



environmental affairs

Department:
Environmental Affairs
REPUBLIC OF SOUTH AFRICA

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Tel (+ 27 12) 399 9372

DEA Reference: 14/12/16/3/3/2/910

Enquiries: Ms Thabile Sangweni

Telephone: (012) 399 9409 E-mail: TSangweni@environment.gov.za

Mr Richard Holcroft
ArcelorMittal South Africa, Saldanha Works t/a Saldanha Steel (Pty) Ltd
Private Bag X11
SALDANHA
7395

Telephone Number: (022) 709 4295
Email Address: Richard.Holcroft@arcelormittal.com

PER E-MAIL / MAIL

Dear Mr Holcroft

APPLICATION FOR ENVIRONMENTAL AUTHORISATION IN TERMS OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 1998: GN R. 983/984/985 FOR THE 1507 MW SALDANHA STEEL OCGT AND CCGT FACILITY AND ITS ASSOCIATED INFRASTRUCTURE WITHIN THE SALDANHA BAY LOCAL MUNICIPALITY IN THE WESTERN CAPE PROVINCE

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 4(2) of the Environmental Impact Assessment Regulations, 2014 (the Regulations), you are instructed to notify all registered interested and affected parties, in writing and within 14 (fourteen) days of the date of the Department's decision in respect of the amendment made as well as the provisions regarding the submission of appeals that are contained in the Regulations.

Your attention is drawn to Chapter 2 of Government Notice No. R.993, which prescribes the appeal procedure to be followed. Kindly include a copy of this document with the letter of notification to interested and affected parties.

Should any person wish to lodge an appeal against this decision, he/she must submit the appeal to the appeal administrator, and a copy of the appeal to the applicant, any registered interested and affected party, and any organ of state with interest in the matter within 20 days from the date that the notification of the decision was sent to the registered interested and affected parties by the applicant; or the date that the notification of the decision was sent to the applicant by the Department, whichever is applicable.

Appeals must be submitted in writing in the prescribed form to:

Mr Z Hassam, Director: Appeals and Legal Review of this Department at the below mentioned addresses.

By email: appealsdirector@environment.gov.za;

MS

By hand: Environment House
473 Steve Biko,
Arcadia,
Pretoria,
0083; or

By post: Private Bag X447,
Pretoria,
0001;

Please note that in terms of section 43(7) of the National Environmental Management Act, 1998, the lodging of an appeal will suspend the environmental authorisation or any provision or condition attached thereto. In the instance where an appeal is lodged, you may not commence with the activity until such time that the appeal is finalised.

To obtain the prescribed appeal form and for guidance on the submission of appeals, please visit the Department's website at https://www.environment.gov.za/documents/forms#legal_authorisations or request a copy of the documents at appealsdirector@environment.gov.za.

Yours faithfully



Mr Sabelo Malaza
Chief Director, Integrated Environmental Authorisations
Department of Environmental Affairs

Date: 24/02/2017

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|-----|---------|---|---|
| cc: | S Clark | Environmental Resources Management (ERM) South Africa | Email: Stuart.heather-clark@erm.com |
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environmental affairs

Department:
Environmental Affairs
REPUBLIC OF SOUTH AFRICA

Environmental Authorisation

In terms of Regulation 25 of the Environmental Impact Assessment Regulations, 2014

The 1507 MW Saldanha Steel OCGT and CCGT Facility and its associated infrastructure within the Saldanha Bay Local Municipality in the Western Cape Province

West Coast District Municipality

| | |
|---------------------------------------|---|
| Authorisation register number: | <i>14/12/16/3/3/2/910</i> |
| Last amended: | <i>First issue</i> |
| Holder of authorisation: | <i>ArcelorMittal South Africa, Saldanha Works t/a Saldanha Steel (Pty) Ltd</i> |
| Location of activity: | <i>RE 129 of the Farm Yzervarkensrug Portion 2 of the Farm Jackals Kloof 195 Saldanha Bay Local Municipality West Coast District Municipality Western Cape Province</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 environmental 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 No.107 of 1998) and the Environmental Impact Assessment Regulations, 2014 the Department hereby authorises –

ARCELORMITTAL SOUTH AFRICA, SALDANHA WORKS T/A SALDANHA STEEL (PTY) LTD

(hereafter referred to as the **holder of the authorisation**)

with the following contact details –

Mr Richard Holcroft

Private Bag X11

SALDANHA

7395

Telephone Number: (022) 709 4295

Fax Number: (022) 709 4296

Cell phone Number: (083) 448 2149

Email Address: Richard.Holcroft@arcelormittal.com

to undertake the following activities (hereafter referred to as "the activity") indicated in Listing Notice 1, Listing Notice 2 and Listing Notice 3 (GN R. 983, 984 and 985):

| Activity number | Activity description |
|---|--|
| <p><u>GN R. 983 Item 11:</u></p> <p><i>"The development of facilities or infrastructure for the transmission and distribution of electricity –</i></p> <p><i>(i) outside urban areas or industrial complexes with a capacity of more than 33 but less than 275 kV."</i></p> | <p>The upgrade of the existing 132 kV transmission lines currently supplying ArcelorMittal Saldanha Steel with electricity from Blouwater Substation. The 400 kV line required for phase 2 of the project, to connect the power plant to Eskom's Aurora Substation will be permitted separately based on discussions with Eskom.</p> |
| <p><u>GN R. 983 Item 14:</u></p> <p><i>"The development of facilities or infrastructure storage, or for the storage and handling of a dangerous good where such storage occurs in containers with a combined capacity of 80m³ or more but not exceeding 500m³."</i></p> | <p>The development or construction of steel fuel tanks for the storage of up to 50m³ of diesel for use during construction and operation activities. A maximum of 30m³ of LGP (propane) will be stored on site to fuel three generators during the operational phase. Waste (change-out) lube oil and hydraulic oil will be held temporarily in steel holding tanks (5m³ each). The waste oil will be transported by tanker and disposed of by a registered waste handling and disposal contractor.</p> |
| <p><u>GN R. 983 Item 15:</u></p> <p><i>"The development of structures in the coastal public property where the development footprint is bigger than 50 square metres..."</i></p> | <p>The development of the terrestrial natural gas pipeline within the coastal public property.</p> |
| <p><u>GN R. 983 Item 24:</u></p> <p><i>"The development of –</i></p> <p><i>(ii) A road with a reserve wider than 13,5m or where no reserve exists where the road is wider than 8m."</i></p> | <p>Construction or upgrading access roads and the access off from the OP7644. Access roads and the onsite road will vary between 8m and 12m wide.</p> |

| | |
|---|---|
| <p><u>GN R. 983 Item 28:</u> <i>"Residential, mixed, retail, commercial, industrial or institutional developments where such land was used for agriculture or afforestation on or after 01 April 1998 and where such development:</i> (ii) <i>Will occur inside an urban area, where the total land to be developed is bigger than 1 hectares."</i></p> | <p>Development of the CCGT power plant will be considered an industrial development with a footprint of ~45ha. The development will occur on land previously used for agriculture (grazing).</p> |
| <p><u>GN R. 983 Item 56:</u> <i>"The widening of a road by more than 6 metres, or lengthening of a road by more than 1 kilometre –</i> (i) <i>Where the existing reserve is wider than 13,5 metres."</i></p> | <p>For road safety considerations and in light of the increased traffic (particularly during the construction phase) the provincial road OP7644 leading past the two power plant entrances will be widened from 11m to a 20m wide over taking 4-lane section.</p> |
| <p><u>GN R. 984 Item 2:</u> <i>"The development and related operation of facilities or infrastructure for the generation of electricity from a non-renewable resource where the electricity output is 20 MW or more."</i></p> | <p>The proposed CCGT power plant will consist of the construction and operation of a ~1507 MW gas-fired power plant. The power plant will be fuelled by natural gas.</p> |
| <p><u>GN R. 984 Item 6:</u> <i>"The development of facilities or infrastructure for any process or activity which requires a permit or licence in terms of national or provincial legislation governing the generation or release of emissions, pollution or effluent."</i></p> | <p>Development of a 1507 MW gas-fired power station which will require an Atmospheric Emission Licence for the release of atmospheric emissions related to the use of natural gas in the power generation process. An application for an AEL will be submitted in the future in order to receive a provisional AEL prior to the commencement of commissioning and operations.</p> |
| <p><u>GN R. 984 Item 7:</u> <i>"The development and related operation of facilities or infrastructure for the bulk transportation of dangerous goods –</i></p> | <p>Development and operation of natural gas pipelines (~ 4600m in length) from the shore (or border of Transnet's land) to the power plant site.</p> |

| | |
|---|--|
| <p>(i) <i>In gas form, outside an industrial complex, using pipelines, exceeding 1000m in length, with a throughput capacity of more than 700t per day.</i></p> | |
| <p><u>GN R. 984 Item 15:</u> <i>"The clearance of an area of 20 hectares or more of indigenous vegetation."</i></p> | <p>Clearance of 45ha of disturbed indigenous vegetation for the construction of the power plant and associated infrastructure and laydown areas.</p> |
| <p><u>GN R. 984 Item 28:</u> <i>"The commencing of an activity, which requires an atmospheric emission license in terms of section 21 of the National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004)."</i></p> | <p>The development of the 1507 MW CCGT gas-fired power plant and potentially the storage of LPG will require an AEL in terms of the NEM: AQA. The likely listed activities in terms of NEM: AQA are liquid fuel combustion installations' (subcategory 1.2), gas combustion installations (subcategory 1.4) as well as the storage and handling of petroleum products (subcategory 2.4).</p> |
| <p><u>GN R. 985 Item 2:</u> <i>"The development of reservoirs for bulk water supply with a capacity of more than 250 cubic metres</i> (f) <u><i>In Western Cape:</i></u> ii. <i>In areas containing indigenous vegetation; or."</i></p> | <p>Development of a modular bulk water storage reservoir with a capacity of 25,000 cubic metres. Five modules are envisaged for collection of rain water. No water supply from the local municipality is envisaged. Groundwater from surrounding farms will be used in addition to rain water harvesting.</p> |
| <p><u>GN R. 985 Item 4:</u> <i>"The development of a road wider than 4 metres with a reserve less than 13,5 metres</i> (f) <u><i>In Western Cape:</i></u> i. <i>Areas outside urban areas;</i> (aa) <i>Areas containing indigenous vegetation;"</i></p> | <p>Upgrading of access road OP7644 to the site. Construction of onsite roads and the access off from OP7644. Access roads and onsite roads will vary between 8m and 12m wide.</p> |

as described in the Environmental Impact Assessment Report (EIAr) dated October 2016 at:

21 SG Code:

| | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| W | 0 | 1 | 4 | C | 0 | 4 | 6 | 0 | 0 | 0 | 0 | 0 | 1 | 2 | 9 | 0 | 0 | 0 | 0 | 0 |
| W | 0 | 1 | 4 | C | 0 | 4 | 6 | 0 | 0 | 0 | 0 | 0 | 1 | 9 | 5 | 0 | 0 | 0 | 0 | 2 |

Site (preferred):

| Plant | Latitude | Longitude |
|-----------------|-------------|--------------|
| | 18° 2.521'E | 32° 58.887'S |
| | 18° 2.755'E | 32° 58.956'S |
| | 18° 2.765'E | 32° 58.971'S |
| | 18° 2.759'E | 32° 59.002'S |
| | 18° 2.823'E | 32° 59.014'S |
| | 18° 2.675'E | 32° 59.435'S |
| | 18° 2.398'E | 32° 59.354'S |
| | 18° 2.410'E | 32° 59.323'S |
| | 18° 2.350'E | 32° 59.305'S |
| | | |
| Pipeline | 18° 0.932'E | 33° 0.075'S |
| | 18° 1.457'E | 33° 0.378'S |
| | 18° 1.687'E | 33° 0.379'S |
| | 18° 1.687'E | 33° 0.079'S |
| | 18° 2.059'E | 32° 59.912'S |
| | 18° 2.325'E | 32° 59.264'S |
| | 18° 2.382'E | 32° 59.278'S |
| | | |
| 132kV Powerline | 18° 2.736'E | 32° 58.992'S |
| | 18° 2.780'E | 32° 58.943'S |
| | 18° 2.508'E | 32° 58.667'S |
| | 18° 2.054'E | 32° 58.506'S |
| | 18° 1.512'E | 32° 58.598'S |

- for the Saldanha Steel OCGT (Phase 1) and CCGT (Phase 2) Facility with a combined capacity of 1507MW and its associated infrastructure located within the Saldanha Bay Local Municipality in the Western Cape Province, hereafter referred to as "the property".

The facility will comprise the following:

- a power plant;
- a fuel source and pipeline;
- a power evacuation and connection to the grid;
- Ancillary facilities which will include:
 - 132 kV switchyard for 132 kV evacuation;
 - Rain water treatment plant (filtration);
 - Sea-water treatment (filtration);
 - Sea-water desalination /reverse osmosis (RO) plant , 50m³/hour;
 - Post RO small-scale multi-stage flash distillation fire suppression system-water;
 - Fire suppression – CO₂ gas storage fire suppression – foam instrument air compressors;
 - Sewage treatment plant with water reclamation;
 - Closed circuit air-cooling system (compressor-less);
 - Miscellaneous treated and untreated water tanks:
 - Rain water storage tanks;
 - Demineralised water;
 - Fire water storage (raw untreated water);
 - Boiler water for demin polishing;
 - Reclaimed water tank;
 - Filtered sea-water buffer tank; and,
 - Reverse osmosis water tanks.
 - Other tanks:
 - Concentrated sulphuric acid;
 - Dilute sulphuric acid;
 - Ethylene glycol; and,
 - Ammonia.
 - Site security, fencing, surveillance and communications.

Phase 1 (OCGT) of the project will comprise the following:

- Site entrance with truck staging areas, hard standing areas;
- Offices and control room;
- Warehouse areas and workshops;
- Installation of six open cycle Siemens Industrial Trent 60 gas turbines one of which will be a redundant unit to ensure uninterrupted supply;
- Associated step-up transformers for every generating unit;
- Installation of one open cycle Siemens gas turbine (Unit 1) to provide early base load power;
- Associated step-up transformers for every generating unit;
- 132 kV switchyard;
- Site drainage;
- Gas receiving, conditioning and forwarding;
- Waste-water treatment and water reclamation plant; and,
- Storm water collection reservoir (25,000m³) and water treatment plant.

Phase 2 (CCGT) of the project will comprise the following:

- Installation of complete Unit 1, Unit 2 and Unit 3 open cycle Siemens SCC5-4000F gas turbine; and,
- Associated set-up transformers and station switchyard.

Technical details of the facility:

| Component | Description/ Dimensions |
|--|---|
| Location of the site | RE 129 of the Farm Yzervarkensrug and Portion 2 of the Farm Jackals Kloof 195 |
| SG Codes | W014C0460000012900000 W014C0460000019500002 |
| Site access | OP7644 |
| Power Output capacity | 1507 MW |
| Proposed technology | Open Cycle Gas Turbine – Phase 1 Combined Cycle Gas Turbine – Phase 2 |
| Stack height | 60m |
| Extent of the proposed development footprint (including all associated infrastructure) | 55.81 ha (Operation) 83.54 ha (Construction) |

| Component | Description/ Dimensions |
|-----------------|---|
| Grid connection | 132kV connection to ArcelorMittal Saldanha Steel. Existing line to be upgraded. |

Conditions of this Environmental Authorisation

Scope of authorisation

1. The construction of the Saldanha Steel Phase 1 OCGT Facility using LPG and its associated infrastructure as described above is hereby approved.
2. The construction of the Saldanha Steel Phase 2 CCGT Facility and its associated infrastructure as described above, may only commence once written confirmation has been provided to the Department that a suitable source of LNG has been obtained.
3. The combined capacity of the Saldanha Steel OCGT (Phase 1) and CCGT (Phase 2) Facility will have a maximum of 1507MW.
4. Authorisation of the activity is subject to the conditions contained in this environmental authorisation, which form part of the environmental authorisation and are binding on the holder of the authorisation.
5. 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.
6. The activities authorised may only be carried out at the property as described above.
7. Any changes to, or deviations from, the project description set out in this environmental 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 environmental authorisation in terms of the regulations.
8. The holder of an environmental authorisation must apply for an amendment of the environmental authorisation with the competent authority for any alienation, transfer or change of ownership rights in the property on which the activity is to take place.
9. This activity must commence within a period of five (05) years from the date of issue of this environmental 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.

10. Construction must be completed within five (05) years of the commencement of the activity on site.
11. Commencement with one activity listed in terms of this environmental authorisation constitutes commencement of all authorised activities.

Notification of authorisation and right to appeal

12. The holder of the authorisation must notify every registered interested and affected party, in writing and within 14 (fourteen) calendar days of the date of this environmental authorisation, of the decision to authorise the activity.
13. The notification referred to must –
 - 13.1. specify the date on which the authorisation was issued;
 - 13.2. inform the interested and affected party of the appeal procedure provided for in the National Appeal Regulations, 2014;
 - 13.3. advise the interested and affected party that a copy of the authorisation will be furnished on request; and
 - 13.4. give the reasons of the competent authority for the decision.
14. The holder of the authorisation must publish a notice –
 - 14.1. informing interested and affected parties of the decision;
 - 14.2. informing interested and affected parties where the decision can be accessed; and
 - 14.3. drawing the attention of interested and affected parties to the fact that an appeal may be lodged against this decision in terms of the National Appeal Regulations, 2014.

Commencement of the activity

15. The authorised activity shall not commence until the period for the submission of appeals has lapsed as per the National Appeal Regulations, 2014. In terms of section 43(7), an appeal under section 43 of the National Environmental Management Act, 1998 will suspend the environmental authorisation or any provision or condition attached thereto. In the instance where an appeal is lodged you may not commence with the activity until such time that the appeal has been finalised.

Management of the activity

16. The development layout plan titled "Power Plant Functional Layout and Main Access Routes" and "Site Layout of ArcelorMittal Saldanha" dated October 2016, and as included in the EIAr is hereby approved.
17. The Environmental Management Programme (EMPr) submitted as part of the application for EA is hereby approved. This EMPr must be implemented and adhered to.
18. The EMPr must be implemented and strictly enforced during all phases of the project. It must be seen as a dynamic document and must be included in all contract documentation for all phases of the development when approved.
19. Should the holder of this environmental authorisation propose any changes to the EMPr, the holder of this environmental authorisation must 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.
20. The Department reserves the right to amend the approved EMPr should any impacts that were not anticipated or covered in the EIAr be discovered.
21. Furthermore, a shapefile of the approved development layout/footprint must be submitted to this Department within two months from the date of this decision. The shapefile must be created using the Hartebeesthoek 94 Datum and the data should be in Decimal Degree Format using the WGS 84 Spheroid. The shapefile must include at a minimum the following extensions i.e. .shp; .shx; .dbf; .prj; and, .xml (Metadata file). If specific symbology was assigned to the file, then the .avl and/or the .lyr file must also be included. Data must be mapped at a scale of 1:10 000 (please specify if an alternative scale was used). The metadata must include a description of the base data used for digitizing. The shapefile must be submitted in a zip file using the EIA application reference number as the title.

The shape file must be submitted to:

Postal Address:

Department of Environmental Affairs
Private Bag X447
Pretoria
0001

M/S

Physical address:

Department of Environmental Affairs
Environment House
473 Steve Biko
Arcadia
Pretoria

For Attention: Mr Muhammad Essop
Integrated Environmental Authorisations
Strategic Infrastructure Developments
Telephone Number: (012) 399 9406
Email Address: MEssop@environment.gov.za

Frequency and process of updating the EMPr

22. The EMPr must be updated where the findings of the environmental audit reports, contemplated in Condition 29 below, indicate insufficient mitigation of environmental impacts associated with the undertaking of the activity, or insufficient levels of compliance with the environmental authorisation or EMPr.
23. The updated EMPr must contain recommendations to rectify the shortcomings identified in the environmental audit report.
24. The updated EMPr must be submitted to the Department for approval together with the environmental audit report, as per Regulation 34 of GN R. 982. The updated EMPr must have been subjected to a public participation process, which process has been agreed to by the Department, prior to submission of the updated EMPr to the Department for approval.
25. In assessing whether to grant approval of an EMPr which has been updated as a result of an audit, the Department will consider the processes prescribed in Regulation 35 of GN R.982. Prior to approving an amended EMPr, the Department may request such amendments to the EMPr as it deems appropriate to ensure that the EMPr sufficiently provides for avoidance, management and mitigation of environmental impacts associated with the undertaking of the activity.
26. The holder of the authorisation may apply for an amendment of an EMPr, if such amendment is required before an audit is required. The holder must notify the Department of its intention to amend the EMPr at least 60 days prior to submitting such amendments to the EMPr to the Department for approval. In

assessing whether to grant such approval or not, the Department will consider the processes and requirements prescribed in Regulation 37 of GN R. 982.

Monitoring

27. The holder of the authorisation must appoint an experienced independent Environmental Control Officer (ECO) for the construction phase of the development that will have the responsibility to ensure that the mitigation/rehabilitation measures and recommendations referred to in this environmental authorisation are implemented and to ensure compliance with the provisions of the approved EMPr.
 - 27.1. The ECO must be appointed before commencement of any authorised activities.
 - 27.2. Once appointed, the name and contact details of the ECO must be submitted to the *Director: Compliance Monitoring* of the Department.
 - 27.3. The ECO must keep record of all activities on site, problems identified, transgressions noted and a task schedule of tasks undertaken by the ECO.
 - 27.4. 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.

Recording and reporting to the Department

28. All documentation e.g. audit/monitoring/compliance reports and notifications, required to be submitted to the Department in terms of this environmental authorisation, must be submitted to the *Director: Compliance Monitoring* of the Department.
29. The holder of the environmental authorisation must, for the period during which the environmental authorisation and EMPr remain valid, ensure that project compliance with the conditions of the environmental authorisation and the EMPr are audited, and that the audit reports are submitted to the *Director: Compliance Monitoring* of the Department.
30. The frequency of auditing and of submission of the environmental audit reports must be as per the frequency indicated in the EMPr, taking into account the processes for such auditing as prescribed in Regulation 34 of GN R. 982.
31. The holder of the authorisation must, in addition, submit environmental audit reports to the Department within 30 days of completion of the construction phase (i.e. within 30 days of site handover) and a final environmental audit report within 30 days of completion of rehabilitation activities.
32. The environmental audit reports must be compiled in accordance with Appendix 7 of the EIA Regulations, 2014 and must indicate the date of the audit, the name of the auditor and the outcome of the audit in

terms of compliance with the environmental authorisation conditions as well as the requirements of the approved EMPr.

33. Records relating to monitoring and auditing must be kept on site and made available for inspection to any relevant and competent authority in respect of this development.

Notification to authorities

34. A written notification of commencement must be given to the Department no later than fourteen (14) days prior to the commencement of the activity. 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.

Operation of the activity

35. A written notification of operation must be given to the Department no later than fourteen (14) days prior to the commencement of the activity operational phase.

Site closure and decommissioning

36. Should the activity ever cease or become redundant, the holder of the authorisation must 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

Conditions for non-operational aspects

Avifauna and bats

37. The facility must be designed in a manner that prevents infrastructure components from being used as perching or roosting substrates by birds and bats, as such is prohibited.
38. The holder of this environmental authorisation must restrict the construction activities to the footprint area. No access to the remainder of the property is allowed.

39. Anti-collision devices such as bird flappers must be installed on the powerline where necessary. The input of an avifaunal specialist must be obtained for the fitting of the anti-collision devices onto specific sections of the powerline once the exact positions of the towers have been surveyed and pegged. These devices must be according to Eskom's Transmission and EWT's Guidelines.
40. A pre-construction walk through of the powerline alignment and facility position must be conducted by an avifaunal specialist to ensure that the micro-siting of the pylons and powerline alignment have the least possible impact and that there are no nests sites of priority species on or close to the construction site and corridor.

Vegetation, wetlands and water resources

41. All watercourses are regarded as sensitive. All developments within 500m of watercourses must comply with the National Water Act.
42. Relevant permits must be obtained from relevant authorities for any removal or destruction of Threatened or Protected Species (TOPs).
43. Before the clearing of the site, the appropriate permits must be obtained from the Department of Agriculture, Forestry and Fisheries (DAFF) for the removal of plants listed in the National Forest Act and from the relevant provincial department for the destruction of species protected in terms of the specific provincial legislation. Copies of the permits must be kept by the ECO.
44. Construction activities must be restricted to demarcated areas to restrict the impact on sensitive environmental features.
45. All areas of disturbed soil must be reclaimed using only indigenous grass and shrubs. Reclamation activities shall be undertaken according to the rehabilitation plan to be included in the final EMPr.
46. Topsoil from all excavations and construction activities must be salvaged and reapplied during reclamation.
47. No exotic plants may be used for rehabilitation purposes; only indigenous plants of the area may be utilised.
48. No activities will be allowed to encroach into a water resource without a Water Use License being in place from the Department of Water and Sanitation.
49. Cleared alien vegetation must not be dumped on adjacent intact vegetation during clearing but must be temporarily stored in a demarcated area.
50. Removal of alien invasive species or other vegetation and follow-up procedures must be in accordance with the Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983).
51. Contractors and construction workers must be clearly informed of the no-go areas.

52. The final development area should be surveyed for species suitable for search and rescue, which should be trans-located prior to the commencement of construction.
53. Electric fencing should not have any strands within 30cm of the ground, which should be sufficient to allow smaller mammals, reptiles and tortoises to pass through, but still remain effective as a security barrier.
54. Disturbed areas must be rehabilitated as soon as possible after construction with locally indigenous plants to enhance the conservation of existing natural vegetation on site.
55. Wetlands, rivers and river riparian areas must be treated as "no-go" areas and appropriately demarcated as such. No vehicles, machinery, personnel, construction material, fuel, oil, bitumen or waste must be allowed into these areas without the express permission of and supervision by the ECO, except for rehabilitation work in these areas.
56. Workers must be made aware of the importance of not destroying or damaging the vegetation along rivers and in wetland areas and this awareness must be promoted throughout the construction phase.
57. No discharge of effluents or polluted water must be allowed into any rivers or wetland areas.
58. If construction areas are to be pumped of water (e.g. after rains), this water must be pumped into an appropriate settlement area, and not allowed to flow into any rivers or wetland areas.
59. Workers must be made aware of the importance of not polluting rivers or wetlands and of not undertaking activities that could result in such pollution, and this awareness must be promoted throughout the construction phase.
60. Freshwater ecosystems located in close proximity to the site must be inspected on a regular basis (but especially after rainfall) by the ECO for signs of sedimentation and pollution. If signs of sedimentation or pollution are noted, immediate action must be taken to remedy the situation and, if necessary, a freshwater ecologist must be consulted for advice on the most suitable remediation measures.

Roads and transportation

61. The approved primary access route to the site is from the OP7644.
62. Existing internal road infrastructure must be used for providing access to the site.
63. Signs must be placed along construction roads to identify speed limits, travel restrictions, and other standard traffic control information. To minimize impacts on local commuters, consideration should be given to limiting construction vehicles travelling on public roadways during the morning and late afternoon commute time.
64. A designated access to the site must be created and clearly marked to ensure safe entry and exit.
65. Signage must be erected at appropriate points warning of turning traffic and the construction site.

66. Construction vehicles carrying materials to the site should avoid using roads through densely populated built-up areas so as not to disturb existing retail and commercial operations.
67. Road borders should be regularly maintained to ensure that vegetation remains short and that they therefore serve as an effective firebreak.
68. Roads must be designed so that changes to surface water runoff are avoided and erosion is not initiated.
69. All construction vehicles should adhere to a low speed limit to avoid collisions with susceptible species such as snakes and tortoises.

Noise

70. A noise register must be kept and should a reasonable and valid complaint about noise be registered, a noise investigation must be done by an independent acoustic consultant.
71. The holder of this authorisation must ensure that the construction staff working in areas where the 8-hour ambient noise levels exceed 75dBA wear ear protection equipment.
72. The holder of this authorisation must ensure that all equipment and machinery are well maintained and equipped with silencers.
73. The holder of this authorisation must provide a prior warning to the community when a noisy activity e.g. blasting is to take place.
74. Construction staff must be trained in actions to minimise noise impacts.

Visual resources

75. The holder of this authorisation must reduce visual impacts during construction by minimising areas of surface disturbance, controlling erosion, using dust suppression techniques and restoring exposed soil as closely as possible to their original contour and vegetation.
76. A lighting engineer must be consulted to assist in the planning and placement of light fixtures in order to reduce visual impacts associated with glare and light trespass.
77. Lighting of main structures and ancillary buildings should be designed to minimise light pollution without compromising safety.

Human health and safety

78. A health and safety programme must be developed to protect both workers and the general public during construction, operation and decommissioning of the energy facility.
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79. The holder of this authorisation must train safety representatives, managers and workers in workplace safety. The construction process must be compliant with all safety and health measures as prescribed by the relevant act.
80. No unsupervised open fires for cooking or heating must be allowed on site.

Hazardous materials and waste management

81. Areas around fuel tanks must be bunded or contained in an appropriate manner as per the requirements of SABS 089:1999 Part 1.
82. Leakage of fuel must be avoided at all times and if spillage occurs, it must be remedied immediately.
83. Hazardous waste such as bitumen, oils, oily rags, paint tins etc. must be disposed of at an approved waste landfill site licensed to accept such waste.
84. No dumping or temporary storage of any materials may take place outside designated and demarcated laydown areas, and these must all be located within areas of low environmental sensitivity.
85. Hazardous substances must not be stored where there could be accidental leakage into surface or subterranean water.
86. Hazardous and flammable substances must be stored and used in compliance to the applicable regulations and safety instructions. Furthermore, no chemicals must be stored nor may any vehicle maintenance occur within 350m of the temporal zone of wetlands, a drainage line with or without an extensive floodplain or hillside wetlands.
87. Temporary bunds must be constructed around chemical storage to contain possible spills.
88. Spill kits must be made available on-site for the clean-up of spills.
89. An integrated waste management approach must be implemented that is based on waste minimisation and must incorporate reduction, recycling and re-use options where appropriate. Where solid waste is disposed of, such disposal shall only occur at a landfill licensed in terms of section 20(b) of the National Environment Management Waste Act, 2008 (Act 59 of 2008).
90. The holder of this authorisation must provide sanitation facilities within the construction camps and along the road so that workers do not pollute the surrounding environment. These facilities must be removed from the site when the construction phase is completed as well as associated waste to be disposed of at a registered waste disposal site.
91. The holder of this authorisation must take note that no temporary site camps will be allowed outside the footprint of the development area as the establishment of such structures might trigger a listed activity as defined in the Environmental Impact Assessment Regulations, 2014.

Excavation and blasting activities

92. Foundations and trenches must be backfilled with originally excavated materials as much as possible. Excess excavation materials must be disposed of only in approved areas or, if suitable, stockpiled for use in reclamation activities.
93. Borrow materials must be obtained only from authorised and permitted sites. Permits must be kept on site by the ECO.
94. Anti-erosion measures such as silt fences must be installed in disturbed areas.

Air emissions

95. An Air Emissions Licence must be obtained from the relevant competent authority prior to construction commencing. All specific requirements made by that competent authority must be included into the EMPr.
96. Dust abatement techniques must be used before and during surface clearing, excavation, or blasting activities.
97. Appropriate dust suppression techniques must be implemented on all exposed surfaces during periods of high wind. Such measures may include wet suppression, chemical stabilisation, the use of a wind fence, covering surfaces with straw chippings and re-vegetation of open areas.

Historical / cultural / paleontological resources

98. If concentrations of archaeological heritage material, fossils and human remains are uncovered during construction, all work must cease immediately and be reported to Heritage Western Cape that a systematic and professional investigation / excavation can be undertaken.
99. Construction managers/foremen must be informed before construction starts of the possible types of heritage sites and cultural material they may be encountered and the procedures to follow when they find sites.
100. Should any human remains be uncovered during development they must be immediately protected in situ and reported to the heritage authorities or to an archaeologist. The remains will need to be exhumed at the cost of the developer.

Conditions for operational aspects

Vegetation, wetlands and water resources

101. The 'no-go' areas of the development property must be clearly demarcated and must be avoided. Contractors and workers must be clearly informed of the no-go areas.
102. All watercourses are regarded as sensitive. All activities within 500m of watercourses must comply with the National Water Act.
103. Relevant permits must be obtained from relevant authorities for any removal or destruction of Threatened or Protected Species (TOPs).
104. Removal of alien invasive species or other vegetation and follow-up procedures must be in accordance with the Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983).
105. No discharge of effluents or polluted water must be allowed into any rivers or wetland areas.
106. Workers must be made aware of the importance of not polluting rivers or wetlands and of not undertaking activities that could result in such pollution, and this awareness must be promoted.

Roads and transportation

107. The approved primary access route to the site is from the OP7644.
108. Existing internal road infrastructure must be used for providing access to the site.
109. Road borders should be regularly maintained to ensure that vegetation remains short and that they therefore serve as an effective firebreak.

Noise

110. The holder of this authorisation must ensure that the National Noise Control Regulations and SANS10103:2008 are adhered to and measures to limit noise from the work site are implemented.
111. The holder of this authorisation must ensure that all equipment and machinery are well maintained and equipped with silencers.

Visual resources

112. Lighting of main structures and ancillary buildings should minimise light pollution without compromising safety.

Human health and safety

113. A health and safety programme must be developed to protect both workers and the general public during construction, operation and decommissioning of the energy facility.
114. The holder of this authorisation must train safety representatives, managers and workers in workplace safety. The operation process must be compliant with all safety and health measures as prescribed by the relevant act.

Hazardous materials and waste management

115. Should sustainable supplies of cleaner fuel (e.g. biofuel) become commercially viable in the future then the holder of the EA should get approval from the Department prior to changing the fuel source.
116. Areas around fuel tanks must be bunded or contained in an appropriate manner as per the requirements of SABS 089:1999 Part 1.
117. Leakage of fuel must be avoided at all times and if spillage occurs, it must be remedied immediately.
118. Hazardous waste such as bitumen, oils, oily rags, paint tins etc. must be disposed of at an approved waste landfill site licensed to accept such waste.
119. No dumping or temporary storage of any materials may take place outside designated and demarcated laydown areas, and these must all be located within areas of low environmental sensitivity.
120. Hazardous substances must not be stored where there could be accidental leakage into surface or subterranean water.
121. Hazardous and flammable substances must be stored and used in compliance to the applicable regulations and safety instructions. Furthermore, no chemicals must be stored nor may any vehicle maintenance occur within 350m of the temporal zone of wetlands, a drainage line with or without an extensive floodplain or hillside wetlands.
122. Bunds must be constructed around chemical storage to contain possible spills.
123. Spill kits must be made available on-site for the clean-up of spills.
124. An integrated waste management approach must be implemented that is based on waste minimisation and must incorporate reduction, recycling and re-use options where appropriate. Where solid waste is disposed of, such disposal shall only occur at a landfill licensed in terms of section 20(b) of the National Environment Management Waste Act, 2008 (Act 59 of 2008).
125. The holder of this authorisation must provide sanitation facilities for the operation staff.

Air emissions

126. All apparatus must be operated in accordance with their design specifications and all maintenance and repair operation requirements must be maintained to ensure optimum performance and minimum emissions.

General

127. A copy of this environmental authorisation, the audit and compliance monitoring reports, and the approved EMPr, must be made available for inspection and copying-

125.1. at the site of the authorised activity;

125.2. to anyone on request; and

125.3. where the holder of the environmental authorisation has a website, on such publicly accessible website.

128. 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 holder of the authorisation or his/her 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 holder of the authorisation 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: 24/02/2017



Mr Sabelo Malaza

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 listed activities as applied for in the amended application form received on 21 October 2016.
- b) The information contained in the EIAr dated October 2016.
- c) The comments received from the Western Cape Department of Environmental Affairs and Development planning, Eskom, Transnet, Cape Nature, the West Coast District Municipality, the Saldanha Bay Local Municipality, the Department of Environmental Affairs: Oceans and Coasts, Heritage Western Cape, Sanparks - Cape Region, the Department of Agriculture, Forestry and Fisheries, the Department of Public Works and interested and affected parties.
- d) Mitigation measures as proposed in the final EIAr.
- e) The information contained in the specialist studies contained within the appendices of the EIAr dated October 2016 and as appears below:

| Title | Prepared by | Date |
|-----------------------------------|--|---------------------------------|
| Air Quality Impact Assessment | uMoya-NILU Consulting (Pty) Ltd | August 2016 |
| Botanical Impact Assessment | Nick Helme Botanical Surveys | September 2016 |
| Avifaunal Impact Assessment | Simon Todd Consulting | June 2016 |
| Archaeological Impact Assessment | ACO Associates cc | July 2016 |
| Paleontological Impact Assessment | Graham Avery | July 2016 |
| Noise Impact Assessment | Enviro Acoustic Research | Undated |
| Greenhouse Gas Study | ArcelorMittal. Peer reviewed by Carb Enviro Services | July 2016 and September 2016 |
| Quantitative Risk Assessment | ArcelorMittal. Peer reviewed by Ishecon Chemical Process Safety Engineers | July 2016 and September 2016 |
| Socio-economic Impact Assessment | ArcelorMittal. Peer reviewed by Kerryn Desai | July 2016 and September 2016 |

| | | |
|---------------------------|---------------------------------------|-----------|
| Traffic Impact Assessment | Kantey & Templer Consulting Engineers | July 2016 |
|---------------------------|---------------------------------------|-----------|

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 issues 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 the proposed project stems from the provision of electricity to ArcelorMittal Saldanha Steel with the excess electricity anticipated to be made available to industries within the Saldanha Industrial Development Zone and/or municipalities within the Province.
- c) The EIA dated October 2016 identified all legislation and guidelines that have been considered in the preparation of the EIA dated October 2016.
- d) The location of facility as presented in the final EIA.
- e) The methodology used in assessing the potential impacts identified in the EIA dated October 2016 and the specialist studies have been adequately indicated.
- f) A sufficient public participation process was undertaken and the applicant has satisfied the minimum requirements as prescribed in the EIA Regulations, 2014 for public involvement.

3. Findings

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

- a) The information contained in the EIA dated October 2016 is deemed to be accurate and credible.
- b) The procedure followed for impact assessment is adequate for the decision-making process.
- c) The identification and assessment of impacts are clearly detailed in the EIA dated October 2016 and sufficient assessment of the key identified issues and impacts have been completed.
- d) The impacts associated with both phases i.e. Phase 1 (Open Cycle Gas Turbine) and Phase 2 (Combined Cycle Gas Turbine) of the development can be mitigated to acceptable levels.
- e) EMP measures for the pre-construction, construction and rehabilitation phases of the development were proposed and included in the EIA and will be implemented to manage the identified environmental impacts during the construction phase.

In view of the above, the Department is satisfied that, subject to compliance with the conditions contained in the environmental authorisation, the authorised activities 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 authorised activities can be mitigated to acceptable levels. The environmental authorisation is accordingly granted.