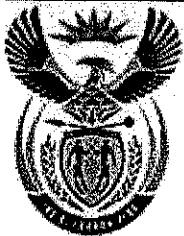
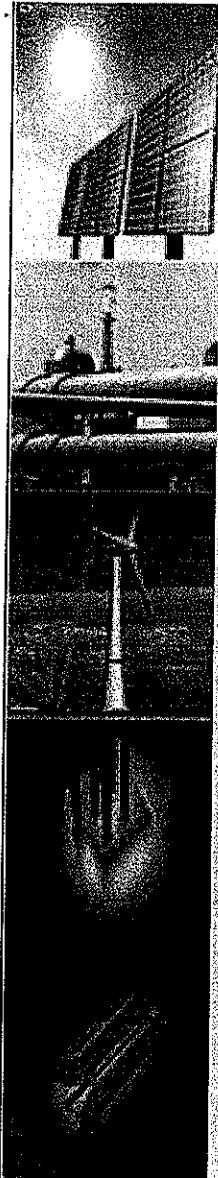


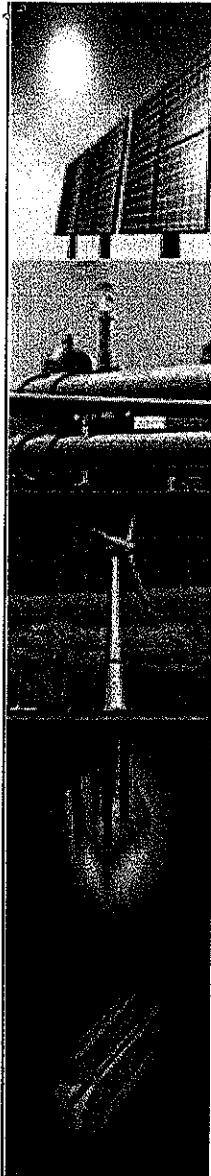
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HYDROCARBONS AND ENERGY PLANNING BRANCH



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OUTCOME 2 – A long and healthy life for all South Africans

- Regulations for maximum LPG Price
 - To increase the domestic use of LPG for thermal purposes (space heating and cooking)
 - To switch low income households from paraffin and biomass to LPG
 - Expansion of LPG market could create business opportunities & employment in line with IPAP
- Mandatory Blending of Biofuels
 - Mandatory blending with fuels manufactured from crude oil and coal
 - (Once implemented will also contributes to outcomes 4 and 10)*
- Illuminating Paraffin Safe Appliance Project
 - Pilot project for safe paraffin stoves in four provinces (WC-Emzamyethu, Gauteng-Alexandra , EC-Mbizana, KZN-Eziqoleni)



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OUTCOME 2– A long and healthy life for all South Africans

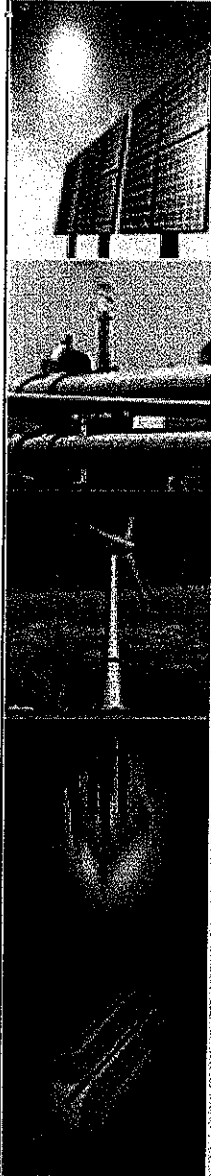
Progress and Key Challenges

- Regulations for Maximum LPG Price
 - Regulations first published in June 2010 and price adjusted and published monthly
 - Future Plans: LPG strategy, part of which will include improving gas infrastructure network, currently under development
- Mandatory Blending of Biofuels
 - Biofuels Industrial Strategy approved by Cabinet in 2007
 - Draft regulations in final stages to be gazetted within next month or two
 - Initially planned to be part of Clean Fuels 2
 - Study on bio-fuels pricing framework currently underway
- Illuminating Paraffin Safe Appliance Pilot Project
 - Completed in 2010/11 as planned



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OUTCOME 4 - Decent employment through inclusive economic growth

- Issuing of new retail and wholesale petroleum licenses
 - Enable entrepreneurs and new entrants to participate in downstream liquid fuel market
 - Decent employment at retail stations
- Integrated energy Centres (IeCs)
 - Part of government's mandate to create access to clean and affordable energy and rural community development and job creation



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OUTCOME 4 - Decent employment through inclusive economic growth

Progress and Key Challenges

- Issuing of new retail and wholesale petroleum licenses
 - Turnaround time for processing of licensing applications reduced to less than 90 days for 95% of all licenses by year-end 2010/11
- Integrated energy Centres (IeCs)
 - Number of IeCs established to date: 7
 - Number of IeCs established during 2010/11: 1
 - Plans for 2011/12: 2 new IeCs planned (Mbizana and Ulundi)



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OUTCOME 6 – An efficient, competitive and responsive economic infrastructure network

•New Multi-Product Pipeline (NMPP)

- Once commissioned will alleviate pressure from the already highly constrained Durban-to-Johannesburg Pipeline (DJP)
- Will also reduce current road haulage from Durban to Johannesburg by about 60%

•Integrated Energy Plan

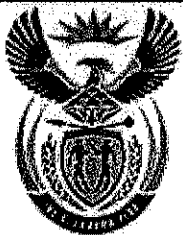
- Inform future energy landscape of the country (future energy mix and energy infrastructure development)
- Allow for evaluation of attainment of broader government policies by the energy sector
- IEP is an ongoing process rather than a once-off process which if successfully developed and implemented would contribute towards achievement of other outcomes

•Liquid Fuels Plan

- Ensuring security of liquid fuel supply in short, medium and long-term
- Emergency response plan for liquid fuel industry
- Also contributes towards other outcomes
- Ensuring meeting of liquid fuel demand with bio-fuels and other alternative and renewable energy source

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•Introduce energy efficiency interventions

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OUTCOME 6 – An efficient, competitive and responsive economic infrastructure network

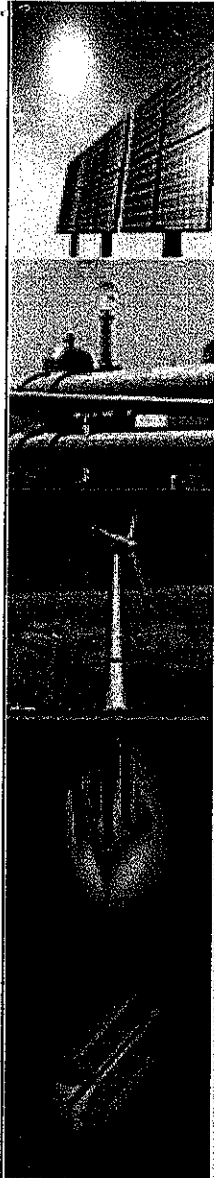
Progress and Key Challenges

- **New Multi-Product Pipeline (NMPP)**
 - License awarded to Transnet by NERSA in December 2007
 - Department responsible for ensuring security of liquid fuel supply and financing of pipeline
 - Commissioning of trunk-line planned for January 2012
 - Line-fill planned to commence October 2011
- **Integrated Energy Plan**
 - Development commenced
 - Timeframes for completion currently been revised
- **Liquid Fuels Plan**
 - Development commenced



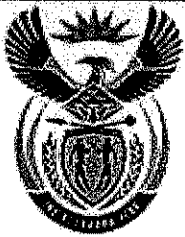
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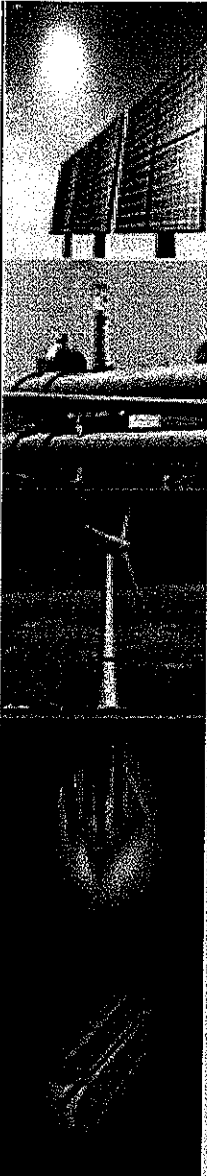
OUTCOME 10 - Environmental assets and natural resources that are well protected and continually enhanced

- Clean Fuels 2
 - Further tightening of fuel specifications and standards to further reduce vehicle emissions
 - Improvement in efficiency of vehicles and reduction of contribution to air pollution
- Establishment and listing of the South African National Energy Development Institute (SANEDI)
 - Energy Research, EE and DSM interventions
 - Focus areas will be informed by Departmental policy priorities and objectives



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OUTCOME 10 - Environmental assets and natural resources that are well protected and continually enhanced

Progress and Key Challenges

- Clean Fuels 2
 - First specifications (CF1) introduced in 2006
 - Published the road-map for clean fuels 2 (CF2). Gazetted for public comment in March 2011
- Establishment of SANEDI (research, EE, DSM interventions)
 - Entity listed and operational with effect from 1 April 2011



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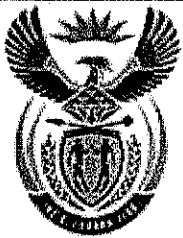
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Outline

1. Contribution to Outcomes

- Electricity, Nuclear, Clean Energy



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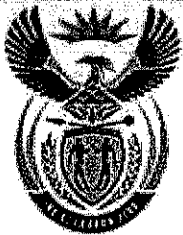
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Summary of Contributions

Outcome	Efficient, Competitive and responsive infrastructure
	Reduced distribution infrastructure maintenance backlog
	Funding model for distribution infrastructure rehabilitation



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Summary of Contributions

Outcome	Improved energy regulation
	IPP Framework including procurement, licensing, grid connection etc.
	Revision of legislation – Electricity Regulation Second Amendment, Energy Regulator Amendment, ISMO Bills



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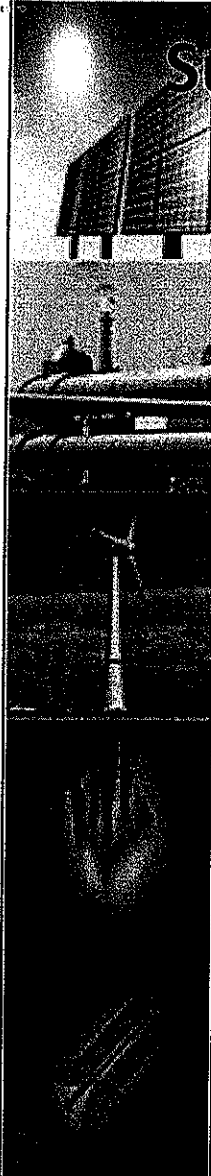
Summary of Contributions

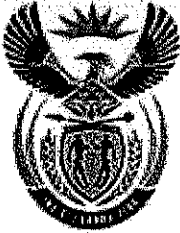
Outcome	Diversify energy sources and Universal Access to energy
	Households, Schools and clinics electrification using grid and off-grid technologies
	Free basic electricity
	Alternative energy programme
	Solar water heating
	Implementation of the Integrated Resource Plan
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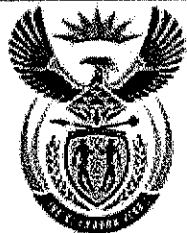
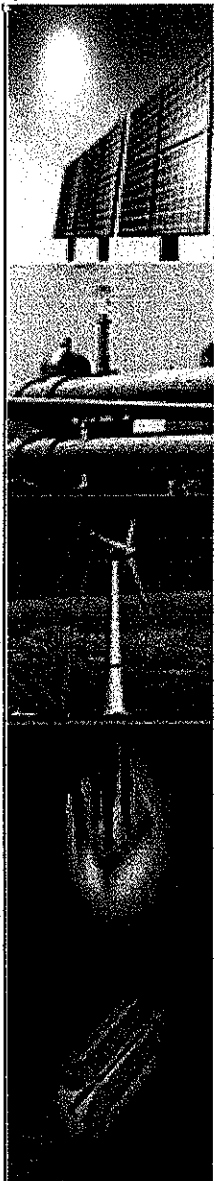
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Summary of Contributions



Outcome	Environment and Clean energy/ Mitigation and Climate Change
	Implemented Clean Energy projects including renewables, nuclear and energy efficiency
	Energy efficiency programme in industrial, residential, commercial sectors
	Contribute to negotiation of fair dispensation through the UNFCCC process (COP 17)
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Thank you



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