

**The Electrical Engineer
Isak Malherbe
P O Box 112
BELLVILLE
7535**

Date:
04 May 2011

Enquiries:
Neliswa Mntonintshi
+27 21 915 2328

Dear Mr Malherbe

**PROPOSED DEVELOPMENT ON CITY OF CAPE TOWN WATER TREATMENT PLANT
AND RESERVOIR, MULDERSVLEI**

With reference to your letter dated 26 March 2011 to Eskom, we advise that Eskom is the licensed Distributor to the proposed development for the City of Cape Town Waste Water Treatment Plant and Reservoir, Muldersvlei. Eskom is prepared to make the supply of electricity available to the aforementioned property subject to terms and conditions which will be recorded in quotations and in an electricity supply agreement.

This letter is only in support of the Environmental Impact Assessment (EIA) to continue to obtain the required Environmental Approval (EA) for the development, or Municipal development rights. Any formal capacity allocation will be finally subjected to EA and negotiations with Eskom to make the supply available.

Klapmuts Substation is expected to be completed by the end of this year. Approximately 2.5MVA is going to be transferred from Muldersvlei Farmers 2 to this new substation which means there is capacity on Muldersvlei Farmers 2 to handle the total 600kVA load when it is needed in 2015 when Phase 2 is completed.

This confirms that there is sufficient capacity on Muldersvlei Farmers 2 to handle the load of 600 kVA for City of Cape Town Water Treatment Plant and Reservoir. Capacity allocation can only be finalized via a formal application and quote process.

The Developer must ensure that, without compensation, Eskom is allowed to convey electricity across land unit/s concerned within the subdivision, so as to allow all the land units access to electricity. This also includes the installation such as mini-substations, meter kiosks and service pillars to be installed therein, in such a manner and position as may from time to time be reasonably required, this shall include the right of access to the land unit/s at any reasonable time for the purpose of constructing, altering, removing or inspecting any works connected with the above. The above is in line with the Land Use Planning Ordinance 15 of 1985 (Section 3.5) and should either be included in the title deeds, or granted by way of a servitude.

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Directors: PM Makwana (Chairman) BA Dames (Chief Executive) LCZ Cele SD Dube BL Fanaroff
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JRD Modise PS O'Flaherty* U Zikalala (*Executive Director) **Company Secretary:** B Mbomvu
Eskom Holdings Limited Reg No 2002/015527/06



Although the Developer will pay for the distribution system and reticulation network, the equipment remains Eskom's asset. The electrical network must be installed according to Eskom's standards and specifications and will only be connected once approved by Eskom. The Developers electrical Consultants must liaise with Eskom's Project Engineering staff to ensure an acceptable network is installed.

The developer shall be responsible for the costs associated with the supply to the development. Any such costs and operational requirements will be finalized on request of a formal quotation. The formal quote process will confirm spare capacity available and proposal to supply such development. Execution of making supply available will only be initiated on acceptance of a formal budget quote. The date to make point of supply available will also be confirmed during this process.

The individual customers will have to enter into an agreement with Eskom for a supply and pay the connection fee and deposit for the supply as are applicable.

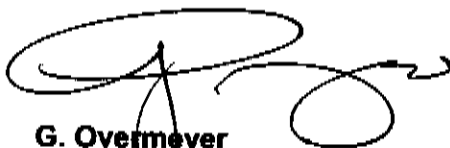
Please direct a formal application to our Customer Services Group for a quote:

Attention: Ms N Mntonintshi
Customer Services
Eskom
PO Box 2100
Bellville
7535

Tel: 021 915 2328
Fax: 086 667 9134

Should you require any further information please contact Neliswa Mntonintshi on the telephone numbers mentioned, and be assured of Eskom's best service at all times.

Yours faithfully



G. Overmeyer
CUSTOMER SERVICE AREA MANAGER (WESTERN)