

ESKOM

Environmental Impact Assessment for the two proposed coal-fired power stations in the Waterberg area, Limpopo

DEAT Ref No. 12/12/20/1255

DRAFT minutes of the Landowner/Agricultural Focus Group Meeting

Saturday, 4 October 2008 at 10:00, Old NTK Hall, Steenbokpan

1. INTRODUCTION

The facilitator, Ms Anelle Odendaal, Zitholele Consulting welcomed all participants. The meeting was attended by landowners and representatives of the agricultural sector relevant to this project. The contact details of those who completed the attendance list are attached (see Appendix 1). It should be noted that about 53 participants (including Eskom and the project team) attended the meeting, however not all participants completed the attendance list.

2. OBJECTIVES OF THE MEETING

The objectives of this focus group meeting were to:

- Provide stakeholders with an overview of the proposed project;
- For stakeholders to raise issues of concern and suggestions for enhanced benefits;
- For stakeholders to comment on the technical and public participation processes of the Environmental Impact Assessment (EIA); and
- For members of the EIA team to gather first-hand insight into stakeholders' issues of concern and suggestions for enhanced benefits.

3. OVERVIEW OF THE PROPOSED PROJECT

Mr Leonard van der Walt, Eskom Holdings (Pty) Ltd. gave a comprehensive overview, not only of the proposed power stations, but of Eskom's national power grid and the significant role that the proposed power stations will play in providing energy. The complete presentation is included in Appendix 2.

4. APPROACH TO ENVIRONMENTAL IMPACT ASSESSMENT – TECHNICAL COMPONENT

Mr Ashwin West, Ninham Shand Consulting Services, the project manager of this EIA, gave an abbreviated version of his presentation due to the lively discussions that took place. The complete presentation is however included as Appendix 2.

5. APPROACH TO ENVIRONMENTAL IMPACT ASSESSMENT – PUBLIC PARTICIPATION COMPONENT

Ms Anelle Odendaal, Zitholele Consulting did not present the public participation components due to the lively discussions that took place. The slide show that would have been presented is attached as Appendix 2.

6. DISCUSSION

Comments and questions raised during the meeting have been captured in the following table.

	COMMENTS, QUESTIONS AND ISSUES	COMMENTATOR (S)	SOURCE	RESPONSE
1.	Why is the Department of Environmental Affairs and Tourism (DEAT) not attending this meeting since they are the decision-making authority	Mr Willie Brits	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	A meeting was specifically held with the authorities on 3 October 2008, which was attended by the case officer of the DEAT, Mr Percy Ngidi. The purpose of today's meeting is focused on the comments and needs of the landowner/agricultural sector. A public meeting, to which all interested and affected parties will be invited, is planned for November 2008
2.	What does super-critical mean? This was asked in terms of the presentation by Mr	Unknown participant	Comments during the landowner and agricultural	Super-critical refers to higher steam temperatures and pressures as opposed to

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	Leonard van der Walt on the overview of the proposed project.		sector group meeting held on 4 October 2008 at Steenbokpan	Sub-critical. This implies higher efficiencies (less coal used to generate the same amount of electricity).
3.	Will the proposed power stations use the same technology as Medupi?	Unknown participant	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Yes, the same technology will be applied.
4.	Why do you need so many hectares for a power station?	Unknown participant	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	The ash dump of a power station keeps on growing and has to allow for 50 years worth of ash – the proposed life of a power station.
5.	What are you going to do with the third site if the current EIA scope comprises two power stations?	Mr Archie Leitch	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Eskom are going to buy options on the farms on all three candidate sites and could use the third site for a third power station if demand requires it.
6.	What is Eskom's planning for the next 50 years?	Mr Jaco du Bruyn	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Planning has to be very comprehensive and Eskom cannot say, at this stage, how many more power stations will be required in the area. The Lephalale coal is however very affordable since open cast mines can be used, which makes the region attractive for additional coal-fired power stations. .
7.	When was the planning road map (funnel of planning presented by Mr Leonard van der Walt) developed?	Mr Hein Boegman	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Eskom plans ahead for 25 years. The planning road map was compiled six months ago; however the map is adjusted all the time and changes regularly, responding to changes in demand and supply.
8.	When did Eskom decide to investigate the option of building two power stations?	Mr Hardus Steenkamp	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Eskom knew more than a year ago that more power stations were needed, but did not know exactly where to construct these. Last year Eskom advertised a request for offers of coal to supply new coal fired power stations. From

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				these responses Eskom then decided that it would be feasible to construct additional power stations in the Waterberg area, as a suite of coal mines offered coal suitable for the power station in the area.
9.	We asked exactly the same questions last year concerning Eskom's planning with regard to more power stations for this region. We were told no more power stations were planned for the area. We are questioning Eskom's integrity since it appears that either Eskom is not competent to do their planning or information was deliberately withheld a year ago.	Mr Hein Boegman	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
10.	We do not want to attend a meeting in another year's time and discuss the next two power stations – we want Eskom to share their long-term planning with us.	Mr Jaco du Bruyn	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
11.	All power stations need transmission lines – why are the proposed transmission lines not included in this EIA – why can Eskom not make that information available to us at this stage?	Mr Jaco du Bruyn	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	This information is not yet available as the routes for the transmission lines (transmission integration) are still being investigated. The proposed routes of the transmission lines for Coal 3 and 4 could be available early next year.
12.	Last year an EIA was conducted on behalf of Eskom for the transmission lines from Medupi power station and my farm specifically fell outside the planned route – but the route was changed later during the process and I am now an affected party.	Mr Jaco du Bruyn	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
13.	Eskom must plan power stations and its associated transmission lines in the same process and liaise with us on all this information, and not prior to the availability of such information.	Mr Jaco du Bruyn	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.

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14.	Most of the farmers of this area are fifty years and older, we cannot put our lives on hold. We cannot wait for ten years while Eskom decides whether or not to buy our farms. We need clarity now on whether we should sell or continue farming. Eskom's planning is very bad.	Prof Jan Meiring, Mr Steenkamp and others	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
15.	Eskom does not pay enough.	Prof Jan Meiring, Mr Steenkamp and others	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
16.	The minutes of previous meetings between Eskom and some of the participants at the meeting were quoted that no further power stations were planned for the area. Eskom therefore lied at these meetings and can not be trusted. Eskom uses euphemisms such as "affected parties", but withholds facts – all cards are not on the table. Today we would like to know how many more cards Eskom has behind their backs. I have seven or eight examples of previous minutes where Eskom said no future power stations are planned – I cannot believe that Eskom did not know about Coal 3 and Coal 4 a year ago. Eskom does not have any integrity and the level of mistrust is unbelievable.	Mr Hein Boegman	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
17.	Landowners are interested in Eskom's full planning which includes the integration of planning for power stations and transmission lines. When can Eskom make this information available for Coal 3 and Coal 4?	Facilitator	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
18.	Some stakeholders have spent a lot of money	Mr Archie Leitch and	Comments during the	Noted.

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	on legal costs in previous processes with Eskom. However, it seems that even the DEAT is in the bag with Eskom since recommendations previously made by external consultants were not followed.	others	landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	
19.	Could you please include financial and social studies in the EIA – do not only look at the animals, but also study the impact on people as well. Some of the people have been living here for 70 years and longer and some farms have been in families for generations.	Mr Van Niekerk	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	A social-economic specialist study as well as a social impact assessment will be undertaken as part of the EIA process.
20.	We have been living with EIAs for years and have come to the conclusion that EIAs are worth nothing. We understand that the country needs electricity – tell us exactly what Eskom plans – do not lie to us. We feel that Eskom will do exactly what they have done in the past – just ignore us and do what they want to do, regardless of the EIA recommendations.	Mr Johan Burger	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
21.	Stakeholders need to understand everything with regards to the proposed projects, i.e where is the coal coming from, where is the water coming from, where the routes of the transmission lines will be, and about all future power stations after Coal 3 and 4.	Mr Jaco du Bruyn, Mr Johan Burger and others.	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
22.	Why are another new team of consultants on board? Why are we not meeting with the previous consultants (Margen) that we knew? Is it perhaps that Eskom was not satisfied with their recommendations?	Mr Jaco du Bruyn and Mr Tienie Bamberger	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Eskom appoints consultants via a tender process for every new EIA process. The previous consultants worked on the EIA process for transmission lines and this is a completely different and new process.
23.	What about the farms neighbouring the new development? Does Eskom plan to buy them out as well?	Mr Marius Barnard	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Eskom cannot buy all the neighbouring farms.

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24.	Eskom is again lying – Eskom says that it is not in the property market – yet Eskom indicated that they want to buy all farms on the three alternative sites. The question remains – what is it then that Eskom is really planning?	Mr Jaco du Bruyn and others	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
25.	The potential effect of the proposed project will also directly affect associated industries such as taxidermists and professional hunters.	Mr Hardus Steenkamp	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
26.	Other than an employee who loses his/her job, farmers lose everything if they have to sell their land.	Mr Jaco du Bruyn	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
27.	The urgent notice sent out to all interested and affected parties about the second power station proposed is an excellent example of Eskom's poor planning.	Mr Hein Boegman	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
28.	Someone asked why we were doing another EIA process, when the previous EIA for the transmission lines was just completed recently.		Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	An EIA still needs to be done, no matter how many EIAs were done in the past – EIAs must be done to look at alternatives and to find the best solution from an environmental angle.
29.	Eskom has not followed the recommendations made in the previous EIA about the transmission lines – why will they follow best recommendations now?	Mr Willie Brits	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
30.	As landowners we feel we have no inputs into the process – why do you consult us then?	Mr Jaco du Bruyn	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.

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31.	<p>Why can the previous EIA studies not be used? Sasol is also now doing a pre-feasibility study – all the EIAs are taking place in the same area. This is ridiculous.</p> <p>All farms and the whole area have been covered by specialists in EIAs – there is no sense in doing it again.</p>	Mr Archie Leitch and Prof Jan Meiring	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	For each new proposed project an EIA is to be conducted – this is a requirement of law.
32.	There is a huge lack of trust between developers (Eskom, Sasol, etc) and the landowners/agricultural sector of the area.	Mr Brett Lawson, Ninham Shand and others	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
33.	Several comments were made about the previous EIA conducted by Margen on the route of the transmission lines. It seems that the recommendations that were made by the EIA and independent consultants appointed by the landowners were not considered by DEAT/ Eskom. This resulted in further mistrust between the landowners and Eskom.	Mr Hardus Steenkamp, Mr Hein Boegman and others	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
34.	All the proposed alternative sites are on areas off coal. Why can some land (it cannot be more than 4 to 5%) not be forfeited on the coal reserves for the construction of power stations?	Prof Jan Meiring	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	The coal reserves are controlled by the Department of Minerals and Energy, and are considered to strategic resources. It is therefore a strategic decision to avoid sterilising coal reserves, as they are an important resource for South Africa. .
35.	The farms on the alternative sites can also be seen as strategic, because we bring in foreign currency into South Africa through overseas hunters.	Prof Jan Meiring	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
36.	Why is site A in such a funny shape?	Mr Marius Burger	Comments during the landowner and agricultural sector group meeting held	Site A is divided into two portions to ensure that a portion of the site falls within the “area of intersection”, which is the area within 30 km of

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			on 4 October 2008 at Steenbokpan	any of the coal resources, and furthermore, to avoid other proposed and existing infrastructure, like transmission lines and the proposed delta substation.
ISSUES RELEVANT TO THE LAND NEGOTIATION PROCESS				
37.	Farmers said that it is unfair to buy farms at agricultural land value and then rezone it to industrial which has a much higher value. Farmers want to be paid the value for industrial land.	Mr Hein Boegman, Mr Archie Leitch and others	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	It was noted that in order to change the land value from agricultural to industrial zoning, capital would have to be invested and a process followed. Eskom would have to make the investment in order to realise the industrial value of the land, but the farmers hadn't made the investment, and therefore would not be compensated at the value of industrial land.
38.	An example was quoted that if Pick 'n Pay wanted to buy a house to extend its operations they pay R10 million for a house valued at R2 million. The farmers queried why Eskom could not pay farmers more for their land	Prof Jan Meiring, Mr Johan Burger	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Pick 'n Pay is a private company and can pay what they see fit. Eskom is a parastatal and bound by law (Public Finance Management Act) to pay market related prices.
39.	The farms in the alternative sites can be seen as strategic scarce resources for Eskom, since it is off coal and Eskom is specifically interested in these sites due to their location. Therefore Eskom should pay more for the land than just the agricultural value of land. Eskom should pay the price for strategic scarce resources and not for agricultural land.	Mr Van Niekerk, Prof Jan Meiring and others	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted. See response to points 37 and 38 above.
40.	If a landowner owns two adjacent farms with one within an alternative site, will Eskom buy both farms?	Ms Anna van Niekerk	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Eskom will agree to buy both farms if it is farmed as one unit, and the loss of the one farm will make the entire unit commercially unviable for the farmer.

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41.	What process will Eskom follow to buy the farms on the alternative sites?	Mr Hein Boegman	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	An option will be paid to landowners within thirty days after signing an option to purchase their land. This option will be valid for two years. Eskom will pay the current market value of the land, plus pay for all improvements and for income losses for a reasonable time. The CPIX inflation figure for agricultural land will be taken into account from the day the option was signed until such time that the property is bought in order to take inflation into consideration. The option money will be calculated as a percentage of the value of the land and could range from 0.5% to 1%. This would be determined at a later stage.
42.	What if farmers do not want to sell their farms to Eskom?	Mr Tienie Bamberger	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	The negotiation process is a long process and if all studies show that it is in national interest to buy the farms, then Eskom has to buy those farms. Eskom will exhaust all avenues in the negotiation process. Eskom does however have the right to expropriate land if it is in the national interest.
43.	How will Eskom determine the value of farms in this area? Will the sale of farms in the area in the next couple of months have an influence on the market related value of land?	Mr Hardus Steenkamp	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Yes, however the independent property valuator will most likely look at average prices that were paid for land.
44.	What arrangement will be made with farms that are leased?	Mr Van Niekerk	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Eskom will have to buy out the lease agreement.
45.	Why does Eskom want to take out options on the farms in the alternative sites?	Mr Willie Brits	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at	Eskom would like to ensure that farmers do not sell their land to a third party in the interim period, and they wish to speed up the land negotiation process, so that the process of

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			Steenbokpan	finalising land can be concluded quickly once a final decision on the power stations have been taken.
46.	Eskom wants to pay the landowners as little as possible. Pay the landowners a decent price. Landowners are not negative about the proposed developments, but if we are not paid a decent price, we will fight the process.	Mr Johan Burger	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
47.	When seen against the total cost for the proposed two power stations, the cost of buying land is a small fraction of the total budget.	Mr Johan Burger	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
48.	Farmers were paid very low prices for their land that was bought for the Medupi power station.	Mr Johan Burger, Mr Hein Boegman, Mr Hardus Steenkamp and others.	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
49.	It is our constitutional right to be paid a decent price for our land.	Mr Johan Burger	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
50.	The Eskom valuator must take into consideration that eco-tourism is a major source of income, with high value and is generally practiced here in this area.	Mr Hein Boegman	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	All improvements, such as lodges on farms will be taken into consideration.
51.	We question the independence of the Eskom valuator.	Mr Hein Boegman	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Mr Willie Lubbe is a consultant and independent valuator, paid by Eskom per hour for his services.
52.	It was alleged that mining companies (Exxaro) pay more for land than Eskom. It seems that	Mr Hardus Steenkamp	Comments during the landowner and agricultural	Noted.

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	landowners get the worst deal if Eskom is interested in their land.		sector group meeting held on 4 October 2008 at Steenbokpan	
53.	It seems that the longer we delay the EIA process, the better prices we will get for our land.	Mr Hardus Steenkamp	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
54.	I do not want a valuator on my farm. Eskom can offer me a price without needing to know in detail any of the improvements on my farm. Normal practice is for a potential buyer to make an offer and for the potential seller to accept or reject that offer.	Mr Willie Brits	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
55.	How will loss of income be calculated? Should a similar farm be bought after Eskom has bought my land, it will take 5 – 10 years to get a proper, viable operation running again.	Mr Tienie Bamberger	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Every transaction differs. Eskom will negotiate with each farmer individually to work out his/her potential loss of income, and provide the appropriate compensation for losses in income and re-establishment time. .
56.	A farmer from Thabazimbi shared his experience in terms of land negotiations and expropriation. The following points were made: <ul style="list-style-type: none"> • Opposing land acquisition and negotiations can be a lengthy and costly process; • Expropriation can result in land being purchased for as low as 75% of the market value of the farm; • Farmers should stand together and find an independent and experienced land valuator to assist them; and • Negotiate with Eskom as a group. 	Mr Dana Smit	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
57.	Does the valuator receive commission on the money he / she saves Eskom when acquiring	Mr Archie Leitch	Comments during the landowner and agricultural	The valuator provides a professional consulting service and is paid per hour for his consulting

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	farms?		sector group meeting held on 4 October 2008 at Steenbokpan	services rendered. Commission is not paid.
58.	Instead of being paid out, the ideal would be to swop a farm for a farm. Land in Klasserie and Koedoeskop are much more expensive than Lephalale.	Mr Willie Brits	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
59.	No-one will buy any farms in the Steenbokpan area due to the uncertainty of Eskom's proposed future plans.	Prof Jan Meiring	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
60.	If a farm is valued at R10 million and the landowners has to pay capital gains tax on the sale, will Eskom compensate the farmer for the loss due to taxes?	Mr Archie Leitch	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Eskom replied that capital gains tax was considered to be a financial loss, and therefore Eskom would compensate for that loss.
61.	The whole game industry in this area will be destroyed if this block of farms is sold to Eskom. The neighbouring farms will suffer most due to the impact.	Mr Johan Burger	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
62.	Farmers were requested to sign consent forms to give Eskom permission to undertake the EIA study on their land and for permission to access their land for investigations by specialists. Eskom requested farmers to provide their contact details for further discussions, even if they do not complete the forms.	Mr Jan de Klerk, Eskom	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Landowners requested electronic copies of the consent form to be sent to them, to enable forwarding the forms to co-land owners or land owners absent from the meeting. Landowners urged each other not to sign the forms at the meeting, but to first discuss it amongst themselves. It was agreed during discussions after the meeting that the landowners will respond to Eskom at a specific date - 30 October 2008

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63.	Eskom does not want to use the legislative avenues available, but prefers to negotiate with landowners.	Mr Jan de Klerk, Eskom	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.
64.	I urge the farmers to stand together in the negotiations with Eskom.	Mr Willie Brits	Comments during the landowner and agricultural sector group meeting held on 4 October 2008 at Steenbokpan	Noted.

The meeting was closed at 13:30

Please verify that your contribution at the meeting was correctly captured. Should you wish to notify us of any discrepancies, please feel free to contact us. Anelle Odendaal or Andre Joubert, Zitholele Consulting: Tel (011) 254-4855 or 254-4987, Email: aodendaal@zitholele.co.za or Andrej@zitholele.co.za.

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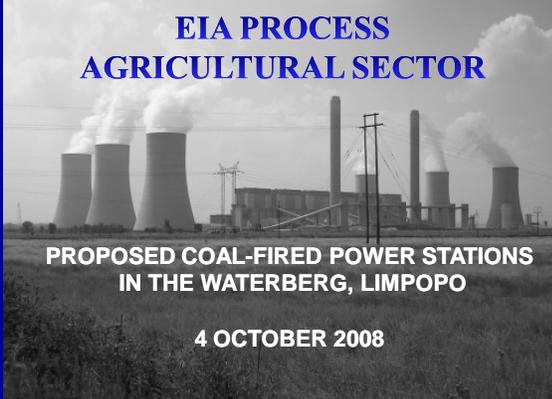
Mr Mfundi Songo
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**EIA PROCESS
AGRICULTURAL SECTOR**

**PROPOSED COAL-FIRED POWER STATIONS
IN THE WATERBERG, LIMPOPO**

4 OCTOBER 2008



Agenda

- 11:15 Welcome and introduction (ZC)
- 11:20 Objectives of the meeting (ZC)
- 11:25 Overview of the proposed project (Eskom)
- 11:40 Approach to the EIA process (NS)
Public participation (ZC)
- 12:10 General discussion
- 12:30 Next steps and closure (ZC)



Welcome & Introduction

Zitholele Consulting



Welcome & Introduction

- ❖ Deidre Herbst – Eskom
- ❖ Nico Gewers - Eskom
- ❖ Tobile Bokwe – Eskom
- ❖ Leonard van der Walt - Eskom
- ❖ Kritesh Bedessie – Eskom
- ❖ Thozama Gangi – Eskom
- ❖ Ashwin West – Ninham Shand
- ❖ Brett Lawson – Ninham Shand
- ❖ Anelle Odendaal – Zitholele Consulting
- ❖ Andre Joubert – Zitholele Consulting



Welcome & Introduction: Guidelines for Productive Discussion

- ❖ Focus on issues, not people
- ❖ Courtesy
- ❖ One person at a time
- ❖ Work through facilitator
- ❖ Agree to disagree
- ❖ Cell phones on silent



Objectives of the Meeting

- ❖ To provide authorities with an overview of the proposed project
- ❖ For authorities to raise issues of concern and suggestions for enhanced benefits
- ❖ For authorities to comment on the technical and public participation processes of the EIA
- ❖ For members of the EIA team to gather first-hand insight into issues of concern and suggestions for enhanced benefits







Objectives of the Meeting

❖ We are here to:

- ⇒ SHARE information
- ⇒ OBTAIN comments







Overview of the Proposed Project







Overview: Land Acquisition Process

Kritesh Bedessie







Approach to the EIA Process

Ashwin West







Approach: Study Approach

❖ Scope of Services

- Facilitate identification of candidate sites for coal-fired power stations
- Undertake EIA process in accordance with NEMA
- Facilitate compliance with relevant & related legislation
- Ensure site selection, layout and design informed by environmental (biophysical, social and economic) considerations







Approach: Study Approach cont.

- Review of sorbent supply and transport
- Develop Construction, Operation and Decommissioning EMPs








Approach: Team Structure

- ❖ Ninham Shand – Lead Consultants
- ❖ Sub-consultants
 - Air Quality Assessment
 - Airshed Planning Professionals (Hanlie Liebenberg Enslin)
 - Noise assessment
 - Jongens Keet Associates (Derek Cosijn)
 - Visual Impact Assessment
 - SEF (Eamonn O'Rourke)
 - Groundwater assessment
 - GCS (Andrew Johnstone)
 - Terrestrial fauna and flora
 - MDA (Johan du Preez)








Approach: Team Structure cont.

- Aquatic fauna and flora
 - Golder Associates (Alan Cochran)
- Heritage Impact Assessment
 - Northern Flagship Institute (Johnny van Schalkwyk)
- Land use planning
 - Winterbach, Potgieter & Associates (Wim Jacobsz)
- Toxicology
 - Infotox (Willie van Niekerk)
- Socio-economic survey
 - Urban Econ (Ben van der Merwe)








Approach: Team Structure cont.

- Social Impact Assessment
 - ECV Assessment (Lisa van der Merwe)
- Risk Assessment
 - Riscom (Mike Oberholzer)
- Agricultural Potential
 - Ivuzi (Alta van Dyke)
- Traffic
 - Ndodana Consulting (Louis Roodt)
- Public participation
 - Zitholele Consulting








Approach: Site Selection Process








Site Selection: Rationale for Waterberg

- ❖ Waterberg identified as location for further coal-related development
 - Size of coal field
 - Depth to coal
 - Allocation of resources
- ❖ Expression of interest for coal supply
 - Various coal sources offered
 - Coal source not finalized

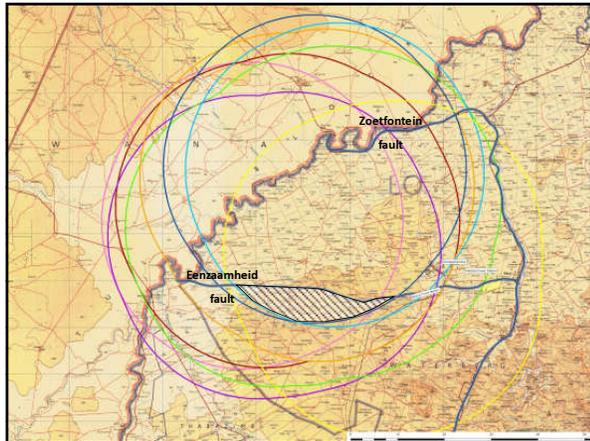







Site Selection: Rationale for Region Delineation

- ❖ Within South Africa
- ❖ Must be off-coal
- ❖ Distance from the coal
 - Max. feasible distance can transport by conveyor belt = 30 km
- ❖ Must access the shallow Waterberg coal
 - Waterberg coal reserves boundaries:
 - South Africa-Botswana border, Zoetfontein fault (north), Eenzaamheid fault (south), Daarby fault (east)

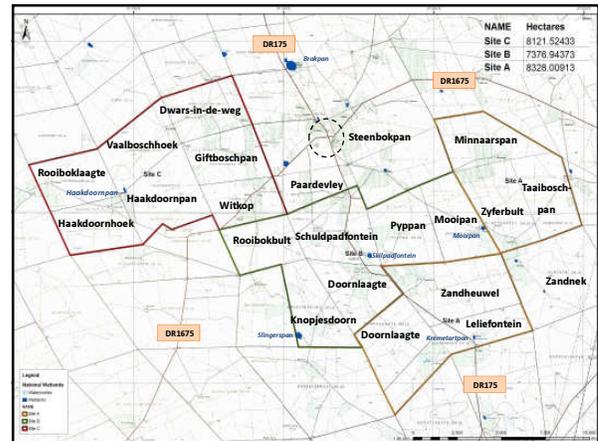


Site Selection: Rationale for Site Delineation

- ❖ Minimum 5 000 ha footprint
 - PS, ash dump, associated infrastructure
- ❖ Boundaries
 - Roads, railways, major powerlines & farm boundaries
- ❖ Buffer zones around residential areas
 - Air quality & noise
- ❖ Other infrastructure
 - Substation
- ❖ Other considerations
 - Topography, vegetation type, sensitive fauna, wetlands and land-use

Site Selection: Three Candidate Sites

Site A	Site B	Site C
Minnaarspan Farm No. 322	Pyppan Farm No. 326	Dwars-in-die-Weg Farm No. 289
Zyferbult Farm No. 324	Mooipan Farm No. 325	Gifboschpan Farm No. 288
Taaiboschpan Farm No. 320	Knopjesdoorn Farm No. 351	Witkop Farm No. 287
Zandheuwel Farm No. 356	Ptn of Doornlaagte Farm No. 353	Rooiboklaagte Farm No. 283
Leliefontein Farm No. 672	Schuldpadfontein Farm No. 328	Haakdoornpan Farm No. 673
Ptn of Doornlaagte Farm No. 353	Rooibokbult Farm No. 330	Haakdoornhoek Farm No. 333
	Ptn of Paardevley Farm No. 329	Vaalboschhoek Farm No. 285

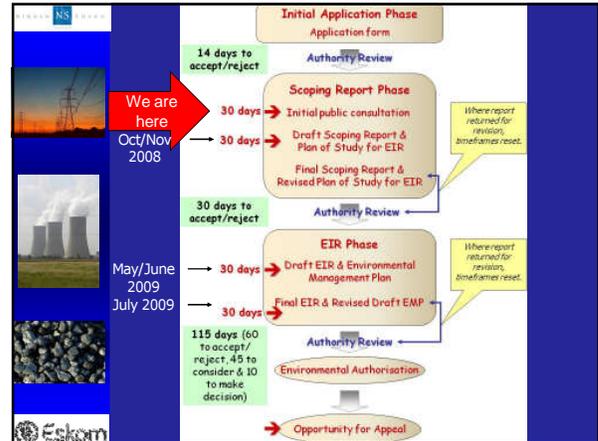


Site Selection Process Discussion

Approach: EIA Process

Approach: Purpose of the EIA

- ❖ To satisfy requirements of:
 - National Environmental Management Act
 - National Heritage Resources Act
- ❖ To identify potential environmental impacts (social and biophysical) & determine their likely significance
- ❖ To allow for public involvement
- ❖ To inform Eskom's decision-making
- ❖ To inform Environmental Authority's Decision



Approach: Public Participation Process

- ❖ It is a process in the EIA that is regulated under NEMA
- ❖ *It is to obtain and share information and to verify that comments have been considered*

❖ **Public participation is:**
A process leading to a joint effort by stakeholders, technical specialists, the authorities and the application who work together to produce better decisions than if they have acted independently

Approach: Public Participation Process

Public participation process is designed to serve the following objectives:

- ❖ To provide sufficient and accessible information to stakeholders in an objective manner
- ❖ To assist in raising issues of concern and suggestions for enhanced benefit,
- ❖ To verify that their issues have been captured

Approach: Public Participation Process

Roles & Responsibilities

Applicant - Eskom:

- ❖ Need to understand that consultants are independent, neutral facilitators in service of the public
- ❖ Must demonstrate genuine desire to hear views of public and specialists

Approach: Public Participation Process

Roles & Responsibilities

Technical specialists – Ninham Shand and team:

- ❖ Ability to present technical findings in a non-technical way
- ❖ Using issues raised as part of the TOR of specialist studies – ensuring consideration of issues
- ❖ Not de-emphasizing concerns with technocratic justifications

Approach: Public Participation Process

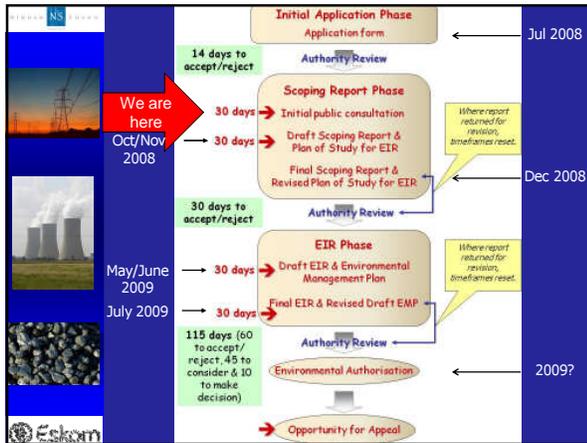
Roles & Responsibilities
Public participation practitioners – Zitholele Consulting:

- ❖ Clear demonstration of neutrality
- ❖ In service of the stakeholders – ensuring stakeholder comments are fairly considered in the process
- ❖ Making available information
- ❖ Record the process and comments

Approach: Public Participation Process

Roles & Responsibilities
Stakeholders – YOU:

- ❖ Read and familiarise with information
- ❖ Submit comments by specified dates – not waiting till end of process to contribute views and issues
- ❖ Participate in meetings
- ❖ Rise above personal agendas and realise that there will always be trade-offs



Approach: Public Participation Process

- ❖ Landowner / stakeholder meetings (6 October 2008)
 - To introduce project and hear issues and concerns
- ❖ 1st Public Meeting – November 2008
 - To discuss and obtain comment on draft Scoping Report and Plan of Study for EIR
- ❖ 2nd Public Meeting – June 2009
 - To discuss and obtain comment on draft Environmental Impact Report

Approach: Public Participation Process

- ❖ Key documents available in English and Afrikaans
- ❖ Reports available
 - At key public locations
 - On the Web

Authority Requirements



Authority Requirements

Each authority to outline:

- ❖ Legislation relevant to project
- ❖ Information available to EIA team
- ❖ Key information required from EIA team
- ❖ Involvement in the EIA process (timing and nature)
- ❖ Permit/approval procedure



General Discussion



Next Steps

Zitholele Consulting



Next Steps

- ❖ Compilation of draft Scoping Report
- ❖ Lodging of Scoping Report in library
- ❖ Public meeting (November 2008)
- ❖ Finalisation of Scoping Report and submission to DEAT (December 2008)
- ❖ Further environmental requirements guided by DEAT
- ❖ Compilation of draft EIR



Thank you for your time

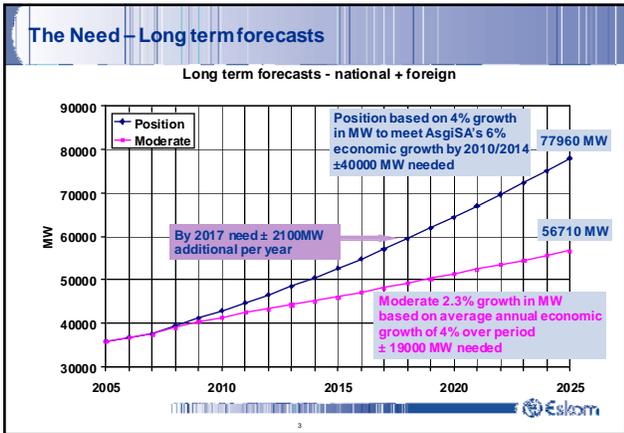
Proposed Waterberg Coal Fired Power Stations

Strategic Overview

Authorities & Landowners Meeting
3 & 4 October 2008

Eskom Vision

Together building the powerbase for sustainable growth and development



Electricity demand and supply – key challenges

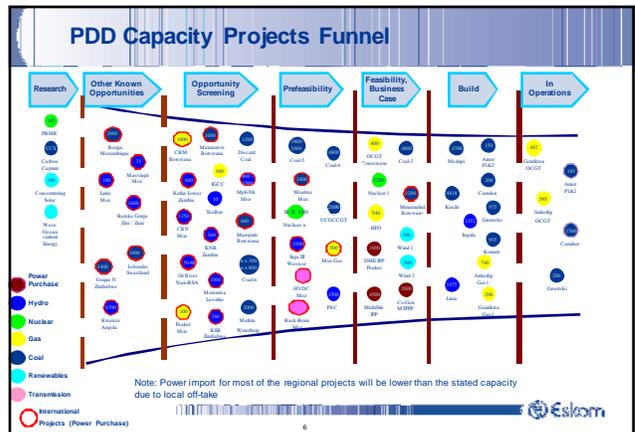
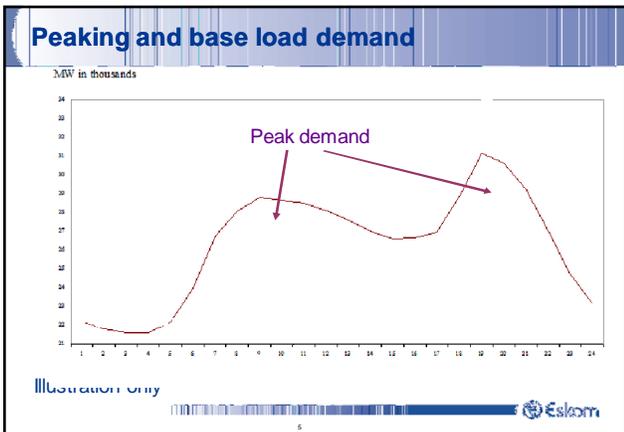
- Demand for electricity continues to increase, resulting in South Africa approaching the end of its surplus generation capacity

1st challenge: Avoiding mismatch between demand and supply

- Excess capacity - stranded resources
- Capacity shortage - constrained economic growth

2nd challenge: Correct choice of capacity to be constructed. The available options differ dramatically in terms of:

- Cost (construction and operating)
- Lead time to construction
- Environmental impact
- Operating characteristics (for example: peaking, baseload)



Regulatory processes

Environmental Impact Assessment

- Eskom is developing options to supply the electricity need.
- The EIA is an important step in determining the viability of a specific option.
- The EIA is on the critical path (in terms of the schedule) in developing a power station.
- This EIA is for two coal fired power stations of approximately 5400 MW capacity each.
- A separate EIA will be undertaken for the required transmission lines, the two processes will run in parallel as far as possible.

Other authorisations

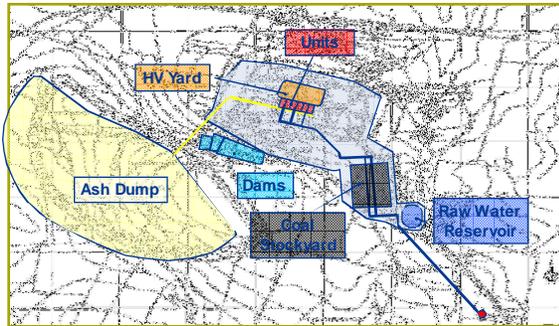
- Applications for authorisations and permits required from other Authorities - for example with respect to water, land use zoning, generating license - will be made at the appropriate stage during the project

Expected Technical Parameters

- 6 x 900 MW (nominal) = 5400 MW
- Pulverised fuel (pf) fired, based on the newer more efficient super critical technology as used for Medupi/Kusile
- Dry cooled (Note, photos show direct dry cooled, indirect dry cooling, employing cooling towers, might be used)
- Flue Gas Desulfurization will be installed
- Low NOx burners will be used
- Either Bag filters or precipitators will be used to control fine particulate matter

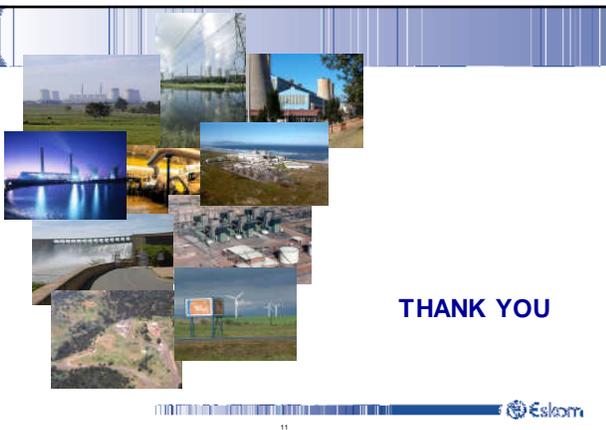


Typical Site Layout



Summary

- 40 000 MW + additional generating capacity needed up to 2025, this trend continues after 2025.
- In addition to the existing approved base load stations additional base load power stations need to be constructed.
- Coal 3 and Coal 4 are developed as options for base load coal fired power stations in the Waterberg, each with a capacity of up to 5400MW. The decision to build will be made by Eskom Board, taking the environmental and other inputs into account.
- Three sites have been identified close to the Waterberg coal fields. These sites will be evaluated from an Environmental perspective. The aim is to complete feasibility studies for two power stations on the two most suitable of the three sites, considering environmental and various other issues.
- The approval by Eskom Board and the timing of the construction of Coal 3 & Coal 4 is dependant on various ever changing factors, amongst other the actual Electricity growth and the feasibility of these projects in relation to other available options.



THANK YOU