

Our Ref: J27035

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Attention: Ms. S. Leber

Johannesburg

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Dear Madam

ESKOM ENVIRONMENTAL IMPACT ASSESSMENT (EIA:12/12/20/944) FOR A PROPOSED NUCLEAR POWER STATION AND ASSOCIATED INFRASTRUCTURE: COMMENTS ON THE REVISED PLAN OF STUDY FOR EIA

Your correspondence to Ms. Bongji Shinga of ACER (Africa) entitled “*Comment Draft EIA - Nuclear 1*” refers.

Arcus GIBB (Pty) Ltd (GIBB) acknowledges receipt of the above-mentioned letter. We thank you for your valuable comments and your participation in the Eskom Nuclear Power Station (Nuclear-1) Environmental Impact Assessment (EIA) process to date. Your questions and comments concerning the Nuclear-1 have been noted.

Responses to your comments / questions are as follows:

Your comment (1)

As a first time proponent to the EIA report process, having never been involved in anything like this; I would like to submit my comments.

I would like to comment firstly regarding the public participation meetings. These meetings are a complete sham and designed as a front to appease the conscience of Eskom and Arcus GIBB. I would imagine a large sum of money and time is spent convening these meetings (consultants travelling to the relevant areas, - travel and accommodation costs, facilitation charges etc.) however, in reality, the meetings achieve very little in terms of perceived objectives. Public Participation meetings are held from 18h00 to 20h00. The consultants go through their presentations for an hour and a half (slightly more as they finished at 20h00). These presentations do not cover many of the relevant topics covered in the report. Thereafter, half an hour is offered for public participation (questions). I have to wonder what can possibly be achieved in this timeframe on a report of hundred of pages of highly technical information. In the meeting I attended in Hermanus the Facilitator welcomed the community and in her introduction, listed a number of points she'd made note of, as being the most important or significant listed from comments made during the scoping phase. None of these points were covered subsequently by the Arcus GIBB consultants during their presentations. The word participation would imply that these meetings should involve and engage constructively with participants and consultants and not that it would be a lecture driven exercise designed to manipulate the community into discussion based on the information the consultants wish to discuss. Secondly to leave 30 minutes for public comment on a report of this magnitude is a fatal flaw itself. I find it mind-boggling that issues like health impacts are scoped out – supposedly to be dealt with by the Nuclear Commission. This makes the assumption that they will do so effectively. I don't believe one can assume anything of the kind. This is merely taking advantage of man in the street, not knowing how the process fits together.

Response 1

The public participation process (PPP) in terms of the Nuclear -1 EIA has been conducted in terms of international best practice guidelines and in terms of the legal obligations of the National Environmental Management Act (NEMA) and its associated guideline documents. Two independent EIA process reviewers (Sean O'Bierne and Mark Wood) have deemed the PPP undertaken thus far to meet all legal requirements and to be appropriate to the EIA, allowing all stakeholders to participate in the EIA in a meaningful manner.

Interested and Affected Parties (I&APs) as well as Stakeholders have been included in the consultation process through direct communication in the form of letters and written feedback on comments submitted during the Scoping Phase and will be consulted in the same manner during the EIA phase of the EIA.

The public meetings scheduled in terms of the Draft EIR were done so in order to communicate the key results and conclusions from the Report and the specialist studies to as wide as possible representation of parties. The Hermanus public meeting was unfortunately the first meeting for the Draft EIR and unfortunately the presentations ran overtime due to interruptions from the audience. This was rectified in subsequent meetings. Several public meetings planned in terms of the Revised Draft EIR will be in the form of public open houses which will afford the public with additional time to interact with the EIA and technical team. During the scoping phase open days were held, this kind of interaction provides the opportunity for the public to engage individually with the various team members.

Your comment (2)

My comments regarding the specialist report itself, specifically the Impact on Tourism within the Bantamsklip area, follow:

I feel qualified to comment on this as I have been involved in the industry for the past 7 years and run a successful business within this arena.

Response 2

Your comment is noted.

Your comment (3)

1. **Section 1.2.2.** Assumption • *The sphere of impacted tourism asset is between 0km and approximately 20km from the proposed nuclear power station platform.*

In **Section 2.** Description of Affected Environment the report states that *"This marine asset draws the majority of visitors and is largely responsible for driving the local tourism economy and associated industry. However, many of these are day visitors who stay overnight in Hermanus where the accommodation sector is much larger than at Gansbaai." ... "The general tourism product is relatively underdeveloped, and tourist support services, facilities and industries are few in number and still developing."*

If the consultants knew and admitted that because the tourism infrastructure within the 20km sphere is under developed, why have they not included statistics from further afield? If the consultants were really interested in portraying the accurate tourism impact figures, surely Hermanus and perhaps even a mention of some a % of Cape Town bed-nights would be included. The figures between the

numbers doing shark dives and bed-nights do not correlate – surely these people must sleep somewhere and these figures should be taken into account for impact in both sectors (bed-nights and shark diving numbers).

Response 3

The specialist responsible for the tourism study has provided comment to the questions posed in your letter relating to tourism aspects.

Hermanus cannot be included as it falls outside the stipulated 20km radius. This is not to say that Hermanus and its tourism market are ignored in the specialist report, but that for calculation and comparison of tourism value and size, each site must be consistent in its calculation. As an extreme example, one could argue, as you suggested above, that Cape Town supplies tourists to Gansbaai, so why are they not included? By the same token, one could question Port Elizabeth's inclusion in the Thyspunt bed-night figure, not to mention the inclusion of the entire Cape Peninsula when addressing the Duynefontein site.

However, the bed-night figure is again stressed as a size and value indicator of the immediate tourism market for comparative purposes. To ensure the accuracy and comparability thereof, only the markets identified within the 20km radius were included.

As an example, in the Thyspunt section, Jeffrey's Bay is not included in the bed-night calculation, but is discussed due to the publicly pronounced, highly mobilised and active anti-nuclear campaign and world-renowned surfing reputation.

In terms of shark diving numbers the figures for Bantamsklip are calculated on the basis of data supplied by the operators of shark-cage-diving tours (at 2008 prices) which shows that, adjusted for inflation, Bantamsklip would account for about 25% of South African shark-cage-diving which is not unreasonable. The tourism report does not underestimate the importance of shark-cage-diving to the local economy.

Your comment (4)

2. more assumptions ...

- *As tourism is a complex sector, the comparative figure used for each area is the number of bed-nights which is the only true measure of tourism performance. The value of bed-nights spent in each area was accepted as the most accurate feasible representation of the value of tourism.*
- *Tourism bureaux accurately present industry data in each area.*

I disagree that this is a true representation of value of tourism for an area. I also challenge that Tourism bureaux present accurate data (not that they are purposely being misleading, just that they do not collect data on a regular basis). In the first instance the number of bed-nights is completely inaccurate even within the 20km area. **Table 2.2** used a figure of 1111 bed-nights, (and yes that was in 2007) is misrepresentative today. According to SATSA staff and the tourism statistics barometer for the region, there was a 43% increase in the region in the last year alone – specifically in eco/adventure tourism. The Tourism Bureaux information is not updated regularly and represents only a slight percentage of visitors actually going into these centres. As has been outlined, national, provincial and local government/municipalities don't have a cohesive strategy and therefore most tourism related establishments do their own marketing and research.

Having done a snap survey myself, taking 10 establishments within the 20km area and then including another 10 in the Hermanus area, to ensure international tourism perceptions are comparable. (Establishments surveyed were distributed between different economic and grading ranges as well as between seafront and non seafront accommodation.) I was found that less than 0.1% of

establishment annual business comes via the tourism office or has any involvement with the tourist bureaux. Approximately 70% is made up of internet bookings, there is a significant % of walk-in business for some establishments, as well as a % word of mouth return guests and travel agent bookings. None of these %'s were presented. More than 50% of establishment annual bookings come to the region for Eco tourism – sharks, whales, flora and fauna, and the closer establishments are to the Bantamsklip area, the higher the percentage coming for Eco Tourism.

Note: These figures were obtained from actual practical experience and interviews with longstanding industry stakeholders who have knowledge of International tourism preferences.

Response 4

Bed-nights are an internationally accepted measure of tourism activity, and are the only way of comparing the three sites. In addition to bed-nights, the Tourism Assessment took into account expenditure on other tourism activities such as whale-watching and shark-cage-diving (see response 3).

The data and occupancy rates were obtained from available tourism data, the relevant tourism bureaux and a public stakeholder meeting, and verified in tourism service provider and operator sampling. It is an international standard practice in tourism research to refer to and utilize the data gathered by tourism bureaux and offices. These data are unanimously recognised and employed by tourism industry authorities, academic and research institutions and government, and form a quantitative pillar of this study.

Your comment (5)

3. In **Section 1.2.3 Limitations** the report states “*Tourism by nature is complex and diverse but, due to time and budgetary constraints and moreover for comparative purposes, the annual value of bed-nights was accepted in this study. However, the full concept of tourism product and asset is far greater than bed-nights, and includes an array of service and support industries that have not been included or quantified in this study.*”

Response 5

As mentioned in response 4 bed-nights is an internationally accepted measure of tourism activity, and is the only way of comparing the three sites. In addition to bed-nights, the Tourism Assessment took into account expenditure on other tourism activities such as whale-watching and shark-cage-diving.

Your comment (6)

Table 4.4 Estimates the annual value of the Shark and Whale watching industry, however, I must again reiterate, figures have been quoted on shark diving at 40 000. These people must sleep somewhere (20km area, Hermanus or even Capetown), this impact has not been calculated into the bed-night impact calculation. Additionally no impact study was presented for flora and fauna tourism i.e. botanical or birding societies, which would also contribute to eco-tourism. The area contains a number of red data species.

Response 6

Your comment is noted. Please see our response to comments 4 and 5.

Your comment (7)

Section 2. represents Bantamsklips' "seasonal period" being Christmas to New Year. This may be so for local tourism where tourism impact is restricted largely to family visitation and holiday house letting, however eco tourism impact would need to be measured for 'high season' in terms of International Eco-tourist season, which is actually from August – December. The figure of R350 per bed-night is vastly misrepresentative (taking into account establishments such as Grootbos and many others, where exclusivity is not taken into account. What surveys or evidence has been collected from interviews of the Overseas market tourist? The Overseas tourist market are the higher proportion of spend on both accommodation and eco or adventure tourism, than specified.

Response 7

Your comment is noted, the tourism report should indeed stipulate that the Christmas and New Year holiday periods were identified as the "peak" tourism season as a point of clarity. The report does however not state nor suggest that tourism is limited to only this period, or does it underestimate or dismiss other periods or seasons. It is a statement of the gathered information from the consulted stakeholders and corroborating tourism data, that the December and January months capture the greatest tourist influx.

With regard to the suggested discrepancy of international versus domestic tourists, according to the available (and industry recognised and accepted) Western Cape tourism barometers for the Overberg, in the first quarter (between January and March) of 2008 and 2009, international visitors represented only 32% and 30% of all tourists respectively, significantly less than implied by the respondent. Furthermore, in the last quarter (between October and December) of 2008 and 2009, international visitors represented only 28% and 21% of all tourists respectively.

However, the essence of the respondent's concern seems to surround the "seasonal" aspect as opposed to the origin of tourists. As such, it must be stressed again that the report does not imply that tourism ceases to exist outside of 25 December and 1 January.

Your comment (8)

The statement that due to time and budgetary constraints, only the annual value (albeit inaccurate) of bed-nights was accepted in this study. Statements like "due to time and budgetary constraints", "these concepts are very difficult to quantify" "Specific tourism visitation or value statistics are neither systematically collected in, nor available for, the areas in proximity to proposed" are clearly a cop out by the consultants for work inaptly completed. I find these types of statements unacceptable as excuses for improper research as a basis for a report which will have such significance to the impact on eco tourism.

Response 8

The tourism report acknowledges that not 100% of all tourism stakeholders were consulted. However, the report is confident in its identification and inclusion of representative individuals and operators that accurately and comprehensively reflect the greater nature and balanced extent of tourism insight, experience, knowledge, concerns and opinion.

Your comment (9)

The point was made that because of the complex and diverse industry tourism, as a product, includes service and support industries which were not included or quantified. These industries are an important consideration and although difficult to quantify should not go without mention.

- Job creation within Hospitality Industry
- Hardware (maintenance of structures)
- Interior Design Retail Outlets
- Food stuffs and Cleaning Products
- Florists
- Restaurants
- Beauty Treatments
- Media related industries (web design / internet connectivity and printed media)

Incidentally, having consulted in the Shark and Whale Watching industries for the past few years, I was surprised to see that only the actual figures for the boat trip (R1250) had been included in the impact assessment. This would have been a very simple example for the calculation to quantify the various service and support industries which go hand in hand with the basic industry, had the consultants so wished. Excluded totally were the figures from the peripheral spend, T-shirts, Caps, bags, DVD's books etc. as well as the positive spin off spend towards local communities. The direct BEE contribution to Socio Economic Development spend and Enterprise Development Spend. Believe me, these are substantial. The other support industry the consultants neglected to mention in the Shark Diving industry was the volunteer programs, where students contribute money and services in volunteer conservation programs.

Response 9

As stated in response 8, the tourism report is confident in its identification and inclusion of representative individuals and operators that accurately and comprehensively reflect the greater nature and balanced extent of tourism industry, insight, experience, knowledge, concerns and opinion.

Your comment (10)

In a study commissioned in 2003 and done by Jane K Turpie, Barry J Heydenryck and Stephen J Lambert, they utilised accurate data from, the surveys conducted by the University of Cape Town, S A National Parks Board and, Marine Coastal Management and estimated the cost of conservation. The study included the value of Tourism. It stated "Western Cape has a 28% share of the national tourist market, and more than 50% of international visitors include this province in their itinerary. In 1998 a study by West Gro & KPMG it was established that tourism accounts for 9% of the Western Capes Gross Geographic Product.

Response 10

Your comment is noted.

Your comment (11)

One way of estimating the contribution of natural resources to tourism receipts is to establish their contribution of tourist decisions to visit the area. In this study, international visitors rated natural environment more highly than domestic tourists, visiting the Agulhas Plain. Figures were extrapolated to determine a value of R6406 million of value of tourism that could be ascribed to the natural environment. Alternatively one could use the proportion of tourists for whom an aspect of the natural

environment was the main motivation for their visit. In a study by Grossman & Koch 1995 80% of tourists surveyed cited natural or semi-natural (rural) attractions as the primary reason for their visit.

Although figures above were derived many years ago the motivations remain consistently significant today and values are substantially increased.

Response 11

Your comment is noted however the natural resources and nature attractions of the site are currently inaccessible to tourists; the opening of the reserve areas that surround the proposed Nuclear Power Station would result in an increased terrestrial asset to leverage wider tourism for the area as a whole. This would be important in the light of eco-tourism being identified in the local municipality's Integrated Development Plan (IDP) as one of the main economic and social development strategies for the future of the area.

Your comment (12)

4. *"Tourism is also inherently linked to the concepts of brand, image and perception. These concepts are very difficult to quantify but have a tremendous impact on the industry. The success a tourism destination is determined by the competitive choice that exists between various destinations. This choice, in turn, is based on the perceptions of those destinations held by potential tourists, specifically in terms of the degree of attraction and the ultimate satisfaction of their visitation requirements. These requirements are as diverse as the tourists themselves, ranging from location to environment to cost. Specific tourism visitation or value statistics are neither systematically collected in, nor available for, the areas in proximity to proposed Nuclear-1 sites."*

(This confirms there is some amount of emotion to the motivation of destination) *"The success of tourist destination determined by competing choices"* Tourists choose South Africa because of its natural unspoiled beauty – they chose this destination to get away from Industry and Nuclear Power Stations in their own countries.

The specialists have tried to manipulate the facts by comparing a 'rural' 'small country village' environment, abundant in unspoiled natural beauty and heritage, with an urban city environment. It is for this specific reason that visitors come to the area. The report would have us believe that the *"change in the areas visual attractiveness"* (power-lines and power-station) and the *"change in residential and holiday visitor perception of character and appeal"* would not have any negative impact. The increase in business trade and construction staff was portrayed as a positive. I don't believe they have an understanding on the Tourism industry. Increases in business and construction staff trade may have a positive impact on "bed-nights", however, at what cost? This is not a long term sustainable increase. It will create an artificial tourism industry and change the dynamic of eco tourism in changing the social amenity. The charm of the unspoiled country side and the undeveloped towns add to the value.

Response 12

The Tourism Assessment does recognize the nature of *"the area and the importance of tourism and more specifically environmental and conservation orientated tourism. Sustainable environmental management and bio-regional planning are identified as specific elements in future tourism development plans for the area"*. The tourism specialist however maintains that the potential impact at Bantamsklip will be small-scale, short-term and with a long-term positive discernible impact on tourism.

Your comment (13)

5. In **Section 5.1** specialists would have us believe that people only have problems with Nuclear Power Stations where accidents are concerned. It suggests that tourists, in fact, want to visit Nuclear Power Stations.

Picture the scene, two visitors talking. (They're on a 14 day holiday between Cape Town and travelling down the garden route. 4 days in the Mother City and then 1 or 2 nights taking in some of the scenic wonders)

Visitor 1 – "Honey, should we take in the sunshine today and explore the coastline look at the flowers and plants, visit the nature reserve, watch some whales?"

Visitor 2 – "No darling, I'd rather do a tour of the Nuclear Power Station, we've only got a day and I'd rather spend it there!"

In a recent article in the Cape Times, Melanie Gossling interviewed a group of Italian tourists alighting from a Shark Diving Trip, on their feelings about a Nuclear Power Station be built near Dyer Island and they were absolutely 'horrified' at the thought.

I would think its a little naive in these days of suicide bombers to consider allowing day visitors near a Nuclear plant?

Bisconti's Research was put forward showing recent studies in America, where Public Support for Nuclear Energy has increased dramatically. Having read the research, by Bisconti's own admission these studies show that understanding of public opinion should be viewed in different contexts depending on which and how questions where posed. The study found, for example that there was an increased positive response to building more Nuclear Power Stations, however, there was also an increase in the respondents saying no they definitely didn't want them built near 'their' homes. Respondents also thought the government should give more tax breaks to companies trying to bring in alternative energy sources.

Bear in mind the research was done in America, one of the world's biggest energy guzzlers, and the survey taken directly after President Obama voiced his support of building more Nuclear Plants during a speech shortly after taking office. Finally Bisconti's March survey, also found that the public was far more concerned about job creation and economic growth than energy and the environment at the present time.

I believe European based research would paint a different picture.

Response 13

Your comment is noted. The appointed tourism specialist maintains that the potential impact at Bantamsklip will be small-scale, short-term and with a long-term positive discernible impact on tourism.

Your comment (14)

6. The report found that *"the community in the Bantamsklip area expressed concern was relating to the impact of heavy-vehicle traffic during the construction period on local roads. These roads are not built for such traffic, and it was felt that there would be a need for strict control both over the routes to be used and over noise pollution from heavy vehicles which could be a factor in Gansbaai with negative impacts on tourism"*.

In mitigation “*Transport Controls*” were suggested. The wording “*Adequate controls on heavy-vehicle traffic during the construction phase will be required in order to mitigate negative impacts such as noise, road damage and congestion.*” Brings me to ask, what is meant by Adequate and who will police this? Would this be the task of local or provincial traffic authorities? They are already inadequately trained and staffed (by their own admission). The report seems bent on comparing our standards with overseas first world countries. Does this go for our driving standards too?

Response 14

Your comment is noted. Recommendations in terms of the impact on traffic are included in the Traffic Impact Assessment (Appendix E of the EIR). These measures have also been included in the Environmental Management Plan (EMP) which is a legally binding document, the implementation of which is monitored by an independent Environmental Control Officer (ECO) and the Competent Authority.

Yours faithfully
For Arcus GIBB (Pty) Ltd

A handwritten signature in cursive script that reads "Jm Ball". The signature is written in dark ink and is positioned above a horizontal line.

Jaana-Maria Ball
Nuclear-1 EIA Manager