

**NOTICE 780 OF 2014****NATIONAL ENERGY REGULATOR OF SOUTH AFRICA****NOTICE IN TERMS OF SECTION 2(3)(A) OF BOTH  
THE GAS REGULATOR LEVIES ACT, 2002 (NO. 75 OF 2002)****AND****THE PETROLEUM PIPELINES LEVIES ACT, 2004 (NO. 28 OF 2004)****Proposed Levy on the Piped-Gas and Petroleum Pipeline Industries for 2015/16**

The National Energy Regulator of South Africa (The Energy Regulator), acting under section 2(3)(a) of both the Gas Regulator Levies Act, 2002 (Act No. 75 of 2002) and the Petroleum Pipelines Levies Act, 2004 (Act No. 28 of 2004), hereby publishes the proposed levies on the piped-gas and petroleum pipeline industries for the 2015/16 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. NERSA's strategic overview of the Strategic Plan and Annual Performance Plan (2015/16 – 2017/18) with Budget (2015/16) is available on the NERSA website: [www.nersa.org.za](http://www.nersa.org.za).

The total NERSA Expenditure Budget amounts to R332 171 042 for 2015/16 (2014/15: R324 076 178) with the specific budgets for the three industries being as follows:

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|---------------------------------|--|
| • Electricity Industry:         | R 189 111 563 (2014/15: R 181 729 876) |
| • Piped-gas Industry:           | R 69 453 555 (2014/15: R 73 497 604)   |
| • Petroleum Pipelines Industry: | R 73 605 924 (2014/15: R 68 848 698)   |

The expenditure budget represents an increase of 2.5% over the expenditure budget for the Energy Regulator for the financial year 2014/15.

In the 2015/16 budget, the levy payable by the licensed generators for the electricity regulation industry will be effectively reduced by a refund of surplus funds to the value of R 5 531 867 and interest and other income of R3 913 808. The piped gas and petroleum pipelines industry levies will be reduced by a refund of surplus funds of R10 334 701 and R 611 752 respectively and equal share of R 1 417 068 for Interest and other income

Taking this into account, the total amount that NERSA will have to recover through levy income is R 308 944 776 for 2015/16 (2014/15: R303 678 577) for the three industries being as follows:

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|---------------------------------|--|
| • Electricity Industry:         | R 179 665 887 (2014/15: R 173 191 622) |
| • Piped-gas Industry:           | R 57 701 785 (2014/15: R 64 356 969)   |
| • Petroleum Pipelines Industry: | R 71 577 104 (2014/15: R 66 129 986)   |

**Proposed Piped-Gas Levy 2015/16**

The proposed levy to be imposed on the piped-gas industry is **32.730 c/Gj** (2014/15: 37.930 c/Gj) in respect of the amount of gas, measured in Gigajoules, delivered by importers and producers to the inlet flanges of transmission and 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 01 April 2015 to 31 March 2016, by persons concerned.

The proposed levy was determined based on an estimated volume of 176.3 million Gj per annum and the 2015/16 Annual Performance Plan and Budget requirement, for the regulation of the piped-gas industry, of R57 701 785 against the expenditure of R69 453 555 as documented above.

**Proposed Petroleum Pipeline Levy 2015/16**


The proposed levy to be imposed on the petroleum pipeline industry is **0.43380 c/litre** (2013/14: 0.40437 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 01 April 2015 to 31 March 2016, by persons concerned.

The proposed levy was determined based on an estimated volume of 16.5 billion litres per annum and the 2015/16 Annual Performance Plan and Budget requirement, for the regulation of the petroleum pipelines industry, of R71 577 104 against the expenditure of R73 605 924 as documented above.

**Representations must be addressed to:**

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