GOVERNMENT NOTICE

DEPARTMENT OF MINERALS AND ENERGY

No. 112 7 February 2007

NATIONAL ENERGY REGULATOR

NOTICE IN TERMS OF SECTION 2(7) OF THE PETROLEUM PIPELINES LEVIES ACT 2004 (NO. 28 OF 2004)

Levy on Petroleum Pipelines Industry

The Minister of Minerals and Energy with the concurrence of Minster of Finance have approved the budget and levies for the petroleum pipelines industry in terms of section 2(4) of the Petroleum Pipelines Levies Act No. 28 of 2004 as proposed by National Energy Regulator for 2006107 financial year,

The levy for petroleum pipelines is 0.24 c/l in respect of the amount of petroleum, measured in litres, delivered by importers, refiners and producers to the inlet flanges of petroleum pipelines and will be paid by the person holding the title to the petroleum immediately after it has entered the inlet flange.

The levy was determined based on estimate of 16.04 billion litres per annum and the 2006/07 Business Plan and Budget requirement, for the regulation of the pipeline pipelines industry, of R 37,868,554 submitted to the Minster of Minerals and Energy.

The National Energy Regulator, acting under section 2(7) of the Petroleum Pipelines Levies Act No. 28 of 2004, hereby publishes the 30 days notice on the imposition of the levies for pipeline pipelines industry at 0.24 c/l for the 2006/07 financial year, as approved by the Minister of Minerals and Energy with the concurrence of the Minister of Finance.

The collection of the levy will be effective from 07 March 2007.

<u>Enquiries to be directed to:</u> the Executive Manager: Support Services, Adv Nomalanga Sithole on Tel No.: (012) **401** 4611

Smunda Mokoena CHIEF EXECUTIVE OFFICER

Regulator Members: Mr MC Matjila (Chairperson) Ms OD Mokgatie (Deputy Chairperson) * Mr SS Mokoena (Chief Executive Officer)
*Mr T Bukula *Dr RO Crompton Adv L Makkatini Mr SS Ntsaluba Prof D Singh *Ms E Teljeur
*Full-time Regulator Members