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# GOVERNMENT NOTICE

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## DEPARTMENT OF ENERGY

**No. 1003****5 December 2011**

### NATIONAL ENERGY REGULATOR

#### NOTICE IN TERMS OF SECTION 2(3)(A) OF BOTH

#### THE GAS REGULATOR LEVIES ACT 2002 (NO.75 OF 2002)

#### AND OF

#### THE PETROLEUM LEVIES ACT 2004 (NO.28 OF 2004)

#### **Proposed Levy on the Piped-Gas and Petroleum Pipeline Industries for 2012/13**

The Energy Regulator approved the NERSA Strategic Plan (2012/13 – 2016/17) and Annual Performance Plan with Budget (2012/13) at its meeting of 24 November 2011.

The total NERSA Expenditure Budget amounts to R240 315 901 for 2012/13 (2011/12: R223 021 701) with the specific budgets for the three industries being as follows:

- |                                 |                                      |
|---------------------------------|--------------------------------------|
| • Electricity Industry:         | R137 485 425 (2011/12: R124 667 691) |
| • Piped-gas Industry:           | R 51 194 911 (2011/12: R 50 486 314) |
| • Petroleum Pipelines Industry: | R 51 635 565 (2011/12: R 47 867 696) |

The expenditure budget represents an increase of 7.8% over the expenditure budget for the National Energy Regulator for the financial year 2011/12, submitted to the Minister of Energy at the end of September 2010.

In the 2012/13 budget, the levy payable by the licensed generators for the electricity regulation industry will be effectively reduced by a refund of surplus funds which existed at 31 March 2010 to the value of R15.7.

Taking this into account, the total amount that NERSA will have to recover through levy income is R 211 926 003 for 2012/13 (2011/12: R147 408 375) for the three industries being as follows:

- |                                 |                                     |
|---------------------------------|-------------------------------------|
| • Electricity Industry:         | R115 548 495 (2011/12: R73 408 045) |
| • Piped-gas Industry:           | R47 223 647 (2011/12: R40 496 714)  |
| • Petroleum Pipelines Industry: | R49 153 861 (2011/12: R33 503 616)  |

#### **Proposed Piped-Gas Levy 2012/13**

The proposed levy to be imposed on the piped-gas industry is **34.9805 c/Gj** (2011/12: 28.7211 c/Gj) in respect of the amount of gas, measured in Gigajoules, delivered by importers and producers to the inlet flanges of transmission or distribution pipelines and will be paid by the person holding the title to the gas at the inlet flange. The levy shall be payable to the National Energy Regulator, as from 1 April 2012 to 31 March 2013, by persons concerned.

The proposed levy was determined based on an estimated volume of 135 million Gj per annum and the 2012/13 Business Plan and Budget requirement, for the regulation of the piped-gas industry, of R 47 223 647 against the expenditure of R 51 194 911 as documented above.

**Proposed Petroleum Pipeline Levy 2012/13**

The proposed levy to be imposed on the petroleum pipeline industry is **0.2728 c/litre** (2011/12: 0.1905 c/litre) 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 shall be payable to the National Energy Regulator, as from 1 April 2012 to 31 March 2013, by persons concerned.

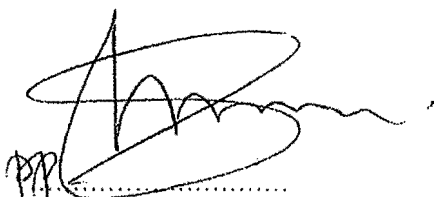
The proposed levy was determined based on an estimated volume of 18 billion litres per annum and the 2012/13 Business Plan and Budget requirement, for the regulation of the petroleum pipelines industry, of R 49 153 861 against the expenditure of R 51 635 565 as documented above.

The National Energy Regulator, acting under section 2(3)(a) of both the Gas Regulator Levies Act, 2002 (Act No. 75 of 2002) and the Petroleum Pipeline Levies Act, 2004 (Act No. 28 of 2004), hereby publishes the proposed levies on the piped-gas and petroleum pipeline industries for the 2012/13 financial year to bring it to the attention of the stakeholders in the piped-gas and petroleum pipeline industries and invite representations to be made to the Energy Regulator within thirty days of the date of this publication. The draft NERSA strategic overview and Annual Performance Plan (2012/13 – 2016/17) is available on the NERSA website: [www.nersa.org.za](http://www.nersa.org.za).

**Representations must be addressed to:**

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**CHIEF EXECUTIVE OFFICER**  
**30/11/2011**