

**PROPOSED NEW COAL-FIRED POWER STATION IN THE LEPHALALE AREA,
LIMPOPO PROVINCE
ENVIRONMENTAL IMPACT ASSESSMENT**

FOCUS GROUP MEETING WITH REPRESENTATIVES OF WESSA

23 March 2006

09:00

Offices of WESSA, Randburg

1. WELCOME AND INTRODUCTION

Ms. Ingrid Snyman opened the meeting and welcomed Mr. Danie Venter of WESSA and Mr. Nico Gewers of Eskom.

Ms. Snyman indicated that the final Scoping Report for the proposed coal-fired power station in the Lephalale area was submitted to the Department of Environmental Affairs and Tourism (DEAT) at the end of November 2005. The detailed EIA was now undertaken and the draft Environmental Impact Assessment Report (EIR) would be available for public review from 23 March 2006.

Ms. Snyman said the aim of the focus group meeting was to:

- Provide WESSA with further information regarding the proposed new coal-fired power station project;
- Provide WESSA with further information regarding the EIA and public participation process being undertaken; and
- Provide WESSA with an additional opportunity to formally raise any issues and concerns.

2. BACKGROUND TO THE STATUS OF THE PROJECT

Ms. Snyman indicated that the public review period as part of the Scoping Phase was during October 2005 and all issues, comments and concerns were included in the final ESS report that was submitted to DEAT at the end of November 2005. A Plan of Study for the EIA was submitted in December 2005. Bohlweki Environmental received the go-ahead from DEAT to continue with the EIA phase of the project. Specialist studies have been undertaken since December 2005 and the EIA Report will be made available for public review on 23 March 2006.

Naauwontkomen was the preferred site for the power station and Eenzaamheid for the ancillary services. These two sites are therefore investigated as part of the detailed EIA phase. Eskom is also investigating the re-alignment of the Steenbokpan Road as the proposed power station and ashing facility would traverse the existing road. The northern and southern alternatives investigated for the road re-alignment were explained, as well as the eastern and western routes investigated for the conveyor belts by means of a map.

Mr. Nico Gewers indicated that Eskom is still negotiating with Kumba Resources regarding in-pit ashing. Further research on this issue still needs to be undertaken and therefore in-pit ashing is noted as a possible option in the EIA. The EIA focused on ashing on an ash dump facility.

3. DISCUSSION SESSION

Mr. Venter asked how the ash dump would be rehabilitated. Mr. Gewers said the same principles would apply as with the existing ash dump of the existing Matimba power station. A working phase (area of approximately 50 meters) would be kept clear, while the rest of the ash dump would be rehabilitated with indigenous plant species. The topsoil and plants would therefore be removed and stockpiled until it would be used for rehabilitation.

Mr. Venter noted that stockpiling of topsoil was not considered environmental best practice. The ideal would be to remove the topsoil and replace it without stockpiling, although this is difficult in terms of an ash dump. He suggested that the topsoil stockpiles should not be too high. Mr. Gewers indicated that the soil and agricultural potential study made certain recommendations in this regard.

Mr. Venter noted that the mining methods used by Kumba Resources (open cast low walling) could make rehabilitation difficult and should thus be taken into account with the positioning of the conveyor belts. He further added that there should be a definite mitigation plan in terms of coal spillage from the conveyor belts, as the contamination of the soil next to these conveyor belts is a source of concern. The agricultural potential of that soil would be lost once it is polluted and one should actually see it as a "sacrifice zone". Mr. Gewers explained that mitigation is undertaken with the existing conveyor belts as any spillage is collected and placed on the emergency dump.

Mr. Venter commented that proper planning should be undertaken with regards to an emergency dump.

Mr. Venter was of the opinion that the impact of the conveyor belts (eastern route) on the guesthouse would be seen as minimal.

Mr. Venter queried the fact whether there was certainty that Kumba Resources would retain their mineral rights on the farms Turfvlakte and Hieromtrent. If this would not be the case it could have serious implications for Eskom with regards to the provision of coal. This issue should be noted in the Environmental Impact Assessment Report (EIR). Mr. Gewers said the technical team from Eskom and Kumba Resources should investigate and verify this issue.

Mr. Venter wanted to know how many of the recommendations made in the Scoping Report have been implemented during the EIA phase of the project. He said the recommendations should not just be a paper exercise, but should actually be implemented. Mr. Gewers indicated that all business units in Eskom Generation Division are ISO 14000 compliant and through the ISO system, the necessary EMPs are put in place. With new projects to be implemented in Atlantis and Mosselbay (Open Cycle Gas Turbines) the EMPs would be audited to ensure that the recommendations and mitigation measures are not merely window dressing.

Mr. Venter asked whether the lower rainfall patterns were taken into account with regards to the water use studies. He wanted to know if the water usage of local people in the area and the needs of the rest of the users in the catchment were taken into consideration. This is the worst-case scenario and should therefore have been considered. Mr. Gewers replied that a risk assessment in terms of water was undertaken by DWAF and the impact on downstream users was considered. He was not sure whether the impact of lower rainfall patterns was considered during the assessment. The air quality assessment, however, made a qualitative statement regarding Eskom's activities and CO₂ emissions and the possible impact on rainfall patterns.

Mr. Gewers said that the issue with regards to water and water availability was sensitive, but DWAF was still undertaking various studies in this regard. Eskom already has monthly meetings with DWAF due to the fact that Eskom is considered a strategic water user. The options being investigated includes the possible raising of the Mokolo Dam wall, and augmentation from the Crocodile West Catchment. At this stage the latter seems to be the preferred option. Mr. Venter said that WESSA would object to the augmentation of water from another catchment as they do not foresee it as a sustainable option due to the pressure on the catchment from where the water will be sourced. He suggested that the findings of the DWAF studies should be included in the final reports.

Mr. Venter said that energy and water resources are of critical importance to the environment and that this project could be managed to serve as an example for the rest of the world.

Mr. Venter asked why the potential ashing onto the farm Kromdraai was not included as part of this EIA. Mr. Gewers explained that in-pit ashing was still a possibility that was being investigated and if this realized then the extension of an ash dump to Kromdraai (as part of their 50 year plan) would not be necessary. Mr. Venter said it was disappointing that the farm Kromdraai was not included in the detailed EIA as the biological indicators could have been used for future ecological monitoring.

Mr. Venter asked how Eskom influences the parties supplying their resources (such as Kumba Resources) to ensure best environmental practices. Mr. Gewers said that Eskom undertakes supplier audits, but monitoring was more difficult in terms of fixed price contracts. In cases where coal mines are dedicated to Eskom only (tied collieries), it is in Eskom's best interest to ensure that these operations strive towards environmental best practice, otherwise failure to do so would be at the cost of Eskom. Eskom Generations Primary Energy: Coal was undertaking regular monitoring. In the Lephalale area, Eskom and Kumba Resources, as well as other stakeholders are members of an Environmental Management Committee, which creates opportunities for liaison with the various stakeholders.

Mr. Venter indicated that WESSA would like to see a detailed rehabilitation plan for the end of the life of the mine and power station. Eskom should also ensure that the necessary funds would be available for this rehabilitation. The availability of such funds should also be well documented to ensure liability. Mr. Gewers replied that Eskom ensures that funds are available for rehabilitation.

Mr. Venter said Eskom's long-term vision to assist in energy savings should already be included in the Environmental Impact Assessment processes and reports.

Mr. Venter suggested that Eskom and Kumba Resources should cooperate in terms of e.g. the rehabilitation of used water. The water related studies should also make specific recommendations in this regard to ensure synergy between the parties involved.

Mr. Venter indicated that the representatives of WESSA were pleased that the farm Nelsonskop was not further investigated based on the recommendations made in the Scoping Report.

4. CLOSURE AND WAY FORWARD

Ms. Snyman thanked Mr. Venter for attending the meeting and closed the meeting at 10:30.

5. ATTENDANCE REGISTER

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