 Eskom	Procedure	
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Content

	Page
1 Introduction.....	2
2 Procedure.....	2
3. Supporting Clauses	7
4. Abbreviations and Definitions.....	9
5. Authorisation	10
5. Revisions.....	10
6. Development team.....	11
5 Records	11
6 Distribution.....	11
7 List of Compilers	11
Annex A: ELC SI Report and OSR to CTAD.....	12
Annex B: ELC Quarterly Reporting to SLC and ESC.....	14
Annex C: Annual ELC report	19
Annex D: Possible additional indicators for use by Divisions for effective reporting.	20
Annex E: Divisional reporting requirements	22
Annex G: Tracking Certificate	25
Annex H: Reporting dates 2006/7	26
Annex I: Responsible persons.....	27
Annex J Intra-Divisional Reporting Procedures	28
Annex K: Waste Reporting Requirements	29
Annex L: Oil Spill Categories.....	31
Annex M NEMA Duty of care	32
Annex N. Examples of Contraventions of Legislation	33
Annex O Event Reporting and decision flow diagram.....	34

Annex P Targets, Alarms and Standards Approval Process	36
Annex Q Contravention Reporting Summary	38
Annex R Classification of Repeat Legal Contraventions	39

1 Introduction

The measurement of environmental performance elements contributes towards Eskom's sustainability. Environmental performance, while a Divisional and Subsidiary responsibility, is co-ordinated at an organisational level in Eskom, and an overall picture of environmental performance is required to ensure organisational compliance to local and international norms. Divisions and Subsidiaries in Eskom report on environmental performance issues to the Environmental Liaison Committee (ELC) which in turn reports on Eskom's environmental performance to the Sustainability Liaison Committee (SLC) and the Executive Management Operations Subcommittee, Executive Management Sustainability and Safety Sub-committee and Board Sustainability Committee as addressed in this document.

This procedure is based on both existing practice and on national and international information requirements. Measurement initiatives have become entrenched in Eskom due to the implementation of Environmental Management Systems, and in many cases Eskom is seen as an international leader. There are however developing national and international reporting requirements and standards, and Eskom needs to be correctly positioned to meet future reporting challenges. This report aims to proactively prepare the organisation to meet these requirements.

This procedure addresses environmental key performance indicators reported by Divisions and Subsidiaries to the ELC and ELC reporting to the Operational Sustainability Report, (OSR) and Sustainability Liaison Committee (SLC), Executive Management Committees and Board Committees. The document is applicable to both Divisions and Subsidiaries within Eskom Holdings Limited (Eskom). The procedure does not address systems implemented within divisions to report and record environmental performance, but does offer guidance on appropriate indicators and references applicable documents.

The procedure also addresses the environmental requirements of the Eskom Sustainability Performance Index (ESPI).

2 Procedure

2.1 ELC Reporting Requirements

The ELC submits a monthly report to the Corporate Technical Audit Department (CTAD) in term of the Operational Sustainability Reporting Management Manual. CTAD presents a summary of the organisation's performance in terms of the manual to the Executive Management Operations Subcommittee on a monthly basis. The ELC report covers performance in various categories as described in Annex A, ELC SI Report and OSR. This report is compiled by the secretariat of the ELC, approved by the ELC and submitted to CTAD by midday on the due date. See Annex H for reporting dates.

The report is based on submission from line Divisions, who in tern report on a monthly basis to the ELC via the ELC secretariat. Responsible persons in each Division (see Annex I) report against set criteria. See summary of reporting requirements in Annex E.

ELC Members are required to submit Initial Notification of Occurrence (INO) reports (Annex F) for each event to be reported to the ELC to the ELC secretariat by the Thursday preceding the ELC. The INO will in turn be circulated to ELC Members for perusal prior to the ELC, using the GroupWise shared folder. The Primary member or designate will present a summary of events and classifications at the following ELC. Events will only be discussed when necessary. Should the Primary Member not

have sufficient information on the event to present to the ELC, they may ask for the event to be recorded on the Event Register for presentation at a future meeting.

ELC Members will be required to peruse the submitted information prior to the ELC, and at the ELC raise any concerns related to Divisional recommendations.

The summary sheet will be the only document presented by default at ELC meetings. The full presentation will be extracted from the GroupWise folder if required, and groups should have supporting info if necessary.

ELC meeting will only ratify decisions and discuss events requiring group discussion. ELC will also be making decision on SI incidents according to existing criteria.

Events will be discussed at the ELC when one of the following criteria is met:

- Event involves more than one division
- Controversial decision
- Learning opportunity for all divisions
- Requires legal interpretation
- Decision is precedent setting

Presentations on events should include analysis of the root cause of the incident as well as lessons learnt for the organisation.

2.1.1 Contravention classification

ELC Principal Members report on events that are potential legal contraventions in their respective divisions to the combined ELC, who will evaluate the contravention summary in terms of Annex A. Divisions are required to establish procedures to determine appropriate events to forward to the ELC for ratification of classifications.

The responsible ELC member will propose a status for the Event to the ELC, who will ratify the status of the contravention in terms of Annex A, as a contravention of legislation and determined if the contravention is classified as a Contravention in Terms of the Sustainability Index Definition, Information gathered in terms of the ELC Initial Notification of Occurrence reporting template (Annex F) will be used to confirm the status of the event submitted to the ELC.

Previous contraventions of legislation, within the preceding 12 months at the same business unit or region will also be reported and used in determining if the contravention classifies as a “repeat contravention” (see Appendix R).

In addition, oil spills should be reported in terms of the Model oil assessment table from the Oil Spill Clean Up and Rehabilitation Standard. (Appendix K) to facilitate decisions on classification by the ELC. All spills classified as “major” should be reported to the ELC by the Division.

Should it not be possible to classify an event due to insufficient information, that event will be held over to the following ELC for classification. No event may be held over more than twice without the specific approval of the ELC.

All efforts must be made to close off events during the reporting year in which they occurred. Should this not happen, the ELC will need to decide to reregister the event in the new year, or carry over to incident as unresolved to the new year. The latter option has significant implications for annual reporting.

Reported events will be included on the Event Register by the ELC secretariat. The register will record decisions by the ELC in terms of the event. The Event will be registered on the SI during the month in which it was first reported and registered, rather than when it occurred.

Decisions in terms of classification of the Event will be recorded by the ELC secretariat and reported in the ELC minutes.

In the case of a contravention being classified as a legal contravention, the ELC will, if appropriate, determine a time frame for the division to address the contravention. The appropriate line division will make a commitment to address the contravention with final support from the Divisional senior management. Should the issue not be resolved within the time frame it may be escalated to a contravention in terms of the SI.

The ELC may decide, based on predetermined criteria, to classify a legal contravention in terms of the sustainability index. See Annex 1, section 2 for criteria.

It is the responsibility of the divisional ELC representative to inform Divisional senior management and, if required, to ensure the correct representation to present the contravention at the EXCO S&SSC or other body as determined by the ELC.

All proposed changes in the status of previously classified contraventions must be reported to the secretariat before the ELC Meeting, for inclusion in the SI report to ELC and ratification by the ELC.

2.1.2 Event Register

A register of events reported to the ELC, and decisions of the ELC with respect to legal contraventions and legal contraventions in terms of the SI is kept by the ELC secretariat and a summary published as part of the monthly SI report. This will also be circulated to the ELC as part of the ELC minutes.

2.1.3 Emergency Incidents

All emergency incidents should be investigated in terms of 32-95, Reporting, Recording and Investigation of Events in addition to any ELC requirement, and copies of resulting documentation kept on file by the relevant division ELC representative. This must be made available to the GMCS on request and used should the emergency incident be reported to the ELC.

2.1.4 Reporting source

It is the responsibility of the line division to report Events as they occur. Should a third party identify Events, these should be reported to the Corporate Technical Audit Department, who will pass appropriate information on to the ELC. If required and appropriate, CTAD can hold detailed investigations into the Event, and report the findings to the ELC.

Over and above Divisional reporting requirements, events can be identified through the following media:

1. audit report findings (internal and external);
2. the normal reporting processes;
3. RAS audits;
4. NOSA audits;
5. Notification by Government; and
6. Public / customers reports.

2.1.5 Event Audits

The ELC may request CTAD to coordinate an audit on a specific event. This is done routinely in the case of contraventions in terms of the SI. The ELC may, if appropriate, request CTAD to conduct an audit on any event to determine or confirm the status of the event, circumstances surrounding the event, or to ensure that appropriate remediation has occurred.

2. 1.6 Event Closure

Annex G (Tracking Certificate) must be completed in terms of each contravention of legislation and authorized by the appropriate persons. This will be kept on file by the ELC secretariat.

2. 1. 7 Targets, Alarms and Standards

Targets in terms of indicators are set by the division and submitted to and consolidated by the ELC and revised on an annual basis. These are proposed by the ELC and presented to the SLC, EXCO S&SSC and accepted by the Board Sustainability Committee (Board SC). The Technical Audit Department leads this process. See (Annex P) Approved Approval Process.

The following set points are established:

Target: Short term performance Goal

Alarm: Indication that performance levels are approaching the standard

Standard: A standard is the lowest acceptable long-term performance that will ensure sustainability.

2.1.8 Links to other Indices in Eskom

OSR Operational Sustainability Report

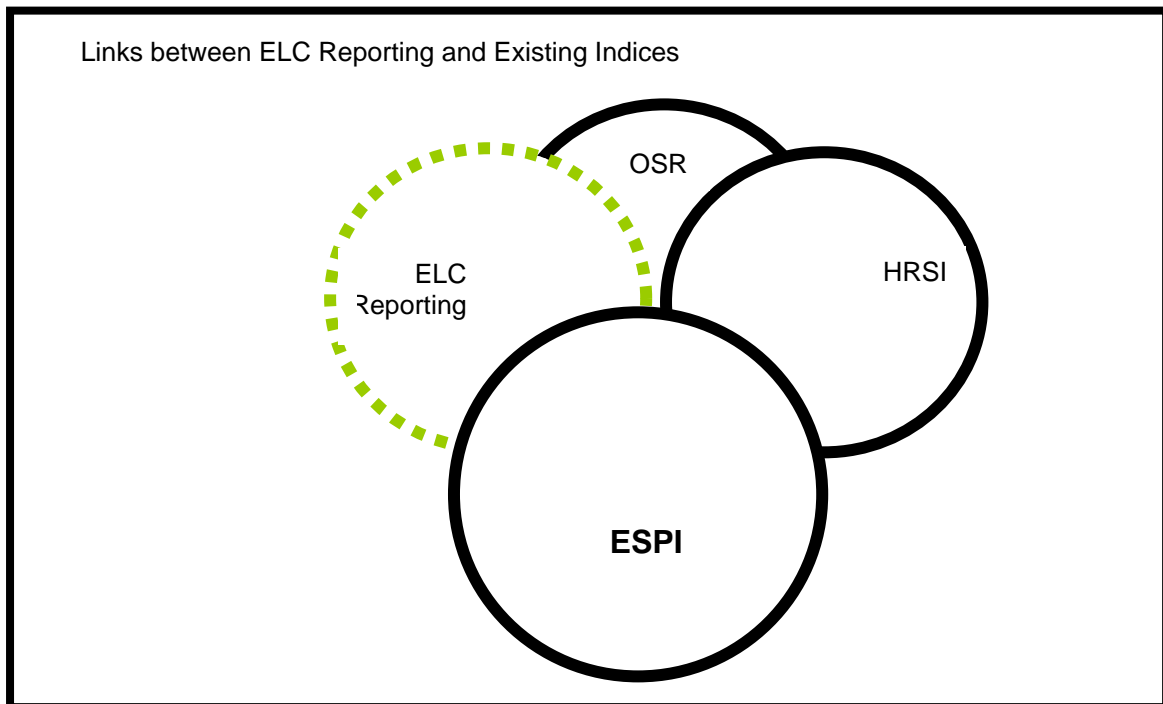
Environmental reporting forms part of the OSR, counting 6.10% of the total score

HRSI Human Resources Sustainability Index

There are no direct links to the HRSI

SPI Sustainability Performance Index.

The ELC reporting supplies data to the Environmental section of the SPI. Information Requirements are listed in Annex B



2.1.9 Report circulation

The ELC SI and OSR reports are addressed to the Technical Audit Manager and circulated to all ELC members and report contributors.

Quarterly Reports are circulated to the SLC, ELC and report contributors.

2.2 ELC quarterly reporting to SLC

Key Performance Indicators (KPI) reported on a monthly basis to the ELC by Divisions are collated and submitted on a quarterly basis to SLC as part of the quarterly report. Annex B details the KPIs to be addressed in the quarterly report.

2.3 ELC reporting to EXCO S&SSC

The ELC submits a quarterly environmental performance report incorporating all KPIs of the SI report to the EXCO POS SC. These KPIs, where possible, are reported to the ELC and SLC on a quarterly basis to allow tracking of the indicator and proactively identify problems that may be encountered in the collecting of data.

2.4 Divisional reporting to ELC

Eskom line divisions are required to submit monthly reports to the ELC to support the development of the SI, quarterly and annual ESC Reports. Information requirements are summarised in Annex E. This information should be forwarded to the ELC secretariat before the due date as in Annex H.

Each Division should develop a reporting procedure to facilitate intra-division reporting. The status of these procedures is given in Annex J.

2.5 Reporting for annual reports

Data gathered for the various reports may be used in the compilation of the annual and other corporate reports, and due care must be taken in collection of data to allow for auditing processes. Annex A, B and C identifies possible issues for the corporate report.

2.6 Data integrity and other audits

Data submitted to the ELC, and ELC decisions in terms of this procedure, shall be audited by CTAD (date integrity audits) on an annual basis to ensure accurate record keeping and annual reporting.

CTAD will conduct an annual data integrity audit on the reporting process. Systems are required at divisional and corporate level to ensure availability of data for audit purposes.

Divisions shall implement systems to ensure integrity of data submitted to CS Data submitted shall be checked by CS through sampling and statistical checks, as well as site verification of data via CTAD if required.

General audits conducted by CTAD shall be used as additional assurance to ensure integrity of the divisional reporting systems.

2.7 Reporting dates and times

Reporting dates are determined by CTAD with due consultation with the EXCO committees secretariat, and are planned to allow sufficient time for collection, checking and collation of data. Dates are detailed in Annex H. Reports must be submitted to the ELC secretariat by 12h00 on the day prior to the due date and ELC meeting.

The ELC will discuss and ratify the SI report that will be passed by the secretariat to CTAD by 12h00 on the due date.

Reports of extraordinary issues or events can be made at any time to the ELC secretariat who will pass them to appropriate persons in the organisation.

2.8 Review Process

Key performance areas, Key performance indicators, targets, standards and alarms will be reviewed on an annual basis in line with the review of the Sustainability Index by CTAD.

Divisions will, on a quarterly basis, present on a full suite of environmental indicators to the ELC. These will be used as part of the review process to test and demonstrate additional indicators.

Indicators in Annex D will be reviewed and tested during the year, and used where appropriate.

2.9 Responsible persons

The Divisional Primary ELC Member appoints responsible persons and alternates for reporting in terms of this procedure. See Annex I.

3. Supporting Clauses

Index of Supporting Clauses

2. 1 ELC Reporting Requirements 2
2.2 ELC quarterly reporting to SLC..... 6

2.3 ELC reporting to EXCO S&SSC	6
2.4 Divisional reporting to ELC	6
2.5 Reporting for annual reports	7
2.6 Data integrity and other audits	7
2.7 Reporting dates and times	7
2.8 Review Process	7
2.9 Responsible persons	7
3.1 Scope	8
3.2 Normative/Informative References	8
4.1 Abbreviations	9
4.2 Definitions	9
4.3 Roles and Responsibilities	10
4.4 Implementation Date	10
4.5 Process for monitoring	10
A1: KPA Legislative compliance	12
A. 2 KPA: Customer satisfaction Enhanced Maxi Care	13
D1 KPA: Land management and Biodiversity	20
D2 KPA: Environmental impact assessments	20
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3.1 Scope

3.1.1 Purpose

This procedure identifies all reporting requirements relating to the ELC.

3.1.2 Applicability

This policy shall apply throughout Eskom Holdings Limited, its divisions, subsidiaries and entities wherein Eskom has a controlling interest.

3.2 Normative/Informative References

Parties using this procedure shall apply the most recent edition of the documents listed below

- 3.2.1 CSE10.1: Operational Sustainability Index.
- 3.2.2 CSE10: Monitoring and Measuring.
- 3.2.3 EPC 32-95, Reporting, Recording, Investigation and Measuring of Work Injury / Incident Experiences.
- 3.2.4 EPC 32-96: Environmental Procedure: ELC TOR.
- 3.2.5 EPL 32-7: Eskom Quality Management Policy.
- 3.2.6 EPL 32-94: Eskom Safety, Health and Environment Policy.
- 3.2.7 OSRM 2006/7 Operational Sustainability Reporting Managers Manual.

3.2.8 SANS 14001: 2004 Environmental Management System – Specification with guidance for use.

3.2.9 SANS 90001: 2000 Quality Management System – Requirements.

4. Abbreviations and Definitions

4.1 Abbreviations

Board SC	Eskom Holdings Board Sustainability Committee
CS	Corporate Sustainability (SHE)
GMCS	General Manager: Corporate Sustainability (SHE)
CTAD	Corporate Technical Audit Division
CTADM	Corporate Technical Audit Division Manager
Dx	Distribution Division
EA:	Environmental Audit
Ex	Enterprises Division
EHB	Eskom Holdings Board
ELC	Environmental Liaison Committee
EXCO S&SSC	EXCO Sustainability and Safety sub-committee
Fx	Finance Division
GRI	Global Reporting Initiative
Gx	Generation Division
KPA	Key Performance Area
KPI	Key Performance Indicator
NEMA	National Environmental Management Act
OSR	Operational Sustainability Report
R&S	Resources and Strategy Division
SLC	Sustainability Liaison Committee
SPI	Sustainability Performance Index
Tx	Transmission Division

4.2 Definitions

4.2.1 Event

Environmental happenings at business units, including all media and occurrences. Events may be in contravention of legislation or within legal parameters. (Sometimes referred to as “incidents”, but preferably referred to as “Events” or “Occurrences” to prevent confusion with the NEMA “Incident” (qv)

4.2.2 Legal Contravention

Instances where a provision of environmental legislation (national, provincial or local), is

contravened. This also refers to certificates, exemptions, permits and other legal documents issued in terms of this legislation. Environmental legislation refers to any legislation that has, or potentially has, an impact on activities interacting with the physical environment as defined in NEMA. See Annex A1.

4.2.3 Contravention in terms of Sustainability Index.

Contravention of Legislation fulfilling requirements of Annex A 1.2.

4.2.4 Emergency Incident

An unexpected sudden occurrence, including a major emission, fire or explosion leading to serious danger to the public or potentially serious pollution of or detriment to the environment, whether immediate or delayed. (NEMA)

4.2.5 Censure

Formal (written, or at the discretion of the ELC, any other official contact) notification of any contravention of legislation by Eskom, from local, provincial or national government.

4.2.6 Occurrence

See "Event".

4.3 Roles and Responsibilities

The ELC Primary members shall be responsible of the execution of the procedure through the ELC.

4.4 Implementation Date

The implementation date is 1 January 2007.

4.5 Process for monitoring

The monitoring and maintenance of this procedure shall be through the ELC with annual verification by CTAD.

5. Authorisation

This Document has been seen and approved by the all primary members of the Environmental Liaison Committee.

Environmental Liaison Committee (ELC)

D Herbst	Environmental Manager (Generation)
D Lucas	Corporate Specialist (Environmental Management), CS
F Havenga	Environmental Manager (Transmission)
R Kruger	Acting Environmental Manager (Distribution)
S Naidoo	Environmental Research Manager (Resource and Strategy)
V Naidoo	Environment and Quality Manager (Enterprises)
W Oberem	Environmental co-ordinator (Finance)
W Poulton	General Manager: Corporate Sustainability

5. Revisions

Date	Rev.	Remarks
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June 2005	0	Specify reasons for revision. List all changes to the policy, as well as authorities for these changes.
November 2006	6	General Update and review. Include revised reporting process

6. Development team

Environmental Liaison Committee. All information collected in terms of this procedure shall be recorded and stored by the ELC secretariat.

5 Records

All records related to this procedure shall be maintained through the respective Divisional management systems.

6 Distribution

This procedure shall be distributed to all ELC Members and published on the Corporate Sustainability (SHE) Web Site for organizational usage and reference.

7 List of Compilers

This procedure was compiled by PA Nelson with input from the ELC and responsible persons as documented in Annex I.

Annex A: ELC SI Report and OSR to CTAD

A1: KPA Legislative compliance

A1.1 KPI Total Contraventions of Legislation

Note: While included as part of the monthly OSR report, this item has a zero weighting when calculating the Environmental Score. The absence of a punitive element relating to the measure is critical in establishing accurate performance figures for the organisation.

The total number of legal contraventions are reported as an indicator to the EXCO SSC for each of the Divisions. This will allow effective measurement of environmental sustainability. The combined figure will be reported to the SLC on a monthly basis, and will serve as an indicator of legal performance. Detailed analysis of the legal contraventions forms an essential element of the Eskom SANS 14001:2005 standard implementation.

Contraventions should be reported against the following:

Number of Contraventions. Number of instances where provisions of environmental legislation, national, provincial or local, are contravened. This also refers to certificates, exemptions permits and other legal documents issued in terms of this legislation. Environmental legislation refers to any legislation that has, or potentially has, an impact on activities interacting with the environment as defined in NEMA.

Examples of these contraventions are given in Appendix K

Metric: Total number of contraventions of environmental legislation

Reporting Frequency: Monthly

A1.2 KP1: Contraventions of environmental legislation in terms of the SI

KPI: Total number of contravention's of environmental legislation where:

- a) The contravention results in formal censure by National, Provincial or Local government.
- b) The contravention is not reported to government in terms of the National Environmental Management Act, Act 107 of 1998, (Annex L), and or any other relevant environmental legislation
- c) The contravention is not reported within the organisation, (in the same reporting month) and by the Division to the ELC in terms of Eskom policy.
- d) The contravention is registered on the Sustainability Index by an Environmental Liaison Committee (ELC) member with the approval of the relevant Managing Director or his/her designated delegate;
- e) The legal contravention is a repeat of a previously related legal contravention; or
- f) The contravention is not effectively attended to within an appropriate time frame as identified by the ELC and ratified by the Sustainability Liaison Committee.

The total number of contraventions in terms of the SI over the previous 12 month period is used as the key performance indicator, and is reported against a set target, alarm and standard.

This indicator affects Generation, Transmission, Distribution, Corporate Finance, Resources and Strategy and Enterprises.

	Gx	Tx	Dx	Fx	R&S	Ex
Target:	0	0	0	0	0	0
Alarm:	>4	>2	>4	>1	>1	>4
Standard:	>6	>4	>6	>2	>2	>6

A. 2 KPA: Customer satisfaction Enhanced Maxi Care

The environmental component of the Enhanced PRE/MAXICARE survey has a specific question on how Eskom is perceived with respect to its environmental performance. The question/statement is: 'Eskom is concerned with the protection of the environment.' Respondents are required to rate Eskom on a scale of 1 to 10.

KPI: The figure is measured for nine sectors and an average figure is calculated. The average performance over the last 12 months is reported.

	2006/7 levels
Target	>8.0
Alarm	Any segment below specified target (3MMI)
Standard	Overall figure < 8,00

Weighted totals are used to present the 12 and 3 month moving average totals used for reporting this indicator.

A. 3 KPA: Ash emissions

KPI: Relative particulate emission performance: Amount of ash emitted per unit of power sent out by generating power stations in the organisation, measured in kilograms per megawatt hour sent out (kg/MWh SO).

	kg/MWh SO
	2006/7 levels
Target	0.27
Alarm	≥ 0.33
Standard	> 0,37

A. 4 KPA: Water consumption

KPI: Relative water usage: Volume of water consumed per unit of power sent out by all generating stations in Eskom, measured in litres of per kilowatt hour sent out (l/kWh SO).

	l/kWh SO
	2006/7 levels
Target	1.28
Alarm	≥ 1.30
Standard	> 1,40

Annex B: ELC Quarterly Reporting to SLC and ESC

A Quarterly Report is developed and presented to the SLC and Exco Ops. This report is based on the SI report to CTAD as well as the requirements of the Sustainability Performance Index. Reporting requirements resulting from the Sustainability Performance Index are given in this Annex.

Environmentally Related Key Indicators from the SPI

Short Term Targets have been are being developed for these Key indicators

KPI	Applicability	Data Source	Reporting Frequency	2020 Targets	Standard	Alarm	2004 Target
Efficiency / Generation	Gx,	Gx	3/12	TBD			Dev by 2004
Efficiency of Energy Transfer (Line Losses)	DX, Tx	Dx		TBD			Dev by 2004
Contraventions of Environmental Legislation in terms of SI	EH	ELC	3/12	0	6	3	0

Environmentally Related Parallel Indicators from SPI

No Short term Target have been set for these indicators. Performance relative to historical activities will be discussed.

KPI	Applicability	Data Source	2020 Target	Reporting Frequency
Contraventions of Environmental and Safety Legislation	EH	ELC	0	3/12
Penalties for non conformance	EH	Risk	R0	3/12
Emissions: Greenhouse Gas Emissions	EH GX	ELC	TBD	6/12
Energy Use	EH	Various	TBD	3/12
Renewable Energy Use	GX TX	Gx	TBD	?3/12
Waste Management	EH		TBD	6/12

Parallel Issues

Reported on Annual Basis. No Targets have been set for these mainly qualitative indicators.

Corporate Environmental Responsibility: SANS ISO 14001 implementation	EH
Budgetary Allocation to Environmental Issues	EH
Ambient Pollution Concentrations	GX
Biodiversity Total Land in Biodiversity Rich habitats	EH
Biodiversity Total land ownership	EH
Complaints	EH

An additional quarterly report will be presented to the EXCO SSC as part of the SLC presentation. This report will cover all KPAs as contained in Annex A, and additional KPIs as in the above tables. Details relating to the above indicators follows.

B 1 Efficiency (η) (Generation)

The efficiency conversion and use of primary energy sources such as coal and uranium into benefit for customers are fundamental to sustainable development. It follows that the efficiency of use and delivery of resources is inversely proportional to overall environmental impact. It is therefore proposed that an integrated KPI that measures efficiency of energy usage and transfer throughout Eskom's operational system be implemented.

This indicator, a Key indicator from the SPI, is used to calculate an overall Eskom Efficiency measures the percentage of energy taken into the station converted to electricity for use by customers. This measure has become a leading sustainability indicator internationally.

Metric: Percentage

Information Source: Generation

Reporting Frequency: Quarterly

B 2 Efficiency (Line)

This indicator, a Key indicator from the SPI, is used with the Generation Efficiency Indicator to develop an Eskom Efficiency Indicator. The indicator measures the efficiency of energy transport along the Tx and Dx networks.

Metric: Percentage

Information Source: Distribution and Transmission

Reporting Frequency: Quarterly

B.3 Penalties for non conformance

A Parallel indicator from the SPI, this indicator measures penalties to Eskom as a result of non-conformance to environmental legislation. Fines and insurance payouts are included in this measure. Exact parameters for inclusion will need to be established.

When downloaded from the EDS database, this document is uncontrolled and the responsibility rests with the user to ensure it is in line with the authorised version on the database.

Metric Rand

Information Source Line Groups, Risk Information System

Reporting Frequency: Quarterly

B.4 Gas Emissions

Also a parallel indicator from the SPI, this indicator quantifies CO₂, and other emissions from Power Stations. This figure is calculated on an annual basis. It will be expanded to include SF6 Gas releases and other Global Warming Gas releases resulting from the supply of energy.

The emissions of nitrogen, sulphur oxides and carbon dioxide are used in both absolute and relative forms as indicators by many international utilities. South Africa has various international commitments regarding the management of these gases, and Eskom has a responsibility to determine the amounts that are emitted. This is currently a calculated figure, determined on an annual basis and published in the annual report. Emissions are quantitatively and qualitatively dependent on the coal burnt. There is no added value in reporting the figures on a monthly basis for the sustainability index, but these figures should be reported on an annual basis and published in the annual environmental report.

This strategy could be revised once on line monitoring of gaseous emissions takes place and the calculation methodologies are revised.

KPI: Relative and total emissions of nitrogen sulphur dioxides and carbon dioxide as per the following table:

1	2	3
	Absolute measure	Relative measure
Nitrogen oxide (NOX as NO₂)	Thousand tons	Gram/KWH SO
Sulphur dioxide	Thousand tons	Gram/KWH SO
Carbon dioxide	Million tons	Kilogram/KWH SO

Metric: as above

Information Source: ERID Generation

Reporting Frequency: Annual

Notes Reports on release of Climate Change Gas Emissions are highlighted as key indicators by international utilities environmental reports (Appendix 2) as well as non- utility environmental reports (Appendix 3). Eskom reports on these figures on an annual basis in the annual report. It should investigated as to whether it is feasible to increase the reporting frequency and detail of these reports. Some international utilities report all GHGs as an "inventory" detailing specific and relative emissions of each GHG. The publication of a GHG Inventory will bring Eskom in line with international utilities. The frequency of the publication of details under the inventory will have to be assessed. Reporting on this issue will have to be in line with the policy on gaseous emissions.

The implementation of this indicator will have resource implications. Divisions will need to establish or refine reporting systems to measure all appropriate green house gasses released. It may be possible to develop a single indicator for GHG emissions using comparative rates (i.e.

releases in carbon dioxide equivalents). This indicator will be addressed in detail in the gaseous emission policy currently under development.

B.5 Energy Use

This parallel measure quantifies energy use by Eskom in the supply of energy to customers. This would include energy utilisation by all groups in Eskom Holdings, but it is likely that use by Gx, Tx and Dx would be significantly higher than the rest of Eskom holdings.

Generation usage is difference between energy produced and energy sent out, and Dx and Tx figures relate to energy lost in the transport and supply of electricity. This is an absolute measure of energy lost.

Metric: Gigawatt Hours:

Information Source: Generation, Transmission, Distribution, Finance

Reporting Frequency: Quarterly

Notes: 1 This is an international requirement for Corporate Reporting

2 This figure will be used to calculate various secondary indicators

B.6 Renewable Energy use /Production

Percentage of energy used from renewable sources has become an important international indicator. In an Eskom scenario, this figure will include imported energy from Cabora Bassa as well as locally produced hydro power. It will not include energy produced by pumped storage schemes.

Metric : Total GwH, and percentage of total energy supply.

Information Source: Generation, Energy Trading

Reporting Frequency: Quarterly

B.7 Waste Management

The Eskom Waste Reporting Directive, ESKADABJ3 Reporting Requirements for Waste Management, has six monthly and annual reporting requirements. These are reported to prepare Eskom for WIS, the Waste Information System, developed as part of the National Waste Management Strategy. Reporting requirements and time frames for reporting are included in Annex G. The directive is under review by the Waste Management Forum.

Metric: As per directive

Information Source: As per directive

B.8 ISO Implementation

Eskom is committed to implementing a formal environmental management system at all appropriate business units. This indicator, included in the SI as a parallel issue, reports on the implementation levels in the organisation.

Metric: Number of units with implemented units as a percentage of total appropriate units.

Information Source: Divisions.

B.9 Environmental Accounting

KPI: Total environmental expenditure in terms of the procedure for reporting on environmental expenditure (ESKPVABN8).

This is only required at the end of the second and final quarters, but more frequent submissions will assist in predictions and target setting, as well as determining problems with data collection.

Metric: As per directive

Information Source : As per directive

B.10 Ambient Pollution

Ambient pollution levels, as measured by the ambient air quality management programme, are reported on an annual basis to various stakeholders in the organisation.

Metric: Various

Information Source: ERID

B.11 Biodiversity

The GRI has identified to Biodiversity indicators, Total Land in Biodiversity Rich Habitats and Total Land ownership, as being important from a reporting perspective. This issue needs further clarification. In the interim however Divisions are asked to report on total land ownership and on any area of specific biodiversity importance. The Land Management Task Team has been asked to explore this issue.

Metric: Total land ownership in Hectares

Information Source: Divisional land registers.

B. 12 Complaints

The number of environmentally related complaints is used by many international utilities to determine social perceptions of environmental performance. This measure can be used on a local regional and national basis. Information on number of complaints is received from all Divisions and other communication sources.

The legitimacy of the complaint can be determined by the ELC on recommendation of the Divisional managing Director. A record of all complaints, legitimate or not, should be kept by the appropriate Division. This record should also contain the actions resulting from the complaint.

Metric Total number of legitimate environmental complaints accumulated for the year.

Information Source: Divisions, CS (SHE) Help Line Register

Annex C: Annual ELC report

The annual performance report will be presented to the Board SC once a year. This report will consist of all items in Annex A and Annex B, with the addition of appropriate KPIs from Divisions

Annex D: Possible additional indicators for use by Divisions for effective reporting.

These indicators can be used by groups to measure environmental performance. There may be a corporate requirement for this information to ensure continuity with previous published reports.

Divisions are asked to share performance in these and other appropriate indicators with the ELC on a quarterly basis.

D1 KPA: Land management and Biodiversity

Land management and Biodiversity issues are reported in a qualitative manner by exception, but the following three indicators are seen as quantitative measures for the KPA at a Divisional level

D1.1) KPI: Land Management: Percentage of land sites and servitudes with implemented Environmental Management Plans. (Number in place vs. total required for Power stations, lines, substations and radio sites) Each Division reports total number of units and total number of EMPs in place.

Reporting Frequency Quarterly

Division	Area	Target
Generation	Operating Stations	100%
Transmission	Servitudes Substations	100% 100%
Distribution	Substations	100%
Finance	Properties	To be determined
Enterprises	Communication Sites	To be determined

D1.2) Environmental Due diligence assessments for the acquisition and sale of land (% of sites purchased and sold that had environmental due diligence assessments completed.) (Reported six monthly)

D1.3) KPI: Biodiversity: Percentage resolution of problem sites within agreed timeframe as determined by the Eskom / EWT Partnership in consultation with Line Divisions.

Reporting Frequency: Quarterly

D2 KPA: Environmental impact assessments

KPI: Total number of environmental impacts assessments, or associated studies underway completed for the reporting period.

Reporting Frequency: Quarterly

Three items have been identified for measurement:

- Percentage of projects with internal screening
- Number of projects initiated without ROD
- Instances of excessive time for ROD.

This figure is required on a quarterly basis and will be used to assess strategic needs, risks and aspects of the organisation.

Non compliance to legislative requirements in terms of EIA legislation is reported to the ELC in terms of Annex A1.

D.3 Audit Findings

It is proposed that Technical Audit Department, Environmental Audit report on repeat findings on a Bi-Annual basis. This will be a qualitative report listing accepted audit findings that have not been implemented. This will only have resource implications for CTAD, Environmental Audit. Repeat findings may lead to the re-registration of contraventions on the Event Register, or possibly the Sustainability Index under the third element, viz. *"The contravention is registered on the Sustainability Index by an Environmental Liaison Committee (ELC) member with the approval of the relevant Executive Director or their designated delegate"*

D.4 Transport

Many international utilities and other companies report on impacts as a result of organisational transport. Measures include number of petrol vs. diesel vehicles; Km traveled and transport related CO2 equivalent emissions. This may be relevant in the Distribution Division, which has a relatively large vehicle fleet. Many international utilities and industrial companies use this indicator. It is proposed that indicator is assessed over time and that it is only implemented if it can be proven to add value to the process. There may be implications in terms of the green house gas inventory, but this will have to be determined over time.

Divisions have been asked to determine what information is available, and to propose appropriate measures for this Key performance area.

D5 Environmental Education and Training

Divisions are asked to develop appropriate indicators for this issue.

Annex E: Divisional reporting requirements

M = Monthly, **1/4** = Quarterly, **S** = Six monthly, **A** = Annually, **X** = Reporting Frequency to be determined through trial

	Key Performance Area	Units	Generation	Transmission	Distribution	Finance	Resources and Strategy	Strategic Marketing	Eskom Enterprises	Other
A1	Contraventions of legislation in terms of annex B, item 1	Number	M	M	M	M	M		M	M
A2	Pre-maxi care figures	Number						M		
A3	Relative ash emissions	Kg/MWH SO	M							
A4	Relative water consumption	L / KWH SO	M							
B1	Generation efficiency	%	1/4							
	Generation Energy Sent out	GwH	1/4							
	Transmission energy sold	GwH		1/4						
	Energy Imported	GwH		1/4						
	Transmission energy to Distribution	GwH		1/4						
	Distribution energy sold	GwH			1/4					
B3	Penalty for non conformance	R	1/4	1/4	1/4	1/4	1/4		1/4	1/4
B4	Gas Emissions		A							
	Nitrogen oxide (NO _x as NO ₂) emissions	Thousand tons	A						A	
	Sulphur dioxide emissions	Thousand tons	A						A	
	Carbon dioxide emissions	Million tons	A						A	
	Green house gas emissions	Various	X	X	X		X		X	
B5	Energy Use	GwH	1/4	1/4	1/4	1/4			1/4	
B6	Renewable Energy Production		1/4	1/4						
B7	Waste Management	Annex G	S	S	S	S			S	
B8	ISO Implementation									
B9	Environmental expenditure	Rand (Million)	S	S	S	S	S		S	
B10	Ambient Pollution Levels									
B11	Total Land Ownership	Ha	A	A	A	A			A	
B12	Number of legitimate environmental complaints	Number	M	M	M	M	M		M	M
D	EIA Status	As appropriate								
D	Transport	As appropriate								
D	Training	As appropriate								

Annex F: ELC Initial Notification of Occurrence (INO) Reporting Template

The attached information is required for each event reported to the ELC for classification. This should be submitted to the secretariat in written format for record purposes and to fulfill future audit requirements. This will enable the ELC to make a decision regarding the classification of an event as a “**contravention of legislation**” a “**contravention of legislation in terms of the SI**”, or an “**Event**”. Accurate and detailed will allow effective classification, and allow rapid resolution of the issue.

Please note that this is the initial reporting requirement, and does not replace the Tracking Certificate (Annex G), which is used to record progress in resolving the event once it is classified as a contravention of legislation.

Please submit the completed form to the Secretariat before the ELC meeting to allow duplication for ELC members. It is the responsibility of the Division Primary ELC member to submit this form and present the information to the ELC. The completed form should be submitted to the ELC secretariat by the Thursday preceding the ELC for circulation to primary members.

This and the following page can be copied electronically and used for submission. Please delete any Blue Text before completing the form. Alternatively this Form can be downloaded off eSDe Web, ELC page.

<i>Event Number</i>	Available from ELC Secretariat. Phone Peter Nelson (8131-2678) to register the incident and obtain an incident number before submitting the form. The allocated number must be included on all documentation accompanying this note.
<i>Reference legislation</i>	The applicable Act with specific reference to the section of the act contravened should be included here. This data is available from Division Legal Registers. (See eSDe-Web) If not known, please state this.
<i>Nature of Event</i>	Full details of the event must be given, including whether the event is considered an “emergency incident” in terms of NEMA.
<i>Date of Event</i>	This refers to the date that the event occurred. If the event continued for more than one day, duration should also be recorded.
<i>Date of reporting to Divisional office</i>	Date the event was reported to the divisional corporate office or equivalent. Any other significant dates should also be recorded here.
<i>Details of Communication with regulatory authority</i>	List details of interaction with authorities. This should include dates and media used, and copies of any correspondence.
<i>Follow-up action</i>	Details of remediation, etc
<i>Root Cause of Event</i>	Root Cause of event should be given. This can be related to People, plant or procedure.
<i>Actions to prevent occurrence</i>	What reasonable action has been taken to prevent occurrence of the event?
<i>Current Status</i>	Current Status of the event at date of submission of this form, e.g. undergoing remediation.
<i>Date of Resolution / Expected date of resolution</i>	Date incident closed. It may not be possible to give at this stage, but event will not be closed until this is given. This could be included in the closure certificate.
<i>Responsible Manager and Contact Details</i>	Person for auditor to contact should further information be required.
<i>Previous Events</i>	List of legal contraventions reported from the same Business Unit of region in the preceding 12 months. Please quote reference numbers, or should none have occurred, nil.
<i>Proposed SI Status</i>	The Divisional Environmental Manager may make a recommendation as to the final classification of the event in terms of the SI, viz. Event, Legal Contravention, or Legal Contravention in terms of the SI. Any information that will aid this decision should be attached (See following Page).

Annex F (concluded)
Rev 5

ELC criteria for classification of legal and SI contravention's			
Element	N/a	Yes	No
1. Did the incident result in either: sterilising the soil, or, destroying rare, endangered or protected fauna or flora?			
2. Did the incident result in making any water resource unfit for its original purpose such as: domestic, agricultural, industrial use or reduce the water quality to such a state that human intervention is required to restore it to its original quality?			
3. Were reasonable measures taken to prevent pollution or degradation from occurring?			
4. Were measures taken to prevent pollution or degradation from continuing?			
5. Were measures taken to prevent pollution or degradation from recurring?			
6. Was the incident reported to the authorities?			
7. Were measures taken to contain and minimise the effects of the incident on the environment and to the health, safety and property of persons?			
8. Was an incident report submitted within 14 days to the authorities providing the information required i.t.o section 30(5)(a-e)?			
9. Contravention of any other environmental legislation? (List if applicable)			
Applicable Legislation			
CLASSIFIED AS LEGAL CONTRAVENTION (if "Yes" for 1, 2 or 9 or "No" for any from 3-8) (Any Shaded Area Marked)			

If Classified as a Legal Contravention, check against following criteria.

CRITERIA :	Yes	No
1. Contravention resulted in formal censure from Government		
2. Contravention reported within the Division.		
3. Contravention reported to appropriate Government department		
4. Registered on SI by ELC member in consultation with MD		
5. Contravention was addressed timeously		
6. Repeat legal contravention		
SI INCIDENT (Any shaded area marked)		X

Annex G: Tracking Certificate

(Electronic version of form available from ELC Secretariat or off Corporate Sustainability (SHE) Web (ELC Page). All information must be completed and forwarded to the ELC Secretariat to allow the Event to be closed on the Event Register)

Incident Number	From INO
Nature of Event	From INO
Location	BU submitting Closure certificate
Month Reported to Divisional Office	Month first presented to ELC
ELC Classification	Legal Contravention or Contravention in terms of SI
Details of further Communication with Regulatory Authority.	To Whom, when, and what reported.
Community Interaction related to event	
Follow-up action/s	Details of remediation, actions to prevent reoccurrence
Cost of remediation	
Date of Closure / Resolution	
Investigation in terms of EPC 32-95 (if applicable)	Date of Investigation, Report Number and Date
Responsible Manager and Contact Details	If Different to INO
Closure by CTAD in case of SI incident	Not Applicable, or Signed off by CTADM (This can be done at ELC)

Please attach any relevant documentation.

A copy of the full incident investigation is held by the Divisional ELC Representative.

Signed

BU Manager Date

Accepted as correct

Divisional ELC Representative Date

Authorised

Corporate Sustainability and Environment Manager Date

Annex H: Reporting dates 2006/7

Report Month	Date for Info To ELC	ELC Dates	Due dates for input to CTAD (OSR)	EXCO Ops Meeting Dates	Quarterly Data
December 2006	11 January 2007	16 January 2007	* 9 January 2007	18 January 2007	
January 2007	8 February	13 & 14 February	13 February		
February	8 March	13 March	13 March	22 March	
March	5 April	10 April	12 April		5 April 2007
April	5 May	10 May	10 May		
May	7 June	12 June	12 June		
June	5 July	10 July	17 July	26 July	
July	9 August	14 August	14 August		9 August
August	6 September	11 September	11 September		
September	4 October	9 October	9 October		
October	8 November	13 November	13 November	29 November	
November	6 December	11 December	11 December		6 December
December	To be advised	To be advised	To be advised		

* Exemption from deadline obtained from CTAD. Data will need to be submitted as early as possible on the day of the ELC.

Annex I: Responsible persons

Division	ELC Representative (Alternative)	Person responsible for divisional reporting (Alternate)	Contact numbers
Generation	Deidre Herbst (Riana Bothma)	Riana Bothma (Nico Gewers)	011-800-4622 011-800-2559
Transmission	Fiona Havinga (Bongani Dube)	Fiona Havinga	011-800 4579 011-800-5365
Distribution	Rudi Kruger (Troy Govender)	Troy Govender (Rudi Kruger)	8020-5771 031-710-5010
Finance	Wayne Oberam	Wayne Oberam	011-800-5262
Enterprises	Vanessa Naidoo Zoe Ngamlana	Vanessa Naidoo	011-800-6163 011-800-3112
Environmental Audit	Nompi Tshabalala-Dunn (Vincent Kangongolo)	Nompi Tshabalala- Dunn	011-800-3347 011-629- 5484
Legal	Jeany Lekganyane Liza Brown		011-800-2133 011-800-3514
Research Management	Siven Naidoo	Siven Naidoo	011-629-5107
Resource and Strategy	Dave Lucas (Wendy Poulton)	Mapula Tshangela	011-800 3613
Secretariat:	Corporate Sustainability (SHE)	Mapula Tshangela Rejoyce Ncube	011-800 3613 011-800 2693

Annex J Intra-Divisional Reporting Procedures

The following procedures are applicable for intra-divisional reporting. These procedures are developed from this procedure

Division	Procedure Number	Procedure Name	Status
Generation	GGP0228	Generation environmental monitoring procedure	?
Transmission	TRMPVACK8		Current
Distribution	SCSPVAB06	Distribution KPI reporting procedure	Current
Finance		Environmental Monthly Report	Current
Resource and Strategy	CSEISO DOC10	Monitoring and Measurement	Under Development
Enterprises			Under development

Annex K: Waste Reporting Requirements

Reference EPC 32-96 Environmental Procedure: Waste Procedure

WASTE KPI's FOR ESKOM

Reporting frequency

Reports are required by CS (SHE) on a six monthly basis, but data should be collected on a monthly basis by Divisions. The monthly reporting will allow divisions to identify gaps and implement mitigation measures to minimise reporting problems. Monthly reporting will also allow trend analysis, and the early detection of problems.

Reporting format

Data can be sent in any format, but must include the following

- Date of submission and revision number
- Reporting Period, period to which report applies
- Area covered by report, including any exclusions
- Name of person submitting report
- Name of responsible manager
- Table of data as per above requirements

Reporting Requirements

1. All Divisions

The following should be reported by all Divisions. Where an issue is not applicable, this should be noted.

	Aspect / Element	UNIT OF MEASURE	Amount	Method / destination 1	Comment
1.1	Disposal of PCB Mass and equipment type.	Ton			Note separate requirement relating to labelling of PCB equipment
1.2	Fluorescent Tubes	Number of 210 Litre Drums			
1.3	Health Care Risk (Medical) Waste	Kilograms disposed off			
1.4	SF6 (Volume Purchased & Fill-ups)	Number of cylinders and volumes purchased			Link to GHG Protocol: replacement
1.5	Number of oil/chemical/herbicide spills	Total number of spills.		X	PS. Oil spills to be reported in line with the Oil Spill Classification table, attached.
1.6	Asbestos	Kg			Refer to Eskom Asbestos Procedure

¹ e.g. landfill, recycling, incineration

When downloaded from the EDS database, this document is uncontrolled and the responsibility rests with the user to ensure it is in line with the authorised version on the database.

2. Ongoing Status reports

	Issue	Requirement
2.1	Waste Training	Total number of people trained in waste issues and Nature of training
2.2	PCBs	Total number of transformers labelled for PCB status vs. total number of transformers
2.3	Solvent Inventory	Type and quantity of major solvents purchased.
2.4	Storage	Any waste stored in excess of 90 days prior to disposal.

3. Information pertaining to Waste Sites owned and managed by Eskom

3.1	Registration status of each site,	Including permit reference numbers and Competent Authority
3.2	Disposal records per site	Include waste types and mass disposed of at the site. (Expressed in Kilograms) Waste Sources Waste Types <ul style="list-style-type: none"> • General Waste • Hazardous Waste • Solids • Liquids • Sludges Note: a quarterly report should be prepared for the competent authority

4. Additional reporting based on significance.

Based on Divisional Aspect Registers all significant waste streams should be reported. If data is not available for significant waste streams, the process implemented to gather the data should be noted.

	Volumes of waste recycled, reused, scrapped or disposed of (where feasible):	Unit ²	Method / destination	Typical Density Kilogram / m3
4.1	Ash (tons)	K Tons		
4.2	Building Rubble	Tons		1500
4.3	Domestic waste	Kg		Compacted 400 Non compacted 200
4.4	E-Waste, Cartridges, etc	Kg		235
4.5	Metal (kilograms)	Tons		
4.6	Oil	Litres		
4.7	Organic Waste	KG		250
4.8	Paper (kilograms),	Kg		Compacted 400 Non compacted 200
4.n	Any other significant waste			

² There are set conversion factors for converting mass to volume etc. See appendix 1 for a list of densities

When downloaded from the EDS database, this document is uncontrolled and the responsibility rests with the user to ensure it is in line with the authorised version on the database.

Annex L: Oil Spill Categories

Model oil spill assessment table

Using your judgement and the facts available, allocate the relevant points (1, 3 or 5) to each of the following and add them together. The cumulative score will dictate the appropriate corrective action.

Condition	1	3	5
Source of the spill	Weep	Drip/Leak	Explosion/Incident
Age of spill	Historic	Happened recently - spill still moist	Happened within last 24 h
Threat to any waterbody	No threat	Threat with rain	Access to waterway
Containment	Leak is minor – can be controlled, contained and plugged with oil spill kit	Leak is moderate – cannot be successfully managed with spill kit.	Leak is serious, containment is impossible
Life threatening Conditions	Not at all	Moderate (Environmental or health risk only)	Serious (Explosion, fire, health and major environmental)
Weather conditions	Good weather and will last until spill is cleared	Moderate, but may change suddenly to weather conditions which will hamper containment	Raining
Properties affected	None	On-site (Only Eskom's property is affected)	Off-site (Eskom's neighbouring properties and public roads) ≥25 points
Public relations threat	Small	Medium	Large
Soil types	Clay or compacted ground	Loose or loam soil	Sandy soil and Gravel
Traffic implications	Not on any road	Public road	Road closed
PCB presence*	None	Less than 50 ppm in the oil	Over 50 ppm in the oil will automatically get ≥25 points
Total score <input type="text"/>	Sub total	Sub total	Sub total

Minor spill ≤ 12 points	Moderate spill 13 – 24 points	Major spill ≥ 25 points
Clean-up must be performed and a report issued to the relevant Environmental co-ordinator	Contain and call in the assistance of the Environmental co-ordinator	Contain, call on Environmental co-ordinator who will assess the situation and if needed call upon an emergency response team

*If the PCB levels of the oil are not known through prior testing, the spill shall be treated as a PCB spill, until such time that analysis proves otherwise.

Signature _____ Name _____ Date _____ Site _____

Annex M NEMA Duty of care

CHAPTER 7 COMPLIANCE, ENFORCEMENT AND PROTECTION

Part 1: Environmental hazards

28. Duty of care and remediation of environmental damage

(1) Every person who causes, has caused or may cause significant pollution or degradation of the environment must take reasonable measures to prevent such pollution or degradation from occurring, continuing or recurring, or, in so far as such harm to the environment is authorised by law or cannot reasonably be avoided or stopped, to minimise and rectify such pollution or degradation of the environment.

(2) Without limiting the generality of the duty in subsection (1), the persons on whom subsection (1) imposes an obligation to take reasonable measures, include an owner of land or premises, a person in control of land or premises or a person who has a right to use the land or premises on which or in which-

(a) any activity or process is or was performed or undertaken; or

(b) any other situation exists,

which causes, has caused or is likely to cause significant pollution or degradation of the environment.

(3) The measures required in terms of subsection (1) may include measures to-

(a) investigate, assess and evaluate the impact on the environment;

(b) inform and educate employees about the environmental risks of their work and the manner in which their tasks must be performed in order to avoid causing significant pollution or degradation of the environment;

(c) cease, modify or control any act, activity or process causing the pollution or degradation;

(d) contain or prevent the movement of pollutants or the causant of degradation;

(e) eliminate any source of the pollution or degradation; or

(f) remedy the effects of the pollution or degradation.

Annex N. Examples of Contraventions of Legislation

Full details relating to potential legal contraventions can be extracted from divisional Legal Registers.

The following are examples of potential contraventions of legislation.

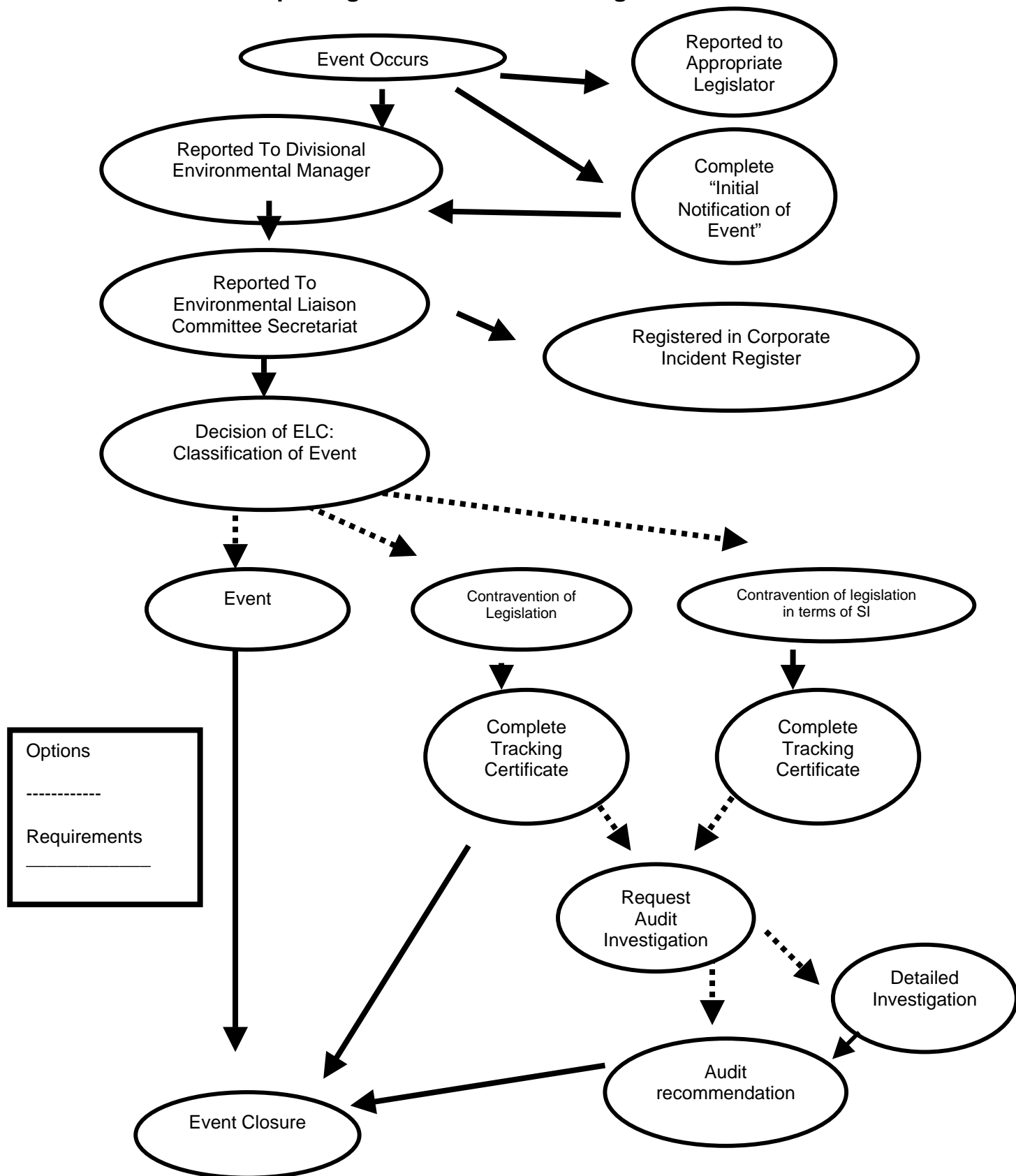
- *Releases of water in contravention of provisions of water permits, or in the absence of a permit*
- *Oil or chemical spills with the potential to impact on the environment*
- *Changing nature of a water source and making it unfit for original purpose*
- *Failure to take reasonable steps to prevent pollution occurring, continuing or reoccurring*
- *Failure to report event to authorities*
- *Transgressions of the Registration Certificate on particulate emissions.*
- *Removal or destruction of protected plant species without appropriate permits.*
- *Disposal of waste on non-registered sites.*
- *Contraventions of the regulations on EIA's as promulgated in terms of Act 73 of 1989*
- *Initiating construction of a facility before receipt of a Record of Decision (ROD)*
- *Non compliance with ROD requirement.*
- *Establishment of Borrow pit without required permit from DME.*

Divisional legal registers and the Corporate Legal Register serve as the primary guide to contraventions of legislation. The full Corporate Legal Register has been developed and is available off Corporate Sustainability (SHE) Web Site, Legal Page .

The following Legal Registers are available off Corporate Sustainability SHE Web:

1. Eskom Group Register
2. Corporate Sustainability and Environment
3. Generation
4. Distribution
5. Transmission
6. Finance Division

Annex O Event Reporting and decision flow diagram.



Annex 1 ELC Monthly Report

1.1 Legislative compliance

- 1.1.1 Legal contraventions
- 1.1.2 LCITOSI
- 1.1.3 Repeat Contraventions

1.2 Stake holder Perception

- 1.2.1 Enhanced maxi care
- 1.2.2 Key care

1.3 Impacts

- 1.3.1 Particulate emissions
- 1.3.2 CO2 Emissions
- 1.3.3 Nuclear emissions

1.4 Resource use

- 1.4.1 Water Consumption

Annex 2 Quarterly Information

2.1 ESPI Key Indicators

- 2.1.1 Thermal Efficiency
- 2.1.2 Line Transfer Efficiency

2.2 ESPI parallel issues

- 2.2.1 Penalties for non conformance
- 2.2.2 Energy Use
- 2.2.3 Renewable energy use
- 2.2.4 GHG Emissions
- 2.2.5 Waste Management
- 2.2.5.1 Significant waste issues

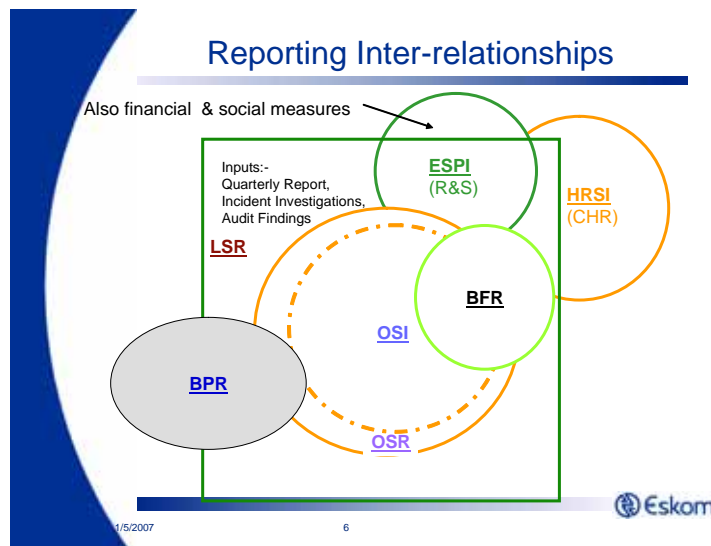
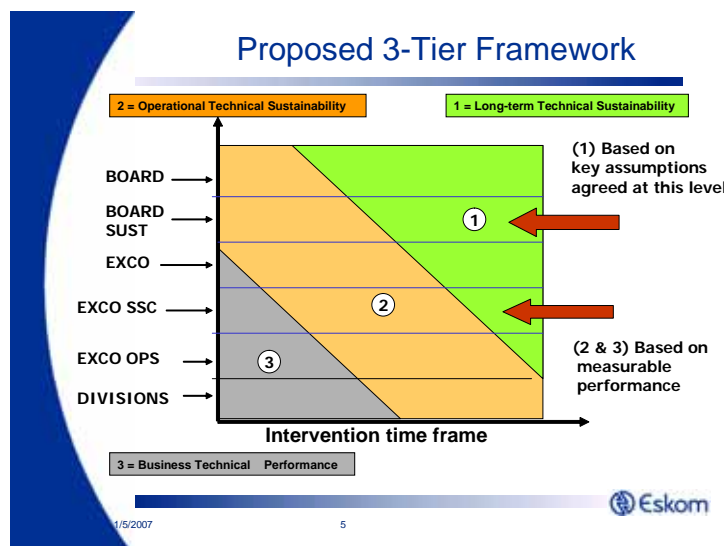
2.3 Additional information required

- 2.4 ISO 14001 implementation
- 2.5 Complaints

Annex P Targets, Alarms and Standards Approval Process

The Eskom Operational Sustainability Index (OSI) measures are reviewed annually through CTAD. In 2006 the following changes were made:

1. Long-term (technical) sustainability reporting (LSR): (CTAD Assessment)
 - Future technical health of the business.
 - Based on a specific set of “*subjective*” assumptions.
2. Operational (technical) sustainability reporting (OSR):
 - a. Current technical health of the system (i.e. “*Big Net*”).
 - b. Minimal below which sustainability is impaired
 - c. Based on “*objective*” measures.
 - d. Selected measures as a gatekeeper (MD compacts)
3. Business Plan (technical performance) Reporting (BPR):
 - a. Technical component of the divisional business plans. (Targeted Performance imperatives)
 - b. Based on objective “controllable” measures.
 - c. For reward based on clear value propositions.



The process for setting environmental performance indicators is as follows:

- Between August and the October ELC meetings, Divisions to review and provide feedback prior to ELC meeting of October on proposed changes.
 - **October:** ELC approval of proposed changes for submission to CTAD.
 - **October EXCO Ops:** Presentation by CTAD for support.
 - **November EXCO SCC:** Presentation by CTAD for support.
 - **November BOARD Sustainability:** Presentation by CTAD for approval.

Annex Q Contravention Reporting Summary

Divisions will report contraventions in the usual manner, using the INO form revision 6 for submission.

Divisions will submit the completed event INO forms by the Thursday prior to the ELC meeting for circulation to the ELC Members for consideration. INO forms received will also be placed on GroupWise shared folder. The Division must indicate up-front if an event meets the criteria for group discussion at the ELC. These will then be tabled as such on the agenda.

A summary, with the following information, should accompany the submissions.

See examples below

ELC Event Number	Site	Event Category	Event short description	Applicable legislation	Date of event	Divisional Recommendation
06-XX	Gx Kendal PS	Oil spill	Oil spill resulting from transformer explosion at Kendal Substation. Spill was contained in bund area.	N/A	15 Nov 2005	Event
06-XX	Gx Lethabo PS	Air emission	Lethabo Unit 1 CAP limit exceeded. Exemption confirmation received.	Power Station Certificate (APPA)	15 Dec 2005	Event
06-XX	Dx Cengani ate	Vegetation	Protected trees cut at Cengani gate without permit.	Forest Act	25 Dec 2005	Legal contravention
06-XX	Ex Braamhoek	Water spill	Seepage water from the tunnel was being pumped directly onto the ground	Water Act	05 Dec 2005	HO Ex to get more info

ELC Members will be required to peruse the submitted information prior to the ELC, and at the ELC raise any concerns related to Divisional Recommendations.

The summary sheet will be the only document presented by default at ELC meetings. The full presentation will be extracted from the GroupWise folder if required, and groups should have supporting info if necessary

ELC meeting will only ratify decisions and discuss events requiring group discussion. ELC will also be making decision on SI incidents according to existing criteria. Please note that these criteria are under discussion.

Criteria for group discussion at the ELC meeting

- 1 Event involves more than one division
- 2 Controversial decision due to precedent that may be set
- 3 Learning opportunity for all groups
- 4 Requires legal interpretation
- 5 Decision is precedent setting

Annex R Classification of Repeat Legal Contraventions

The classification of a legal contravention of environmental legislation in terms of the SI to include an additional criterion. This additional criteria being if the legal contravention is a repeat of a previous contravention, then it would be deemed an SI. Therefore the **proposed criteria for determining if an environmental legal contravention is deemed a repeat** would be along the following lines (Note: this would be refined during the remainder of this financial year).

Reported environmental legal contravention

Questions to be asked:

Did the event take place within 12 months of the previous event?

Yes ↓ **No** (then not a repeat) →

Did it take place within the **same BU** (e.g. Grid, Region, Power station)?

Yes ↓ **No** (then not a repeat) →

Is the contravention related to the **same legislation** (e.g. Section 24 of NEMA (EIAs), CAPCO certificate condition, Water permit condition) as classified as a legal contravention previously?

Yes ↓ **No** (then not a repeat) →

If event is related to plant / equipment failure; then was it the plant (e.g. oil holding dam, water holding dam, ash dam, precipitator) and was the cause the same (failure of procedure, personnel or equipment)? In the case of project execution, this may in cases not be applicable.

Yes ↓ **No** (then not a repeat) →

Has the event resulted in the same risk / impact (e.g. water contamination, air pollution, destruction of vegetation, "license to operate") that has either persisted or has increased (e.g. this could be because no corrective action was taken or that action taken was not effective)?

Yes ↓ **No** (then not a repeat) →

Then classified as an environmental legal contravention in terms of the SI - on the basis of a repeat legal contravention.