

BASIC ASSESSMENT PROCESS

PROPOSED ESTABLISHMENT OF THE COAL STOCKYARD ON THE ASH DUMP SITE AT MEDUPI POWER STATION, LIMPOPO PROVINCE DEA Ref No. 14/12/16/3/1/9

PROJECT SUMMARY AND FACT SHEET MARCH 2012

Eskom Holdings (SOC) Limited's (Eskom) main objective is to provide energy and related services, including the generation, transmission, distribution and supply of electricity. In order to be able to adequately provide for the growing electricity demand, Eskom is currently constructing the Medupi power station and associated infrastructure (including a coal stockyard designed to accommodate coal during normal operations) in the Lephalale area, in the vicinity of the existing Matimba Power Station. The Farm Eenzaamheid 687 LQ has been identified as the preferred site for the coal stock yard.

Medupi Power Station will have a maximum capacity of 4 800 Megawatts (MW) and will be coal-fired, with the coal being sourced from local coalfields.

An EIA was undertaken by Bohlweki Environmental in May 2006 for the proposed Medupi Power Station (DEA Ref No 12/12/20/695) and a Record of Decision was issued (September 2006), granting authorisation for the construction of the following:

- » The construction of a 4 800 MW coal-fired power station and ancillary infrastructure near Lephalale, on approximately 700ha of the farm Naauwontkomen 509 LQ
- » The re-routing of the Steenbokpan road

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» The construction of the overland conveyor belt between the power station and the mine

The Farm Eenzaamheid 687 LQ was assessed within the EIA undertaken for the Medupi Power Station. The issues and potential impacts associated with development on the proposed development site are therefore known. A waste license for the establishment of an ash dump on the farm Eenzaamheid 687 LQ was received by Eskom Holdings Limited in October 2009.

UNIT 606, 1410 EGLIN OFFICE PARK, 4 EGLIN ROAD, SUNNINGHILL, GAUTENG PO BOX 148, SUNNINGHILL, 2157, GAUTENG TEL: +27 (0)11 234 6621 • FAX: +27 (0)86 684 0547 • E-MAIL: INFO@SAVANNAHSA.COM WWW.SAVANNAHSA.COM DIRECTORS: KM JODAS • J THOMAS • M MATSABU COMPANY REGISTRATION NO.: 2006/000127/07 VAT REGISTRATION NO.: 4780226736 The proposed development site falls approximately 10 km east of Lephalale within Lephalale Local Municipality (NP362), which is in the Waterberg District Municipality (DC36) of the Limpopo Province.

AIM OF THIS BACKGROUND INFORMATION DOCUMENT

This document aims to provide you, as an interested and affected party (I&AP), with:

- » An overview of the proposed coal stockyard and associated infrastructure.
- » An overview of the environmental process being undertaken to assess the potential impacts associated with the proposed project.
- » Details of how you can become involved in the process, receive information, or raise issues which may concern or interest you.

OVERVIEW OF THE PROPOSED PROJECT

Due to anticipated delays in the commissioning of the Medupi Power Station due to various factors, **Eskom** proposes to establish a coal stockyard to accommodate coal which is to be supplied to the power station from Exxaro's Grootegeluk Mine from May 2012. This coal stockyard would be able to accommodate the volume of coal provided during the period the power station is not in full commercial operation.

The following is relevant for this proposed development:

- » The coal stockyard is proposed to be established within the footprint of the already authorised ash dump (DEA Ref No 12/12/20/695 and waste license ref no 12/9/11/L50/6) associated with Medupi Power Station.
- » It is expected that approximately 38 million tonnes of coal would be stockpiled at this site up until 2028.
- $\, \ast \,$ The area required for the stockyard is approximately 2.5 km x 2.5 km in extent.
- » Associated infrastructure would include coal conveyors between Grootegeluk Mine and the coal stockpile, as well as between the coal stockpile and Medupi Power Station. It is proposed that use be made of the already authorised conveyor systems with slight alterations. The conveyor system will cross the authorised ash dump, therefore any slight alteration impacts have already been taken into account in the previous Environmental Authorisation (DEA Ref No 12/12/20/695). There will be associated roads that will run alongside these coal conveyors. The impacts in this regard have already been identified and assessed within the EIA for the power station.

- » The coal stockyard will be lined. The liner will be as per the Minimum Requirement Standard Specification (DWAF, 1998), Hazardous H:h; which is low to medium.
- » The proposed holding dams will collect run off water to be recycled for ash dump operation.

BASIC ASSESSMENT PROCESS

In terms of sections 24 and 24D of the National Environmental Management Act (NEMA; Act No. 107 of 1998), as read with the Environmental Impact Assessment (EIA) Regulations of Government Notice R543 – R546, a Scoping and EIA process is required to be undertaken for the proposed project. However, based on a motivation supplied to the National Department of Environmental Affairs in terms of Regulation 20(4) of Government Notice R543, a **downscaling** from a full EIA to a Basic Assessment Process has been approved for the proposed project and therefore a **Basic Assessment Process** is being undertaken. This is based on the fact that the site under investigation for the proposed coal stockyard has been previously assessed and the issues associated with development thereon are known.

The project has been registered with the National Department of Environmental Affairs as the **competent authority** under application reference number **14/12/16/3/1/9**.

In order to obtain authorisation, comprehensive and independent environmental studies must be undertaken in accordance with these regulations. As such, **Eskom** has appointed **Savannah Environmental**, as the independent environmental consultants, to undertake the required Basic Assessment process to identify and assess the potential environmental impacts, and to propose appropriate mitigation and management measures in a draft Environmental Management Programme (EMP). The process that is being undertaken is as required by the EIA Regulations, and is summarised as follows:

- » Notification of interested and affected parties regarding the proposed project by letter, in the press and on site
- » Compiling the Draft Basic Assessment Report
- » Review period by Interested & Affected Parties (I&APs) for the draft Basic Assessment Report (26 March – 30 April 2012)
- » Submission of Final Basic Assessment Report to the Competent Authority (Department of Environmental Affairs)
- » Review and decision making by the Competent Authorisation
- » Environmental Authorisation and appeals process

WHAT ARE THE POTENTIAL ENVIRONMENTAL IMPACTS ASSOCIATED WITH THE PROPOSED PROJECT?

All phases for the proposed coal stockyard (i.e. planning/design, construction, operation, and decommissioning) have the potential to impact on the environment (i.e. directly, indirectly, and cumulatively) in both a positive and negative manner. The following potential impacts have been identified at this stage in the process:

- » Ecology, fauna, and flora the establishment of the coal stockyard and its associated infrastructure may lead to the disturbance of vegetation (including protected tree species), sensitive habitats and/or animals.
- » Heritage resources The construction of the proposed coal stockyard could result in disturbance to or destruction of heritage sites.
- » Visual aesthetics the establishment of the coal stockyard and associated infrastructure on the proposed site may have a visual effect on the aesthetic quality of the landscape.
- » Social impacts the construction and operational phases may lead to both positive and negative impacts through employment opportunities and impacts on land use as the property is currently authorised as an ash dump site.

The above impacts were assessed within the specialist studies undertaken as part of the EIA for the Medupi Power Station (completed by Bohlweki Environmental in May 2006). These studies were used as the basis for identifying and assessing the impacts associated with the proposed coal stockyard. Potential impacts are expected to be limited to the site and of medium to low significance. Practical and achievable mitigation measures have been recommended in order to minimise potentially significant impacts identified to be associated with the proposed stockyard development. These recommendations are included within a draft Environmental Management Programme (EMP) for this project.

PUBLIC PARTICIPATION PROCESS

The sharing of information forms the basis of the public participation process and offers you the opportunity to become actively involved in the process from the outset. Comments and inputs from I&APs are encouraged to ensure that all potential impacts are considered within the ambit of the studies. The public participation process aims to ensure that:

- » Information that contains all the relevant facts in respect of an application is made available to I&APs for review.
- » I&AP participation is facilitated in such a manner that stakeholders are provided with a reasonable opportunity to comment on a proposed project.

» An adequate review period is provided for I&APs to comment on the findings of the draft Basic Assessment Report, and draft Addendum to the EMP.

Inputs from interested and affected parties (I&APs) informs the Basic Assessment process. As an I&AP, your input is considered an important part of this process, and we urge you to become involved.

YOUR RESPONSIBILITIES AS AN I&AP & HOW TO BECOME INVOLVED

Your attention is drawn to your responsibilities as an I&AP:

- » In order to participate in this process, you must register yourself on the project database.
- » You must ensure that any comments/queries regarding the proposed project are submitted within the stipulated timeframes.
- » You are required to disclose any direct business, financial, personal or other interest which that you may have in the approval or refusal of the application for the proposed project.
- » By responding by phone, fax or e-mail to the invitation for your involvement which has been advertised in local and national newspapers.
- » By contacting the environmental consultants with queries or comments.
- » By reviewing and commenting on the draft Basic Assessment Report within the stipulated 30 day review period.

Your input forms a key element of the process. If you consider yourself an I&AP for this proposed project, we urge you to make use of the opportunities created by the public participation process to provide comment, raise issues and concerns which affect and/or interest you or request further information. Please indicate which project your comments relate to by including the reference number (14/12/.16/3/1/9) in your correspondence.

COMMENTS AND QUERIES

Direct all comments, queries, or responses to:

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