

Status of the Mooi-Mgeni Transfer Scheme - Phase 2 (MMTS-2) (Spring Grove Dam)

Purpose of this newsletter

This newsletter provides a brief status report on:

1. The environmental process.
2. The land acquisition process.
3. The construction programme.

Decision on the EIA Appeals

Two appeals were lodged against the positive Record of Decision (RoD) issued on 15 June 2009. The Mooi River Farmers' Association appealed against the Dam, as they felt that other strategic water resource options were not considered. They subsequently withdrew their appeal.

The Mziki Homeowners Association raised objections about the EIA process, the lack of alternatives for the routing of the pipeline and the lack of proper assessment of the significant impacts.

The appeal against the pipeline was upheld by the Minister of Justice and Constitutional Development on 28 September 2010. What this means is that authorisation was given to proceed with the Spring Grove Dam and its associated works. However, a new environmental process with public participation



has to be undertaken for a scheme to transfer the water from the Dam.

Interested and Affected Parties will be informed about the commencement, nature and scope of the environmental process for the water transfer scheme.

Land Acquisition

The land acquisition programme didn't proceed as planned because of significant delays in concluding the Water Supply Agreements. In addition, formal expropriation couldn't commence until the environmental appeal against the Record of Decision was adjudicated. The negotiations on the Water Supply Agreement has advanced significantly, while the authorisation for the Dam was confirmed.

Since August 2010, land acquisition for expropriation of properties in the Dam basin commenced in earnest.

Land acquisition has proceeded in three distinct phases. Landowners directly affected by the Dam embankment and construction site establishment area were contacted first and issued with Notices. The second phase was to contact and issue Notices to landowners on whose properties borrow areas are located. Following this phase, landowners who will be affected by impoundment, will be contacted next. It is anticipated that in early 2011, all other landowners affected by the Dam (mostly the Vaalekop properties) will have been contacted and issued with Notices.

The Construction Programme

At this stage construction is planned to commence mid January 2011. The following five Tenderers were shortlisted:

- Grinaker-LTA
- Group Five Construction and Pan African Development Joint Venture
- Concor Holdings and Hochtief Construction Joint Venture
- WBHO Construction, Steffanutti Stocks Civils and Edwin Construction Joint Venture

- Cooperativa Muratori e Cementisti Ravenna, Impregilo SPA and PG Mavundla Engineering Joint Venture

The Tender submissions are currently being evaluated and TCTA hopes to award by December 2010.

The duration of the construction programme is 24 months. Impoundment of the Dam is scheduled for September 2012 with full commissioning of the Dam on January 2013.



Establishment of the Environmental Monitoring Committee (EMC)

One of the conditions of the Record of Decision was that an EMC be established. In September 2010, key stakeholders were contacted and requested to participate in the EMC process. The purpose of the EMC is to provide a structure where representative

sectors of society collaborate with the project authorities to monitor compliance of the project against the Environmental Management Plan and the Record of Decision (Figure 1).

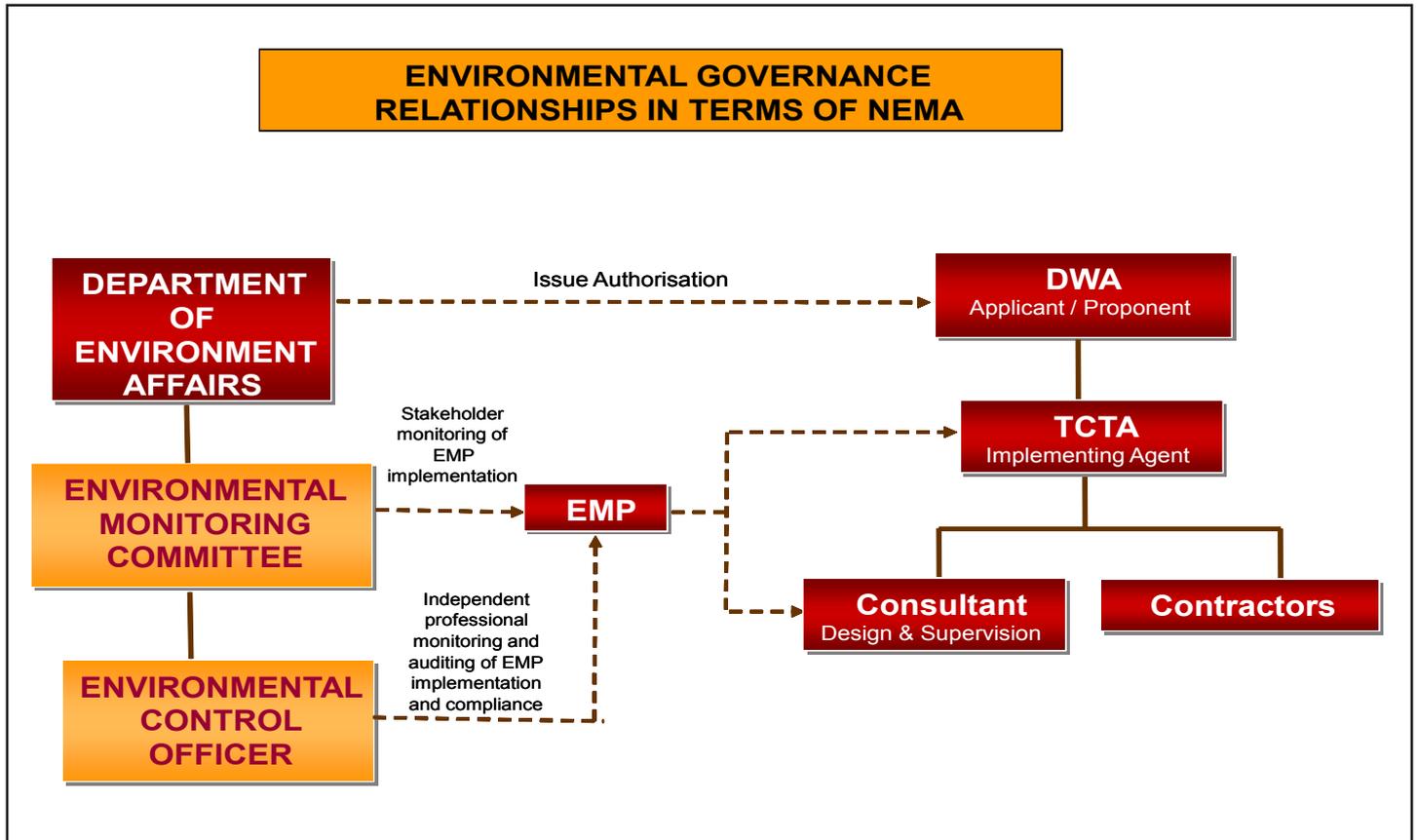


Figure 1: Environmental governance arrangements established for MMTS2 requires the establishment of an EMC and the appointment of an Environment Control Officer. Implementation of the Environmental Management Plan will be undertaken by staff appointed by TCTA, the Engineering Consultant and the Contractor.

The EMC will be made up of the following parties:

- TCTA
- Department of Water Affairs (DWA)
- Umgeni Water
- The national Department of Environmental Affairs (DEA)
- Department of Agriculture and Environmental Affairs and Rural Development
- Each of the Affected Residents' / Rate-payers' Associations
- Ward Councillors
- Local Municipalities
- NGOs
- Mooi River Farmers Association
- Directly Affected Landowners
- Mooi River Irrigation Board
- Nottingham Road Landowners Association

The first EMC meeting was held on 20 October.

Environmental Control Officer (ECO)

The appointment of the ECO is one of the conditions of the Record of Decision. The role of the ECO is to act as an independent professional to undertake periodic monitoring and third-party auditing of compliance

against the Environmental Management Plan and Record of Decision. The function of the ECO is also to support the EMC.

Pre-construction Activities

Pre-construction activities that have commenced included:

- Surveying and pegging affected properties.
- Conducting baseline environmental studies.
- Consultation with landowners on realignment of access roads in the basin.
- Undertaking due diligence review of the Fish Barrier.
- Reviewing the environmental and cost implications of the proposed quarry on Spring Vale.
- Commencing with further heritage investigations.

Investigation work on further phases of the Heritage Study commenced during August 2010. Graves have been identified and notices erected. Newspapers adverts for the next-of-kin were placed.. The process of documentary and archival research is underway and graves have been reported to the heritage authorities.

Communication

Kogi Govender, TCTA's environmental manager, will from November 2010 be based in Nottingham Road. She will be responsible for liaison with local residents and other interested parties. Her contact details are: 083 564 9285 and kgovender@tcta.co.za.

