

Our ref.: VE 1605

1 July 2021

Emfuleni Local Municipality
Electricity Department
P O Box 3
VANDERBIJLPARK
1900

For the attention of: Mr Kassie Muller

Sir

**ELECTRICAL CONNECTION: ERF 244, HOUTKOP FARM (UNITAS PARK
EXTENSION 18, 19, 20 AND 21)**

The following correspondence has reference;

- Our application for a 6.59 MVA dated 25 July 2016 for Erf 244 of farm Houtkop 594 IQ.
- Our application for a 3,86 MVA dated 16 August 2016 for Extension 18, 19 and 20.
- Our application for a builder's connection of 180 kVA dated 6 October 2016.
- Your letter dated 8 October 2014 regarding a 3 MVA bulk connection.
- Your letter dated 6 December 2016 regarding the 180 kVA application.
- Your letter dated 13 July 2017 regarding the 3,86 MVA application.
- Our re-application for the 6.59 MVA and 180 kVA builder's connection dated 30 October 2018.
- Our meeting dated 22 April 2021.

We wish to confirm the following:

1. Council approved the 180 kVA builder's connection (temporary connection).
2. The 3,86 MVA application for an electrical supply dated 16 August 2016 was approved on 13 July 2017. The letter stated that the connection is approved subject to completing the Sonlandpark 88/11 kV substation upgrade by Eskom. It is to be noted that the letter explicitly states the following:

The capital contribution for electricity network expansions can be reduced, but not beyond extinction on proof of the submission of a valid specified quotation to the Electricity Department, on the 11kV equipment which can be utilized by the Municipality to provide electricity to other consumers.

We further wish to confirm that a re-application was submitted on 30 October 2018, to which a response is still outstanding. The re-application was as follows:

1. A 180 kVA connection for Extension 18 consisting of Stand 5150 and 5151.
2. A 3,86 MVA connection for the development comprising Extension 18, 19 and 20 forming Phase 1 of the Development and a 2,73 MVA connection Extension 21, which forms Phase 2 of the Development.

During our meeting of 22 April 2021, it was confirmed that Eskom had completed the upgrade of the Eskom portion of Sonlandpark Substation. It was confirmed that the Substation was upgraded from 20 MVA installed capacity to 40 MVA installed capacity.

However, during this meeting, it was also acknowledged that the connection of 6.59 MVA cannot be made available at this stage because the Emfuleni Local Municipality section of Sonlandpark Substation was vandalised and not in an operational state.

We wish to state that our client's application for an electrical connection must be prioritised over any subsequent application for electricity in this area. Our view is that the developer is not at fault in this case. The development could not commence as Emfuleni Local Municipality was not positioned to supply the necessary power for the development. Therefore, our view is that the developer cannot be penalised due to the failure of the supply authority to make the power available.

During the meeting held on 22 April 2021, it was in principle agreed that the developer could investigate the feasibility of performing the remedial work at Sonlandpark Substation to make the 6.59 MVA connection available for the proposed development.

Based on the extract from your letter dated 13 July 2021, as reference above, it is the intention to claim a reduction of the electrical capital contribution as follows:

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| 1. Refurbishment of the switchgear panel | : R 1 863 650.00 |
| 2. Installation of 630 mm ² transformer cables | : R 1 847 395.00 |
| 3. Feeder Network to Extension 18, 19, 20 & 21 | : R 2 727 644.00 |
| 4. 11 kV Switching Station | : R 3 488 735.00 |
| 5. Total | : R 9 927 424.00, excluding VAT |

It is important to note that the above cost is estimated costs, and the actual costs will be submitted to the council for consideration after a contractor was appointed.

We kindly request that the council confirms the following:

1. Confirmation that the 180 kVA builder's connection is available for immediate connection.
2. Confirmation that the Eskom works is completed.
3. Council authorise the developer to proceed with the remedial work at Sonlandpark Substation under the supervision of Lyon and Partners.
4. After completing the remedial work at Sonlandpark, the electrical connection of 6.59 MVA will be made available for the development without further delays.
5. Recovering the cost for the bulk supply as detailed in this letter by reducing the electrical capital contribution payable.

Yours faithfully

LYO EMFULENI ENGINEERS (PTY) LTD.

C. DE BEER Pr Tech Eng.

Copy to: Mr H van Heerden - Ardemus