



Security of Supply

09 March 2015

Presentation outline

1. SAPIA overview
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SAPIA overview

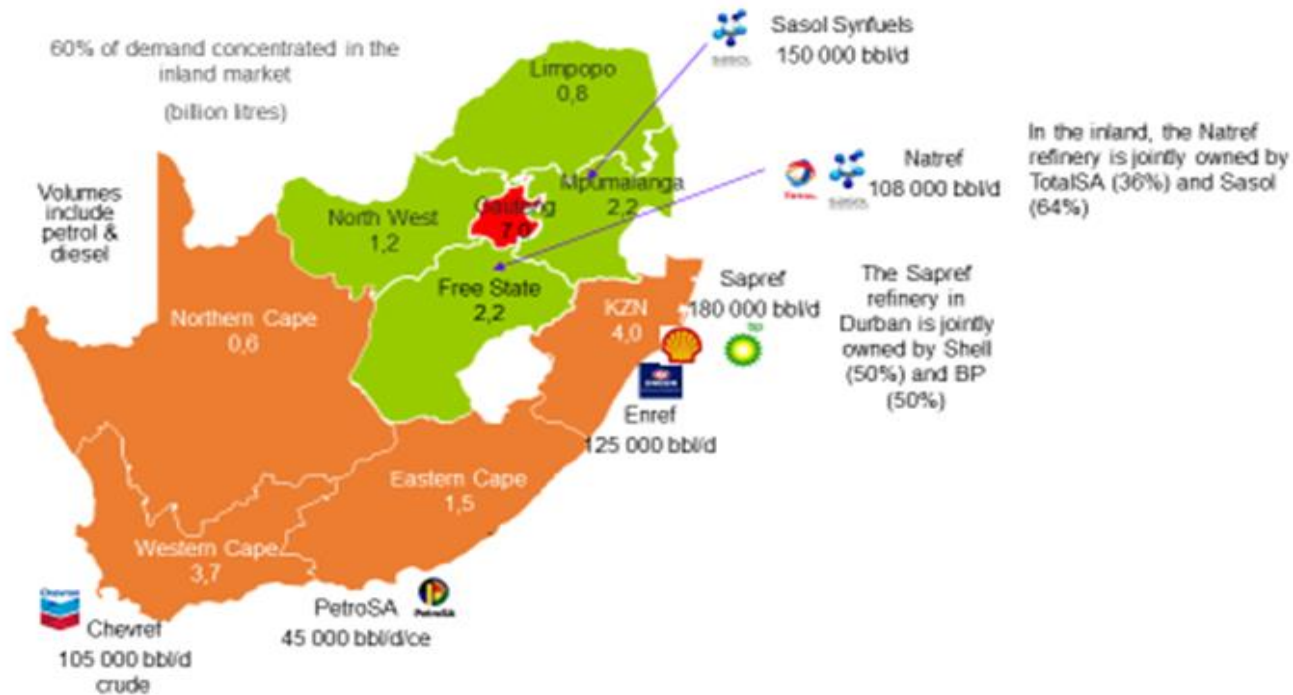
- SAPIA represents the collective interests of the South African petroleum industry.
- The association plays a strategic role in addressing a range of common issues relating to the refining, distribution and marketing of petroleum products, as well as promoting the industry's environmental and socioeconomic progress.
- SAPIA fulfils this role by proactively engaging with key stakeholders, providing research information, expert advice and communicating the industry's views to government, members of the public and media.

Objectives are to:

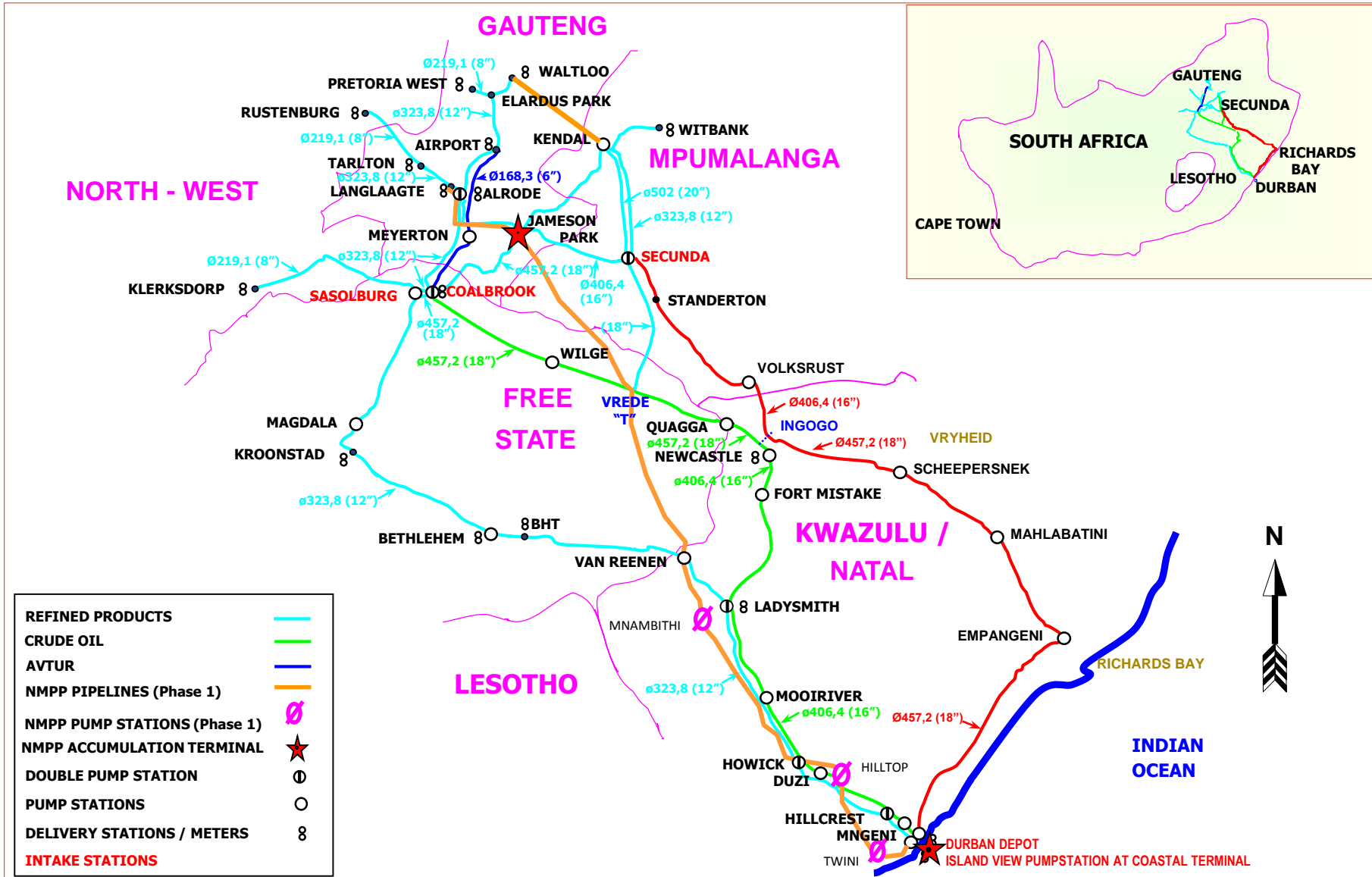
- understand the needs of its stakeholders;
- provide expert information and assistance to government, the petroleum industry and all South African citizens;
- contribute to policy formulation;
- promote transformation, environmental leadership and a fair regulatory framework for all;
- facilitate security of supply; and
- enhance the reputation of the industry by communicating its contribution to economic and social progress.

Supply Overview

The South African market is concentrated in the Inland region...



Transnet Pipeline Network



Security Of Supply

- SAPIA has a mandate to ensure non interrupted supply of liquid fuels to the country
- This is done through stock monitoring dashboard which highlights pinch points in the supply chain and also develop mitigation plans.
- We have detailed refinery shutdown schedule which ensures that no more than one refinery will go down at the same time.
- Sapia has established a security of supply committee to address the infrastructure risks among other things with key stakeholders such Transnet.
- Department of Energy chairs industry Logistics Planning Team (weekly) and Heads of Supply (Bi Monthly) meetings to ensure that we deliver to this mandate.

Response to Eskom Load Shedding

- Refineries are regarded as energy enablers and are exempted from load shedding e.g. supply of diesel to OCGT plants and emergency generators etc.
- No refinery has ever gone down due to load shedding as a result of this policy.
- All Depots across the country have backup generators as a contingency to ensure no supply interruptions
- SAPIA is part of a BUSA team that engages ESKOM and government on load shedding and energy security as whole.
- Our contingencies as a petroleum sector are adequate in our view however individual members continue to assess their business continuity plans.

Q&A

