

MEDIA STATEMENT

RESPONSE TO EARTHLIFE AND GROUNDWORK STATEMENT ABOUT MEDUPI AND ITS COMPLIANCE WITH EMISSION STANDARDS

Wednesday, 18 September 2013: Eskom remains committed to deliver power to South Africans in an environmentally responsible manner and with due consideration of the impacts it will have on the well-being of the population in the proximity of its plants.

Eskom's plans to retrofit Medupi Power Station with flue gas desulphurisation (FGD) – a mechanism that controls emissions or emission control equipment - six years after each unit has been commissioned remain unchanged and do not differ from the original environmental approval.

The delay in the retrofitting of the FGD referred to by Earthlife Africa and groundWork is aligned with the delay in the commissioning of the generating units at Medupi. Since the FGD will only be retrofitted after the National Emission Standards come into place in April 2015, Eskom has to apply for a postponement of the compliance timeframe for the national sulphur dioxide emissions standards for Medupi Power Station.

Eskom is still committed to the undertakings made as part of the World Bank approval process and which were the subject of a rigorous review by an independent panel of experts.

There are no emission standards in South Africa (and many other countries) for the other trace compounds listed in the Earthlife Africa and groundWork statement, but emissions of some of these substances will be reduced by the fabric filter plant and the FGD at Medupi.

Eskom has previously communicated that Medupi is being constructed to be FGD-ready, which means emission control equipment can be fitted after the station is complete. We continue with plans to deal with the associated water resource required for this technology. FGD is water intensive (it will triple the water use of Medupi), and it cannot be installed on all six units until additional water is available. Once the FGD has been commissioned, Medupi will comply with the new plant emission standard for sulphur dioxide.

On 5 June 2013, Eskom publicly disclosed in a Background Information Document (BID) that it plans to apply for the postponement of and exemption from the Minimum Emissions Standards for its coal and liquid fuel-fired power stations.

Eskom sits with a dilemma of balancing South Africa's energy and water needs with environmental compliance. Full compliance with the national emission standards at all of



Eskom's power stations will compromise South Africa's energy and water security. At the same time, such compliance would place major demands on South African water resources and produce higher waste volumes, with a small incremental benefit to the environment. It should further be emphasised that air quality research over many years has definitively shown that the primary cause of poor air quality at ground level are local, low level sources and not power stations. As such Eskom is satisfied that this application does not contradict its commitment to sustaining its operations in an environmentally, socially and economically responsible way.

Eskom has adopted a phased and prioritised approach to compliance with the emission standards. Highest emitting stations will first have to be retrofitted with emission reduction technology. As a result, it is necessary for Eskom to apply for a postponement of the emission standard compliance timeframes in some cases, and an exemption from the emission standard in other cases when it will not be possible to retrofit the power stations before they are decommissioned. Eskom's postponement and exemption application will follow the processes and procedures that are provided for in the relevant legislation.