

## INVITATION TO COMMENT ON TARIFF APPLICATIONS FOR PIPELINE AND PETROLEUM STORAGE FACILITIES

The National Energy Regulator (**the Energy Regulator**) is a regulatory authority established as a juristic person in terms of Section 3 of the National Energy Regulator Act, 2004 (Act No. 40 of 2004). The Energy Regulator's mandate is to regulate the electricity, piped-gas and petroleum pipelines industries in terms of the Electricity Regulation Act, 2006 (Act No. 4 of 2006), Gas Act, 2001 (Act No. 48 of 2001) and Petroleum Pipelines Act, 2003 (Act No. 60 of 2003).

The Energy Regulator invites public comments on the following tariff applications:

- **Sasol Oil (Pty) Ltd** tariff application for Secunda to Natref Integrated ('SNI') pipeline - 2017/18 tariff period;
- **Sasol Oil (Pty) Ltd** tariff application for the petroleum storage facility located at Synfuels Road, Secunda, Mpumalanga - 2017/18 tariff period;
- **Sasol Oil (Pty) Ltd and BP Southern Africa (Pty) Ltd** for the petroleum storage facility in Alrode, Gauteng - 2017/18 tariff period; and
- **BP Southern Africa (Pty) Ltd** tariff applications for the petroleum storage facilities in Cape Town Terminal, East London Terminal and Klerksdorp Depot – 2017 tariff period.

The tariff applications are available on the Energy Regulator's website at <http://www.nersa.org.za> (under Notices > Invitation to comment).

Stakeholders and members of the public are invited to comment on these applications in writing. Requests for confidential treatment of information contained in the comments must be made in accordance with rule 4 of the Petroleum Pipelines Act Rules, 2009 (GN R. 1072 in GG 32704 of 13 November 2009). The Rules are also available on the Energy Regulator website at [http://www.nersa.org.za/Petroleum Pipelines>Legislation>Petroleum Pipelines Rules](http://www.nersa.org.za/Petroleum%20Pipelines>Legislation>Petroleum%20Pipelines%20Rules).

The deadline for comments is **16 March 2017**.

Written comments and enquires must be sent to the Head of Department: Petroleum Pipelines Tariffs

**Post:** Petroleum Pipelines Tariffs Department  
The National Energy Regulator  
PO Box 40343  
Arcadia  
Pretoria, 0007

**Email:** [pipelines@nersa.org.za](mailto:pipelines@nersa.org.za)

**Tel:** (012) 401-4600

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Enquiries can be sent to HOD : Petroleum Pipelines Tariffs at [pipelines@nersa.org.za](mailto:pipelines@nersa.org.za).

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## Standard Option 2

Volume on Own Volume and tariff design		R/litre/%	
Financial year [1 July to 30 June]		2018	
Input required by Applicant	Applicant	Sasol Oil(Pty) Ltd and BP Southern Africa (Pty) Ltd	
	Licence Number	PPL.p.F3/130/2013	
	Facility Known as	ALRODE	
	Services rendered at facility	Storage	
	Licensed Design Capacity [litre]	a	46 256 000
	<b>Last 3 years Actual Volume [litre] if available</b>		
	Year-3(FY14)	b1	
	Year-2(FY15)	b2	
	Year-1(FY16)	b3	
	Average for last 3 years	average=b	
	Expected or Forecast volumes	c	
	%Variance Forecast to Actual Average	d=c/b-1	14.17%
	If forecast volumes is lower than the Average for last 3 years give detail explanations		
	Replacement value as read from Standard table for Design Capacity	e=lookup	477 685 161
	Operational Expenditure as read from Standard Table	f=lookup	49 632 688
	Wacc as read from Standard Table	g=lookup	12.65%
	Return on RAB	h=e*g	60 427 173
Corporate taxation rate	i	28.00%	
Taxation Allowance	j=h/(1-i)*i	23 499 456	
Total Allowable Revenue	k=f+h+j	133 559 317	
Actual expected or Forecast volumes	d		
Licensed Capacity turn	l=d/a		
Tariff [Rand /Litre]	m=k/d	0.10	
Tariff [Cent /Litre]	n=m*100	9.61	
Tariff can be designed to suite the Licensee's own business model. Detail of such tariff design must be submitted. Forecast volume at these tariffs MUST add up to the Allowable Revenue (k) above			
Operational Cost per capacity [c/l]		107.3	