



DROUGHT UPDATE

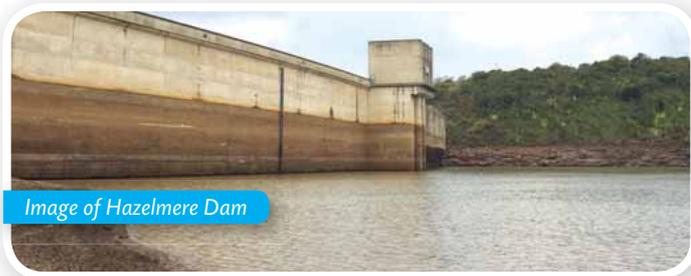


Image of Hazelmere Dam

Since September 2014 the drought has been increasing in its intensity and this has seen the continued deterioration of the Hazelmere Dam level. Sembcorp Siza Water embarked on various initiatives to augment water supply. These included requiring customers to voluntarily reduce water consumption, the drilling of boreholes, recycling water, etc.

As at 20 November 2015 we produce approximately 500 000 litres of water via our boreholes and appropriate onsite treatment and a rigorous water quality monitoring system ensure that the water conforms to SANS 241:2011 (Drinking Water Quality Standards). Sembcorp Siza Water intends commissioning additional boreholes to reduce the reliance on the Hazelmere supply and are liaising with service providers to try to commission these

before mid-December 2015. Since these boreholes have been commissioned, together with a reduction of consumption by our customers, our service area has constantly achieved a 35% to 40% reduction in consumption.

We anticipate full commissioning of the recycled water plant and injecting same into the potable water supply before the end of November 2015 and this has the capacity to produce 4 million litres of water per day. With this scheme we estimate that we will be able to meet the spike in consumption during the December vacation period and at worst case, time of use would be implemented in an effort to try and provide water to consumers during the morning and evening.

The recycled water has already aided the reduction of consumption and has been utilised since December 2014, where customers have been using the water to fill swimming pools, for construction purposes, fire fighting and irrigation. This has definitely aided our reduction of consumption from the Hazelmere Dam with approximately one million litres of recycled water being collected from our plant at its peak. The quality of the recycled water has been tested and is in compliance with SANS 241:2011 and this has been independently verified by Talbot Laboratories. As the Hazelmere Dam is currently at approximately 26% (19 November 2015) the need for additional and stricter restrictions had to be implemented and hence the 50% reduction requirement for residential consumers and a 30% reduction for registered commercial users.

Message from MD



Shyam Misra

Sembcorp Siza Water's Managing Director - Shyam Misra wished to express the gratitude to all consumers for adhering to the restriction notices and assisting in prolonging the supply of the Hazelmere Dam. He acknowledged that whilst we are still experiencing one of the worst droughts in recorded history for the Hazelmere system, the various schemes introduced by Siza would not be able to render normal services in the unfortunate event of the dam failing, however the schemes are intended to assist in prolonging the life

of the Dam and ensuring we have other alternatives for our water supply.

Mr Misra also expressed his gratitude to the staff of Sembcorp for their great efforts in managing the drought as most of the work undertaken for the drought which was implemented by utilising the expertise within the company. The efforts of the Sembcorp team have ensured that there has been minimal impact to the water supply during the drought and the augmentation schemes implemented by the company have played a vital role in ensuring that consumers had water. The company seeks to implement additional schemes prior to mid-December to assist with the increase in demand and may resort to interrupt water supply to ensure that water is available daily to consumers.

He lastly advised that we all need to embrace water as a scarce and precious commodity to ensure we utilise it responsibly and minimise wastage.

Directors' Visit



Members of the Sembcorp Siza Water Board visited the company to assess the impact of the drought within the company's service area. Whilst regular updates were provided to the Directors by the Managing Director, Mr Shyam Misra, getting a feel of what was actually occurring on the ground proved extremely useful for the Board members to fully understand the severity of the situation.

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MESSAGE FROM THE MAYOR — HIS WORSHIP CLLR SW MDABE



The whole province has been engulfed by the drought since the second half of last year, which has resulted in the classification and declaration of a Provincial Disaster.

iLembe is one of the worst affected municipalities in KwaZulu-Natal as this crippling scarcity of water continues to spread all over the District Municipality with the Umvoti River's supply also being drastically reduced.

To date, iLembe has received R37 million from the Department of Water and Sanitation and National Disaster Management Centre (NDMC) allocated R9.25m for short term drought interventions. These funds dear ratepayers and residents, have been exhausted and the municipality is currently using its own funds and also looking at other options available for drought relief. I have met with the Minister of Water and Sanitation, Mrs Nomvula

Mokonyane, and the Cabinet of our Province to present iLembe's business plan for the drought. To date iLembe has spent more than R15 million on hiring water tankers. This is costing us R6 000 a day for one water tanker. We are looking at a budget of no less than R300 million to buy our own tankers. I have also had a meeting with MEC Mike Mabuyakhulu where we discussed the options of desalination. Outcomes of these meetings will be shared with the public in due course.

Residents can play their part in various ways, including not filling-up swimming pools or building new ones, not washing their cars or using hosepipes.

As the Mayor of the District I would like to take this opportunity thank all those that have made lifestyle changes to reduce water consumption.

Life is water! Water is life! Respect it, Conserve it, Enjoy it!

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Directors' Visit

On Sunday, 1 November 2015, a visit to Hazelmere Dam was conducted where the deterioration in the dam level is clearly evident when one views the water marks on the dam wall. On a positive note, the construction work to raise the dam wall is also noticeable and this project will provide us increased storage for our water needs in the future.

The Directors' visit also included a visit to several of the projects that the company had undertaken to reduce the impact of the drought including boreholes, the recycling plant as well as the technologies the company employed in managing its operations.

At the Water Recycling Plant the Directors did a comparative tasting of the recycled water and the normal supply and noted that there was no difference in the quality with an overwhelming majority preferring the recycled water to the conventional water supply. The Chairman of the Sembcorp Siza Water Board, Mr M P NG, commended Mr Misra and the management team of Siza in exploring innovative and sustainable ways to provide water to consumers. He added that Sembcorp's moto is to be a vital partner and provide essential solutions to its clients and that the recycling plant as well as the other augmentation systems was a testament to the commitment of Siza to show Sembcorp's commitment to this statement.



Message from Umgeni Water



On 17 November 2015, Umgeni Water, iLembe District Municipality, Sembcorp Siza Water, Ethekeweni Water Services and the Department of Water and Sanitation took the decision to increase the current water restrictions of 30% to 50%. The new restrictions have come into effect from the 23rd of November 2015 and will apply to consumers in the following areas: Verulam, Waterloo, Sea Tides, Westbrook, Ballito and surrounding areas, Ndwedwe, and Groutville. The decision was taken in light of the deteriorating level of Hazelmere Dam. This means that Umgeni Water will, from 23rd November 2015, be producing 50% less potable water for supply to its customers.

Cumulative rainfall of 38,5mm, received in the vicinity of Hazelmere Dam from 20th October 2015 to mid-November, has not had a major impact on the dam. The amount of rainfall received in the past month being significantly less than the average for the spring months. The decision to increase

restrictions was taken to ensure that the little water in Hazelmere Dam lasts until at least the next rains.

Augmentation of water in Hazelmere Dam continues through the transfer of an average of 8Ml/d of water from uThongathi River into the dam. Experts at the Council for Scientific and Industrial Research and the South African Weather Service are predicting rains in the first quarter of 2016, which means that the water in Hazelmere Dam will have to last until then. The only way of achieving this is through a reduction in demand and hence the need for increased restrictions. A reduction of 50% in demand will ensure that storage in Hazelmere Dam will last about 160 days.

Umgeni Water, Sembcorp Siza Water, eThekweni Metro and iLembe District Municipality have appealed to all consumers to adhere to the new restrictions and to holidaymakers who will be arriving in KwaZulu-Natal to be mindful of the current drought situation and to also co-operate by using water sparingly.

SEMBCORP BURSARY FUND



On the 12th of August 2015, Sembcorp Siza Water officially launched the Sembcorp Siza Water Bursary Fund. The Bursary Fund is aimed for tertiary students residing in the Sembcorp Siza Water Concession Area and an amount of R230 000 was availed for applicants wishing to attend a tertiary institution in 2016.

The event was attended by Cllr Hubner, Cllr Ntuli, Dr. Mokoape (Director of Sembcorp Siza Water) and Cllr Fuzile Nkosi (iLembe District Municipality), officials of the iLembe District Municipality and Staff of Sembcorp Siza Water.

Sembcorp Siza Water Managing Director, Shyam Misra said "South Africa still experiences intellectual poverty owing to the inability of our people to gain access to tertiary institutions owing to funding".

"the aim of the fund is to ensure we empower our youth with skills so that they may then be able to realise their dreams through education."

Mr. Misra also stressed that priority will be given to courses relating to the study fields of; Engineering, Financial Management, Town and Regional Planning and Environmental Management.

He added that; "the aim of the fund is to ensure we empower our youth with skills so that they may then be able to realise their dreams through education." In addition to providing funding to the lucky recipients of the bursaries, Sembcorp also allow some or all of them to work at their offices to get a feel of the corporate environment and also gain exposure to the real world of their chosen careers.

Bursary applications were received from applicants within the concession area. The Sembcorp Siza Water EXCO will be meeting to award the successful candidates.



sembcorp
siza water

Please help improve our service by updating your mobile & email details to enhance communication.

During Office Hours – 032 - 946 7200
After Hours – 032 - 946 3188 / Cell – 071 298 5206
Facsimile – 032 - 946 2188
Email us: info-sizawater@sembcorp.com
www.sembcorp-sizawater.co.za

HOW TO BECOME A WATER EFFICIENT USER

How Water is consumed in the Home

Use	Water Inefficient Family 	Water Efficient Family 
Bath	 2 Baths with depths of 150 mm = 180ℓ	 1 bath with depth of 100mm = 80ℓ
Shower	 2 showers at 7.5ℓ per minute, for 5 minutes each = 75ℓ	 3 showers at 6ℓ per minute, for 4 minutes each (close taps while soaping) = 70ℓ
Wash Basin	 Water used freely = 30ℓ	 Water used carefully = 20ℓ
Toilet	 16 uses at 10ℓ per flush = 160ℓ	 Volume of flush reduced and used only as necessary = 120ℓ
Washing Machine	 Choosing medium water level in your washing machine and only doing laundry when you have a full load = 5 uses per week uses 100ℓ per load = 500ℓ	 3 uses per week at 70ℓ = 210ℓ
Hand Washing	 Clothing, floors, windows and other = 20ℓ	 Water used sparingly = 15ℓ
Cooking and Dining	 15ℓ	 15ℓ
Dish Washing	 20ℓ	 15ℓ
Total Water Used	 1000ℓ	 Using 525ℓ
	Equals 250ℓ per person, per day	Equals 131ℓ per person per Day, 47.6% SAVING

Please visit www.semcorp-sizawater.co.za and utilise the Consumption Database link to establish your monthly targets.

HOW CAN I CHECK MY WATER METER?

WHERE CAN I FIND MY METER?

Your meter is generally located at the boundary of your property. If you live in a gated estate you will need to contact your homeowners association for the location.

HOW CAN I READ MY METER?

Take note of the readings in white on the meter, which measure in kilolitres, and in red, which measure in litres. Semcorp Siza Water invoice you in kilolitres.

HOW CAN I MONITOR MY CONSUMPTION?

Refer to your last water account and note the closing water meter reading. Thereafter by inspecting the water meter at your residence you will be able to establish how much water has been utilised by subtracting the closing reading as per the last water account from the new reading you have taken. If you turn off all of the taps and notice your meter is still turning, this is generally an indication of a leak.



HOW DO I KNOW WHAT MY CONSUMPTION SHOULD BE DURING THE RESTRICTION PERIOD?

Visit our website (www.semcorp-sizawater.co.za) and click on the link for CONSUMPTION DATABASE. Enter your customer account number in the respective space and you will receive the statistics. You may also update your personal details and register for text message alerts and to receive your account via email. This will keep you up to date on all notifications we issue as well as allow you to receive your account as soon as we complete billing and not have the delivery of same delayed by the postage services.

Please note that the minimum average consumption we require under any curtailment target will be six kilolitres (6kl) per month. Hence, if the data shows less than 6 kilolitres for any targeted curtailment you are able to utilise 6 kilolitres of water per unit without having any penalties or surcharges.

RECYCLED WATER

- Please be advised that the recycled water at our Fraser Treatment Works will now be going through a filtration process to ensure that it complies with South African Standards for Drinking Water Quality (SANS:241:2011).
- Customers may collect recycled water at a cost of R10 per Kilolitre, excluding vat, from Monday to Saturday between 8:00am and 16:00pm.
- Please ensure payment is made via electronic funds transfer or at our offices in Ballito prior to collection or delivery.
- Customers are required to produce their receipt on collection or delivery.
- The minimum delivery of 5 000 litres is required for deliveries outside the concession area and a delivery charge of R200 will be levied.

REVISED PRICING FOR THE DELIVERY OF RECYCLED WATER			
QUANTITY	COST (EX VAT)	QUANTITY	COST (EX VAT)
1 500 LITRES	R 150.00	15 000 LITRES	R 1 500.00
2 500 LITRES	R 250.00	20 000 LITRES	R 2 000.00
5 000 LITRES	R 500.00	25 000 LITRES	R 2 500.00
7 500 LITRES	R 750.00	30 000 LITRES	R 3 000.00
10 000 LITRES	R 1 000.00	40 000 LITRES	R 4 000.00

Terms and Conditions apply with regard to the length of hose used for deliveries.