

South African Energy Storage Association (SAESA) Annual General Meeting (AGM)



AGM and Chairperson's report

21 July 2021

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www.saesa.org.za

Agenda for today's AGM

- 1) **Welcome**
- 2) **Introduction of attendees**
- 3) **Chairpersons' report on 2020**
- 4) **Financial**
 - a. SAESA budget and financial status
 - b. Change in fees for 2021
- 5) **Election / re-election of Board members**
- 6) **2020 Priorities**
 - a. Continue success of stakeholder engagement
 - b. Fund a full-time resource
 - c. Grow SAESA membership
 - d. Help develop ESS Environmental Policy
 - e. Ramp up education and dissemination at tradeshow and forums
 - f. Activity of technical sub-committees
 - g. Build databased of ESS case studies in South Africa
 - h. Expand offering on website content and SEO
- 7) **Opportunity for any member to table new business**
- 8) **Next steps and wrap-up**

1. Regulatory compliance notice

The South African Energy Storage Association (SAESA) is committed to strict compliance with all laws and regulations, and to the highest ethical standards in the way we conduct our operations. This includes strict compliance with antitrust laws, to protect and enhance our country's free, competitive economy.

Compliance with the antitrust laws is a serious business. Antitrust violations may result in heavy fines for corporations, and in fines and imprisonment for individuals. While SAESA may provide guidance on antitrust matters, you bear the ultimate responsibility for assuring that your actions comply with the antitrust laws. You must avoid any discussions or conduct that might violate or even appear to violate the antitrust laws. The following guidelines will help you do that.

Information which companies must not exchange at Association meetings includes but is not limited to:

- Information or agreements on prices, price components, discounts, pricing strategies or price calculations or planned price changes;
- Terms of delivery or payment and any other contractual provisions in contracts with customers/suppliers provided they have competitive implications;
- Information on business strategies or on current or future market behaviour ("signaling");
- Information not yet lawfully published concerning current business developments or business expectations (in particular sales/turnover figures), even if such information provides no indication of the market position of individual products;
- Information on profits, profit margins, market shares or planned investments which is not in the public domain;
- Information on internal research and development projects;
- Information allowing coordinated action vis-à-vis players on the other side of the market (customers or suppliers), in particular relating to offers to third parties (for example, if parties respond to a call for tenders: which lot to tender for; degree of interest in winning the contract);
- The division of geographic or labour markets or sources and express or implied agreements on supply, purchase or other boycotts of specific companies.
- Demands from customers or suppliers including the company's own response to these or the response of competitors;
- Verification of information received from a customer or supplier;
- The joint discussion and analysis of statistics permitted pursuant to item a) above, in particular the disaggregation of aggregated data.

1. SAESA seeks to guide policy to allow for the accessibility of storage projects and advocate and advance the energy storage industry in SA


SAESA's mission and vision are supported by its constitution

The SAESA Vision:

1. Guide policy to allow for the accessibility of storage projects;
2. Advocate and advance the energy storage industry in SA.

SAESA's Mission:

1. Create a more resilient, accessible, efficient, sustainable, and affordable energy system in Africa.
2. Educate stakeholders, advocate for public policies, accelerate energy storage growth, and add value to the energy storage industry.

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| CONSTITUTION OF THE SOUTH AFRICAN ENERGY STORAGE ASSOCIATION | |
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| CONSTITUTION OF THE SOUTH AFRICAN ENERGY STORAGE | 3 |
| Name | 3 |
| Definitions | 3 |
| Vision and Mission | 6 |
| Legal Status | 7 |
| Prohibitions and Limitations | 7 |
| Objectives and Powers | 8 |
| Membership | 9 |
| Management of the Association | 20 |
| Funds and Accounts | 33 |
| Auditors | 34 |
| Financial Year | 35 |
| Meetings of the Association | 35 |
| Observers | 40 |
| Minutes and records | 40 |
| External Communication | 41 |
| Use of the Association and its name by third parties | 41 |
| Indemnity | 41 |
| Notices | 42 |
| Discontinuation of membership | 42 |
| Changes to the Constitution | 42 |
| Dissolution | 43 |
| Transitional Arrangements | 43 |

Objectives and Powers under SAESA Constitutions

The Association aims to promote Energy Storage in South Africa and Africa and to assist its Members in their business development in these markets by:

- Representing the Energy Storage Industry before political institutions in all forums within South Africa and assisting in an advisory role within the Southern African Development Community region and other African regions when requested to do so;
- Informing its Members on the latest legislative developments;
- anticipating legislation having a potential impact on the sector;
- Advising key decision makers on the most adequate policies to develop a sustainable Energy Storage Market;
- Mobilising the sector by way of working groups and workshops to define clear positions representing the views of the majority of the industry on political, technical and economic issues;
- Promoting a higher usage of the technology in the public and private sectors;
- Facilitating business-to-business contacts among industry stakeholders;
- Supporting national organisations in achieving their local objectives;
- Coordinating with other energy industry groups on increasing awareness and proactive interventions from government stakeholders around common issues; and
- Organising conferences where energy storage has strong potential and requires additional support.
- Liaising with energy storage organisations from other geographies to both export and import best practices in terms of policy, standards and market engagement;
- In pursuing its objectives, the Association shall have such powers as are normally associated with an *universitas personarum* under the common law of South Africa.

2. Introductions

- Unfortunately, with the on-going pandemic, we continue to miss out on one of the benefits of association-organised meeting: the ability to network and meet like-minded individuals
- As a small workaround, could all the participants on the AGM identify themselves and who they represent, please

3. First, I would like to thank the current Board for its efforts during the past year, with up to three seats up for (re)election at this AGM

The current SAESA Board



Three directors whose term is expiring

3. Also, I would like to acknowledge our growing association of 73 members

SAESA membership overview:

- 73 current members, primary in Gauteng and Western Cape;
- 21 Full members; 17 Ordinary member; and 35 non-voting Associate members;
- Members are quite diverse, including municipal power utilities, large multinational corporations, South African firms and private individuals;
- Membership is open to everyone.

Full Members

Bushveld Energy
 GE Power
 RH
 2ia
 City Power
 Sinetech
 Solareff
 Engie
 Eskom Holdings
 TAM Holdings
 DNV-GL
 Touch Point Energy
 Juwi Renewable Energy
 Mbhe African Power
 Alcon Marepha
 Enerj Carbon
 First National Battery
 B & W Spig South Africa
 Journey 2 Green
 Grupo Gransolar SL
 Aviant DCM

Ordinary Members

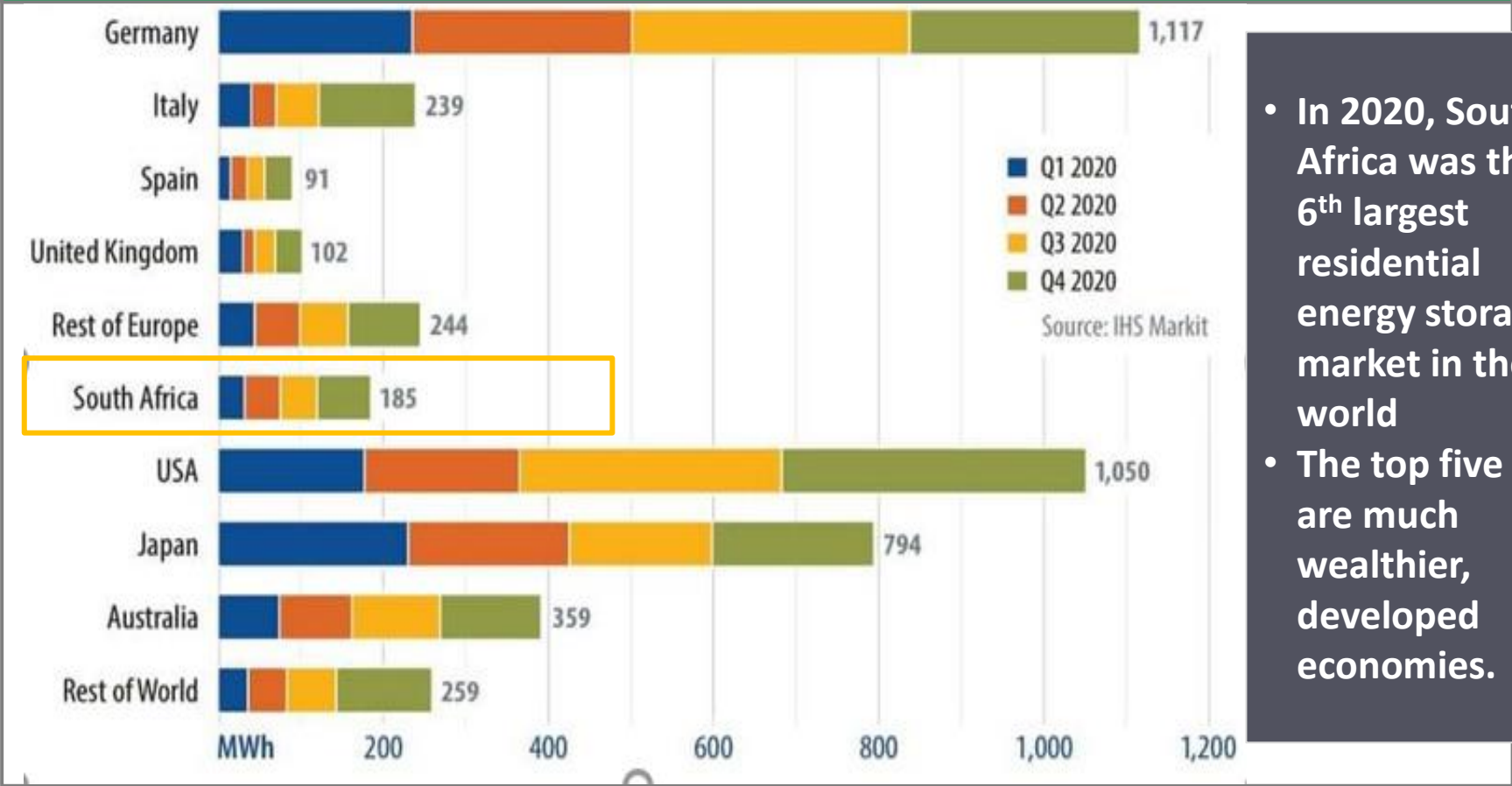
Age Tech
 Shanti Solutions
 Fibron
 EScience
 TMEC
 Static Power
 New Earth Energy
 Sola Build
 Sizana Solutions
 Reclite SA
 Uyilo emobility
 Programme
 TNEI Africa
 Altum Energy
 BASF South Africa
 Oryx Renewables
 Harmattan Renewables
 UL VS South Africa

Associate Members

Clyde Mallinson
 AIM
 World Bank
 Cikida Gcali
 Trenex
 Mathew Empril
 Mpho Moiane
 Green Cape
 Sterling & Wilson
 Archer Kilpatrick
 Max Maximum Group
 Badisang Bakwena
 Sakisa Energy
 Solar Rais
 Rhyno Herman Lemmer
 Solarium Energy
 The Big Battery Company CC
 Tala Solar Enterprise
 AutoX
 Ewaste Africa (Baclan Energy)
 Soweto Solar Shop
 Loulougga Loulougga
 Abosede Alao
 Altgen
 Silolile
 Moore renewable energy project
 Shenzhen Clou Electronics
 Divergent Softsolutions
 Clean Horizon Consulting
 Renew-e Gas and Power Projects
 Trans-Africa Projects
 Jason Crawford
 Mars Energy
 Inkanyezi Facilities Management
 Green Dome Capital

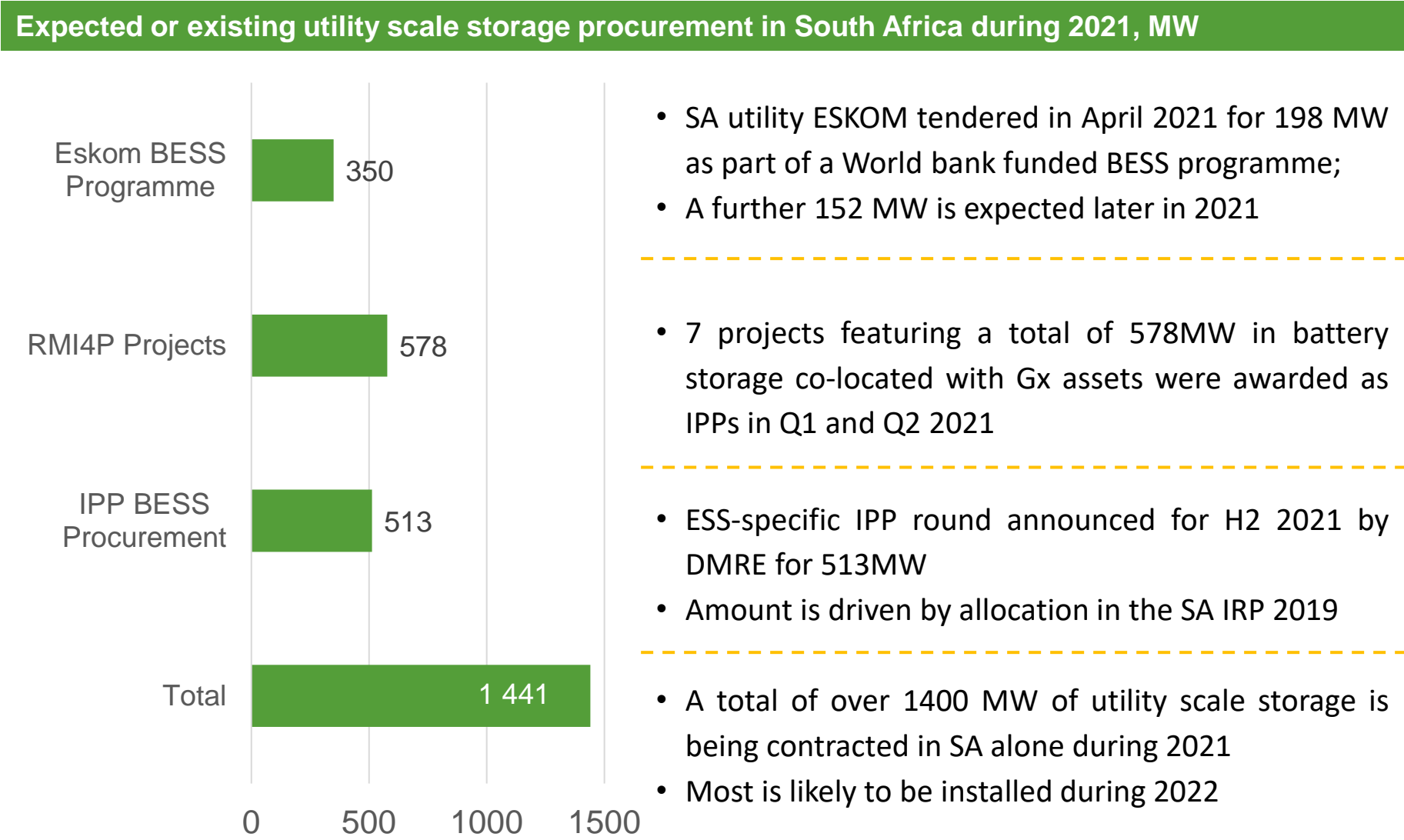
3. We should be proud of how fast the ESS market has grown in SA:
South Africa alone is already a top market for residential energy storage

Quarterly residential energy storage shipments
MWh



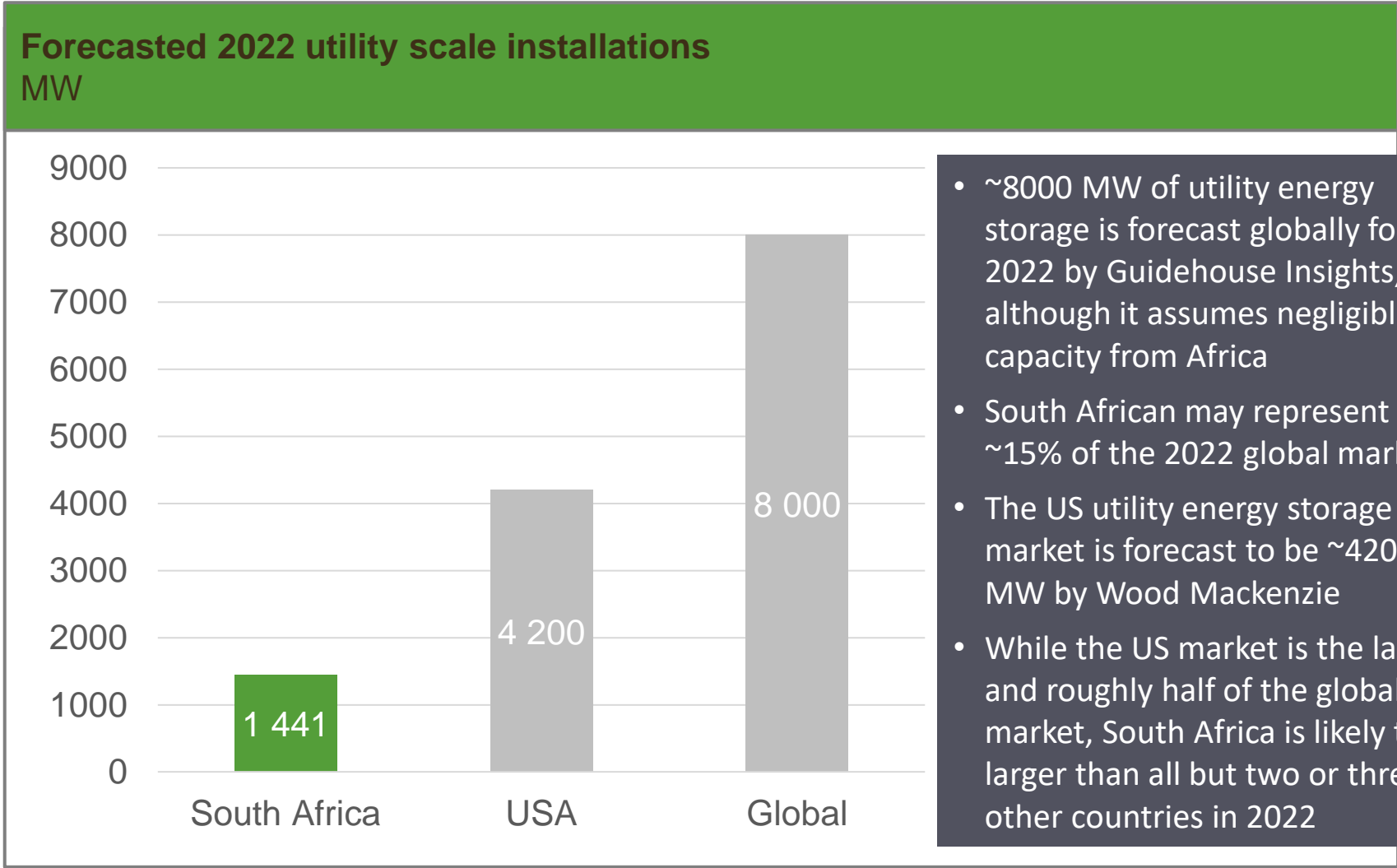
- In 2020, South Africa was the 6th largest residential energy storage market in the world
- The top five are much wealthier, developed economies.

3. We should be proud of how fast the ESS market has grown in SA: the utility energy storage market has erupted



Source: Eskom, IPP Office, DMRE, Bushveld Energy analysis

3. We should be proud of how fast the ESS market has grown in SA: we are likely to be a top-5 ESS (and BESS) market as early as 2022



Source: USA forecast from Wood Mackenzie P&R/ESA U S energy storage monitor 2020 year in review; Global forecast from Guidehouse Insights; South Africa forecast based on Bushveld Energy analysis

3. In overviewing 2020, last year's adage of SAESA "punching above its grade" remains true, despite a challenging 2020 for everyone (1/2)

1. Policy impact

- IRP allocation for energy storage excludes:
 - Eskom's BESS programme
 - Storage that is co-located with generation
- As a result, the level of storage procurement in South Africa exceeds the IRP allocation by orders of magnitude
- Input and leadership by our members into the Battery Energy Storage Facility Grid Connection Code
- Inclusion of SAESA in the South African Renewable Energy Masterplan (SAREM) process, where we are one of only three Associations invited (with SAPVIA and SAWEA)
- Differentiated reputation as being "more inclusive" and not "IPP" run by policymakers and other stakeholders
- Targeting regular meetings with DMRE and IPP Office, going forward

3. In overviewing 2020, last year's adage of SAESA "punching above its grade" remains true, despite a challenging 2020 for everyone (2/2)

2. Growth

- Membership is up nearly 60%, from 46 at last years AGM to 73 today
- While our dues, budget and expenses remain small compared to other associations, we are collecting fees and the budget is in good shape

3. Our Secretariat is active

- Averaging 15 to 25 items of information dissemination per month (covering events, BUSA information, national updates, policy input, ESS opportunities, etc.)
- The website is maintained and refreshed regularly with news

4. Partnerships

- Continuation of and participation some key existing partnerships, including the Business Unity South Africa (BUSA), DTIC, Enlit (formerly Africa Utility Week), GIZ, NERSA, SAREC, South Africa Renewable Energy Masterplan (SAREM), World Bank Energy Storage Partnership (ESP) – among others
- New relationships in the works, with Africa Foundation Sponsorship, DEFF, Messe Frankfurt (Solar Power Africa Show), SAIEE

4. Financial

- I. SAESA budget and financial status
- II. Change in fees for 2021, with proposed increases as follows
 - Full members R5000 to R5500;
 - Ordinary members R1650 to R1800;
 - Associate members still free

5. Election of Board Members

1. Available board member positions

- 3 board positions are available on the Management Committee
- The term of office for each board member is 2 years
- The following board members are eligible for re-election to the Management Committee
 - Theo Fisher
 - Avesh Padayachee
 - Paul Vermeulen

2. SAESA nomination process of board members

- On 8 July 2021, SAESA called for nominations from its members to consider new board members
- Other than the 3 existing board members, no other written nominations were received
- The 3 existing board members have agreed to be considered for re-election

3. Voting Procedure

- Outcome of the votes are determined by simply majority of the SAESA members
- No proxy voting forms were received from the members
- Full members (2 votes/member) and Ordinary members (1 vote/member)

6. The new SAESA Board will now discuss priority for the coming year

1. Continue success of stakeholder engagement
2. Fund a full-time resource
3. Grow SAESA membership
4. Help develop ESS Environmental Policy
5. Ramp up education and dissemination at tradeshow and forums
6. Activity of technical sub-committees
7. Build databased of ESS case studies in South Africa
8. Expand offering on website content and SEO

Any additional ideas and priorities from members??



7. Any other business

Would any participant like to table any other topic for discussion today?



Back-up

If you are interested in joining our efforts, there are multiple options

Description of membership types as per SAESA constitution

Full member

- Financial contributor to the Association – 2021 annual fees of R5500
- Carry the most voting weight in decision-making process of the Association

Ordinary member

- Contribute financially a lesser amount than a FM to the Association – only R1,650 for 2021;
- Meet all other eligibility criteria for membership as a full member;
- Ordinary Members' votes shall carry less weight than Full member votes

Associate

- Participate in and stimulate any discussions or debates that arise in any meetings of the Association
- Do not contribute financially to the Association
- Do not vote, or otherwise participate, in any decision-making process;
- Do not have seats on the Management Committee;

Observer

- Open to all individuals who have an interest in the activities of the Association;
- Have limitations in terms of no voting rights, limited access to information, limited opportunities to participate in and stimulate discussions or debates that may arise in any meeting of the Association, and have no seats in the Management Committee;
- Do not contribute financially to the Association

If you are interested in joining our efforts, there are multiple options

Annual global installed utility-scale energy storage power capacity
MW

