



REFERENCE: 16/3/3/6/1/F3/16/3086/22

DATE: 27 JUNE 2022

The Board of Director
Keren Energy Group Holdings (Pty) Ltd
7 Pin Oak
Welgevonden
STELLENBOSCH
7600

For Attention: Mr. Cornelius Weyers Janse van Rensburg

Cell: 082 631 7496

Email: weyers@kernenergy.com

Dear Sir

APPLICABILITY OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 1998 (ACT NO. 107 OF 1998) (“NEMA”) AND THE ENVIRONMENTAL IMPACT ASSESSMENT (“EIA”) REGULATIONS, 2014 (AS AMENDED) FOR THE PROPOSED ESTABLISHMENT OF AN ELECTROLYSIS HYDROGEN PLANT AND ASSOCIATED INFRASTRUCTURE ON PORTION 7 OF THE FARM DUINEN NO. 258, VANRHYNSDORP

1. The checklist for the determination of the applicability of the EIA Regulations, 2014 (as amended) dated and received by this Directorate via electronic mail correspondence on 03 June 2022, refers.
2. This letter serves to confirm the applicability of the EIA Regulations, 2014 (as amended), with respect to the proposed establishment of an electrolysis hydrogen plant and associated infrastructure on portion 7 of the Farm Duinen No. 258, Vanrhynsdorp.
3. The Department has reviewed the checklist and based on the information submitted, notes the following:
 - 3.1. The Department notes that the site on which the electrolysis hydrogen plant is proposed is part of a bigger site that has been lawfully approved by the then National Department of Environmental Affairs for the Vanrhynsdorp Solar Photovoltaic (“PV”) Facility (Reference: 14/12/16/3/3/1/1854), a site of approximately 20ha in extent with an electricity output capacity of 5.75MW.
 - 3.2. Electrolysis of water is the process of using electricity to split water into hydrogen gas and oxygen. The water will be obtained from existing boreholes on Portion 7 of the Farm Duinen No. 258, Vanrhynsdorp. The energy generated from the PV facility will be used to power the electrolysis hydrogen plant.
 - 3.3. The electrolysis hydrogen plant with a development footprint of approximately will produce approximately 75kg of hydrogen gas per day, which will be stored in separate containers with a 25m³ storage capacity.
4. Based on available mapping/GIS tools, the following is noted:
 - 4.1. The site (an approximately 8000m² in extent) comprises Vanrhynsdorp Gannabosveld, a Least Threatened ecosystem in terms of the National Environmental Management: Biodiversity Act, 2004

(Act No. 10 of 2004) ("NEM:BA"), List of Threatened Ecosystems in Need of Protection, December 2011;

- 4.2. There are no natural watercourses within 32m of the proposed site. The closest watercourse is channelled valley-bottom wetland approximately 740m North-West of the site; and
- 4.3. The site is located more than 5km from the closest Proclaimed Protected Area.
5. Based on the information provided, this Directorate is of the view that the proposed development of an electrolysis hydrogen plant on Portion 7 of the Farm Duinen No. 258, Vanrhynsdorp, **does not trigger** the following additional Listed Activities in terms of the EIA Regulations, 2014 (as amended).

Listing Notice 1 of the EIA Regulations, 2014 (as amended)

Listed Activity: 14

Activity Description:

"The development and related operation of facilities or infrastructure, for the storage, or for the storage and handling, of a dangerous good, where such storage occurs in containers with a combined capacity of 80 cubic metres or more but not exceeding 500 cubic metres."

Listing Notice 3 of the EIA Regulations, 2014 (as amended)

Listed Activity: 10

Activity Description:

"The development and related operation of facilities or infrastructure for the storage, or storage and handling of a dangerous good, where such storage occurs in containers with a combined capacity of 30 but not exceeding 80 cubic meters."

i Western Cape

- i. Areas zoned for use as public open space or equivalent zoning;
- ii. All areas outside urban areas; or
- iii. Inside urban areas:
 - (aa) Areas seawards of the development setback line or within 200 meters from the high-water mark of the sea if no such development setback line is determined;
 - (bb) Areas on the watercourse side of the development setback line or within 100 meters from the edge of a watercourse where no such setback line has been determined; or
 - (cc) Areas on the estuary side of the development setback line or in an estuarine functional zone where no such setback line has been determined."

5. This determination is based on the following:
 - 5.1 The proposed development is not located within a Critical Biodiversity Area, will not result in the clearance of more than 300m² of indigenous vegetation from an Endangered ecosystem and will not occur within 32m of a watercourse.
 - 5.2 The proposed development entails the storage and handling of a dangerous good, where such storage occurs in containers with a combined capacity that will be **less than** 30 cubic meters.
6. Environmental Authorisation from the Competent Authority (in this instance, this Directorate) for the abovementioned additional Listed Activities is **therefore not required** for the development proposal on the proposed site.
7. **Notwithstanding the above, kindly note the following:**
 - 7.1 The proposed establishment of an electrolysis hydrogen plant and associated infrastructure on portion 7 of the Farm Duinen No. 258, Vanrhynsdorp is deemed to be directly related to the approved Vanrhynsdorp Solar PV Facility (Reference: 14/12/16/3/3/1/1854), as electricity that is

generated from the approved Vanrhynsdorp Solar PV Facility will be used for the electrolysis of water process at the proposed electrolysis hydrogen plant.

7.2 Additionally, the proposed site for the proposed electrolysis hydrogen plant is located within the site authorised for the Vanrhynsdorp Solar PV Facility.

7.3 The following is stated in terms of Regulation 27(1) of the EIA Regulations, 2014 (as amended):

“The competent authority that issued an environmental authorisation has jurisdiction in all matters pertaining to the amendment of that environmental authorisation as long as the environmental authorisation is still valid, provided that the competent authority that issued such environmental authorisation still has jurisdiction in terms of the Act.”

7.4 Consequently, the Environmental Authorisation issued on 8 May 2018 by the then National Department of Environmental Affairs for the Vanrhynsdorp Solar Photovoltaic (“PV”) Facility (Reference: 14/12/16/3/3/1/1854) must be amended to include the proposed establishment of an electrolysis hydrogen plant and associated infrastructure on portion 7 of the Farm Duinen No. 258, Vanrhynsdorp.

7.5 In light of the above, **you are required to apply for an amendment of the Environmental Authorisation issued on 8 May 2018** by the then National Department of Environmental Affairs for the Vanrhynsdorp Solar Photovoltaic (“PV”) Facility (Reference: 14/12/16/3/3/1/1854) to accommodate the proposed electrolysis hydrogen plant is located within the site authorised for the Vanrhynsdorp Solar PV Facility.

7.6 You are therefore advised to contact the National Department of Forestry, Fisheries and the Environment (“DFFE”) for further information regarding the process to be followed in order to apply for and obtain such amended Environmental Authorisation in terms of the EIA Regulations, 2014 (as amended).

8. It is prohibited in terms of the NEMA to commence with a Listed Activity without a relevant Environmental Authorisation from the Competent Authority. Non-compliance in terms of the prohibition will be referred to the Department’s Directorate: Environmental Law Enforcement for possible prosecution. The penalty for a person convicted of an offence in terms of the above is a fine not exceeding R10 000 000 or imprisonment for not more than 10 years, or both such fine and such imprisonment.
9. Kindly quote the abovementioned reference number in any future correspondence concerning the proposed development.
10. The Department reserves the right to revise or withdraw its comments and request further information from you based on any information received.

Your interest in the future of the environment is greatly appreciated.

Yours faithfully

pp HEAD OF COMPONENT
DIRECTORATE: DEVELOPMENT PLANNING – REGION 1
WESTERN CAPE GOVERNMENT: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING

Copied to: (1) Jan-Taljaard Marx (EnviroAfrica CC)
(2) Anna Helena Wiese (The Jimmy Wiese Family Trust)
(3) Thesme van Zyl (Matzikama Municipality)

Email: jan@enviroafrica.co.za
Email: Enawiese@enawiese.co.za
Email: thesme@matzikama.gov.za