

Licence Number: PPL.sf.F1/102/2011

**LICENCE FOR THE CONSTRUCTION OF A PETROLEUM STORAGE FACILITY  
AND LOADING FACILITY**

This combined licence is issued by the National Energy Regulator, hereinafter referred to as "NERSA", in terms of the Petroleum Pipelines Act, 2003 (Act No. 60 of 2003).

This licence is issued to

**OILTANKING GRINDROD CALULO (PTY) LTD**


*(Company Registration No: 2008/025681/07)*

hereinafter referred to as "the Licensee". This licence is only for the purpose of construction of a petroleum storage facility and a petroleum loading facility located at:

**OILTANKING GRINDROD CALULO TERMINAL, ZONE 8, COEGA INDUSTRIAL  
DEVELOPMENT ZONE, PORT OF NGQURA,  
PORT ELIZABETH, EASTERN CAPE**

The construction of the petroleum facilities permitted under this licence is subject to the terms and conditions as contained in this licence and/or amendments to these conditions as imposed by NERSA.

Issued at Pretoria on this 14<sup>th</sup> day of **December 2011**.

  
\_\_\_\_\_  
**CHIEF EXECUTIVE OFFICER**



## COMBINED LICENCE FOR THE CONSTRUCTION OF PETROLEUM STORAGE AND LOADING FACILITIES

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## DEFINITIONS

In these licence conditions any word or expression to which a meaning has been assigned in the Act shall have the meaning so assigned, unless the context indicates otherwise:

**“Act”** means the Petroleum Pipelines Act, 2003 (Act No. 60 of 2003) and includes Regulations;

**“authorised person”** means authorised person as defined in the Rules;

**“commencement date”** means the date contemplated in condition 2.

**“licensed activity”** means the activity contemplated in condition 1 of these conditions;

**“Regulations”** means Regulations made in terms of sections 33(1) and 33(2) of the Act;

**“Rules”** means Rules made by NERSA in terms of section 33(3) of the Act.

## ACRONYMS

**“OTGC”** means Oiltanking Grindrod Calulo (Pty) Ltd

**“IDZ”** means Industrial Development Zone

**“mogas”** means motor gasoline or petrol

**“ULP”** means Unleaded Petrol

**“DR”** means domed roof (tank type)

**“IFR”** means internal floating roof (tank type)

**“DWT”** means deadweight tonnage of the ship

## CHAPTER ONE: LICENSED ACTIVITY

### 1. Licensed Activity

1.1 NERSA grants the Licensee a combined licence to construct:

(a) a petroleum products storage facility and auxiliary equipment (“the storage facility”) located at: OTGC Terminal, Zone 8, Port of Ngqura, Port Elizabeth, Eastern Cape as follows:

i. Storage tanks comprising of:

- a. nine, domed roof tanks to store diesel, jet fuel and Fuel Oil;
  - b. eight, internal floating roof tanks to store petrol (mogas);
- with a total combined storage capacity of approximately 233,411 m<sup>3</sup>;

ii. a road truck loading facility comprising a loading gantry with 9 loading bays capable of loading multiple products simultaneously and capable of handling approximately 80 trucks per day;

and

iii. auxiliary infrastructure including pump sets, fire fighting system, control room and a safety containment system.

(b) a loading facility on Berth B100, Port of Ngqura, Port Elizabeth, Eastern Cape, consisting of:

i. four, 12 inch diameter loading arms, of maximum capacity 3000 m<sup>3</sup> per hour each; and

ii. three 24 inch diameter, approximately 3 kilometres long bi-directional pipelines between the loading arms on Berth B100 and the storage facility.

- 1.2 This licence is issued to the licensee for the construction of the facilities contemplated in paragraph 1.1 for the loading and off-loading and storage of petroleum products only.
- 1.3 The generic flow scheme or layout of the facilities is detailed in **Annexure A – Overall Plot Plan with Jetty**.
- 1.4 Details of the storage facility and the products to be handled are provided in **Annexure B-1 – Tank Details** and **Annexure B-2: Plot Plan of Storage Facility**.
- 1.5 Details of the loading facility are provided in **Annexure C-1: Marine Loading Arms** and **Annexure C-2: Pipelines and auxiliary equipment**.

## **2. Commencement and Duration of Licence**

- 2.1 This licence commences on the date of issue of this licence.
- 2.2 This licence is valid for a period of 25 (twenty-five) years from the commencement date.
- 2.3 The Licensee may, in accordance with the Act and the Rules, apply for an amendment or renewal of the licence.

## **CHAPTER TWO: GENERAL CONDITIONS**

### **3. General Conditions of Licence**

Sections 20(1) (a), (b), (c), (d), (e), (k), (l), (m), (n), (o), (p), (r), (t), (u), (v), (w), (z), (aa) and (bb) of the Act are conditions of this licence.

### **4. Compliance with Conditions of Licence**

The Licensee must comply with all conditions of this licence.

### **5. Compliance with Legislation, Operation Codes and Standards**

- 5.1. The Licensee must comply with all applicable legislation, operation codes and standards, including those listed in **Annexure D – Legislation, Operation Codes and Standards**.

### **6. Amendment of Licence**

- 6.1. This licence may only be amended in accordance with the Act and the Rules.
- 6.2. NERSA may temporarily change these licence conditions in an emergency.

### **7. Revocation of Licence**

- 7.1. This licence may only be revoked in accordance with the Act and the Rules.
- 7.2. Should the licensee fail to commence construction of the facilities within the time period contemplated in condition 11.1, the licensee must within 15 calendar days of the elapse of that time period, apply to NERSA for the revocation of this licence.

## **8. Changes in Details of the Licensee**

- 8.1. The Licensee must, within 30 (thirty) days of changes in its control as contemplated in section 12(2) of the Competition Act, 1998 (Act No. 89 of 1998), notify NERSA of such changes.
- 8.2. The Licensee must, within 14 (fourteen) days of any change in its registered name, operating or trading name, registered address or other contact details, notify NERSA of such a change.

## **9. Changes to the Facilities**

- 9.1. When approached by interested parties, the Licensee must negotiate for changes in the capacity of the facilities to be constructed. The cost of such changes must be shared equitably between the Licensee and the party requesting the change.
- 9.2. Any changes to the facilities to be constructed that, in terms of the Act, may require an amendment or revocation of this licence, or a new licence, must not be effected until NERSA has amended or revoked this licence or issued a new licence.
- 9.3. Changes to the facilities must be made in accordance with applicable legislation, codes and standards including those listed in **Annexure D - Legislation, Construction Codes and Standards.**

## **10. Correspondence with NERSA**

- 10.1. All official communication with NERSA must be in writing and must be addressed to the Chief Executive Officer and copied to the Regulator Member Primarily Responsible for Petroleum Pipeline Regulation.
- 10.2. The Licensee must, in all correspondence with NERSA, quote the licence number as it appears on the licence certificate.

## CHAPTER THREE: SPECIFIC CONDITIONS

### 11. Commencement and Completion of Construction

11.1. Construction of the facilities must commence within:

- (a) 6 months of the date that NERSA confirms in writing that it has received from the licensee proof that the licensee has the necessary authorisation from the TNPA to construct; or
- (b) 6 months from the receipt by the Licensee of a final positive Record of Decision from the relevant environmental authorities in accordance with the National Environmental Management Act, 1998 ( Act No. 107 of 1998) permitting the activities for which this licence is granted

whichever is the latter and in any event within twenty four (24) calendar months of the date of issue of this licence.

11.2. The Licensee must prior to the commencement of the construction of the facilities:

- (a) provide NERSA with:
  - (i) a copy of a record of decision by the appropriate authorities on the Environmental Impact Assessment study for the licensed activity;
  - (ii) the final and detailed facilities engineering design drawings for the facilities;
  - (iii) the final maps showing the location and layout of the facilities; and
  - (iv) a signed copy of its Build-Own-Operate-Transfer (BOOT) agreement with the Transnet National Ports Authority.
- (b) notify NERSA of the date on which construction will commence and provide the revised project schedule.



- 11.3. The construction of the facilities must be completed and ready for operation within twenty four months of the commencement of construction date contemplated in condition 11.2(b).

## 12. Information for Monitoring Purposes

- 12.1. The Licensee must provide NERSA with progress reports after every six calendar months from the date of issue of the licence.
- 12.2. The reports contemplated in condition 12.1 above, must be submitted within seven (7) days from the last day of every six calendar month period.
- 12.3. The first progress report must be submitted within seven (7) days of the last day of the six calendar months calculated from the date of issue of this licence.
- 12.4. The reports contemplated in condition 12.1 above must provide updates on:
- (a) progress towards and award of all Engineering Procurement and Construction contracts;
  - (b) the progress made in the acquisition of land or any right in, over or in respect of land necessary for the licensed activity, including details on all negotiations that have been concluded and that are underway, planned or stalled or progress made in the acquisition of the TNPA authorisation for the construction and operation of the facilities;
  - (c) the progress made in obtaining a Record of Decision from the relevant environmental authorities for the construction of the facilities;
  - (d) any negotiations contemplated in sections 20(1)(k), 20(1)(l), 20(n) and 20(1)(o) of the Act;
  - (e) progress in the construction of the facilities compared to the project plan schedule contained in **Annexure E - Project**

- Schedule (where there have been changes to the project schedule, the updated project plan must be submitted with the progress report); and
- (f) any other related matter.

- 12.5. Upon completion of construction of the facilities, the Licensee must:
- (a) provide NERSA with:
- (i) the as-built maps, drawings, diagrams and schedules, identifying any deviations and differences from **Annexures A, B, C and D**, and must provide reasons for such deviations and differences;
  - (ii) the final audited costs of construction of the facilities; and
  - (iii) a certificate or confirmation from a competent authority certifying or confirming that the facilities are fit for operation.

### **13. Regulatory Reporting**

The Licensee must comply with volume 1 and volume 4 of NERSA's Regulatory Reporting Manuals published under GN 1118 in *Government Gazette* No. 31392 of 10 September 2008, which may be amended by NERSA from time to time.

### **14. Entry, Inspection and Gathering of Information**

The Licensee must, in a manner prescribed by the Rules, permit any authorised person to enter and inspect any property on which the licensed activity is taking place.

### **15. Provision of Information to NERSA**

The Licensee must on request from NERSA, provide all other information NERSA may require to perform its functions under the Act.

**16. Ancillary Obligations**

The Licensee is responsible for compliance with these licence conditions regarding any work on the facilities or services that are the subject of this licence and/or that are subcontracted to other parties.

**17. Whole Licence**

This licence constitutes the entire licence and supersedes any prior understandings and agreements between the Licensee and NERSA.

ANNEXURE A: Overall Plot Plan with Jetty

**NOTES :-**

- 01. THIS PLOT PLAN IS TENTATIVE PREPARED REFER TO BID DOCUMENT & DRAWING SHALL BE REVISED AFTER DETAIL ENGINEERING.
- 02. HEIGHT OF MAIN BUND WALL = 3.5m.
- 03. HEIGHT OF INTERMEDIATE BUND WALL = 1.90m.

PHASE I & II	
AREA	20 ha.
PHASE I WORKING VOLUME	233411 m <sup>3</sup>
PHASE II WORKING VOLUME	103450 m <sup>3</sup>

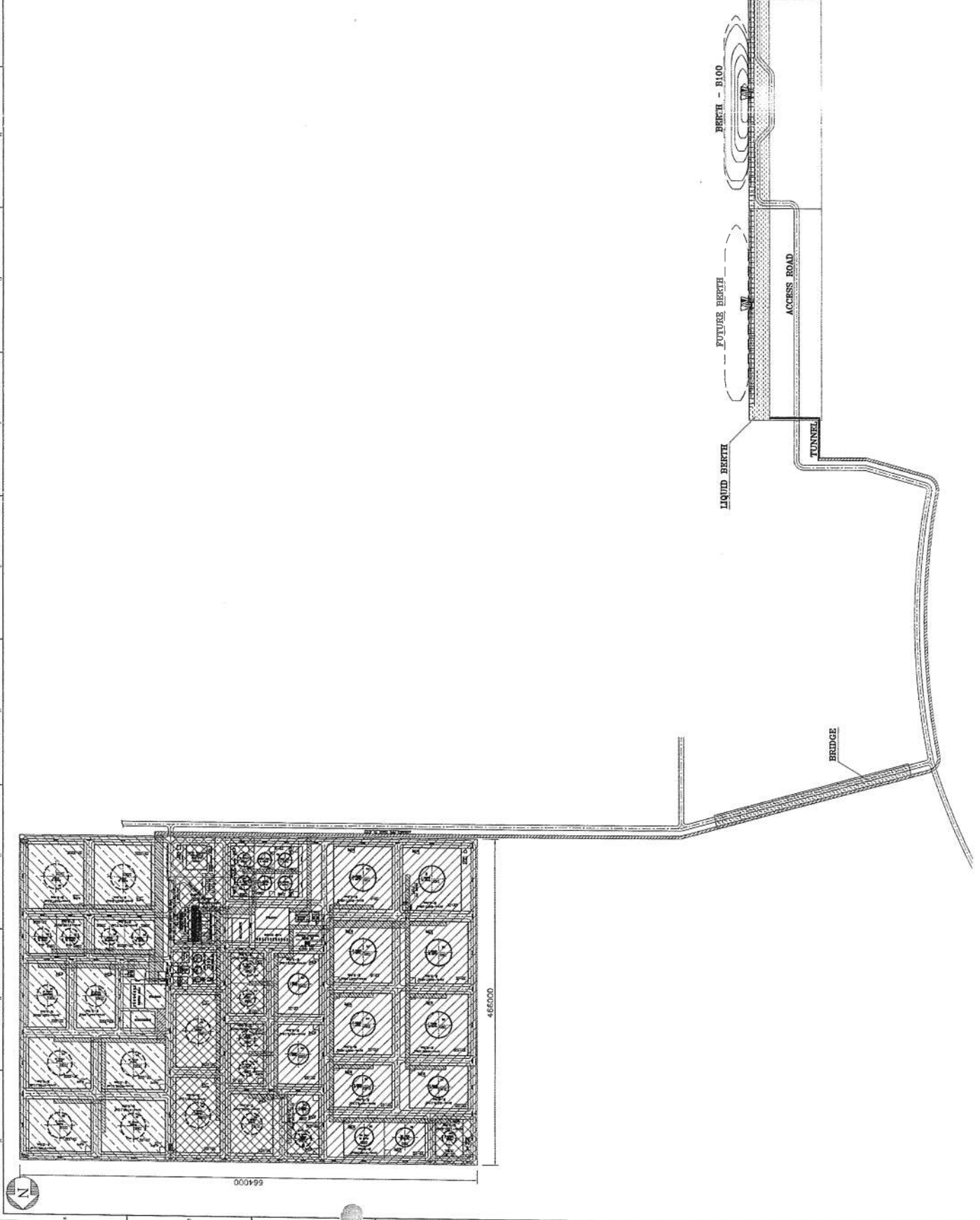
PHASE III	
AREA	10 ha.
PHASE III WORKING VOLUME	181480 m <sup>3</sup>

**LEGEND :-**

- COMPOUND WALL
- FENCE
- MAIN BUND WALL
- INTERMEDIATE BUND WALL
- ▨ PHASE I
- ▩ PHASE II
- ▧ PHASE III

NO.	DATE	REVISION	BY	CHKD BY	DATE	SCALE	DATE	NO.

CONTRACTOR: **PORT OF NOQUBA SA.**  
 CONSULTANT: **107 Design & Engineering Ltd.**  
 TITLE: **OVERALL PLOT PLAN WITH JETTY**  
 PROJECT: **PORT OF NOQUBA SA.**  
 SHEET NO: **1**  
 DATE: **10/09/2011**  
 DRAWN BY:   
 CHECKED BY:   
 SCALE: **AS SHOWN**  
 DATE:



## ANNEXURE B: Facility Details

### Annexure B-1: Tanks details

Tank Identification	Tank Type	Quantity (#)	Individual Tank Design Capacity (m <sup>3</sup> )	Diam. (m)	Height (m)	Product Type
T-101/201/301	IFR	3	20,414	38	20	Mogas
T-401/801/901	DR	3	22,115	38	20	Diesel
T-701/702	DR	2	12,309	27	22	Fuel Oil
T-1001/1003	DR	2	4,869	20	16	Jet Fuel
T-1002/1004/1301	IFR	3	4,398	20	16	Mogas
T-1101/1201	IFR	2	14,137	30	22	Mogas
T-1401/1501	DR	2	15,000	30	22	Diesel
<b>Combined capacity:</b>		<b>17</b>	<b>233,411</b>			

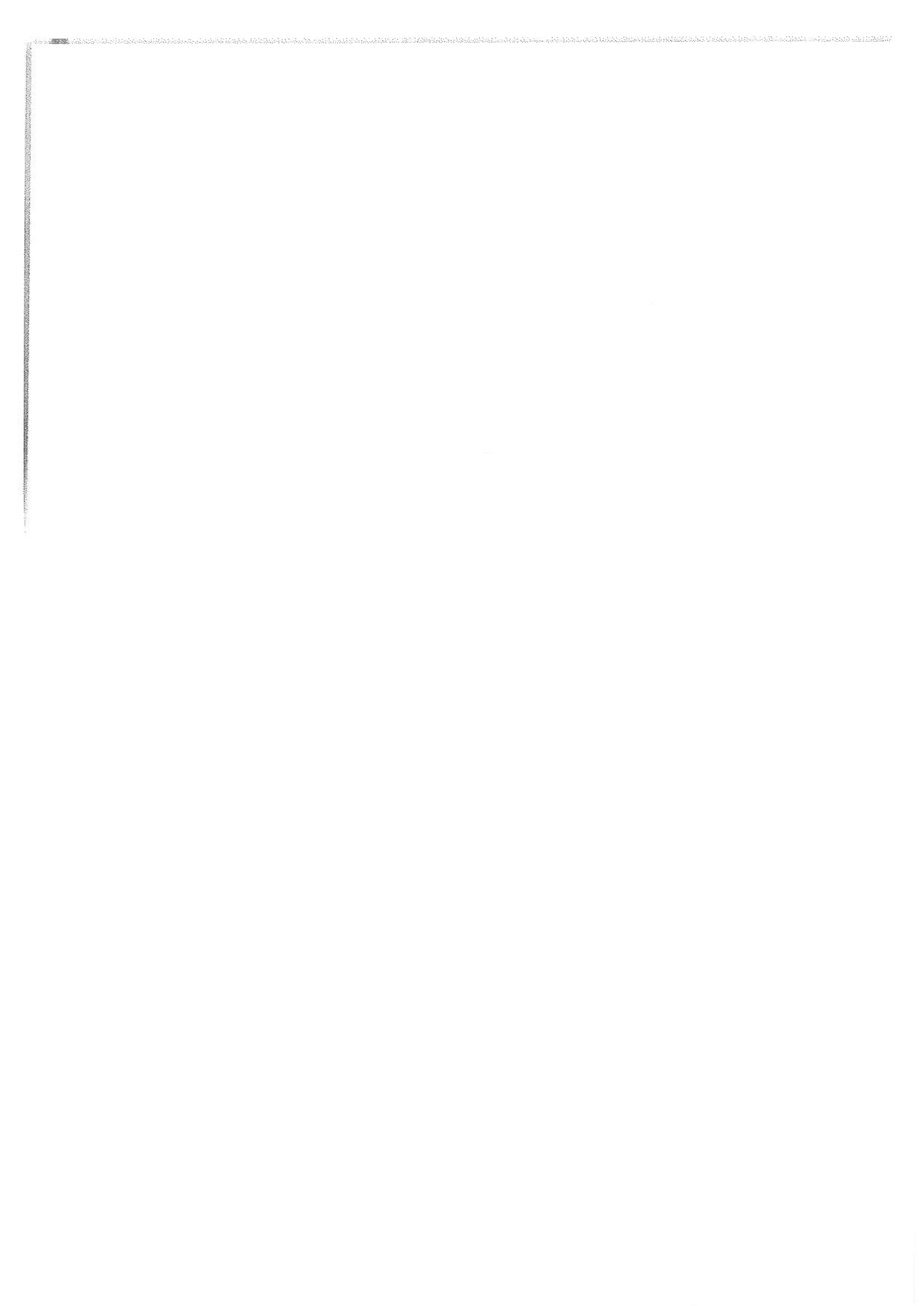
Notes:

1. Tank T-YY1 is used for water and will not be included in the licensed storage capacity
2. IFR: Internal Floating Roof; DR: Domed Roof
3. Since the facility is deemed a National Key Point, the information will be blanked out and the drawing will be removed in the public version of the document.

## **Annexure B-2: Plot Plan of Storage Facility**

### **Notes:**

1. For site layout see the drawing titled "Plot Plan – Port of Ngqura" on next page.
2. Since the facility is deemed a National Key Point, the information will be blanked out and the drawing will be removed in the public version of the document.





## ANNEXURE C: Loading Facility Details

### Annexure C-1: Marine Loading Arms

Identification	Diameter (inch)	Design Capacity (m <sup>3</sup> /hr)	Product	Average Operational Capacity (m <sup>3</sup> /hr)
MLA-1	12	3,000	Mogas	800
			Diesel	1000
MLA-2	12	3,000	Mogas	800
			Diesel	1000
MLA-3	12	3,000	Jet A-1	1000
MLA-4	12	3,000	Fuel Oil	350

**Notes:**

1. Since the facility is deemed a National Key Point, the information blanked out and the associated drawing will be removed in the public version of the document.

## Annexure C-2: Pipelines and auxiliary equipment

### Notes:

1. For process flow and piping diagram, refer to attached Drawing No. 10077-MU-20-A1-1501 Rev P2.

**NOTES:**

- 1) EMERGENCY SHUTDOWN VALVE MOV (FUEL SHUT-OFF & FIRE SAFETY CERTIFIED) OPERATING FROM REMOTE SHUTDOWN FROM ELECTRICALLY ACTIVATED ESD SYSTEM. THE MVA MOV SHALL ALSO BE PNEUMATICALLY OPERATED (BY NITROGEN) IN CASE OF POWER FAILURE.
- 2) ALL MVAs SHALL HAVE INSULATING COUPLING.
- 3) THE MVA SHALL BE EQUIPPED WITH A FIXED DRAINING ARRANGEMENT USING PORTABLE DRAINAGE PUMPS.
- 4) ON ACTIVATION OF ANY LEVEL ALARM HIGH ON ANY TANK WILL CLOSE THE JETTY EBV\* AND ASSOCIATED PUMPS.
- 5) ON ACTIVATION OF MVA MAXIMUM OPERATING RANGE LIMIT SWITCH WILL CLOSE THE JETTY EBV\* AND ASSOCIATED PUMPS.
- 6) THE VALVES (BB) ARE DOUBLE BLOCK AND BLEED TYPE VALVES.
- 7) ALL VALVES ON MULTI-PRODUCT LINES SHALL BE PROVIDED WITH SLOTTED BUMPS, POSITION TO BE CHANGED FOR LOCATION ON LINKING OUT.
- 8) ALL RELIEF VALVES (TRV) SHALL HAVE CAR SEAL OPEN (LOCK OPEN/CLOSE) ISOLATION VALVES EVEN IF SUCH VALVES ARE NOT SHOWN ON THIS DRAWING.
- 9) ALL VALVES BIGGER THAN DN300 SHALL BE FITTED WITH GEAR BOX.
- 10) SLOP TANK TO BE ENVISSAGED FOR COLLECTING SLOPS FROM EQUIPMENT & LINES.



**HOLDS LIST :**

(H) - ON 'HOLD'

DESCRIPTION	REFERENCE DOCUMENT NO.	DRAWING NO.

NO.	REVISION	DATE	BY	CHKD.	APP'D.
1	PRELIMINARY DWT - ISSUED FOR BQ / REVIEW	20/08/2024			
2	PRELIMINARY DWT - ISSUED FOR BQ / REVIEW	20/08/2024			
3	PRELIMINARY DWT - ISSUED FOR BQ / REVIEW	20/08/2024			
4	PRELIMINARY DWT - ISSUED FOR BQ / REVIEW	20/08/2024			
5	PRELIMINARY DWT - ISSUED FOR BQ / REVIEW	20/08/2024			
6	PRELIMINARY DWT - ISSUED FOR BQ / REVIEW	20/08/2024			
7	PRELIMINARY DWT - ISSUED FOR BQ / REVIEW	20/08/2024			
8	PRELIMINARY DWT - ISSUED FOR BQ / REVIEW	20/08/2024			
9	PRELIMINARY DWT - ISSUED FOR BQ / REVIEW	20/08/2024			
10	PRELIMINARY DWT - ISSUED FOR BQ / REVIEW	20/08/2024			

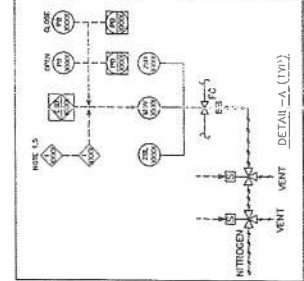
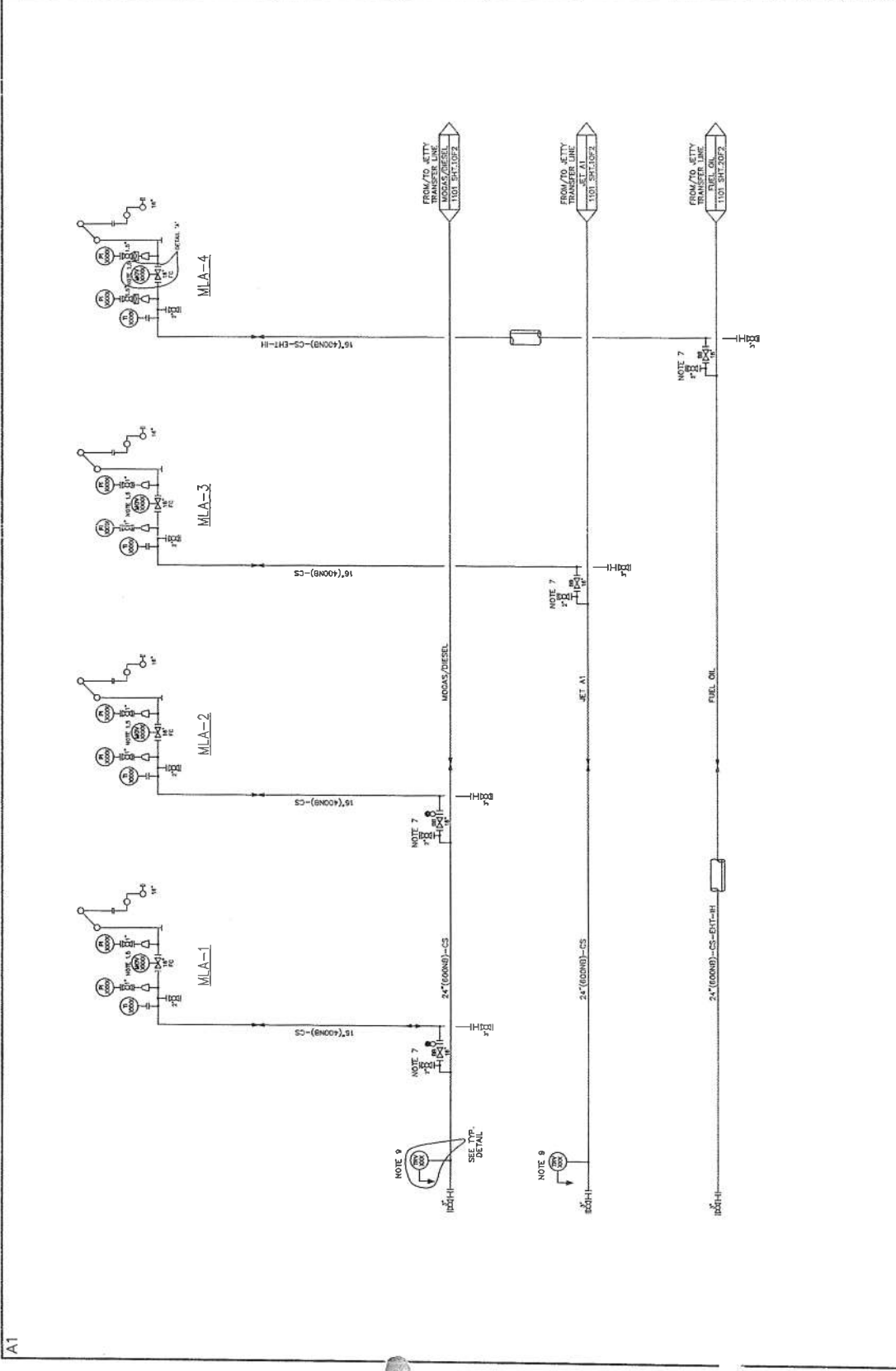
CLIENT: **Oil Tanking Co.** OILTANKING CALULU (PTY.) LTD.

PROJECT: **NGOURA LIQUID BULK HANDLING AND STORAGE FACILITY AND BERTH OPERATIONS, COEGA**

GENERAL CONTRACTOR: **LOT DESIGN & ENGINEERING LTD. MUMBAI**

TITLE: **PIPING & INSTRUMENTATION DIAGRAM FOR JETTY LINES**

DESIGNING NO.	10077	REV	P2
DRAWING SCALE	MU-20-01-A1-1501	DRAWN BY	NTS
SHEET	1 OF 1	NTS	NTS
DATE			



MLA-1/2/3/4  
MARINE LOADING ARM  
CAPACITY : 3000(H) m<sup>3</sup>  
SIZE : 6  
NOCC

## ANNEXURE D: Legislation, Codes and Standards

The Licensee must comply with all relevant codes and standards including the following submitted in its licence application:

### International Codes and Standards

The design shall comply with the applicable sections of the latest editions of the

Engineering Codes and Standards listed below:

<b>Document No:</b>	<b>Document title</b>
API 6D	Pipeline Valves
API 14 C	Manual of Petroleum Measurement Standards
API MPMS	Sizing, Selection and Installation of Pressure-Relieving Devices in Refineries, Sizing and Selection
API RP 520, Part I	Sizing, Selection and Installation of Pressure relieving Devices in Refineries, Installation
API RP 520, Part II	Guide for Pressure-Relieving and De-Pressuring Systems
API RP 521	Flanged Safety-Relief Valves
API RP 526	Flanged Safety-Relief Valves
API RP 527	Commercial Seat Tightness of Safety Relief Valves with Metal to Metal Seats.
API RP 551	Process Measurement Instrumentation
API 607	Fire Test for Soft Seat Quarter Turn Valves
ANSI B 16.5	Pipe Flanges and Flanged Fittings
ANSI B16.10	Face to face dimensions for flanged globe style control valves
ANSI/FCI 70.2	Control Valve Seat Leakage
ANSI/ISA S5.1	Instrumentation Symbols and Identification
ANSI/ISA 75.01	Flow Equations for Sizing Control Valves
ATEX 94/9/EC	Equipment Intended for use in Potentially Explosive Atmospheres
BS 5308	Instrumentation Cables – Specification for PVC Insulated Cables
BS 5555	SI Units
BS 6174	Differential Pressure Transmitters with Electrical Output
BS-EN-60751	Industrial Platinum Resistance Thermometer Sensors
BS-EN-837-1	Bourdon Tube Pressure and Vacuum Gauges
IEC 60079	Electrical Apparatus for Explosive Gas Atmospheres
IEC 60331	Fire Resisting Characteristics of Electrical Cables
IEC 60332	Test on Electrical Cables under Fire Conditions
IEC 60529	Degrees of Protection Provided by Enclosures (IP Code)
IEC 60540	Test Method for Insulation and Sheaths of Electrical Cables and Cords

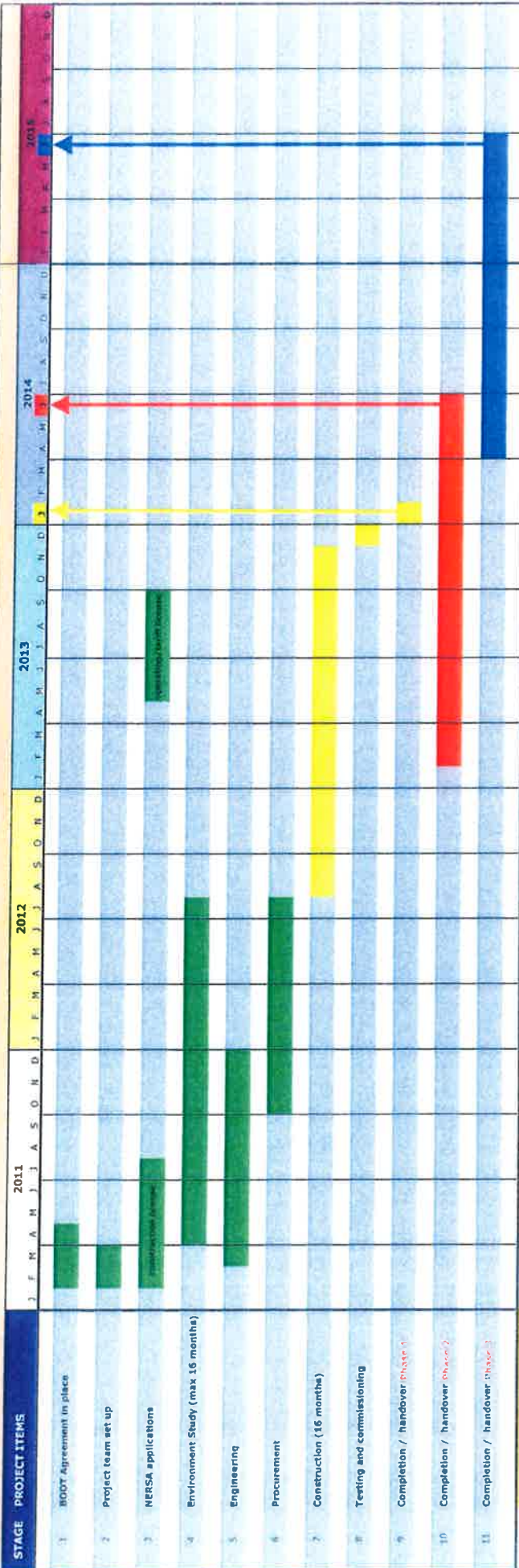
IEC 61000	Electromagnetic Compatibility
IEC 61508	Functional Safety: Safety Related Systems
IEC 61511-1	Functional Safety: Safety Instrumented Systems for the Process

The Licensee must also comply with all other relevant legislation, including but not limited to the following:

1. Occupational Health and Safety Act, 1993 (No. 85 of 1993).
2. The National Environmental Management Act, 1998 (No. 107 of 1998).
3. The Environment Conservation Act, 1989 (Act No.73 of 1989).
4. The National Water Act, 1998 (No. 36 of 1998).
5. The Water Services Act, 1977 (No. 108 of 1977).
6. National Environmental Management Air Quality Management Act, 2004 (No. 39 of 2004).
7. The Hazardous Substances Act, 1973 (No. 15 of 1973)
8. The Health Act, 1977 ( No. 63 of 1977)
9. The National Health Act, 2003 (No. 61 of 2003).
10. The National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977).
11. National Ports Act, 2005 (Act No. 12 of 2005).
12. National Key Points Act, 1980 ( Act No. 102 of 1980).

ANNEXURE E: Project Schedule

PORT OF NGQURA TANK TERMINAL PROJECT SCHEDULE



- CONSTRUCTION OF PHASE 1
- CONSTRUCTION OF PHASE 2
- CONSTRUCTION OF PHASE 3