

Eskom Holdings Ltd

Second Key Stakeholder Meeting between Eskom and Topigs SA

Wednesday, 19 August 2009 at 15:30

Topigs offices, 318 The Hillside, Lynnwood, Pretoria

ACTION

1. Present

Topigs SA:

Dr Danie Visser – (Managing Director)
Dr Pieter Vervoort – (Director and shareholder)
Reinder Groenewald – (Financial Manager)

Eskom:

Deidre Herbst – Generation (Senior Manager Environmental Management)
Joyce Mashiteng – Transmission (Environmental Manager)
Shamiel Jappie – Kusile Power Station
Tobile Bokwe – Generation (Project Manager for the railway EIA)
Vuledzani Thanyani – Transmission (Project Manager for the Transmission line EIAs)
Dean Wilson – Transmission (Chief Negotiator)
Esther Appleyard – Primary Energy
Meshack Hlongwane – Stakeholder Relations
Mpetjane Kgole

KV3:

Ferdi Boshoff - Engineer

Zitholele Consulting:

Jacqui Hex - Environmental Scientist
Anelle Odendaal – Public Participation Practitioner

2. Apologies

Gerhard Braak – Topigs SA (Director and shareholder of Topigs, but also Chairman of the SA Pork Producers Organisation of SA (SAPPO))
Johan van der Walt – Topigs SA (Director and shareholder)
Representatives from Eskom Distribution

3. Welcome and Introductions

Dr Pieter Vervoort welcomed all and thanked Eskom for attending the meeting. All had the opportunity to introduce themselves.

ACTION**4. Minutes of the previous meeting and matter arising**

The following corrections to the minutes of the previous meeting (20 March 2009) were tabled:

- a) Topigs SA is the second largest producer of pork genetics in southern Africa
- b) Bravo is the previous name for Kusile Power Station

The minutes were adopted as a true reflection of the proceedings of the previous meeting.

5. Overview of the latest developments planned by Eskom**5.1 Transmission lines**

Ms Joyce Mashiteng informed that nothing in terms of the status with the proposed transmission lines for the integrations project has changed. The planning still remains the same.

Environmental authorisation was received for Bravo 1 and 2 and Eskom is still awaiting authorisation for Bravo 3, 4 and 5 – the proposed transmission projects around the Kusile Power Station. These authorisations are expected in September 2009. It was mentioned that the Department of Environmental Affairs (DEA) requested to visit the proposed sites where Eskom plan the lines. JH said that the site visit is being planned for the last week in August 2009.

When the authorisations are granted, Zitholele Consulting will communicate to all stakeholders the status of the decision by DEA. Topigs SA will also then receive the notification. Mr Dean Wilson confirmed that the Eskom negotiation team will communicate to all directly affected landowners once the environmental authorisations are received.

5.2 Railway line

Ms Jacqui Hex thanked Dr Danie Visser for attending the public meeting and open house that was held on 6 August 2009 to present the contents of the Draft Scoping Report which was available for public comment until 27 August 2009.

The following points were raised about the proposed railway line:

- All three proposed alternatives cross the Topigs SA farm.
- Based on information gathered thus far, the most unlikely alternative is the s-curved route (alternative 2).
- JH will provide Topigs SA with the coordinates of the corridor alternatives.
- Topigs SA will not give access to their property if arrangements are not made well in advance.

JH

ACTION

- The railway servitude will be between 35 – 50m at most, but the EIA studies are undertaken on a 500m wide corridor.
- Should corridor alternative 1 or 3 be recommended for the railway line, it would result in the loss of about 70 hectares of the Topigs SA farm that will be cut off from the rest of their farm land. This portion is on the north-east corner of Topigs SA's land.
- Eskom has to provide safe access to the land that may potentially be cut off with recommendation and approval of these corridors.
- Topigs SA mentioned that they would like to negotiate with Eskom on investigating the possibility that Eskom buys the portion that may be cut off so that the railway servitude may become a border of their land.
- Topigs SA bought the farm for its isolation and for the safety associated with that. Dr Vervoort highlighted that these considerations are now seriously being compromised by Eskom's proposed developments.
- Topigs SA is very concerned about the generally poor safety that is associated with railway lines and their maintenance roads, especially due to the access that it provides.
- Topigs SA also mentioned serious incidences of crime that occurred on the farm in the past six weeks.

5.3 Water pipeline from Kendal power station

Mr Tobile Bokwe mentioned that a water pipeline was proposed from Kendal to Kusile Power Station to augment water supplies. This activity was approved with the Kusile power station EIA process.

5.4 Kendal construction village

A village for accommodation of construction workers is proposed within the Kendal Power Station premises. The workers will be transported by bus on a daily basis to Kusile Power Station. No workers will stay at Kusile Power Station – not during or after construction. The Basic Assessment for the proposed development will soon be out on public comment and Topigs SA will be notified of the process and will be invited to comment. The Basic Assessment process is being undertaken by Envirolution.

Topigs SA had no comment, but expressed their satisfaction with the Eskom policy that people will not permanently reside at the power station.

5.5 Access road

The following comments were raised about access roads:

- Topigs SA requires a 5km pig free zone around their buildings,

ACTION

thus a public road where pigs can be transported poses a serious risk to their total disease free operation.

- Clarity is required on the proposed status of the R545. Eskom will provide the information that is at their disposal. Eskom
- The access road to the power station was part of the Environmental Authorisation granted for the construction of the power station.
- Topigs SA stated that they were not consulted in the EIA for the Kusile Power Station and had therefore not been provided the opportunity to comment on the access road. Mr Bokwe will verify if Topigs SA was a stakeholder in the EIA process for the power station. TB

6. Impact on proposed Eskom infrastructure on Topics SA

6.1 Wetlands and water resources

Eskom stated that they are already in the process of monitoring water resources around Kusile Power Station to determine what impact the construction has on the resource. In terms of monitoring the following is being done by Eskom:

- Groundwater monitoring: samples of groundwater are taken and analysed monthly in boreholes drilled by Eskom in a radius of 3km from the power station. Reports are available at station as records.
- Surface water in streams and wetlands are monitored monthly and the latest results show high levels of turbidity. Eskom is continuously planning improvements on their stormwater management system.
- Aquatic monitoring is conducted bi-annually whereby the aquatic environment is assessed and living organisms are shocked and analysed to determine the stream and river health.
- A wetland delineation study was undertaken to ensure that infrastructure is constructed outside the existing wetland footprints on the Eskom land. Eskom

Eskom agreed to make arrangements for copies of all monitoring of water resources available to Topigs SA.

Topigs SA raised the following concerns:

- Topigs SA drilled boreholes on various locations on their land for monitoring of groundwater as groundwater is their only approved source of water used in the operations. They are monitoring the water on a regular basis. Dr Vervoort asked if Eskom is willing to contribute financially to their monitoring programme.

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- Topigs SA stated their serious concerns with water quality, since it will have a direct negative impact on their operation.
- The wetlands in the area are severely impacted on and it has a direct negative impact on the quality of surface water. The Klipfonteinspruit also carried an increased water quantity recently and Dr Vervoort asked whether Eskom discharges into the spruit. Eskom responded that they do not discharge anything into the spruit, but that surface water from their construction operations may have a slight impact. However Eskom is continuously improving on the stormwater management. Eskom also suggested that Topigs SA contacts the Department of Water Affairs to investigate what seems to be discharge releases into the spruit.

6.2 Security

Topigs SA is very concerned about security as mentioned earlier and would like to work closely with Eskom to prevent any crime in the area.

Proper fencing around the railway line and the proposed maintenance road is pertinent to ensure the status of a 5km pig free zone, but also to ensure that there is no public access through the Topigs SA farm.

Eskom will arrange for Topigs SA management to meet with Eskom's protective services. It was agreed by all that safety and security is a priority for neighbouring farms to the power stations and that neighbours, Eskom and the police should be informed of incidences and work together to prevent crime.

Eskom engages with the police in the larger area around the power station to make sure that they have the necessary intelligence to safeguard their property and people as far as possible.

Mr Wilson commented that special security interventions during construction operations are necessary. Security and crime prevention after construction needs a different set of principles than during construction operations.

Ms Deidre Herbst will contact Dr Visser to meet specifically with DH regards to safety and security.

7. Mine infrastructure development

Eskom confirmed that they will obtain most of the coal required for Kusile Power Station from Anglo coal's New Largo operations, south east of the Kusile Power Station.

Anglo shortly has to commence with their EIA studies toward obtaining environmental authorisation for the proposed operations.

Eskom suggested to Topigs SA to contact Department of Minerals

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(DoM) to find out which other companies are proposing to mine in the area. Ms Anelle Odendaal said that she will put Topigs SA in contact with another consultant that does work for Anglo. Ms Esther Appleyard said that she will provide the detail that she has on mine operations in the area to Dr Visser.

AO

EA

General discussion

The following were listed for noting:

- Topigs SA would like to know who Eskom's land has been leased to. Topigs SA's concern is based on their location requirement of a 5km radius in which there would not be other pigs. This was substantiated by Topigs SA's risk of potential disease spreading, since they breed disease-free pigs.
- Eskom proposes to conduct an EIA for the proposed construction of a 60-year ash dump near the Kusile Power Station. Topigs SA was urged to participate in the processes once the opportunity is advertised. Ms Herbst explained that the ash dump was originally part of the power station EIA, but due to wetland delineation studies, it became apparent that the placement of an ash dump requires further assessments.
- Eskom has a Zero Liquid Effluent Discharge philosophy – therefore all water used in station operations will not be discharged, but will be recycled for reuse in station requirements. Kusile power station is designed to use less water, due to its cooling system, than some of the older power stations on the Highveld.
- The proposed ash dump will be designed according to the latest technology to avoid environmental impacts.
- The letter received by Topigs SA on the deferment of undertaking a quantitative risk assessment for the construction of the Kusile Power Station was explained by Mr Bokwe. Topigs SA had no further comments on the matter.
- Dr Vervoort asked that Eskom provides the details on the final fencing arrangement of the power station. He wanted to know whether the station and its infrastructure will be fenced off or whether Eskom's land will be fenced off. Eskom will provide the details.

Eskom

10 Closure

Ms Deidre Herbst and Dr Vervoort thanked the attendees for participation in the meeting. Dr Vervoort asked that the actions listed be responded to in a week's time (26 August 2009). The meeting closed at 16:45.