



**Proposed Speech**  
**Mr Thava Govender, Group Executive Generation and Acting Group Executive**  
**Risk and Sustainability**  
**Environmental Management Conference**  
**6 June 2018**

**“Resetting the heartbeat of Environmental Management in a changing climatic landscape”**

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Guardians

Good morning, and thank you for making time to attend this significant day in the global environmental calendar. Allow me to extend special greetings to our external guests and partners from the CSIR, Wits University, and the Department of Environmental Affairs. Thank you for gracing our event under the theme *“Resetting the heartbeat of Environmental Management in a changing climatic landscape”*. We value your expertise and insight. It is through collaboration with stakeholders such as you that we can move South Africa forward.

The commemoration of this day is more than just celebrating the environment; it also serves as a reminder to all of us to continue our efforts to protect and safeguard our valuable natural resources. In essence, the environment is the heartbeat of our earth, as it gives life to all we know and to whom we are.

Ladies and gentlemen, Eskom cannot shy away from the reality that we are a large contributor to impacts on the environment, including our contribution to poor air quality and climate change, the use of millions of litres of water every day and our impact on bio-diversity. We have long been mindful that effective environmental management remains critical for business, country, and global sustainability, as environmental strategies and measurements continue to shape, service, and spearhead our business.



It is important to note that Air Quality and Climate Change are both priorities for Eskom. Due to the differences between these issues they are managed by different expertise and different strategies. However, due to the similarities between these issues air quality and climate change are often confused and erroneously used interchangeably. The most concerning consequence of this is that companies may feel that dealing with one or the other means that both issues have been adequately dealt with. Therefore it is very important to understand the differences between the issues, the strategies that are required to deal with them, where there are synergistic solutions and where the trade-offs exist. The principle difference between the two issues is that Air Quality is concerned with impacts at the local level while Climate Change is concerned with impacts at the global level. Therefore one of the easiest ways to remember the major difference between the two issues is in the way we name them – Local Air quality and Global Climate Change.

Eskom has a comprehensive climate change strategy that addresses the key pillars of Mitigation, which deals with the reduction of greenhouse gas emissions, and Adaptation which deals with the adverse impacts of climate change on our people and infrastructure. South Africa is a signatory to the United Nations COP21 Paris Agreement. Eskom remains committed to assisting the country in meeting its obligations under the Paris Agreement.

Eskom has a comprehensive set of strategies that address local environmental impacts including an overarching Environmental strategy supported by the Water, Biodiversity, Air Quality and Waste strategies.

The key is to unlock our thinking and determine how we can best manage our operations within our resource constraints and with minimal exposure of the environment. The question is: “How do we manage conflicting business and financial priorities without having a negative impact on the environment?”

I am encouraged by Eskom’s efforts, despite the remaining significant challenges demanding improvement. It is pleasing to note that Eskom has reduced particulate



emissions by 95% since the 1980s. We also recently recorded our best water and particulate emission performance – an achievement that required disciplined execution and a collaborative approach among all divisions. In addition to our performance, a continuous highlight is our efforts in nature conservation. You may be surprised to learn, as I was, that Eskom proudly manages close to nine thousand hectares of extensive mountainous grassland and sensitive wetlands. While many of us have to venture into work surrounded by brick and mortar, some of our colleagues are fortunate to work at our Koeberg and Ingula Nature Reserves, surrounded by indigenous fauna and flora. The Ingula Nature Reserve has its home in the picturesque Drakensberg mountains and is home to more than 300 bird species, including South Africa’s national bird, the blue crane. The teams at both reserves pride themselves in the annual walks and are open to the public during the year.

Eskom also has a robust water management system in place. The commissioning by the Department of Water and Sanitation (DWS) of the acid mine drainage project by 2023 and the Lesotho Highlands Water Project Phase 2 by 2024 will contribute to longer-term water security for Eskom.

Consistent with our value of Zero Harm, our teams in Transmission and Distribution work in harmony with nature in the protection of wildlife. For example, our partnership with the Endangered Wildlife Trust (EWT) has seen a reduction in the number of bird fatalities on our power lines compared to previous years, as bird guards and wildlife protection take centre stage. Sadly, however, we have lost 45 birds from the Red List of Threatened Species this financial year.

While Eskom is still primarily reliant on coal, we have ambitions to grow to a more diversified mix, as we transition to lower carbon emitting and more environmentally friendly technologies. Renewables play a key role, as Eskom not only buys green electricity from wind and solar renewable power producers, but also proudly generates its own 100 MW wind power from Sere Wind Farm. Eskom has installed PV plants at various existing coal plants to augment supply particularly to administrative buildings.



Koeberg Nuclear Power Station, while highly debated, continues to be one of Eskom's outstanding power stations and has been operating safely and efficiently with zero CO<sub>2</sub> emissions and zero major environmental incidents in its 33 years of operations. Koeberg saves 22 billion litres of freshwater per annum, as its condensers are cooled by means of seawater, which is returned to the sea after use.

To further limit our impact on the environment, we continue to modify existing power stations through the use of cleaner technology, as older stations are retrofitted with fabric filter bags or the precipitators are upgraded, to reduce air pollution. Our new build coal-fired stations, Kusile and Medupi, alongside Matimba and Kendal, are dry-cooling stations, consuming 0.1 litres of water per kWh of electricity produced, compared to traditional wet-cooled plant that consumes close to 2 litres per kWh. In addition, Kusile Power Station is retrofitted with flue-gas desulphurisation technology (or FGD). FGD is used to remove oxides of sulphur, such as sulphur dioxide, from exhaust flue gases in power plants that burn coal or oil. This is to ensure compliance with air-quality standards as part of our air quality strategy.

In conclusion, there is a concerted effort to focus on technologies such as nuclear, cleaner coal technologies, renewables, gas, and large hydro imports.

In a country such as ours where there is a need to balance affordability with reliability and to pursue a lower-carbon future, there is no single technology option that is the panacea for meeting all of these requirements. We are, therefore, committed to the principle of no upfront technology exclusion and assessment of all options for reducing our emissions and meeting our environmental goals.

Eskom's aspiration is to pursue a more diverse energy mix with the objective of reducing the utility's relative emissions and subsequently reducing absolute emissions.



Reducing our environmental footprint and pursuing a sustainable business can only be achieved through the continued commitment of Eskom's leadership and the efforts of all Eskom employees.

On this note, I wish you well as you engage in robust discussions – pursuing lasting solutions to assist Eskom in mitigating the impact of climate change.

I thank you.