

Umweltbundesamt | Deutsche Emissionshandelsstelle
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Statkraft Markets GmbH
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Berlin, 08.12.2006

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Geschäftszeichen: E 1.5 - 18410 - 0034

MethCAP SPV1 (Pty) Ltd.
Attn. Mr. Charles Liebenberg
PO Box 829
Rant-en-Dal
1751
South Africa
- reporting -

Authorization to participate in the project „PetroSA Biogas To Energy Project“ within the framework of the Clean Development Mechanism

Request of MethCAP SPV1 Ltd. from 2006-10-31

Dear Madam or Sir,

On above-mentioned request the Federal Environment Agency as the German Designated National Authority authorizes Statkraft Markets GmbH, Düsseldorf, Germany, to participate in this project. In accordance with Section 8 paragraph 1 of the German Project Mechanisms Act (ProMechG) the Federal Environment Agency has approved this project on 2006-12-08 and has issued a Letter of Approval.

Yours sincerely,

On behalf of the Federal Environment Agency



Dr. Wolfgang Seidel

Courtesy Translation

Of the approval notice concerning the project activity "PetroSA Biogas To Energy Project"

Issuer: Federal Environment Agency; German Emissions Trading Authority
Consignee: Statkraft Markets GmbH

Application for approval of the project "PetroSA Biogas To Energy Project" within the framework of the Clean Development Mechanism from October 31st, received on November 10th 2006

Dear Madam or Sir,

The Federal Environment Agency notifies you of the approval of the above mentioned project.

Notification.

The Federal Republic of Germany as investor country grants its approval of the project activity "PetroSA Biogas To Energy Project" within the framework of Clean Development Mechanism.

Notice:

This notification is subject to fees of which you will be notified separately.

Reasons

I) Facts

On October 31st 2006 MethCap SPV1 Ltd. applied for approval of the project activity "PetroSA Biogas To Energy Project". For further details we refer to the project design document version 11, from August 16th 2006, and the validation report by 'PricewaterhouseCoopers Inc.', from August 17th 2006. Together with the application we received the Letter of Approval of the host country South Africa from February 17th 2006. The project has been registered at the Executive Board on September 29th 2006.

MethCap SPV1 Ltd. as project initiator has nominated Statkraft Markets GmbH, Düsseldorf according to Section 11 ProMechG as the authorized representative in Germany for receiving the Letter of Approval on their behalf (Letter from October 31st 2006).

II) Legal Reasons

The Federal Environment Agency is the competent national authority according to German law, Section 10 para. 1 ProMechG.

The authorisation is granted according to Section 8 ProMechG.

In detail it determines:

- 1) The Federal Republic of Germany and South Africa are parties to the Kyoto Protocol.
- 2) The Federal Republic of Germany participates voluntarily in the Clean Development Mechanism (CDM) and the notified project.
- 3) The final project documentation version 11 dated August 16th 2006 conforms to the formal and substantial requirements of Appendix B and section H of the Annex to Decision 17/CP.7.
- 4) The calculations concerning baseline and project emissions follow the baseline methodologies AMS-I.D ("Grid connected renewable electricity generation", version 9). Based on the calculations in the project documentation it is expected that the project activity will lead to a reduction of greenhouse gas emissions of 299 336 tonnes of carbon dioxide equivalents in the period from 2002 until 2009. This also follows from the validation by 'PricewaterhouseCoopers Inc.' dated August 17th 2006. The validation report approves the registration as CDM-project and confirms the predicted reductions of greenhouse gases.
- 5) The project does not cause severe adverse environmental impacts.
- 6) The host country South Africa confirms with its Letter of Approval of February 16th 2006, that the project will not be adverse to sustainable development taking into account social, economic and environmental aspects.
- 7) Reasons to deny the authorization according to Section 8 para. 2 ProMechG are not apparent.

Regarding the above-mentioned project all legal requirements are fulfilled.

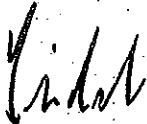
Therefore the Federal Republic of Germany as investor country, represented by the Federal Environment Agency grants its approval to the notified project.

Instruction on rights to appeal

Administrative appeal ("Widerspruch") against this notification can be filed within one month after its announcement. The appeal has to be in written form, in an equivalent electronic form or in form of a memorandum in writing ("zur Niederschrift") and to be addressed to Umweltbundesamt, Bismarckplatz 1, 14193 Berlin. The appeal in an equivalent electronic form requires an electronic signature. For further details please refer to the announcement of the Umweltbundesamt dated January 20th 2006 ("Bekanntmachung") published in "Bundesanzeiger", issue no. 14 dated 20th of January 2006, p. 229.

Yours sincerely,

On behalf of the Federal Environment Agency



Dr. Wolfgang Seidel