

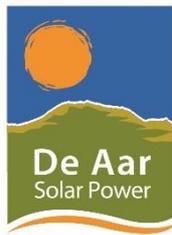
Case Study

Globeleq SA Management Services



Client Background

Globeleq SA Management Services (GSAMS) was established in 2012 and is a subsidiary of UK-based Globeleq. Globeleq owns the majority share in three renewable energy (RE) plants, the Jeffreys Bay Wind Farm (138 MW) and two Solar PV plants (50 MW each) in De Aar and Droogfontein. The GSAMS mission is to optimally operate the existing three renewable assets as safely and effectively as possible, while also maximising value for their shareholders. The plants are each well manned for on-site O&M, with strong centralised management and O&M services complement in support. In the larger Africa-wide context, Globeleq has at stake power generating capacity of 1 300 MW in operation, with 2 300 MW in development and 5 000 MW envisaged in future.



The AM framework and associated products are providing GSAMS, as a young business in a young industry, with valuable levers for stabilisation, at the same time creating a platform for growth in the tremendous opportunities in the African energy market.

Key Challenges

- Optimisation of Management and O&M expenses (opex) to achieve lowest overall cost of energy without compromising asset performance and risk.
- Capability to source, collect, store and use quality technical operational data to support management, operational and maintenance decisions.
- Enabling by the AM service provider of its human resources with effective systems, processes and skills.
- Regulatory and legal compliance by the AM service provider, with REIPPPP contractual agreements.
- Capping all, to be the first ISO 55000 certified asset manager in South Africa for utility scale renewable power plants.



Value Add

The AM framework established by project Aurora provides valuable direction in an upcoming industry, by establishing:

- a way of understanding whether GSAMS is indeed doing all the core activities of a prudent asset management organisation;
- ways of measuring and monitoring their capability as an asset management organisation;
- answers to what needs to be done in future to perform the custom required asset management activities well;
- alignment between various diverse human resource areas (organisational departments) by implementing a highly structured framework;
- improved understanding of the cost to undertake holistic asset management;
- reduced long term risk for the 20-year PPA scenario;
- improvement of sustainability.

Tools and Technology

- Asset Management Framework (AMIP, 17 KPAs)
- AMIP Assessor software tool
- ISO 55000:2014
- GFMAM 39 subjects
- ACP Development process
- EAMS software Standards Manual.

Pragma Intervention

- Project (codenamed Aurora, i.e. new dawn) commenced in June 2016.
- The generic AMIP 17 KPA framework was customised to incorporate the specific and unique characteristics of the South African REIPPPP programme.
- Using the custom framework, the AM maturity of the respective GSAMS units was measured at all three RE plants, as well as at the central office in Cape Town.
- The GSAMS business strategy was analysed and documented in the form of an organisational strategic plan (OSP) to serve as core driver for the AM policy.
- Strategic asset management plans (SAMPs) were developed for each of the four GSAMS organisational elements.
- The specific improvement activities to reach the overall AM objectives were defined in an integrated AM improvement master plan which emphasised the line of sight to strategic themes and responsibilities in a RACI structure, stretching over a three-year period.
- With unstinted support from GSAMS top management, all interventions were conducted with high levels of engagement with all the organisational stakeholders.

