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17. Fair value measurement

The fair value of the Operating Entities' long-term debt was determined using inputs classified as Level 2 and a discounted cash flow approach using market rates for similar debt instruments. The carrying amount and estimated fair value of the Operating Entities' long-term debt as at December 31, 2014 and 2013 are as follows:

Figures in ZAR '000	As at December 31, 2014		As at December 31, 2013	
	Carrying amount	Fair value	Carrying amount	Fair value
Liabilities:				
Long-term debt, including current portion	1 999 904	2 159 419	1 411 676	1 444 710

Recurring fair value measurements

The following table summarizes the financial instruments measured at fair value on a recurring basis classified in the fair value hierarchy (Level 1, 2 or 3) based on the inputs used for valuation in the accompanying combined balance sheet:

Figures in ZAR '000	As at December 31, 2014				As at December 31, 2013			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Interest rate swaps	—	—	—	—	—	8 943	—	8 943
Total Derivative Assets	—	—	—	—	—	8 943	—	8 943
Liabilities								
Interest rate swaps	—	18 763	—	18 763	—	—	—	—
Total Derivative Liabilities	—	18 763	—	18 763	—	—	—	—

18. Commitments and contingencies

From time to time, management is notified of possible litigation or claims arising in the normal course of business operations. Management continually evaluates such matters with legal counsel and believes that, although the ultimate outcome is not presently determinable, these matters will not result in a material adverse impact on the financial position or operations.

Operating lease

The Operating Entities are obligated under certain long-term noncancelable operating leases related to land for its solar energy systems. Certain of these lease agreements contain renewal options. Below is a summary of the Operating Entities' future minimum lease commitments as at December 31, 2014:

Contractual cash obligations	ZAR
2015	480 795
2016	504 835
2017	530 076
2018	556 580
2019	584 409
Thereafter	17 140 316
Total	19 797 011

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