GENERAL NOTICE

NOTICE 740 OF 2011

PETROLEUM PRODUCTS ACT, 1977

DRAFT AMENDMENT REGULATIONS REGARDING PETROLEU

PRODUCTS SPECIFICATIONS AND STANDARDS

The Minister of Energy hereby publishes a Draft Amendment Regulations regarding Petroleum Products Specifications and Standards for comments.

All interested parties are hereby invited to comment in writing on Draft Amendment Regulations to the Director-General of Department of Energy at-

> (a) Department of Energy Post: Private Bag X 19 Arcardia 0007.*

(b)

Hand delivered to: Department of Energy Trevenna Campus

> 75 Mentiles Street Building 2A, 3rd Floor Sunnyside Pretoria

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Or alternatively

By e-mail to letladi.phahlamohlaka@energy.gov.za or jabulani.dlovu@energy.gov.za or Gabaza.phupheli@energy.gov.za.

Comments must be submitted before 15 December 2011. Comment received after the closing date may not be considered.

GOVERNMENT NOTICE

DEPARTMENT OF ENERGY

No. R

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PETROLEUM PRODUCTS ACT, 1977

10 COMMENTS DRAFT AMENDMENT REGULATIONS REGARDING PETROLEUM PRODUCTS SPECIFICATIONS AND STANDARDS

The Minister of Energy has under section 12C of the Petroleum Products Act, 1977 The Minister of Energy has under section 12C of the Petroleur (Act No. 120 of 1977) made the Regulations in the Schedule.

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SCHEDULE

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Definitions

1 In these Regulations 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-

"additive" means a substance intentionally added to a petroleum product in trace or small quantities in order to improve one or more of the petroleum product's performance or storage stability, its performance in an engine or intended to reduce the emissions from an engine powered by that petroleum product;

"aromatics" means a group of hydrocarbons that contain a benzene ring in their molecular structure;

"biodiesel" means a biodegradable and renewable fuel or fuel component for diesel engines derived from natural oils extracted from vegetable matter, and that conforms to South African National Standard, Automotive Biodiese) SANS 1935;

"blend" means a mixture of two or more compatible petroleum products having different properties in order to produce an informediate or final petroleum product with desired attributes;

"bowser" means an apparatus erecter on a site for the purposes of dispensing petrol or diesel into a motor vehicle;

"Controller" means the Controller of Petroleum Products as contemplated in section 3(1) of the Act;

"end-consumer", means a person acquiring a petroleum product for own consumption

"grade" means the classification of a petroleum product according to its chemical composition and characteristics such as its RON, sulphur content, additive content and the quantity or proportion thereof;

"label" means a marking displayed on a bowser at a site that specifies the grade of petrol or diesel dispensed from that bowser;

"licensee" means a person to whom the Controller has issued a manufacturing, wholesale or retail licence in accordance with the provisions of the Act;

"**low-sulphur grade diesel**" means diesel with a sulphur content of not more than 10 mg/kg and conforms to the South African National Standard, '*Automotive diesel fuel*', SANS 342;

"metal-containing unleaded petrol" means petrol containing metal-based additives, other than lead, but including phosphorus with a RON of 91, 93 or 95;

"metal-free unleaded petrol" means petrol that does not contain any metal-based additives, with a RON of 91, 93 or 95;

"petroleum products" means, in these Regulations, petrol and diesel including biodiesel;

"RON" refers to research octane number, which is a measure indicating the capacity of petrol to prevent engine knocking at low speed; "SANS" means the South African National Standard published by the Standards

"SANS" means the South African National Standard published by the Standards South Africa (a division of South African Bureau of Standards in terms of the Standards Act, 1993 (Act No. 29 of 1993) with the prefix "SANS", and the number occurring immediately after SANS means the numbered standard;

"standard grade diesel" means diesel with a sulphur content of not more than 50 mg/kg and conforms to the South African National Standard, 'Automotive diesel fuel', SANS 342;

"the Act" means the Petroleum Products Act, 1977 (Act No. 120 of 1977);

"v/v" means volume & volume.

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Scope of the Regulation

2 These Regulations prescribe specifications and standards for petroleum products that may be sold for consumption in the Republic of South Africa.

Petrol grades permitted

3 The permitted grades of petrol that may be sold to an end-consumer in the Republic of South Africa are restricted to-

- (1) metal-free unleaded petrol with a minimum RON of 93;
- (2) metal-free unleaded petrol with a minimum RON of 95,0¹⁰
- (3) metal-containing unleaded petrol with a minimum RON of 93; and
- (4) metal-containing unleaded petrol with a minimum RON of 95;
- (5) petrol grades with a RON of more than 95 provided that
 - a) only licensed wholesalers max sell or provide such petrol;
 - b) such petrol grades are only sold to-
 - (i) persons holding racing licences issued or recognised by Merorsport South Africa; or
 - (ii) manufacturers of motor vehicles or engines where such petrol grades are used for testing or for first-fill purposes; and
 - such petrol grades are not stored on, sold or provided from a site;
- (6) petrol with lead additives for use in aeroplanes with internal combustion engines provided that
 - a) only licensed wholesalers may sell or provide such petrol;
 - b) such petrol is only sold to licensed owners or operators of aeroplanes with internal combustion engines for their own consumption; and
 - c) such petrol is not stored on, sold or provided from a site.

4 Permitted metal-free unleaded petrol grades must conform to South African National Standard, Unleaded Petrol, SANS 1598, provided that-

- (1) the minimum RON rating is either 93 or 95, as the case may be;
- (2) the maximum permitted traces of lead as contamination does not exceed 13 milligrams per litre;
- (3) the maximum permitted content of aromatics is 35% v/v;
- (4) the maximum permitted benzene content is 1% v/v.

5 Metal-based additives, including phosphorus-based additives, must only be used in metal-containing unleaded petrol.

6 Permitted metal-containing unleaded petrol must conform to South African National Standard, Unleaded Petrol, SANS 1598, provided that

- (1) the minimum RON rating is either 936795, as the case may be;
- (2) the maximum permitted traces of lead as contamination does not exceed 13 milligrams per litre?
- (3) manganese-based additives do not exceed 36 milligrams per litre;
- (4) potassium-based additives do not exceed 10 milligrams per litre;
- (5) phosphorous based additives do not exceed 14 milligrams per litre;
- (6) only one of the additives referred to in sub-regulations (3), (4) and
 (a) is added to such petrol;

the maximum permitted content of aromatics is 35% v/v; and

(8) the maximum permitted benzene content is 1% v/v.

Petrol zones

7 Permitted petrol grades may be sold throughout the Republic of South Africa.

Diesel grades permitted

8 Permitted grades of diesel that may be sold to an end-consumer in the Republic of South Africa are restricted to-

- (1) Low-sulphur grade diesel which must conform to South African National Standard, Automotive diesel fuel, SANS 342, Provided that
 - a) the sulphur content of such diesel is not more than 10 mg/kg; and
 - b) not more than 5% v/v biodiesel is blended;
- (2) low-sulphur B10 diesel, which must conform to South African National Standard, Automotive diesel fuel, SANS 342, except in respect of maximum biodiesel content, provided that $-c_{c_{i}}$
 - a) the sulphur content of such diesel is not more than 10 mg/kg; and
 - b) such diesel is blended with not more than 10% v/v biodiesel;
- (3) low-sulphur B20 diesel, which must conform to South African National Standard, Automotive diesel fuel, SANS 342, except in respect of maximum biodiesel content, provided that
 - a) the sulphur content of such diesel is not more than 10 mg/kg; and
 - b) such diesel is blended with not more than 20% v/v biodiesel;
- (4) low-supphur B30 diesel, which must conform to South African National Standard, Automotive diesel fuel, SANS 342, except in
 - a) the sulphur content of such diesel is not more than 10 mg/kg;
 - b) such diesel is blended with not more than 30% v/v biodiesel;
 - (5) low-sulphur B50 diesel, which must conform to South African National Standard, Automotive diesel fuel, SANS 342, except in respect of maximum biodiesel content, provided that
 - a) the sulphur content of such diesel is not more than 10 mg/kg; and

- b) such diesel is blended with not more than 50% v/v biodiesel;
- (6) low-sulphur grade diesel which must conform to South African National Standard, Automotive diesel fuel, SANS 342 provided that
 - a) the sulphur content of such diesel is not more than 10 mg/kg; and
 - b) such diesel is blended with not more than 5% v/v biodiesel; \sim 5
- (7) low-sulphur grade B10 diesel which must conform to South African National Standard, Automotive diesel fuel, SANS 342, except in respect of maximum biodiesel content, provided that
 - a) the sulphur content of such diesel is not more than 10 mg/kg; and
 - b) such diesel is blended with not more than 10% v/v biodiesel;
- (8) low-sulphur grade B20 diesel which must conform to South African National Standard, Automotive diesel fuel, SANS 342, except in respect of maximum biodiesel content, provided that
 - a) the sulphur content of such diesel is not more than 10 mg/kg; and
 - b) such diesel is blended with not more than 20% v/v biodiesel;
- (9) tow-sulphur grade B30 diesel which must conform to South
 African National Standard, Automotive diesel fuel, SANS 342, except in respect of maximum biodiesel content, provided that-
 - a) the sulphur content of such diesel is not more than 10 mg/kg;
 and
 - b) such diesel is blended with not more than 30% v/v biodiesel;
- (10) low-sulphur grade B50 diesel which must conform to South African National Standard, Automotive diesel fuel, SANS 342, except in respect of maximum biodiesel content, provided that-

- a) the sulphur content of such diesel is not more than 10 mg/kg; and
- b) such diesel is blended with not more than 50% v/v biodiesel: and
- biodiesel B100, which must be 100% v/v biodiesel. (11)

9 Biodiesel, contemplated in regulation 8, must conform to South African National Standard, Automotive biodiesel fuel, SANS 1935.

Prohibition of certain activities

ibition of certain activities The sale of petroleum products for use in South Africa that dealor comply with pvisions of these Regulations is prohibited 10 the provisions of these Regulations is prohibited.

Offering for sale, selling or providing one grade of petrol or diesel as another 11 grade of petrol or diesel, as the case may be, is prohibited.

- Offering for sale, selling or providing -12
 - (1) any blend or mixture of different petroleum products; or
 - (2) any blend or mixture of different petroleum products with other substances

that results in the non-payment of any tax, duty or levy due is prohibited.

Offering for sale, selling or providing metal-free unleaded petrol or metal-13 containing unheaded petrol, which contains lead additives, is prohibited.

Inspection and testing of petroleum products

An inspector appointed in accordance with the provisions of section 3 of the 14 Act, may-

> (1) enter and search without a warrant any premises, any vehicle, vessel or aircraft and any receptacle of whatever nature;

- (2) seize, without a warrant, a whole batch or a sample of any petroleum product for purposes of monitoring or verifying compliance with the provisions of these Regulations;
- (3) from time to time, for purposes of monitoring compliance with these Regulations, sample and test petroleum products in accordance with the methods specified in SANS 1598, SANS 342 or SANS 1935, as appropriate;
- (4) appoint suitably qualified experts to test petroleum products
- (5) demand of any person who owns, offers for sale, sells or supplies petroleum products governed by these Regulations, any relevant documentation in respect of such petroleum products and such person must, if so instructed, provide the inspector with such documentation; and
- (6) demand of any person who imports petroleum products governed by these Regulations, any relevant documentation associated with the importation and such person must, if so instructed, provide the inspector with such accumentation.

Retail pump labelling

15 A label in respect of fuel specifications as set out in these Regulations must be displayed on a bowser at a site.

- 16 A laber ontemplated in regulation 15 must -
 - (1) have lettering and numbering in a standard and solid font type Arial of a size not smaller than size 55 point reading from left to right, when horizontal, regardless of the orientation of the label; and
 - (2) alongside the nozzle and on the same side of the bowser as the information indicating the price of the petrol or diesel displayed on that bowser.

17 The petrol or diesel grade dispensed from a bowser must be the petrol or diesel grade specified in the label displayed on that bowser.

- 18 The label on the bowser dispensing a-
 - (1) metal-free unleaded petrol grade must be labelled with white lettering and numbering on a green background and must, as appropriate for the grade of petrol dispensed from that bowser, only contain the words and numbers
 - a) "95 Metal-free" for petrol grade RON 95;
 - b) "93 Metal-free" for petrol grade RON 93; or
 - (2) metal-containing unleaded petrol grade must be labelled with white lettering and numbering on a red background, and must, as appropriate for the grade of petrol dispensed from that bowser, only contain the words and numbers, except in the case of petrol contemplated in regulation 20
 - a) "95 Metal-containing," for petrol grade RON 95;
 - b) "93 Metal-containing" for petrol grade RON 93; or
 - (3) diesel must be labelled, with white lettering and numbering on a black background, and must, as appropriate for the grade of diesel dispensed from that bowser, contain only the words, except in the case of diesel blended with more than 5% biodiesel-
 - "Low-Sulphur diesel 10ppm" for low sulphur grade diesel; or

"Biodiesel B100" for 100% biodiesel.

19 In the case of diesel blended with more than 5% biodiesel but less than 100%, additional words and numbers "BX" must be added, where "X" will be 10, 20, 30 or 56 as the case maybe.

(ii)

20 In the case of metal-containing unleaded petrol sold as a replacement for leaded petrol, additional words "LRP" or "with an AVSR additive" may be added after the numbers and words contemplated in regulation 18(2).

Records to be kept by licensees

21 A licensee must keep records of purchase or sale transactions of petroleum products including-

- (1) certificates of compliance;
- (2) grades of petroleum product;
- (3) quantities of petroleum product;
- (4) documentation by which the physical receipt of a petroleum product can be linked to the order, purchase and payment for that batch of petroleum product;
- (5) results of any tests performed on a batch of service product, including the details of that batch and the date of each test;
- (6) records by which the petroleum product tested can be traced back to its delivery docket; and
- (7) port of entry, in the case of a batch of imported petroleum product.
- 22 The records contemplated in regulation 21 must be -
 - (1) retained for a period of 5 years;
 - (2) kept at the address registered with the Controller; and
- (3) disclosed to an inspector on request.