



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

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WATER USE LICENCE APPLICATION SUMMARY

THE WATER USE LICENCE APPLICATION FOR THE EXISTING CONSERVANCY TANK AT
ALGOA SUBSTATION, NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
(NMBM), GQEBERHA
(WU47663)



NAME OF APPLICANT:

RED CAP IMPOFU (RF) (PTY) LTD (2016/36681807)

Compiled by:

Environmental Impact Management Services (PTY) Ltd

Signature: 

Date : 09 September 2026

1. Applicant details

Name of applicant: *Red Cap Impofu (RF) Proprietary Limited*
Postal address: *PO BOX 651286 Benmore 2010, Sandton, Gauteng, South Africa*
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2. Person submitting application

Consultant Details:

Name: *Environmental Impact Management Services (Pty) Ltd (EIMS)*
Representative: *Ms. Sisipho Mpotulo*
Qualification: *BSc (Hons.) in Botany*
Registrations: *Candidate Environmental Assessment Practitioner (EAP) (2024/8125)*
Candidate Natural Scientist in Environmental Science (161422)

3. Background and purpose

Red Cap Impofu (RF) (Pty) Ltd holds Environmental Authorisation (EA) (DFFE reference 14/12/16/3/3/1/2018), issued on 13 March 2020, for the Impofu Wind Farm grid connection power line infrastructure. The authorised development conveys electricity from the Impofu Wind Farm Cluster near Oyster Bay in the Eastern Cape Province, via an approximately 120 km, 132 kV overhead power line to Algoa Switching Substation (hereafter 'Algoa Substation') and ultimately feed into the national electricity grid.

Savannah Environmental (Pty) Ltd was appointed as the EAP to assist with the required permits and authorisations prior to the construction of Algoa Substation. It was the opinion of the EAP that construction of Algoa Substation would not trigger a listed activity in accordance with Environmental Impact Assessment (EIA) Regulations (as amended) in terms of the National Environmental Management Act (NEMA), Act 107 of 1998. Therefore, there would be no need to apply for Environmental Authorisation.

Based on the last Cost Estimate Letter (CEL) from Eskom (2021), the initial connection solution to Chatty was reinstated. This solution required the construction of a switching station, (authorised under the Grid Extension EA,) to allow the wind farm connection to Line In Line Out (LILO) to the existing Grassridge-Chatty overhead line.

Construction of Algoa Substation commenced in 2024, with rehabilitation completed in November 2025. The substation is equipped with a sealed 2.5 m³ (2 500 L) conservancy tank for temporary containment of domestic sewage. Wastewater will be removed by a licensed service provider and delivered to the local municipal wastewater treatment works, thereby preventing discharge to land, surface water or groundwater.

Environmental Impact Management Services (Pty) Ltd (EIMS) was appointed by Enel Green Power (Pty) Ltd (EGP), on behalf of Red Cap Impofu (RF) (Pty) Ltd, to compile and submit this Water Use Licence Application in terms of the National Water Act, 1998 (Act 36 of 1998).

The following water uses are being applied for:

- **Section 21(g): disposing water in a manner that may detrimentally impact on a water resource.**

An application for the following details is currently underway, and this report forms part of the final phase of that application:

Application Name: Water Use License Application for the existing conservancy tank at Algoa Substation, Nelson Mandela Bay Metropolitan (NMBM) Municipality (WU47663)

Application Commencement Date: 04 December 2025

Application Region: Mzimvubu-Tsitsikamma Catchment Management Agency (CMA) - East London, Eastern Cape

Application Case Officer: Ms. Olwetu Vongwe

No existing lawful water uses (ELU), as contemplated in terms of Section 21 of the National Water Act (Act No. 36 of 1998), are registered or authorised on the subject property based on information available at the time of drafting of this application. The site has not historically been utilised for any water use requiring authorisation. The proposed conservancy tank constitutes a new, controlled wastewater management system and does not replace or rely on any existing water use.

4. Location of water uses

Provide detailed information location and access i.e Quaternary catchment and Water Management area (s) as well as property details where the activity/ proposed activity is located.

Algoa Substation, approximately 0.7 hectares (ha) in extent, is located north of Chatty Substation within the Nelson Mandela Bay Metropolitan Municipality (NMBM), near KwaDwesi in Gqeberha, Eastern Cape. The water use activity being applied for will take place at approximately 33°50'02.30"S; 25°31'23.39"E and will affect only the remainder of Farm No. 565 within NMBM. The Swartkops and Chatty rivers run parallel to the Algoa Substation area, as illustrated in **Figure 1** and **Figure 2**.

The Section 21(g) water use will take place within Quaternary Catchment M10D, which forms part of the Mzimvubu-Tsitsikamma Water Management Area (WMA) managed by the Mzimvubu-Tsitsikamma Catchment Management Agency. The Catchment Management Strategy (CMS) and Annual Performance Plans emphasise the protection of surface and groundwater resources, pollution prevention, and promotion of sustainable development, particularly in water scarce areas influenced by the Algoa Water Supply System. Algoa Substation falls within an urban area, located within degraded Sundays Valley Thicket vegetation, which is considered to have a sensitivity of LOW and classified as Least Concern.

Table 1: Property details

Property description	Title number	Deed	Owner
Remainder of the Farm No.565	T7821/1952		Nelson Mandela Bay Metropolitan Municipality (NMBM)

5. Administrative documents and technical reports submitted by applicants

5.1 Administrative documents

1. DW758 – Company, Business Partnership Or Community application form
2. Applicants details (Company Information)
3. Certified ID Copy of at least one member of the company (i.e. Red Cap Impofu (Pty) Ltd)
4. Company Registration Certificate for Red Cap Impofu (Pty) Ltd)
5. Consultant Appointment Letter
6. Proof of Application Fee Payment
7. Proof of lawful access to the property(ies) (i.e. Certified Copy of title deed if the Applicant is the Owner; otherwise Lease agreement/permission to occupy/letter of consent)
8. Motivation report to address Section 27 of the Act and proof that the proposed water use will redress the results of past racial and gender discrimination/BBBE Certificate

5.2 Reports and other technical documents

1. WULA Summary Report
2. A letter of consent from the Local Authority confirming capacity to receive additional sewage loads at the Wastewater Treatment Works
3. Public Participation Report
4. Operations and Maintenance Manual for sewage disposal into Conservancy tank

6. Project Description

Provide detailed description of activities to be undertaken in the project linking the with water uses to be applied for.

Red Cap Impofu (RF) (Pty) Ltd constructed the grid connection infrastructure linking the Impofu North, Impofu East and Impofu West Wind Farms in the Kouga and Kou-Kamma Local Municipalities to Algoa Substation in the Nelson Mandela Bay Metropolitan Municipality. The connection includes an approximately 120 km, 132 kV overhead power line from the Impofu Collector Switching Station to the Gqeberha grid connection point.

The initial connection solution to Chatty Substation was reinstated based on the then Cost Estimate Letter (CEL) from Eskom (2021). This solution enabled the construction of a switching station, (authorised under the Grid Extension EA (Ref: 14/12/16/3/3/1/2363) to allow the wind farm connection to line in line out (LILo) to the existing Grassridge-Chatty overhead line. It is noted that the Grid Extension EA was never activated because it would not, on its own, trigger a listed activity that was not already authorised under the existing EA for the original grid connection EA to Chatty Substation.

Algoa Substation is an approximately 0.7 ha switching station north of Chatty Substation in Gqeberha. The site lies in an urban, transformed area of degraded Sundays Valley Thicket with low environmental sensitivity. The Section 21(g) water use is limited to the sealed 2 500 L conservancy tank and its associated wastewater handling activities. The conservancy tank will be used for temporary storage of domestic or sewage waste before it is removed by a licensed vacuum tanker or “honey sucker” and taken to the authorised local wastewater treatment works.

7. Methods statement (only for c and i activity) and mining method/ industrial process

Provide information on how the development and associated infrastructure will be constructed across or adjacent to the water resource without compromising the water resources

This application is limited to a Section 21(g) water use within the Nelson Mandela Bay Metropolitan Municipality. The activity does not involve impeding or diverting flow in a watercourse or altering the bed, banks, course or characteristics of a watercourse and therefore does not trigger Section 21(c) and (i).

8. Stormwater Management Plan

INTERNAL

Provide details on stormwater management on site and e.g. how to ensure stormwater runoff does not cause erosion or pollution and how clean and dirty or wastewater will be separated on site etc.

A stormwater management plan during operation of the proposed water use was not created. The conservancy tank is a sealed underground modular unit with a capacity of 2 500 L. Clean stormwater is kept separate from domestic wastewater. Routine inspections, timely pump-out, controlled access and spill-response procedures will minimise the risk of overflow, leakage, erosion or contaminated runoff.

9. Rehabilitation Plan

Provide details on how the area will be rehabilitated where there was disturbance in the water resource including river crossing etc.

Disturbed areas associated with construction were rehabilitated in accordance with the 'Generic environmental management programme (EMPr) for the development and expansion of substation infrastructure for the transmission and distribution of electricity.' As the conservancy tank is outside a watercourse and the Section 21(g) activity is fully contained, no river-crossing rehabilitation is required. Any localised disturbance during maintenance was stabilised and revegetated accordingly.

10. Water Uses applied for (Only put water uses applied for)

The application includes the following water uses.

Table 2: Water Use Applied for

Water use(s) activities	Purpose	Capacity/ Volume (m ³ , tonnes and/or m ³ /annum)/ dimension	Property Description	Co-ordinates
Section 21(g)				
Disposing water in a manner that may detrimentally impact on a water resource.	Disposing of domestic waste or water into a conservancy tank.	2 500 L (2.5 m ³)	Remainder of the Farm No.565 - Nelson Mandela Bay Municipality (NMBM).	33°50'02.30"S; 25°31'23.39"E

11. Impacts and mitigation measures

The potential impacts and mitigation measures that are expected from the proposed activities are presented in Table 3.

Table 3: Summary of impacts and mitigation measures

Water Use activity	Possible causes of the impacts of the activities Impacts to the water resources	Possible Impacts to the water resource and other water users	Mitigation Measures
Section 21 (g)	Disposing water in a manner that may	Deterioration of water quality downstream	The substation will be handed over to Eskom

	<i>detrimentally impact on a water resource.</i>	<i>INTERNAL</i> <i>fit to use, and possibly impacting aquatic biota. Nuisance conditions.</i>	<i>for continuous operation as part of the national electricity transmission network. Therefore, it may not be occupied by permanent staff on-site. The conservancy tank will be serviced as and when required, and may be inspected for foreign objects and integrity when being it is being serviced/draind.</i>
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12. 9. Water demand and water supply

Water demand

Algoa Substation will be handed to Eskom and operated as part of Eskom's national electricity network. Permanent staffing at the facility will be limited, with attendance primarily restricted to routine inspections and maintenance activities. Consequently, domestic water demand and wastewater generation are expected to be low and intermittent.

Water for domestic use will be supplied through rainwater harvesting. A 1000 L JoJo tank has been installed to collect and store rainwater and may supplemented by water cart deliveries when required.

Wastewater generated on site will be collected in a 2 500 L conservancy tank. The conservancy tank will be emptied by a licensed vacuum tanker ("honey sucker") and the contents transported to an authorised local wastewater treatment works for disposal before the tank's operational freeboard capacity is exceeded.

Water supply

Water required for domestic and sanitation purposes at the Eskom substation will be sourced from a water supplier appointed by Eskom i.e. bottle water as it is not connected to the municipal network.. Wastewater generated from these activities will be collected and stored in a conservancy tank for subsequent removal by a licensed service provider. No direct discharge of wastewater or water containing waste to a water resource is proposed.

13. Public participation

The public participation process must be undertaken in terms of Section 41(4) of the National Water Act, 1998 (Act 36 of 1998). The outcome of the process is summarised in Table 4.

Table 4: Outcome of the public participation

Person who commented	Comments (support or object)	Reasons for objection	Applicant's response to the objection

10. Other authorisations applicable to the activity

There are no other authorisations applicable to the activity.

11. Section 27 (1)

The requirements contained in Section 27(1) of the National Water Act, 1998 (Act 36 of 1998) have been considered and are discussed further below.

a) Existing lawful water uses

There are no existing lawful water uses on the property.

b) Need to redress the results of past racial and gender discrimination

The Algoa Substation will be handed over to Eskom for continuous operation as part of the national electricity transmission network. Due to the nature of substation operations, permanent on-site employment opportunities are limited, with activities largely consisting of periodic inspection and maintenance.

During the construction phase, temporary employment opportunities, including local security services, were created, contributing to local economic participation. Post-construction, maintenance activities may provide limited, ad hoc employment opportunities through contractors.

While direct employment benefits are minimal, the project contributes to broader socio-economic development by supporting reliable electricity supply. Eskom's procurement processes remain aligned with national transformation objectives, including the promotion of historically disadvantaged individuals and gender equity. The conservancy tank will be used intermittently during maintenance activities and will be regularly serviced to ensure environmental protection and prevention of spillages.

c) Efficient and beneficial use of water in the public interest

The proposed water use is considered an efficient and beneficial use of water in the public interest, as the conservancy tank provides a secure means of collecting and storing wastewater, thereby preventing pollution of surface- water and groundwater resources. The activity supports the continued operation of an existing Eskom substation, which provides an essential public service, while ensuring that wastewater is managed in an environmentally responsible manner.

d) Socio-economic impact –

i) Of water use or uses if authorised:

Authorisation of the proposed water use will have a positive socio-economic impact by supporting the safe operation of essential electricity grid infrastructure associated with the

Impofu Wind Farm Cluster. The lawful use of a conservancy tank will provide hygienic sanitation for operational staff while supporting the continued transmission of renewable energy to the national grid. This contributes to energy security and, local and regional economic activity, without imposing adverse impacts on surrounding communities or water users.

ii) Of the failure to authorise water use or uses:

Failure to authorise the proposed water use would negatively affect the operation of the Algoa Substation by preventing the lawful management of domestic wastewater on site. This could compromise occupational health and safety, delay or disrupt the functioning of critical electricity transmission infrastructure, and indirectly affect the timely supply of renewable energy to the national grid. Such delays may result in adverse socio-economic implications, including reduced energy security and potential economic losses at local and regional levels. Without authorisation of the water use, the substation would present an increased risk of uncontrolled wastewater management, even if alternative measures are implemented. Use of the constructed conservancy tank for storage of domestic wastewater storage would reduce the risk of soil and water- resource pollution.

e) Any catchment management strategy applicable to the relevant water resource

The proposed Algoa Substation is located within Quaternary Catchment M10D, which forms part of the Mzimvubu-Tsitsikamma Water Management Area (WMA) managed by the Mzimvubu-Tsitsikamma Catchment Management Agency (MTCMA). The Catchment Management Strategy (CMS) and Annual Performance Plans emphasise the protection of surface and groundwater resources, pollution prevention, and promotion of sustainable development, particularly in water scarce areas influenced by the Algoa Water Supply System. The strategy prioritises strict control of wastewater management to prevent diffuse and point-source pollution, especially from small-scale infrastructure development.

f) Likely effect of the water use to be authorized on the water resource and on other water users.

The proposed water use entails the storage of domestic wastewater into a sealed conservancy tank under Section 21(g) of the National Water Act for the purpose of disposal. As the system is fully contained, regularly serviced, and does not allow discharge to land, surface water, or groundwater, the impact on the water resource is negligible. There will be no reduction in water availability, no deterioration of water quality, and no effect on other lawful water users within the catchment. The proposed use aligns with the CMS objectives of pollution avoidance and protection of stressed water resources.

g) Class and the resource quality objectives of the water resource

Water resources within the Mzimvubu-Tsitsikamma WMA have been classified through DWS Water Resource Classification processes. Studies indicate that the majority of catchments, including those in the western portion of the WMA near Algoa Bay, fall predominantly within Class II (moderately used) to Class III (heavily used) categories, with Resource Quality Objectives (RQOs) focused on controlling nutrients, salinity, and microbiological contaminants. The proposed conservancy tank will not compromise attainment of these RQOs.

h) Investments already made and to be made by the water user in respect of the water use in question

The construction of Algoa substation and associated infrastructure has been completed. Capital investment including those associated with quality designs, due diligence on whether the proposed substation would trigger any listed activities that are not listed within the existing EA to Chatty substation, etc have been noted thus far. Algoa substation forms part of Eskom's national electricity transmission network and represents a significant capital investment in strategic public infrastructure.

The water use associated with this application, being a Section 21(g) activity, is directly linked to the continued operation and maintenance of this infrastructure. Investment has been made in the installation of appropriate sanitation systems to ensure that wastewater is contained and managed in a controlled manner.

i) Strategic importance of the water use to be authorised

- *Is the application according to National Water Resources Strategy?*
 - *The proposed water use for this application is a Section 21(g) water use, which is, disposing of waste in a manner that may detrimentally impact on a water resource. A conservancy tank at Algoa substation will be used to contain the sewage wastewater before it is removed by a licensed service provider to the local municipality wastewater treatment or similar certified/registered treatment centre. This avoids the direct and/or uncontrolled discharge of waste to the environment. The activity supports the National Water Resource Strategy (NWRS) objectives of protecting water resources, improving water quality, and preventing pollution within the Mzimvubu-Tsitsikamma Catchment (M10).*
- *Describe if the approval of the application is geared towards satisfying priority regional objectives as identified in Regional Planning Initiatives, e.g. Integrated Development Plans?*
 - *The approval of the Water Use Licence Application is considered to support regional planning objectives identified in relevant planning initiatives, including Municipal Integrated Development Plans (IDPs) and NWRS's. The proposed conservancy tank forms part of the wastewater management infrastructure serving an Eskom substation and is intended to contain and manage wastewater in a controlled manner, thereby reducing the risk of pollution to surrounding land, surface water, and groundwater resources.*

j) The quality of water in the water resource which may be required for the Reserve and for meeting international obligations

The Ecological and Basic Human Needs Reserve requires water quality that sustains aquatic ecosystems and downstream users. Because the proposed activity entails sealed storage with no abstraction or discharge to a water resource, it will not affect Reserve quantity or quality requirements or South Africa's international obligations. Operational controls will focus on preventing microbiological and nutrient contamination through inspection, recordkeeping and safe off-site disposal at an authorised local wastewater treatment works.

k) Probable duration of any undertaking for which a water use is to be authorised

The Algoa substation forms part of Eskom's electricity transmission infrastructure and will be operated on a continuous basis as a long-term strategic asset within the national grid. Electrical substations are designed, constructed and maintained to ensure long-term operational functionality, with periodic maintenance, refurbishment and upgrading undertaken as required to sustain performance and extend operational life.

In line with Eskom infrastructure planning parameters and general industry norms for substation assets, the expected operational lifespan of the facility is anticipated to extend over several decades.

Accordingly, it is estimated that the undertaking for which this water use authorisation is sought will have a probable duration of not less than 20 years and up to approximately 50 years, commencing from the anticipated date of operation in 2026.

14. Declaration by the applicant with signature confirming that the information submitted is correct



Signed by
Manuele Battisti
Data: 09/09/2026
11:32:24 CEST

I (Applicant's Name and Signature)
declare that all information presented in this report is true and unbiased to the best of my knowledge. However, some of the information may be updated if and when necessary which will be provided to the Department of Water and Sanitation if considered to be significant changes.

[END OF WATER USE LICENCE APPLICATION SUMMARY]

