



environmental affairs

Department:
Environmental Affairs
REPUBLIC OF SOUTH AFRICA

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NEAS Reference: DEAT/EIA/447/2011

DEA Reference: 12/12/20/2380

Enquiries: Toinette van der Merwe

Telephone: 012-395-1782 Fax: 012-320-7539 E-mail: Tvandermerwe@environment.gov.za

Kristy Ross
Eskom Holdings SOC Limited
P.O. Box 1091
SUNNINGHILL
2157

Fax no: 086-661-9248

PER FACSIMILE / MAIL

Dear Ms K Ross

ACCEPTANCE OF BASIC ASSESSMENT REPORT AND AUTHORISATION IN TERMS OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 1998: GN R543 and GN R544: FOR THE PROPOSED CONSTRUCTION OF A BIOMASS CO-FIRING DEMONSTRATION FACILITY AT THE ARNOT POWER STATION, MPUMALANGA

With reference to the above application, please be advised that the Department has decided to grant authorisation. The environmental authorisation (EA) and reasons for the decision are attached herewith.

In terms of Regulation 10(2) of the Environmental Impact Assessment Regulations, 2010 (the Regulations), you are instructed to notify all registered interested and affected parties, in writing and within 12 (twelve) days of the date of the EA, of the Department's decision in respect of your application as well as the provisions regarding the submission of appeals that are contained in the Regulations.

Your attention is drawn to Chapter 7 of the Regulations, which prescribes the appeal procedure to be followed. This procedure is summarised in the attached document. Kindly include a copy of this document with the letter of notification to interested and affected parties.

Should the applicant or any other party wish to appeal any aspect of the decision a notice of intention to appeal must be lodged by all prospective appellants with the Minister, within 20 days of the date of the EA, by means of one of the following methods:

- By facsimile: 012 320 7561;
By post: Private Bag X447,
Pretoria, 0001; or
By hand: 2nd Floor, Fedsure Building, North Tower,
Cnr. Lilian Ngoyi (previously Van der Walt) and Pretorius Streets,
Pretoria.

If the applicant wishes to lodge an appeal, it must also serve a copy of the notice of intention to appeal on all registered interested and affected parties as well as a notice indicating where, and for what period, the appeal submission will be available for inspection, should you intend to submit an appeal.

Please include the Department (*Attention: Director: Integrated Environmental Authorisations*) in the list of interested and affected parties, notified through your notification letter to interested and affected parties, for record purposes.

Appeals must be submitted in writing to:

Mr T Zwane, Senior Legal Administration Officer (Appeals), of this Department at the above mentioned addresses or fax number. Mr Zwane can also be contacted at:

Tel: 012-310-3929

Email: tzwane@environment.gov.za

The authorised activity/ies shall not commence within twenty (20) days of the date of signature of the authorisation. Further, please note that the Minister may, on receipt of appeals against the authorisation or conditions thereof suspend the authorisation pending the outcome of the appeals procedure.

Yours sincerely



Mr Mark Gordon
Chief Director: Integrated Environmental Authorisations
Department of Environmental Affairs

Date: 05/07/2012

CC:	Ms T Kruger	Savannah Environmental	Tel: 011-234-6621	Fax: 086-684-0547
	Mr G Batchelor	Provincial Department	Tel: 013-766-6077	Fax: 013-766-4614
	Mr S Links	Municipality	Tel: 013-243-1656	Fax: 013-243-1656
	Mr T Zwane	Appeals Authority (DEA)	Tel: 012-310-3929	Fax: 012-320-7561

APPEALS PROCEDURE IN TERMS OF CHAPTER 7 OF THE NEMA EIA REGULATIONS, 2010 (THE REGULATIONS) AS PER GN R.543 OF 2010 TO BE FOLLOWED BY THE APPLICANT AND INTERESTED AND AFFECTED PARTIES UPON RECEIPT OF NOTIFICATION OF AN ENVIRONMENTAL AUTHORISATION (EA)

APPLICANT	INTERESTED AND AFFECTED PARTIES (IAPs)
1. Receive EA from the relevant Competent Authority (the Department of Environmental Affairs [DEA]).	1. Receive EA from Applicant/Consultant.
2. Within 12 days of date of the EA notify all IAPs of the EA and draw their attention to their right to appeal against the EA in terms of Chapter 7 of the Regulations.	2. N/A.
3. If you want to appeal against the EA, submit a notice of intention to appeal within 20 days of the date of the EA with the Minister of Water and Environmental Affairs (the Minister).	3. If you want to appeal against the EA, submit a notice of intention to appeal within 20 days of the date of the EA, with the Minister of Water and Environmental Affairs (the Minister).
4. After having submitted your notice of intention to appeal to the Minister, provide each registered IAP with a copy of the notice of intention to appeal within 10 days of lodging the notice.	4. After having submitted your notice of intention to appeal to the Minister, provide the applicant with a copy of the notice of intention to appeal within 10 days of lodging the notice.
5. The Applicant must also serve on each IAP: <ul style="list-style-type: none"> • a notice indicating where and for what period the appeal submission will be available for inspection. 	5. Appellant must also serve on the Applicant within 10 days of lodging the notice, <ul style="list-style-type: none"> • a notice indicating where and for what period the appeal submission will be available for inspection by the applicant.
6. The appeal must be submitted in writing to the Minister within 30 days after the lapsing of the period of 20 days provided for the lodging of the notice of intention to appeal.	6. The appeal must be submitted to the Minister within 30 days after the lapsing of the period of 20 days provided for the lodging of the notice of intention to appeal.
7. Any IAP who received a notice of intention to appeal may submit a responding statement to that appeal to the Minister within 30 days from the date that the appeal submission was lodged with the Minister.	7. An Applicant who received notice of intention to may submit a responding statement to the appeal to the Minister within 30 days from the date that the appeal submission was lodged with the Minister.

NOTES:

1. **An appeal against a decision must be lodged with:-**
 - a) the Minister of Water and Environmental Affairs if the decision was issued by the Director- General of the Department of Environmental Affairs (or another official) acting in his/ her capacity as the delegated Competent Authority;
 - b) the Minister of Justice and Constitutional Development if the applicant is the Department of Water Affairs and the decision was issued by the Director- General of the Department of Environmental Affairs (or another official) acting in his/ her capacity as the delegated Competent Authority;

2. **An appeal lodged with:-**
 - a) the Minister of Water and Environmental Affairs must be submitted to the Department of Environmental Affairs;
 - b) the Minister of Justice and Constitutional Development must be submitted to the Department of Environmental Affairs;

3. **An appeal must be:-**
 - a) submitted in writing;
 - b) accompanied by:
 - a statement setting out the grounds of appeal;
 - supporting documentation which is referred to in the appeal; and
 - a statement that the appellant has complied with regulation 62 (2) or (3) together with copies of the notices referred to in regulation 62.



environmental affairs

Department:
Environmental Affairs
REPUBLIC OF SOUTH AFRICA

Environmental Authorisation

In terms of regulation 36 of the Environmental Impact Assessment Regulations, 2010

Construction of a biomass co-firing demonstration facility at the Arnot Power Station,
Mpumalanga Province

Steve Tshwete Local Municipality

Authorisation register number:	<i>12/12/20/2380</i>
NEAS reference number:	<i>DEA/EIA/447/2011</i>
Last amended:	<i>First issue</i>
Holder of authorisation:	<i>Eskom Holdings SOC Limited</i>
Location of activity:	<i>MPUMALANGA PROVINCE: Arnot Power Station</i>

This authorisation does not negate the holder of the authorisation's responsibility to comply with any other statutory requirements that may be applicable to the undertaking of the activity.

Decision

The Department is satisfied, on the basis of information available to it and subject to compliance with the conditions of this environmental authorisation, that the applicant should be authorised to undertake the activities specified below.

Non-compliance with a condition of this authorisation may result in criminal prosecution or other actions provided for in the National Environmental Management Act, 1998 and the EIA regulations.

Details regarding the basis on which the Department reached this decision are set out in Annexure 1.

Activities authorised

By virtue of the powers conferred on it by the National Environmental Management Act, 1998 (Act 107 of 1998) and the Environmental Impact Assessment Regulations, 2010 the Department hereby authorises –

ESKOM HOLDINGS SOC LIMITED

with the following contact details –

Eskom Holdings SOC Limited

P.O. Box 1091

SUNNINGHILL

2157

Tel: (011) 800 4682

Fax: (086) 661 9248

Cell: (083) 704 2543

E-mail: RossKE@eskom.co.za

to undertake the following activities (hereafter referred to as "the activity") indicated in Listing Notices 1, 2 or 3 (GN R.544, 545 & 546):

Listed activities	Activity/Project description
1	The construction of facilities or infrastructure for the generation of electricity where: (ii) The output is 10 MW or less but the total extent of the facility covers an area in excess of 1 ha.
10	The construction of facilities or infrastructure for the transmission and distribution of electricity -- i. outside urban areas or industrial complexes with a capacity of more than 33 but less than 275 kilovolts.
22(ii)	The construction of a road, outside urban areas where no reserve exists where the road is wider than 8 metres.
28	The expansion of or changes to existing facilities for any process or activity where such expansion or changes to will result in the need for a permit or license in terms of national or provincial legislation governing the release of emissions or pollution, excluding where the facility, process or activity is included in the list of waste management activities published in terms of section 19 of the National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008) in which case that Act will apply.
29	The expansion of facilities for the generation of electricity where: (i) The electricity output will be increased by 10 MW or more, excluding where such expansion takes place on the original development footprint; or (ii) Regardless the increased output of the facility, the development footprint will be expanded by 1 ha or more.



as described in the Basic Assessment Report (BAR) dated February 2012 at:

Alternative S1	Latitude	Longitude
Arnot Power Station	25°56.604'	29°47.740'

- for the proposed construction of a biomass co-firing demonstration facility at the Arnot Power Station, Mpumalanga Province, hereafter referred to as "the property".

Two scenarios are proposed:

- (a) Co-milling: A maximum of 5% coal by biomass displacement at each of 3 units;
- (b) Separate milling: A maximum of 10% displacement of coal by biomass at one unit.

Associated infrastructure required as part of the demonstration facility will include:

- New buildings, conveyors and associated infrastructure within the existing power station footprint will be constructed to accommodate the biomass transportation, milling and temporary storage for separate milling.
- Two metal storage silos will be constructed. Silo 1 is the storage silo and the Silo 2 is the day bin. Both silos have a similar storage capacity (between 8 – 12 hours), but have different discharge equipment. Silo 1 is proposed to be located close to the current coal stockpile area, and Silo 2 is proposed to be located adjacent to the boiler house above the milling plant. The two silos are linked by a conveyor of approximately 200-300m.
- Existing access roads to the power station will be used and it is proposed to upgrade the existing internal roads. The existing gravel road within the station boundary will be extended (approximately 300m in length and 8m wide) and lead to the off-load facility from where it will be extended into a loop system around the off-load facility. The loop road will be 4m wide and an estimate length of 500m. The proposed new portions of road will be tarred.
- New transformers and a new switchgear room at the offloading plant will be constructed and the existing switchgear rooms will be expanded.
- Water supply for all activities will be sourced from the existing water allocation to Arnot Power Station.
- All waste will be disposed as per the power station's existing waste management procedures and processes.

Conditions of this Environmental Authorisation

Scope of authorisation

1. The preferred alternative with coordinates mentioned on page 4 is approved.
2. Authorisation of the activity is subject to the conditions contained in this authorisation, which form part of the environmental authorisation and are binding on the holder of the authorisation.
3. The holder of the authorisation is responsible for ensuring compliance with the conditions contained in this environmental authorisation. This includes any person acting on the holder's behalf, including but not limited to, an agent, servant, contractor, sub-contractor, employee, consultant or person rendering a service to the holder of the authorisation.
4. The activities authorised may only be carried out at the property as described above.
5. Any changes to, or deviations from, the project description set out in this authorisation must be approved, in writing, by the Department before such changes or deviations may be effected. In assessing whether to grant such approval or not, the Department may request such information as it deems necessary to evaluate the significance and impacts of such changes or deviations and it may be necessary for the holder of the authorisation to apply for further authorisation in terms of the regulations.
6. This activity must commence within a period of five (5) years from the date of issue of this authorisation. If commencement of the activity does not occur within that period, the authorisation lapses and a new application for environmental authorisation must be made in order for the activity to be undertaken. Should there be a requirement to extend the validity period of the EA, an application for extension of the validity of the EA, must be lodged at least six (6) months prior to the expiration date.
7. Commencement with one activity listed in terms of this authorisation constitutes commencement of all authorised activities.
8. The holder of an environmental authorisation must notify the competent authority of any alienation, transfer and change of ownership rights in the property on which the activity is to take place.

Notification of authorisation and right to appeal

9. The holder of the authorisation must notify every registered interested and affected party, in writing and within 12 (twelve) calendar days of the date of this environmental authorisation, of the decision to authorise the activity.
10. The notification referred to must –
 - 10.1. specify the date on which the authorisation was issued;
 - 10.2. inform the interested and affected party of the appeal procedure provided for in Chapter 7 of the Environmental Impact Assessment Regulations, 2010;
 - 10.3. advise the interested and affected party that a copy of the authorisation will be furnished on request; and
 - 10.4. give the reasons of the competent authority for the decision.
11. The holder of the authorisation must publish a notice –
 - 11.1. informing interested and affected parties of the decision;
 - 11.2. informing interested and affected parties where the decision can be accessed; and
 - 11.3. drawing the attention of interested and affected parties to the fact that an appeal may be lodged against this decision in the newspaper(s) contemplated and used in terms of Regulation 54(2)(c) and (d) and which newspaper was used for the placing of advertisements as part of the public participation process.

Management of the activity

12. The Environmental Management Programme (EMPr) submitted as part of the application for EA is hereby approved. This EMPr must be implemented and adhered to.

Environmental Control Officer (ECO) and duties

13. The holder of the authorisation must appoint an Environmental Control Officer (ECO) with experience or expertise in the field for the construction phase of the development. The ECO will have the responsibility to ensure that the mitigation/rehabilitation measures and recommendations referred to in this authorisation are implemented and to ensure compliance with the provisions of the EMPr.

14.

The ECO must be appointed before commencement of any authorised activities.

- 14.1. The ECO must remain employed until all rehabilitation measures, as required for implementation due to construction damage, are completed and the site is ready for operation.
 - 14.2. Once appointed, the name and contact details of the ECO must be submitted to the *Director: Compliance Monitoring* of the Department.
 - 14.3. The ECO must keep a record of all activities on site, problems identified, transgressions noted and a task schedule of tasks undertaken by the ECO.
15. The ECO must:
- 15.1. Keep and maintain a detailed incident (including spillage of bitumen, fuels, chemicals, or any other material) and complaint register on site indicating how these issues were addressed, what rehabilitation measures were taken and what preventative measures were implemented to avoid re-occurrence of incidents/complaints.
 - 15.2. Keep and maintain a daily site diary.
 - 15.3. Keep copies of all reports submitted to the Department.
 - 15.4. Keep and maintain a schedule of current site activities including the monitoring of such activities.
 - 15.5. Compile bi-monthly monitoring reports.

Recording and reporting to the Department

16. The holder of this authorisation must keep all records relating to monitoring and auditing on site and make it available for inspection to any relevant and competent authority in respect of this development.
17. All documentation e.g. audit/monitoring/compliance reports and notifications, required to be submitted to the Department in terms of this authorisation, must be submitted to the *Director: Compliance Monitoring* at the Department.

Commencement of the activity

18. The authorised activity shall not commence within twenty (20) days of the date of signature of the authorisation.
19. An appeal under section 43 of the National Environmental Management Act (NEMA), Act 107 of 1998 (as amended), does not suspend an environmental authorisation or exemption, or any provisions or conditions attached thereto, or any directive, unless the Minister, MEC or delegated organ of state directs otherwise.
20. Should you be notified by the Minister of a suspension of the authorisation pending appeal procedures, you may not commence with the activity until such time that the Minister allows you to commence with such an activity in writing.

Notification to authorities

21. Fourteen (14) days written notice must be given to the Department that the activity will commence. Commencement for the purposes of this condition includes site preparation. The notice must include a date on which it is anticipated that the activity will commence, as well as a reference number. This notification period may coincide with the notice of intent to appeal period, within which construction may not commence.

Operation of the activity

22. Fourteen (14) days written notice must be given to the Department that the activity operational phase will commence.

Site closure and decommissioning

23. Should the activity ever cease or become redundant, the applicant shall undertake the required actions as prescribed by legislation at the time and comply with all relevant legal requirements administered by any relevant and competent authority at that time.

Specific conditions

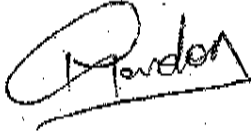
24. The construction site where the activity is proposed to take place must be clearly demarcated by the ECO prior to the commencement of construction activities.
25. Construction activities must be confined to this demarcated construction site.
26. All concrete batching is to take place on non-permeable sheeting to avoid leaching into the ground.
27. Haul vehicles must be covered at all times with tarpaulins when traveling to and from site when it contain material removed or taken to the site to minimise dust associated impacts.
28. Relevant personal protective equipment must be used at all times.
29. Construction must include appropriate design measures that allow movement of storm water along drainage lines so as not to impede natural surface and subsurface flows.
30. An integrated waste management approach must be implemented that is based on waste minimisation and must incorporate reduction, recycling and re-use where appropriate. Any solid waste shall be disposed of at a landfill licensed in terms of section 20 (b) of the National Environment Management Waste Act, 2008 (Act 59 of 2008).
31. If any heritage resources of significance are exposed during the implementation of the project, SAHRA should be notified immediately, all construction activities must be stopped and an accredited archaeologist should be notified to determine appropriate mitigation measures of the discovered finds. This may include obtaining the necessary authorisation (permits) from SAHRA to conduct the mitigation measures.

General

32. A copy of this authorisation and the approved EMPr must be kept at the property where the activity/ will be undertaken. The authorisation and approved EMPr must be produced to any authorised official of the Department who requests to see it and must be made available for inspection by any employee or agent of the holder of the authorisation who works or undertakes work at the property.
33. The holder of the authorisation must notify both the *Director: Integrated Environmental Authorisations* and the *Director: Compliance Monitoring* at the Department, in writing and within 48 (forty eight) hours, if any condition of this authorisation cannot be or is not adhered to. Any notification in terms of this condition must be accompanied by reasons for the non-compliance.
34. National government, provincial government, local authorities or committees appointed in terms of the conditions of this authorisation or any other public authority shall not be held responsible for

any damages or losses suffered by the applicant or his successor in title in any instance where construction or operation subsequent to construction be temporarily or permanently stopped for reasons of non-compliance by the applicant with the conditions of authorisation as set out in this document or any other subsequent document emanating from these conditions of authorisation.

Date of environmental authorisation: 05 July 2012



Mr Mark Gordon
Chief Director: Integrated Environmental Authorisations
Department of Environmental Affairs

Annexure 1: Reasons for Decision

1. Information considered in making the decision

In reaching its decision, the Department took, *inter alia*, the following into consideration -

- a) The information contained in the BAR dated February 2012;
- b) The comments received from the organs of state and interested and affected parties as included in the BAR dated February 2012;
- c) Mitigation measures as proposed in the BAR dated February 2012 and the EMPr;
- d) The information contained in the specialist studies contained within Appendix D of the BAR; and
- e) The objectives and requirements of relevant environmental legislation, policies and guidelines, including section 2 of the National Environmental Management Act, 1998 (Act 107 of 1998).

2. Key factors considered in making the decision

All information presented to the Department was taken into account in the Department's consideration of the application. A summary of the findings which, in the Department's view, were of the most significance is set out below.

- a) The findings of all the specialist studies conducted and their recommended mitigation measures.
- b) The need for this project stems from National and International Climate Change Policy Context and it is proposed to take opportunities of the carbon market including the Clean Development Mechanism (CDM).
- c) The BAR dated February 2012 identified all relevant environmental legislation and guidelines that have been considered in the preparation of the BAR dated February 2012.
- d) The methodology used in assessing the potential impacts identified in the BAR dated February 2012 and the specialist studies have been adequately indicated.
- e) A sufficient public participation process was undertaken and the applicant has satisfied the minimum requirements as prescribed in the EIA Regulations, 2010 for public involvement.



3. Conclusions

After consideration of the information and factors listed above, the Department made the following conclusions -

- a) The identification and assessment of impacts are detailed in the BAR dated February 2012 and sufficient assessment of the key identified issues and impacts have been completed.
- b) The procedure followed for impact assessment is adequate for the decision-making process.
- c) The proposed mitigation of impacts identified and assessed adequately curtails the identified impacts.
- d) According to the independent EAP, the information contained in the BAR dated February 2012 is accurate and credible.
- e) EMPr measures for the pre-construction, construction and rehabilitation phases of the development were proposed and included in the BAR and will be implemented to manage the identified environmental impacts during the construction process.

In view of the above, the Department is satisfied that, subject to compliance with the conditions contained in the environmental authorisation, the proposed activity will not conflict with the general objectives of integrated environmental management laid down in Chapter 5 of the National Environmental Management Act, 1998 and that any potentially detrimental environmental impacts resulting from the proposed activity can be mitigated to acceptable levels. The application is accordingly granted.

