

Survey for the Regulatory Impact Assessment of Tariff Methodologies - Petroleum Pipelines Industry

NERSA is the regulatory authority established as a juristic person in terms of section 3 of the National Energy Regulator Act, 2004 (Act No. 40 of 2004). NERSA's mandate is to regulate the electricity, piped-gas and petroleum pipeline 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). In terms of section 4(ii) of the Electricity Regulation Act, 2006 (Act No. 4 of 2006), the National Energy Regulator must regulate prices and tariffs.

In regulating the Petroleum Pipelines industry, the National Energy Regulator of South Africa (NERSA) adheres to the regulatory principles of transparency, neutrality, consistency and predictability, independence, accountability, integrity and efficiency. It is therefore necessary to constantly assess the important decisions taken by NERSA in order to understand the regulatory impact on the wide range of stakeholders in the South African economy and society.

NERSA is in the process of developing an appropriate tariff methodology for the approval of tariffs for petroleum storage and petroleum loading facilities. In developing this methodology, it is necessary for NERSA to perform the Regulatory Impact Analysis (RIA) of the asset valuation methodologies available for determining tariffs. Stakeholders are also encouraged to comment on other elements of the methodology such as depreciation, Weighted Average Cost of Capital (WACC), taxation, clawback, operating cost etc.

Of utmost importance in the development of the RIA is stakeholder consultation to determine the concerns and/or the impact of the policies, methodologies and other instruments used by NERSA, on key stakeholder groups. This questionnaire is therefore developed to consult with key stakeholder groups to clearly identify their concerns and/or perspective of the methodologies previously and/or currently applied by NERSA in determining tariffs for petroleum storage and petroleum loading facilities.

NERSA requests your input by providing feedback on the Tariff Methodology for petroleum storage and petroleum loading facilities. Thank you for your cooperation.

To complete the survey, please follow this link:

https://www.surveymonkey.com/r/Petroleum_Pipelines_Survey