

# Petroleum Agency SA

Tygerpoort Building · 7 Mispel Street · Bellville 7530 · P.O. Box 5111 Tygervalley 7536 · South Africa  
Tel: +27 21 938 3500 · Fax: +27 21 938 3520  
E-mail: plu@petroleumagencyrsa.com



04 September 2020

Ref: 12/3/007  
Enquiries: M Thovhakale +2721 938 3579  
Email: ThovhakaleA@petroleumagencyrsa.com

E-mail: stefano@renergen.co.za


Mr Stefano Marani  
Tetra4 (Pty) Ltd  
Postnet Suite 610  
Private Bag X10030  
Randburg  
2125

Dear Mr Marani

## APPLICATION FOR AMENDMENT OF AN ENVIRONMENTAL AUTHORISATION ISSUED IN TERMS OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 1998 (ACT NO.107 OF 1998) ("NEMA") AS AMENDED

Kindly note that the above application has been granted. Attached hereto is a letter of an amendment and Environmental Authorisation for your attention.

Yours sincerely,

  
.....  
**L MEKWE**  
**GENERAL MANAGER: REGULATION**

#### Directors:

MB Masuku (Chairperson)

P Dhlamini C Mpelwane B Mthiyane L Nengovhela R Nkambule Dr T Ramontja

Dr PC Masangane (Executive Director)

Company Secretary: Adv E Hendricks





**mineral resources  
& energy**

Department:  
Minerals Resources and Energy  
REPUBLIC OF SOUTH AFRICA

Private Bag x 5111, TYGERVALLEY, 7536, Tygerpoort Building, 7 Mispel Road, BELLVILLE, 7530  
Our Reference: 12/04/07 Enquiries: Lindiwe Mekwe Email: MekweL@petroleumagencyrsa.com

**Mr Stefano Marani**

Postnet Suite 610

Private Bag X10030

Randburg

2125

Dear Mr Marani

**AMENDMENT OF THE INTEGRATED ENVIRONMENTAL AUTHORISATION ISSUED ON 21 SEPTEMBER 2017 IN TERMS OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 1998: ENVIRONMENTAL IMPACT ASSESSMENT REGULATIONS, 2014 FOR CLUSTER 1 GAS PRODUCTION IN VIRGINIA, FREE STATE PROVINCE**

With reference to the aforementioned application, please be advised that the Department has decided to grant the amended environmental authorisation in terms of the National Environmental Management Act (Act 107 of 1998) read with regulation 33 of the Environmental Impact Assessment Regulations 2014, as amended (Regulations). The environmental authorisation and reasons for the decision are attached herewith.

You are instructed in terms of Regulation 4(2) of the EIA Regulations to notify all registered interested and affected parties (I&APs), in writing and within fourteen days of the date of the decision, of the outcome of your application. You are also required to inform registered I&APs of the procedure to submit appeals against the decision as contained in the National Environmental Management Act, 1998 (Act 107 of 1998): National Appeals Regulations, 2014 hereafter referred to as ('Appeals Regulations').

Should any person wish to appeal the decision or any aspect thereof, he/she must submit an appeal in the prescribed form and in accordance with Chapter 2 of the Appeals Regulation, within twenty (20) days from the date of notification of the decision. The said must be submitted to the Minister of Environment, Forestry and Fisheries, and copies sent to

the Department of Mineral Resources and Energy (Head Office) and the Petroleum Agency SA by one of the following means:

**1) Department of Environment, Forestry and Fisheries**

Appeals and Legal Review Directorate

Attention: Director: Appeals and Legal Review

Email: [appealsdirector@environment.gov.za](mailto:appealsdirector@environment.gov.za)

Post: Private Bag x 447, PRETORIA, 0001

By Hand: Environmental House, Corner Steve Biko and Soutspansberg Street, Acardia, Pretoria, 0083

**2) The Petroleum Agency SA**

Attention: The Chief Executive Officer

Email: [eaappeals@petroleumagency.com](mailto:eaappeals@petroleumagency.com)

Post: Private Bag x 5111, TYGERVALLEY, 7536

By Hand: Tygerpoort Building, 7 Mispel Road, BELLVILLE, 7530

**3) Department of Mineral Resources and Energy**

Legal Services Directorate

Attention: Director: Legal Services

Facsimile: 086 710 0877

Post: Private Bag x 59, ARCADIA, 0007

By Hand: Trevenna Campus, Building 2C, c/o Meintjies and Francis Beard Street, SUNNYSIDE

Please also note that should the Minister of Environment, Forestry and Fisheries receive appeals against the amendment decision or aspects thereof, the decision will be suspended in accordance with section 43(7) of NEMA pending the decision on such appeals.

Yours faithfully,



**Adv. Mmadikeledi Suzan Malebe**

**Deputy Director-General: Mineral Regulation**

Date: 01 Sept 2020





## **ENVIRONMENTAL AUTHORISATION**

### **AMENDMENT OF THE INTEGRATED ENVIRONMENTAL AUTHORISATION ISSUED ON 21 SEPTEMBER 2017 IN TERMS OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 1998: ENVIRONMENTAL IMPACT ASSESSMENT REGULATIONS, 2014 FOR CLUSTER 1 GAS PRODUCTION IN VIRGINIA, FREE STATE PROVINCE**

#### **A. BACKGROUND INFORMATION:**

1. The holder was granted an Integrated Environmental Authorisation (EA) for the development of Cluster 1 Gas production project in Virginia, Free State Province on 21 September 2017.
2. On 29 March 2019, an application for amending the EA and approved Environmental Management Programme (EMPR) in terms of the National Environmental Management Act, 1998 (Act No. 107 of 1998): Environmental Impact Assessment Regulations, 2014 was received by the Department. The amendment application is for the amendment of the processing facility from a Compressed Natural Gas (CNG) to a Combined Helium and Liquefied Natural Gas (LNG) facility.
3. Following the application to amend the EA, an environmental assessment report contemplated in Regulation 32(1) was submitted on 18 September 2019.
4. The proposed amendment constitutes a change of the valid EA granted in terms of the National Environmental Management Act, and National Environmental Management Waste Act (NEMWA), and it has not triggered any further listed activities from the listed activities already approved.

## **B. KEY FACTORS CONSIDERED IN MAKING THE DECISION**

All the information presented to the Department was considered in reaching the decision. The information considered include amongst others:

1. Application for the amendment of an EA dated 29 March 2019.
2. Environmental Assessment report dated 18 September 2019.
3. The revised Environmental Management Programme dated 18 September 2019.
4. Comments raised by various interested and affected parties included in the environmental assessment report (EIR) dated 18 September 2019;
5. The information contained in the integrated environmental authorisation issued on 29 September 2017;
6. The information contained in the following specialist reports dated 18 September 2019:
  - 6.1 Major Hazard Installation Study;
  - 6.2 Major Hazardous Installation Risk Assessment specialist reports included in the EIR dated 18 September 2019; and
  - 6.3 Pipeline Code Compliance Assessment Report.

## **C. FINDINGS**

Careful consideration of information and factors listed above have thus resulted in the following conclusions:

1. All fundamental and procedural requirements prescribed in the NEMA and its regulations have been satisfied;
2. The physical footprint of the LNG facility will take place within the authorised CNG footprint, therefore no new environmental sensitivities were identified and assessed;
3. The identification and assessment of potential environmental impacts of the LNG facility was adequately undertaken, with the majority of the impacts assessed to have low significance.
4. The implementation of proposed mitigation measures during production operations will ensure that the activities to be carried out will not result to any detrimental impacts to the environment;
5. The holder complied with the requirements of regulation 32 (1) (aa) of the EIA Regulations, 2014 as amended, and submitted proof that all registered interested and affected parties (I&APs) were notified of the amendment. In addition, the draft environmental impact assessment report and revised EMPR were made available to the I&APs for a 30-day commenting period; and

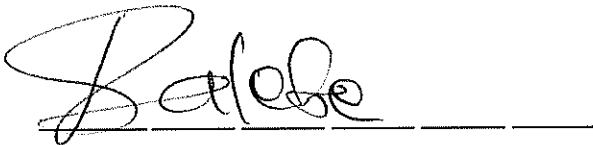
6. No objections were raised and all comments raised by I&APs were addressed satisfactorily by the EAP.

## **D. SPECIFIC CONDITIONS**

1. The applicant must in writing within 14 (fourteen) calendar days on the date of this decision –
  - 1.1 Notify all registered I&APs of the following:
    - 1.1.1 The outcome of the application;
    - 1.1.2 The reasons for the decision as included in section B;
    - 1.1.3 The date of the decision; and
    - 1.1.4 The date when the decision was issued;
  - 1.2 Inform registered I&APs of the Appeals Procedure provided for in terms of the National Environmental Management Act, 1998; National Appeals Regulations (GN R 993 of 08 December 2014);
  - 1.3 Draw the attention of the I&APs to the manner in which they may access the decision, including obtaining the copy of the authorisation;
  - 1.4 This amendment does not change other conditions and content of the Environmental Authorisation (EA) dated 21 September 2017, and therefore the amendments made must be read in conjunction with the said EA and the amended EMPR.
  - 1.5 All LNG processing facilities and storage vessels must include adequate (at least 110% containment volume) secondary liquid containment areas.
  - 1.6 Ponding water bodies which may come into contact with spilled LNG must be avoided to prevent Rapid Phase Transition (RPT) events.
  - 1.7 International Best Practice Standards in design, construction and operation of LNG facilities must be implemented.
  - 1.8 A suitable boil off gas recovery system must be installed to prevent risks to the plant and the release of GHG emissions.
  - 1.9 A suitable and effective gas leak detection system must be designed and implemented to monitor gas leaks from the pipelines and other production infrastructure. In addition, automatic shutdown systems and pressure release valves must be implemented.
  - 1.10 The recommendations of the MHI study must be implemented.

## E. CONCLUSION

In view of the above, and having taken into consideration environmental management principles as set out in section 2 of NEMA, and information presented in the amended EMPR, and subject to compliance with conditions of the amended authorisation and recommendations of the amended EMPR, the Department is satisfied that the proposed activities will not be in conflict with the objectives of the Integrated Environmental Management set out in Chapter 5 of NEMA and will not result in any detrimental risks to the environment and public. The amended environmental authorisation is accordingly granted.



**Adv. Mmadikeledi Suzan Malebe**

**Deputy Director-General: Mineral Regulation**

Date: 01 Sept 2020