



**OFFICIAL NOTICE: INFORMATION STATEMENT IN RELATION TO Erven RE/279 (SBP279/BN, SBP279/CN and SBP279/DN (Opposite Landfill site – Devonvalley) x Erven RE/119 (IdasValley/Botmaskop site) x Farm 181/0 (Area below Kayamandi Reservoir)**

**INFORMATION STATEMENT**

**1. PURPOSE**

To provide the prescribed information in terms of Regulation 34 and 35 of the Asset Transfer Regulations, published in terms of Section 168 of the Local Government: Municipal Finance Act (R878, 22 August 2008), to the public to provide input during the Public Participation Process.

**2. BACKGROUND**

As part of Stellenbosch Municipality's loadshedding mitigation strategy, the Municipality is investigating possible sites on which alternative energy could be generated from.

Stellenbosch Municipality who is the owner of Erven RE/279 (SBP279/BN, SBP279/CN and SBP279/DN (Opposite Landfill site – Devonvalley) X Erven RE/119 (IdasValley site) x Farm 181/0 (Area below Kayamandi Reservoir) has identified these erven as possible suitable sites from where alternative energy could be generated.

According to the standard norms, 1 hectare is required for the generation of 1 Megawatt (MW) energy from Solar Photovoltaics (PV).

The estimated energy capacity from the identified sites can be estimated as follows:

- Erven RE/279 (SBP279/BN, SBP279/CN and SBP279/DN (Opposite Landfill site – Devonvalley) - (Solar PV – Size of Erf = 40.1 hectares = 40 MW
- Erven RE/119 (IdasValley/Botmaskop site) – (Biomass - Size of Erf = 419.4 ha – MW will be quantified as the process unfolds).
- Farm 181/0 (Area below Kayamandi Reservoir) – (Solar PV – Size of Farm = 50 Hectares = 50 MW)

The municipality's intention with the identified sites is to procure Independent Power Producers who will, through a long-term lease contracts, for up to 50 years with the Municipality, generate electricity for municipal consumption.

**3. DISCUSSION**

**3.1 Public Participation Process**

Before the Municipal Council can make an in principle decision on whether rights to use, control or manage capital assets (identified sites) can be granted, the Municipal Manager must first conduct a public participation process in terms of the Asset Transfer Regulations.

**3.2 Information Statement**

In terms of Regulation 35, when the Municipal Manager makes the proposal to grant the relevant long term right(s) for the potential leasing of the identified sites, the Information Statement referred to in Regulation 34 must be publicly advertised.

In terms of Regulation 34 an Information Statement must consist of the following:

- the reason for the proposal to grant a long-term right to use, control or manage the relevant capital asset in this instance the identified sites.
- any expected benefit to the municipality that may result from the granting of the right.
- any expected proceeds to be received by the municipality from the granting of right; and
- any expected gain or loss that will be realised or incurred by the municipality arising from the granting of the right.

**3.2.1 Reason(s) for the proposal to grant a long term right to use, control or manage the identified sites**

- Currently, Stellenbosch Municipality does not have the required electricity capacity and infrastructure to generate alternative energy during loadshedding to ensure reduced effects of loadshedding. The Municipality would require land on which to build infrastructure to generate alternative energy.
- Making land available to enable long-term contracts with possible Independent Power Producers is in the best interest of Council and the Stellenbosch Community.
- Making land available presents the municipality with an opportunity to get into a self-sustainable position in terms of ensuring reduced negative effects of loadshedding on the community and businesses within the municipality's jurisdiction. This could also serve as a possible additional infrastructure investment.
- A professionally managed power producing facility has the potential to reduce the negative effects of loadshedding on the community and businesses within the municipality's jurisdiction and attract new customers and new investments to Stellenbosch.

**3.2.2 Expected benefits to the municipality that may result from the granting of the rights**

- The development and management of the alternative energy facilities will result in savings on maintenance and staff costs, while at the same time reducing the impact of loadshedding to the broader Stellenbosch Community.
- The optimal utilization of the sites may produce opportunities to save on bulk electricity purchases as it is anticipated that the cost would be at a rate lower than what the municipality is purchasing electricity from Eskom.
- A professionally managed power producing facility has the potential to reduce the negative effects of loadshedding, attract new customers and new investments to Stellenbosch.
- These sites will be professionally managed by expertise in the alternative energy generation field.
- The facility will have the ability to serve as a blueprint for Stellenbosch Municipality.
- These facilities have the ability to stimulate economic activities in the respective areas.

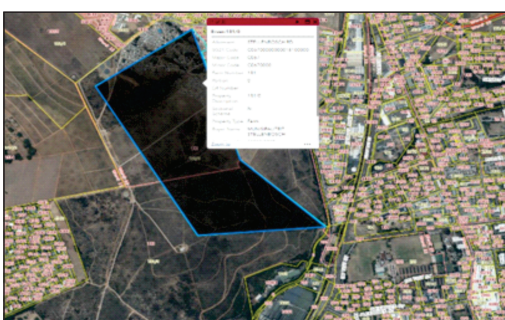
**3.2.3 Expected proceeds to be received by the Municipality from the granting of the rights**

- There is a potential monetary benefit to the savings to the bulk purchases from Eskom.
- Customers in general will also have a potential benefit as a result of the reduced negative impact of loadshedding.

**3.2.4 Expected gain or loss that will be realised or incurred by the municipality arising from the granting of the rights**

- Valuable assets in the ownership of the municipality will be developed at no cost to the municipality.
- The alternative energy generation infrastructure will be developed, managed and maintained in accordance with acceptable standards, at no cost to the municipality.
- Less financial pressure on the municipality's capital and operating budgets.
- Stimulus of economic activities for the Stellenbosch community.

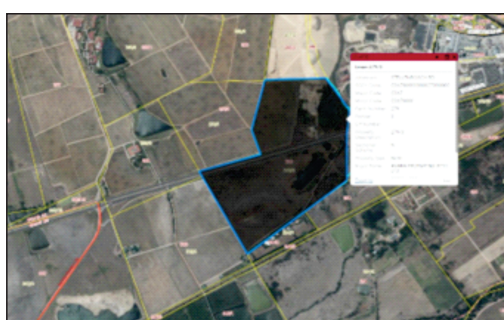
**3.3 Location and context**



Farm 181/0 (Area below Kayamandi Reservoir)



Erven RE/119 (IdasValley site - Botmaskop area)



Erven RE/279 (SBP279/BN, SBP279/CN and SBP279/DN (Opposite Landfill site – Devonvalley)

**3.4 Public comment invited**

The public are invited to provide input/comment to the municipality on the proposal to enter into a long term lease agreement for up to 50 years with suitable independent power producers to use the sites for the primary function of alternative energy generation with the of reducing the impact of loadshedding.

Comment must reach the offices of the Municipality on or before 16 August 2023 and must be addressed to the Municipal Manager. Comments can be sent via email to [Municipal.Manager@stellenbosch.gov.za](mailto:Municipal.Manager@stellenbosch.gov.za) or delivered to the 3rd Floor, Main Office Building, 17 Plein Street, Stellenbosch.

Any queries can be directed to Municipal Manager, Geraldine Mettler, at (021) 808 8025 or via email at [Municipal.Manager@stellenbosch.gov.za](mailto:Municipal.Manager@stellenbosch.gov.za)