









BACKGROUND TO PROJECT NAMPOWER • Is currently supplied mostly from SA, but supply is not guaranteed • Has access to Kudu gas field • Plan to construct a new power station at Oranjemund of 800MW initially • Requires about 200MW to secure their own supply • Nampower has offered the balance to Eskom for integration into the SA National Grid • Plans to construct two 400kV lines to Oranjemond substation near Alexander bay



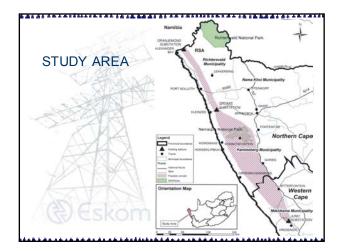
BACKGROUND TO PROJECT

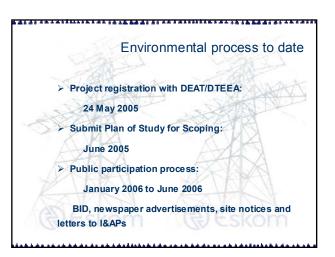
Need for the power line

- The existing Transmission lines towards the Western Grid from Mpumalanga are already heavily loaded and are predicted to reach their full capacity very soon
- these Transmission lines can not supply the increased demand from the natural load growth and on top of that fulfill in the requirements from NamPower if it is not reinforced
- There is a definite need for additional generation capacity in the region (Eskom and NamPower),
- Eskom and Nampower need to provide transmission lines to integrate the new power source, and
- to maximise the use of the new power station by providing a reliable integrated network



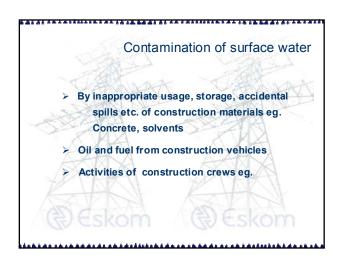




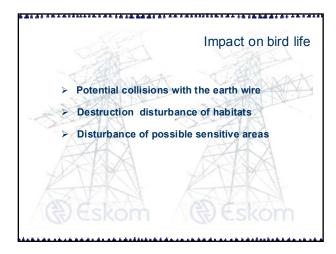




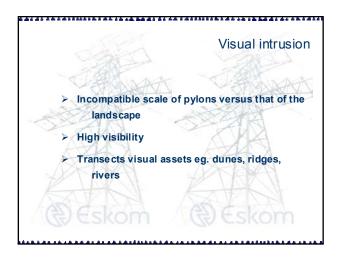




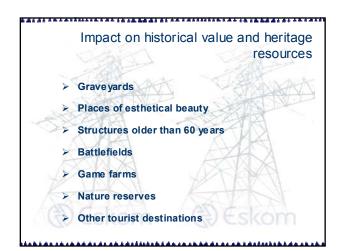




















Please s	submit	further issues by 22 February 2006 to
Strategi	c Envi	ronmental Focus
Guillaur	me Nel	
Tel	Rel	(+27 21) 418 2929
Fax	X	(+27 21) 418 6440
Sel		082 874 1910
E-mail		guillaume@sefsa.co.za