

Our Ref: J27035

20 March 2011

Attention: Mr. Nick Bornman

Dear Sir

Johannesburg

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

Your correspondence to Ms. Bongji Shinga of Acer (Africa) refers.

Arcus GIBB acknowledges receipt of the above-mentioned letter. We thank you for your valuable comments and your participation in the Eskom Nuclear Power Station (NPS) 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)

Added to my last mail regarding Insurance Exclusions for Nuclear Sites, please look at attached document and in particular the exclusions under Nuclear Sites Policy (13.30). This is apparently an international policy and thus ALL our Insurance Policies will be affected by these exclusions! The agents' words are "Nuclear exclusions are standard under every domestic policy globally and in South Africa". This should be included in your EIA Report and serious consideration should be given to how this will affect all residents of Oyster Bay and Cape St Francis and St Francis Bay.

Response (1)

It is unclear what the document you provided is from. In the absence of further detail, it is difficult to comment on the provisions of this specific policy, as it is unclear in what context it was drawn up.

The NNR Act requires Eskom to make financial provision for third party liability compensation claims in the event of nuclear damage. That is similar for every country in the world and is why this type of insurance cannot be obtained from private insurance companies. The current figure stipulated in GN 581 of 2004 is R2.4 billion. Eskom makes the financial provision through insurance (that is obtained from the international nuclear insurance pools) and which is in dollar denomination resulting in a financial provision in excess of R3 billion. Every year Eskom has to provide proof that the financial provision (insurance) has been obtained.

Should you have any queries with respect to the above please do not hesitate to contact Arcus GIBB.

Yours faithfully
For Arcus GIBB (Pty) Ltd

A handwritten signature in black ink that reads "Jm Ball". The signature is written in a cursive, flowing style.

Jaana-Maria Ball
Nuclear-1 EIA Manager