-19 pandemic. A new date for the workshop would be arranged and the details for the workshop would be communicated to the Portfolio Committee members.

RESOLVED a new date for the joint workshop with the Spatial Planning and Environment, Corporate Services and the Energy and Climate Change Portfolio Committees to be arranged with regards to the Climate Change Policy Review in order for the committees to provide input.

ACTION: A KLINE; A DAVISON

5. CLIMATE ACTION PLAN UPDATE – MITIGATION

The matter was dealt with under item ECC 14/06/20

6. MOTION OF ELECTRIFICATION OF NPOs, NGOs AND CHURCHES THAT RENDER SERVICES IN THE INFORMAL SETTLEMENT COMMUNITY BY COUNCILLOR ELTON ENRIQUE JANSEN (ITEM NO. ECC 07/03/20)

Mr. Nassiep reported that the matter was discussed with the Strategic Policy Unit and the issue of which Directorate would be responsible for the shared network costs attached to this type of connections was addressed. Mr. Nassiep further indicated that a social grant was proposed and a new policy or an amendment to an existing policy was discussed to incorporate such a grant.

Mr. Leeuwendaal informed the meeting that the Strategic Policy Unit would engage with the relevant Line Department to possibility have the grant be included in the Social Development Policy which is currently in review.

It was noted Cllr Sulelo would engage with the Strategic Policy Unit regarding the progress of the policy review process and would enquire what the time-lines are for the implementation of this process. Cllr Sulelo would then provide feedback at the next Portfolio Committee meeting.

RESOLVED that the Chairperson, Cllr Z Sulelo, would engage with the Strategic Policy Unit regarding the progress and timeframes for implementation of the policy review process.

ACTION: CLLR SULELO; K NASSIEP; A TARR, H COLE; D SULLIVAN

ECC 06/06/20

QUARTERLY LIGHTING PRESENTATION

Mr. E Capes presented the Quarterly Lighting Presentation and questions of clarity by the Committee members were addressed.

Cllr Peck indicated that the Atlantis area was shown in the presentation as part of area East and enquired whether this was an error. Mr. Capes responded that this would be corrected in the next presentation as the Atlantis area should be reflected as part of area North.

Cllr Peter enquired which criteria was utilised by the department to identify the areas, in Khayelitsha, for the installation of lighting. Cllr Peter further indicated that it was requested that the lighting be installed along the routes to public transport. Cllr P Maxiti responded that the plan for the installation of lighting in Khayelitsha was agreed by the relevant Subcouncil and the line

department. Cllr Maxiti further indicated that Cllr Peter could address any amendments to the plan with the Subcouncil. The Subcouncil could then communicate any amendments to the plan with the line department.

Cllr Sulelo requested that the sub-heading, lighting in Khayelitsha, be removed from the Matters Receiving Attention list.

RESOLVED that the presentation on the Quarterly Lighting Presentation, be noted.

ACTION: E CAPES; D LEEUWENDAAL; K NASSIEP

ECC 07/06/20 2019/20 THIRD QUARTER'S PROGRESS REPORT ON CORPORATE PERFORMANCE

RECOMMENDED that the 2019/20 Third Quarter's Progress Report on Corporate Performance, be noted and submitted to the Executive Mayor together with the Mayoral Committee for submission to Council.

ACTION: C JANUARY; M ABASS

ECC 08/06/20 DIRECTORATE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) FOR 2020/2021

It was noted that the Directorate Service Delivery and Budget Implementation Plan (SDBIP) for 2020/2021 report was submitted to the Energy and Climate Change Portfolio Committee meeting scheduled in May 2020, which was then postponed. An updated report regarding the SDBIP for the Directorate was submitted to the Portfolio Committee as item ECC 17/06/20.

RECOMMENDED that the Directorate Service Delivery and Budget Implementation Plan (SDBIP) for 2020/2021 for the Energy and Climate Change Directorate, be approved.

ACTION: A KLINE; K NASSIEP; D LEEUWENDAAL; L RENCONTRE

ECC 09/06/20 ENERGY AND CLIMATE CHANGE DIRECTORATE'S MONTHLY FINANCIAL PROGRESS REPORT (MARCH 2020)

RESOLVED that the Energy and Climate Change Directorate's Monthly Financial Progress Report (March 2020), be noted.

ACTION: D LEEUWENDAAL; L RENCONTRE; K NASSIEP

ECC 10/06/20

**ELECTRICITY GENERATION AND DISTRIBUTION:
PERFORMANCE MONITORING REPORT: MARCH 2020**

Cllr Cassim enquired whether there are properties in Cape Town which are not being billed for electricity. Mr. Leeuwendaal responded that there is an annual check conducted by the Directorate regarding the verification of properties being billed for electricity.

Cllr Cassim further enquired regarding the reasons for the problems with regards to transformers as indicated in the report. Mr. Nassiep responded that a common problem that occurs with the transformers was due to overloading which are caused by illegal connections.

Cllr Cassim enquired whether the Covid-19 pandemic had an effect on the number of households being electrified. Mr. Nassiep responded that an Executive decision was taken that only the emergency fault repair work would be undertaken and prioritised during level 5 of the lockdown but services was gradually brought back during the lower levels of the lockdown.

Cllr Cassim requested additional information regarding the seasonal time of use tariff and how much higher the tariff was during the period of July, August and June. Mr. Leeuwendaal responded that during the off-peak period the tariff rises by 14%, in the standard period there is a rise of 32% and during the peak season the tariff rises by 220%.

Cllr Cassim enquired whether the issues indicated in the report with regards to the performance of the contractor appointed for meter readings had been resolved. Mr. Nassiep reported that remedial action had been taken and the issues with regards to the contractor was addressed.

RESOLVED that the Electricity Generation and Distribution: Performance Monitoring Report: March 2020, be noted.

ACTION: D LEEUWENDAAL; L RENCONTRE; K NASSIEP

ECC 11/06/20

**ENERGY AND CLIMATE CHANGE DIRECTORATE'S MONTHLY
FINANCIAL PROGRESS REPORT (APRIL 2020)**

Cllr Fry enquired with regards to the progress of the tariff migration process, Mr. Nassiep responded that 25% of the targeted customers have migrated and should the other targeted customers not all comply with the migration, it is expected that all the targeted customers would automatically be migrated by the next financial year.

Cllr Peter suggested that funding that would not be spend in the current financial year be utilised for training staff who deal with billing and accounts to assist with ensuring that there are no administrative billing errors.

Cllr Peter further suggested that the funding that would not be spent in this financial year be re-directed to street lighting and electrification projects in informal settlements as a Covid-19 project to contribute to broader projects in the City of Cape Town. Mr. Nassiep responded that there are informal settlements which lie in non-electrifiable areas which hinders the ability of the department to electrify these areas by conventional means. Alternative viable options could be looked at by the department such as a sustainable alternative supply.

RESOLVED that the Energy and Climate Change Directorate's Monthly Financial Progress Report (April 2020), be noted.

ACTION: D LEEUWENDAAL; L RENCONTRE; K NASSIEP

ECC 12/06/20

**ELECTRICITY GENERATION AND DISTRIBUTION:
PERFORMANCE MONITORING REPORT: APRIL 2020**

RESOLVED that the Electricity Generation and Distribution: Performance Monitoring Report: April 2020, be noted.

ACTION: D LEEUWENDAAL; L RENCONTRE; K NASSIEP

ECC 13/06/20

**ENERGY AND CLIMATE CHANGE: 2019/20 THIRD QUARTER'S
PROGRESS REPORT ON THE DIRECTORATE AND DEPARTMENTS'
PERFORMANCE**

RECOMMENDED that the 2019/20 Third Quarter's Progress Report on the Energy and Climate Change Directorate's and Departments' Performance, be noted.

**ACTION: A KLINE; G JOSEPHS; K NASSIEP; D LEEUWENDAAL; L
RENCONTRE**

ECC 14/06/20

CLIMATE ACTION PLAN UPDATE – MITIGATION PRESENTATION

Mr. A Stone gave a presentation on the Climate Action Plan Update – Mitigation and questions of clarity by the Committee members were addressed.

Cllr Peck suggested that it should be included in the Climate Change communication to the public that there is cleaner air in certain City's due to less vehicles being driven on the roads due to the Covid-19 pandemic.

Cllr Cassim enquired when the public participation process would commence and for how long the process would be. Mr. Stone responded that two documents are being produced in parallel processes, the Climate Change Strategy and the Climate Action Plan. The Strategy was required to undertake public participation and be Council approved. Mr. Alex Tarr from the Strategic Policy Unit is leading this process and the drafting committee is chaired by Mr Gareth Morgan from the Resilience Department. Both these officials are heavily involved in the COVID-19 efforts and drafting of the Strategy has been continued by officials in Sustainable Energy Markets (SEM) and EMD. It was noted that Mr. Stone would seek guidance from them on the next steps including the public participation when the draft is finished. Engagements internal and external are an ongoing part of the climate action plan and as shown in the presentation, SEM have directed some of their budget to secure support from the Economic Development Partnership to undertake this in 2020/21.

Cllr Maxiti enquired whether the deadline would be met with regards to the Climate Action Plan, taking into consideration the impact of the Covid-19 pandemic. Mr. Stone confirmed that deadline would be met.

RESOLVED that the presentation on the Climate Action Plan Update – Mitigation, be noted.

ACTION: A STONE; L MAHOMED WEIDEMAN; K NASSIEP

ECC 15/06/20

CLIMATE CHANGE COMMUNICATIONS – UPDATE PRESENTATION

Ms. M Haw gave a presentation on the Climate Change Communications – Update and questions of clarity by the Committee members were addressed.

Cllr Sulelo enquired whether the department had a plan in place, should all the lockdown regulations be removed, to accommodate both digital and public engagements. It was noted that Ms. Haw would consult with the service provider to discuss a plan to allow for a component of the public engagements to be conducted in groups, should the lockdown regulations be eased to allow for these types of engagements.

Cllr Peter requested that the department inform the Portfolio Committee members when information regarding Climate Change would be communicated via social media and when community engagements are scheduled.

Cllr Peter raised the concern that there was an image in the presentation depicting an individual wearing a political party t-shirt. Ms. Haw responded that this was an oversight and confirmed that this would be corrected.

RESOLVED that the presentation on the Climate Change Communications – Update, be noted.

ACTION: M HAW; L MAHOMED WEIDEMAN; K NASSIEP

**ECC 16/06/20 DEPARTMENTAL SERVICE DELIVERY AND BUDGET
IMPLEMENTATION PLANS (SDBIPS) FOR 2020/2021**

RECOMMENDED that the Departmental Service Delivery and Budget Implementation Plans (SDBIPs) for 2020/2021 for the Energy and Climate Change Directorate, be approved.

**ACTION: A KLINE; G JOSEPHS; K NASSIEP; D LEEUWENDAAL;
L RENCONTRE**

**ECC 17/06/20 DIRECTORATE SERVICE DELIVERY AND BUDGET
IMPLEMENTATION PLAN (SDBIP) FOR 2020/2021**

RECOMMENDED that the Energy and Climate Change Directorate's Service Delivery and Budget Implementation Plan (SDBIP) for 2020/2021, be approved.

**ACTION: A KLINE; G JOSEPHS; K NASSIEP; D LEEUWENDAAL;
L RENCONTRE**

THE MEETING CLOSED AT 13:55

CHAIRPERSON : _____

DATE : _____

Good Morning Councillors and to the officials present on this very first virtual portfolio meeting. A lot has happened since our last meeting which was held on the 2nd of March. Virtual meetings are the new normal because of the pandemic and as we continue I hope that we will be able to pull together and put citizens first as we have been doing since our very first Portofino meeting. I might not be able to see you all but your contribution is just as important and I would like to apologise in advance if I miss anyone, it won't be deliberate. We are all learning and adapting to the new online environment. Before we begin I would like us to observe a moment of silence and pay our last respects to Councillor Mare. He was a valuable member of this committee and his contribution will forever shape the future of this committee. Can we please bow our heads. Thank you.

With that done it also gives me great pleasure to welcome a new committee member Councillor Anthony Benadie. Even though he is new to this committee he is not new in local government and I hope that his knowledge and contribution will prove valuable to this committee. I have had the pleasure of working with him before and I have no doubt that this Committee has gained quite a lot by having him here as a member.

Now I must take you back to the last meeting we had in March. The last time we sat the two biggest issues that we were dealing with was the plan to take the climate change action plan to all sub councils and also the upcoming court case against the Minister of Mineral Resources and Energy. At the time we were trying to adapt to load shedding. Fast forward two months later and we are facing the biggest challenge under Covid 19. Going forward what will be crucial is adapting to the new normal. With change also comes a great opportunity to do things differently. Load shedding simply showed us that better run municipalities will probably be the ones that will be able to recover faster and find alternative energy sources but Covid 19 has clearly demonstrated that it will take more than money to build resilience. With that said I am happy that last month the Council was able to put aside 3 billion to assist indigent residents with free basic services and a part of that would be to give free electricity to qualifying residents.

Unfortunately, many people do not understand why they have to pay a fixed charge and this has caused a lot of unhappiness that were received by the Directorate, maybe it is time to explain why we have a fixed charge and to communicate better with our residents.

Responsible and engaged Citizens are the greatest commodity any country could ever ask for and as we adapt and change our way of doing and plan for a much greener future we need to take the citizens with us. Cities around the world are pushing for the green recovery now more than ever.

But what does the green recovery look like and what kind of jobs can we expect to be created? Cities under the C40 have their own plans on how they are going to deal with Climate change during and after Covid 19 and the City of Cape Town has its own plans. I am looking forward to the two presentations later today that will give us a clear picture of where we are as the City of Cape Town and what we can look forward to even during this crisis.

I am happy to note that this Directorate has produced a draft Climate Change strategy with clear action plans that would help us reach our 2040 goals and beyond. There is a lot of talk about alternative power sources but until we have clear wheeling structure and tariffs framework we will remain in the dark about who is the distributor and at what cost. I am motivated to know that this Directorate will take the lead and come up with a wheeling framework and tariffs structure to guide industry as many opportunities will come from this. Once the action plans are outlined it would be up to this committee to make sure that all the goals are achieved.

I would also like to congratulate our Executive Director Kadri Nassiep for all his appointments to serve as a board member in several companies. There is no doubt in my mind that you will represent the City well.

Finally, I would like thank the officials from this Directorate, even though we have been operating at 50%, they have been able to attend and assist as many residents as possible and for that I would like to commend you all.

Thank you.