

Introduction and Purpose of the Background Information Document (BID)

Karpowership SA (Pty) Ltd (KSA) requires an Environmental Authorisation (in terms of the National Environmental Management Act 107 of 1998) and an Atmospheric Emissions Licence (AEL) (in terms of the National Environmental Management: Air Quality Act 39 of 2004) before it can commence with its proposed activities and generate electricity from its Powership at the Port of Richards Bay, at UMhlathuze Local Municipality, King Cetshwayo District, KwaZulu-Natal (the “Project”).

Triplo4 Sustainable Solutions (Triplo4) is the appointed Independent Environmental Assessment Practitioner (EAP) to undertake an integrated Environmental Impact Assessment (EIA) process for the Environmental Authorisation and an Atmospheric Emissions Licence (AEL).

The purpose of this Background Information Document (BID) is to provide an overview and information of the Project, to stakeholders and Interested and Affected Parties (I&APs) to enable meaningful participation in the Public Participation Process (PPP) related to the EIA and AEL for the proposed Project. This BID also provides information on the PPP, invites I&AP's to register and participate in the PPP as well as to invite others to participate or provide contact details to the EAP. This BID does not serve to provide detailed information on the potential impacts of the proposed Project development. Such potential impacts will be contained in the draft EIA Report.

Background

In response to the Request for Proposals (RFP) for New Generation Capacity under the Risk Mitigation Independent Power Producer Procurement Programme (RMIPPPP) issued by the Department of Mineral Resources and Energy (DMRE), KSA (on behalf of its project companies), submitted proposals to the DMRE and was subsequently awarded Preferred Bidder status on 18th March 2021 for three gas to power projects, located at the ports of Saldanha Bay (Western Cape), Ngqura (Eastern Cape) and Richards Bay (KZN).

Upon award of Preferred Bidder status, the KSA projects were classified as Strategic Integrated Projects on the 18th of March 2021 under the Infrastructure Development Act 2014.

A Scoping and Environmental Impact Reporting (S&EIR) process was conducted during 2020-2021, in order to obtain an Environmental Authorisation as per the timeline below:

- The Scoping Report, including the Plan of Study and approved Public Participation (PP) Plan for the EIA, was accepted by the Competent Authority (CA), namely the Department Forestry, Fisheries and the Environment (DFFE), on 06 January 2021.
- A Final EIA Report (EIAR) and Environmental Management Program Report (EMPr) were submitted to the CA on the 26 April 2021. The CA refused the EA application and provided KSA with the Record of Refusal (RoR) on 23 June 2021.
- On 13 July 2021, KSA appealed the CA's refusal. On 1 August 2022, the Appeal Authority (the Minister) dismissed the appeal and exercised her powers in terms of Section 43(6) of NEMA. The application was returned to the CA to allow the applicant to address various gaps and defects through a new EIAR and associated PPP, in order for the application to be considered by the CA.

The CA advised that an updated EIAR, addressing the various gaps in information, and subject to a Public Participation Process (PPP), must be submitted to the CA for reconsideration.

Project Description

The Project entails the generation of electricity by two Powerships moored in the Port of Richards Bay, fed with natural gas from a third ship, a Floating Storage & Regasification Unit (FSRU). The three ships will be moored in the port for the Project's anticipated 20-year lifespan. A Liquefied Natural Gas Carrier (LNGC) will bring in liquified natural gas (LNG) and offload it to the FSRU approximately once every 20 to 30 days, dependent on power demand which is determined by the buyer, ESKOM. The FSRU stores the LNG onboard and turns the liquid form into gaseous form (Natural Gas) upon demand from the Powership (Regassification). Natural gas will be transferred from the FSRU to the Powerships via a subsea gas pipeline. The Project's design capacity is 540MW. Electricity will be generated on Powerships by 27 reciprocating engines, each having a heat input in excess of 10MW (design capacity of 18.32MW each at full capacity). Heat generated by operation of the reciprocating engines is captured, and that energy is used to create steam to drive three steam turbines that each have a heat input of circa 15.45MW. The contracted capacity of 450MW, which cannot be exceeded under the terms of the RMIPPPP, will be evacuated via a 132kV transmission line over a distance of approximately 3.6km. The power will be evacuated from the Powership to the Impala substation, via a connection point (necessitating a new switching station) in proximity to the existing Bayside Substation, which feeds electricity into the national grid.

Locality



Figure 1: Photograph showing the Port of Richards Bay, KwaZulu-Natal.



Figure 2: Google image of the proposed Gas to Power Project

Location of Proposed Project

Description	Location of the Activity
District Municipality	King Cetshwayo District Municipality
Local Municipality	uMhlathuze Local Municipality
Ward	Ward 2
Area / Town / Village	Port of Richards Bay situated in Richards Bay

The proposed project is situated within the Port of Richard's Bay, and in proximity to the Richard's Bay Industrial Development Zone (RBIDZ), which was designated Special Economic Zone (SEZ) status in July 2017 in terms of the Special Economic Zones Act 16 of 2014.

The Richard's Bay Port was identified as a preferred location as it meets the technical requirements for the Project, the Project specifications, port planning and operational requirements. Additionally, the selected site is positioned within an area of the Port that will not require dredging.

Environmental Impacts

One of the key drivers to a successful EIA is to ensure that potential impacts (both positive and negative) are identified and investigated. The following issues and potential impacts have been identified to be assessed in respect of the various alternatives in the EIA which include amongst others:

Potential Marine & Terrestrial issues and impacts associated with the Powerships, FSRU, Liquefied Natural Gas Carrier, Gas Pipeline, Transmission Line, Switching Station and Temporary laydown areas	
<ul style="list-style-type: none">▪ Marine and estuarine habitat;▪ Sediment from mooring infrastructure;▪ Ambient air quality from increased atmospheric emissions;▪ Potential leakage of LNG;▪ Safety risk of storage of NG within the Port;▪ Noise pollution (terrestrial and underwater);▪ Water temperature;▪ Provision of additional electricity;▪ Contributions to GHG emissions and climate change;▪ Socio-economic impacts (positive and negative);▪ Marine traffic congestion and accidents	<ul style="list-style-type: none">▪ Coastal environment;▪ Indigenous vegetation and species of conservation concern;▪ Terrestrial ecosystem;▪ Fauna and avifauna;▪ Hydrology and geohydrology;▪ Aquatic system;▪ Hydropedological processes;▪ Wetlands, watercourses, estuarine areas;▪ Properties and existing services; and▪ Provision of additional electricity▪ Ambient air quality from increased atmospheric emissions;▪ Noise pollution (terrestrial and underwater)

The identified potential impacts will be assessed following an impact assessment methodology guided by the requirements of the EIA Regulations, 2014 (as amended). The broad approach to the significance rating methodology is to determine the environmental risk (ER) by considering the consequence (C) of each impact and relate this to the probability/likelihood (P) of the impact occurring. Based on the identified impacts and their ratings, mitigation and management measures will be recommended and included in the EMPr in order to avoid, minimise and manage any negative impacts, and maximise any positive impacts.

Specialist Evaluation

Specialist studies are undertaken to inform the EIA process. Independent specialists that are recognised experts in their specific field of study are selected and appointed. The specialist studies involve the gathering of baseline data (desktop and site visit, where applicable) relevant to identifying and assessing environmental, socio-economic and heritage impacts that may occur as a result of the proposed Project. In addition, the studies provide recommendations for mitigation measures to minimise potential impacts or optimisation measures to enhance potential benefits as well as monitoring requirements, where necessary. The findings and recommendations will be incorporated into the EIAr and the EMPr.

The specialists and experts' studies are listed below:

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|---|---|
| ▪ Wetland Delineation and Functionality | ▪ Hydrology (incl. 1:100 Year Floodline) |
| ▪ Wetland Rehabilitation Plan | ▪ Aquatic |
| ▪ Terrestrial Ecology | ▪ Major Hazard Installation Risk Assessment |
| ▪ Avifauna | ▪ Air Quality |
| ▪ Heritage & Palaeontology | ▪ Socio-Economic, Tourism, Small-Scale Fishers & Energy |
| ▪ Estuarine and Coastal | ▪ Underwater & Terrestrial Noise |
| ▪ Marine Ecology & Fisheries | ▪ Visual Impact Assessment |
| ▪ Climate Change | ▪ Thermal Plume |
| ▪ Project Sustainability | ▪ Marine Traffic |
| ▪ Geohydrology | ▪ Water Balance |
| ▪ Hydropedology | |

Public Participation Process

PPP Notification:

- Notification and distribution of the Background Information Document (this document) to identified potential and previously registered I&APs, to introduce the project, and invite registration for the PPP;
- Advertisements in local newspapers, namely the Zululand Observer, the Bay Watch, and Isolezwe local newspapers on during the week 24-28 October 2022 in four languages: English, isiZulu, Afrikaans and isiXhosa, the four official provincial languages.
- Advertisements in national newspapers, namely Sunday Times, Rapport and Ilanga, in four languages: English, isiZulu, Afrikaans and isiXhosa.
- Announcements in local radio stations namely Ukhozi FM, Gagasi 99.5 FM and East Coast Radio, in two languages: isiZulu and English during the week 24-28 October 2022.
- Placement of site notices and flyers in four languages: English, isiZulu, Afrikaans and isiXhosa at selected places - around the Port, at the municipality buildings (local and district), as well as other public places around Richards Bay, e.g. clinics and shopping centres.
- Leaflets and flyers distribution in four languages: English, isiZulu, Afrikaans and isiXhosa to marginalised communities in Richards Bay, as well as Empangeni.
- Invitation letter to landlords and previously registered NGOs for referrals and/or distribution of information and documentation within their networks.

Public and Stakeholder Meetings:

- The following meetings will be independently facilitated by a specialist PPP consultant –
 - In person meeting to be held at Zululand Chambers of Business Foundation (ZCBF) King Fisher Hall at Alton Road, Richards Bay Central. Coordinates – 28°45'23.04"S 32° 2'5.52"E) in Richard's Bay on 23 November 2022 at 10am-1pm.
 - Virtual meeting via online meeting platform to be held on 23 November 2022 at 5pm-8pm;
 - The registration link will be provided to registered I&APs prior to the meeting.
- During the virtual meetings, attendees will be given the opportunity to raise questions via a Q&A function.

Comment on the draft EIA report:

- The Draft EIA Report (inclusive of the EMPr and specialist reports) will be available to I&APs, including State Departments as well as DFFE, for comment for 33 days within the period **10th November – 13th December 2022** in hard copy for review at the following locations:
 - Richard's Bay Public Library (Physical Address: Kruger Road CBD, Richard's Bay);

- Empangeni Public Library (Physical Address: Corner of Union and Commercial Streets, Empangeni);
- Triplo4's Ballito Office (Physical Address: Douglas Crowe Drive, The Circle, Suite 5, Ballito)
- Triplo4's website: www.triplo4.com / online platform.
- Electronic copies of the draft EIAr may be also accessed via GoogleDrive online platform, the link to which will be emailed to all registered I&APs;
- I&AP comments on the draft EIAr will be addressed and incorporated into a final EIA Report, inclusive of the EMPr and specialist reports, which will be submitted to DFFE for consideration and for a decision on the application for Environmental Authorisation.
- Registered I&APs will be notified of DFFE's decision and their right to appeal.

YOUR CONTRIBUTIONS ARE IMPORTANT

In terms of the EIA Regulations 2014 (as amended), you are invited to formally register as an Interested and Affected Party (I&AP).

Please register by completing the enclosed registration and comment sheet and please declare your interest in the project.

You can participate:

- By responding (by phone or e-mail) to our invitation for your participation in the process;
- By completing the attached registration and comment form and e-mailing or faxing it to Triplo4 Sustainable Solutions;
- In writing, or by contacting us in a convenient way for you (all contact details are provided within the Registration and Comment Sheet below) if you have a query, comment, require further project information or assistance with the registration process;
- By attending meetings as a registered I&AP; and
- By reviewing and commenting on the draft EIA Report within the 33-day review period.

In terms of Regulation 43(1), I&APs are required to disclose any direct business, financial, personal or other interest which they may have in the approval or refusal of the application.

You are encouraged and welcome to forward this invitation to anyone who may have an interest in this project so that they can register.

Please note that the provisions of the Protection of Personal Information Act 4 of 2013 (POPIA) will apply - to register as an I&AP, your personal details will be required, and together with your comments, will be utilized in the EIA process.

REGISTRATION AND COMMENT SHEET:

Proposed Gas to Power via Powership at Port of Richards Bay, uMhlathuze Local Municipality, King Cetshwayo District Municipality, KwaZulu-Natal

This form serves to register Stakeholders (I&APs) for the above-mentioned Project and to solicit input and participation.

RETURN DETAILS

Company	Triplo4	Attention	Hantie Plomp
Email	richardsbayksa@triplo4.com	Cell	073 610 1973
Physical address	Suite 5 The Circle, Douglas Crowe, Ballito, KZN	Phone	032 946 3213

STAKEHOLDER INFORMATION

Title	Full name & Surname				
Contact Details	Telephone Number				
	Mobile Number				
	E-mail				
Preferred form of contact (please tick)		Email		Sms /Whatsapp	
Organisation and/or local community					

QUESTIONNAIRE

Are you directly impacted by the project?	Yes		No		If yes, please describe how? (you are welcome to add additional pages if required)
Are you a landowner or legal land occupier within the application area?					

Do you represent any communities or organisations? If so, please specify which communities or organisations.

Are you aware of any communities/organisations/community groups etc. which exist within the Project area that should be informed? Please provide any details including contact persons if you can.

Are you aware of any tribal authorities within, or affected by the aforementioned project? Please provide any details including contact persons if you can.

Are you aware of any stakeholders who need to be notified/engaged? Please provide any details including contact persons if you can.

Are you aware of any land developments (current or proposed) within the application area that may be relevant to the proposed project?

Do you have any specific concerns, comments or objections to the proposed project? If so, could you please provide us with specific details or questions?

Please kindly sign this document and return it to Triplo4 via any of the contact methods provided on the top of the first page to ensure that your comments, concerns and inputs are recorded for inclusion in the PPP.

Name	Signature	Date

I&APs are responsible for notifying Triplo4 if their contact details change. Triplo4 will not be held responsible if information pertaining to the proposed Project is undeliverable due to any I&AP contact details changing or being unreachable.

.....✂ Please cut and place on your notice board or fridge

MEETING REMINDER				
Port	Meeting	Venue Address and Coordinates	Date	Time
Richards Bay	In person	Zululand Chambers of Business Foundation (ZCBF) King Fisher Hall at Alton Rd, Richards Bay Central. Coordinates – 28°45'23.04"S 32° 2'5.52"E	23 Nov 2022	10am-1pm
Richards Bay	Virtual	The registration link will be emailed to all previously & newly registered I&AP's.	23 Nov 2022	5pm-8pm