

Oil Products Supply and Transportation in South Africa

3 December 2009

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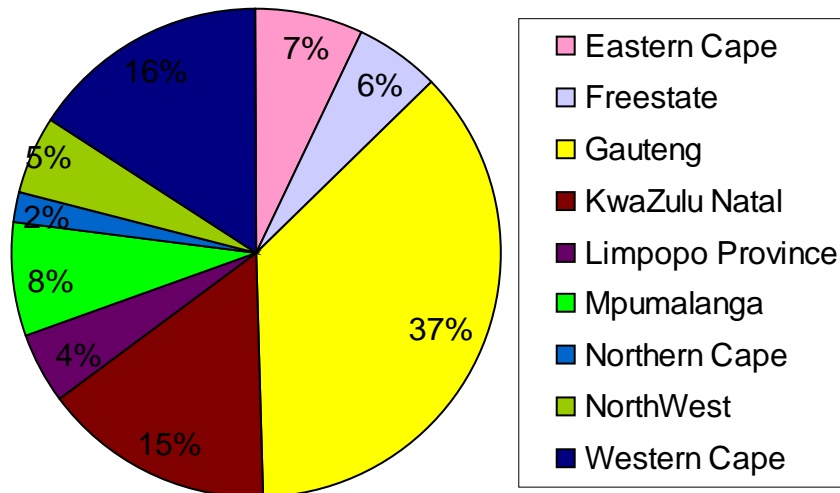
- Introduction
- Inland supply/demand balance
- Supply Chain Capabilities – Pipeline Capacity
- Impact of 2010 World Cup
- End

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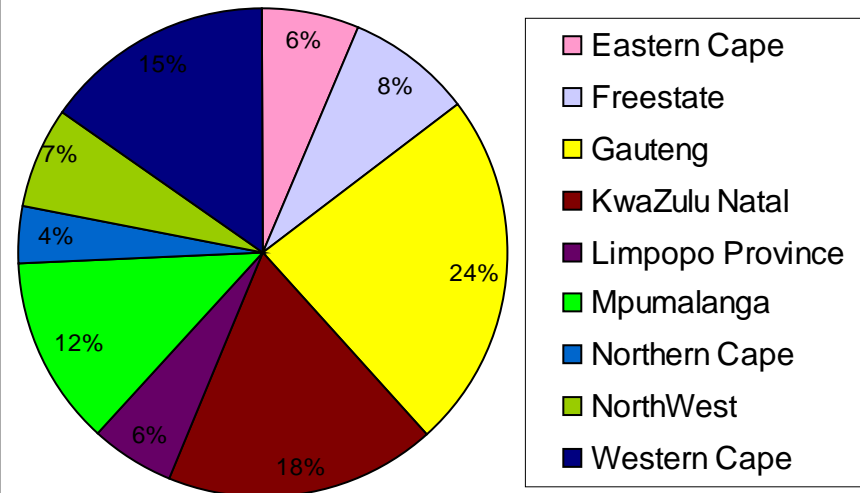
Introduction

- RSA consumed 24 billion liters white product in 2008
- 46% petrol; 43% diesel; 8% jet fuel and 2% paraffin
- The Inland market consumes on average 60%
- Gauteng is South Africa's biggest market – consuming approximately 34%

RSA % Petrol Demand by Province 2008

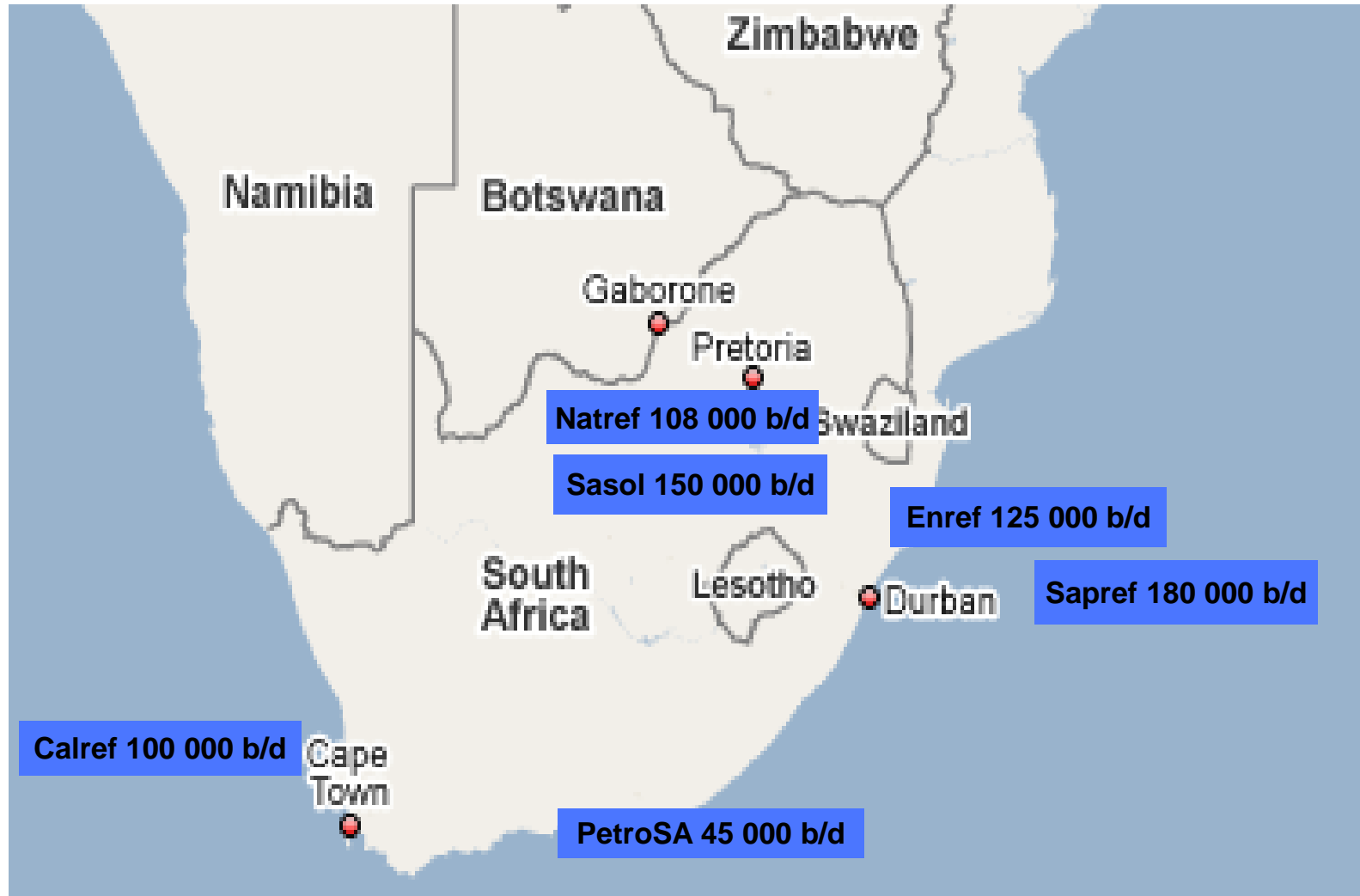


RSA % Diesel Demand by Province 2008



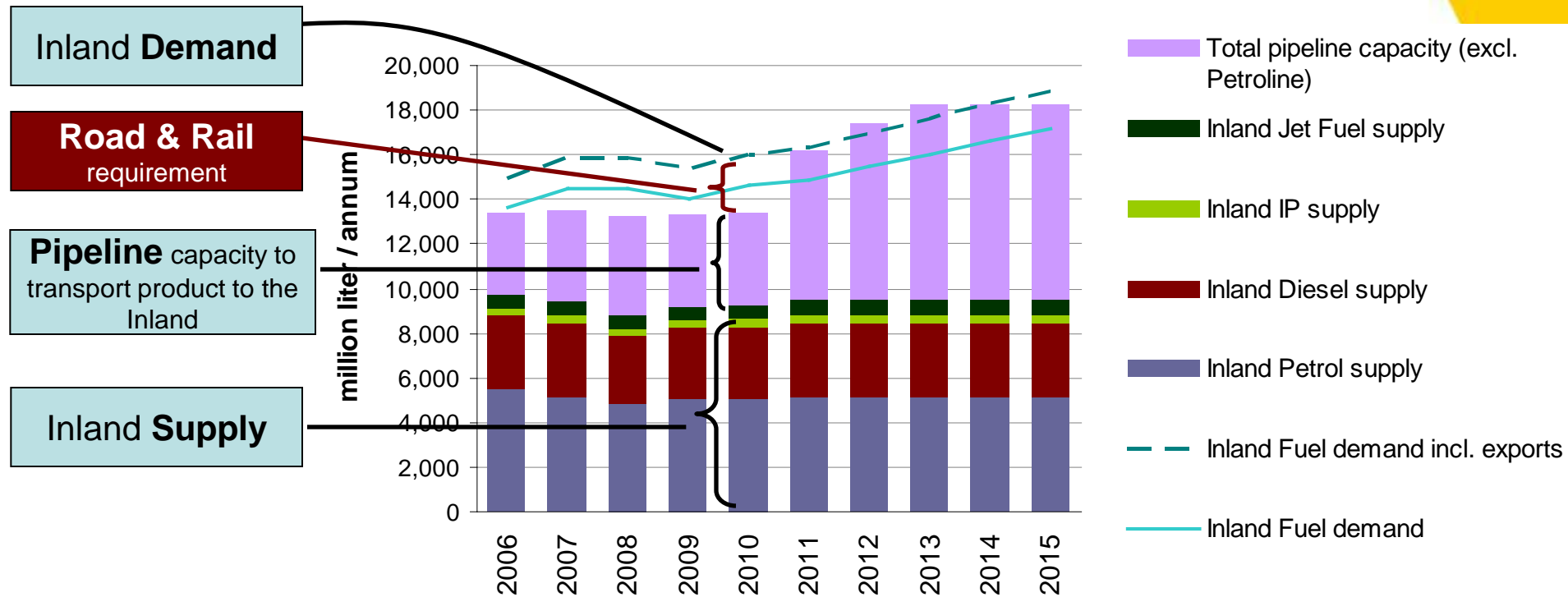
Introduction

- Issue of transportation relevant to the inland market



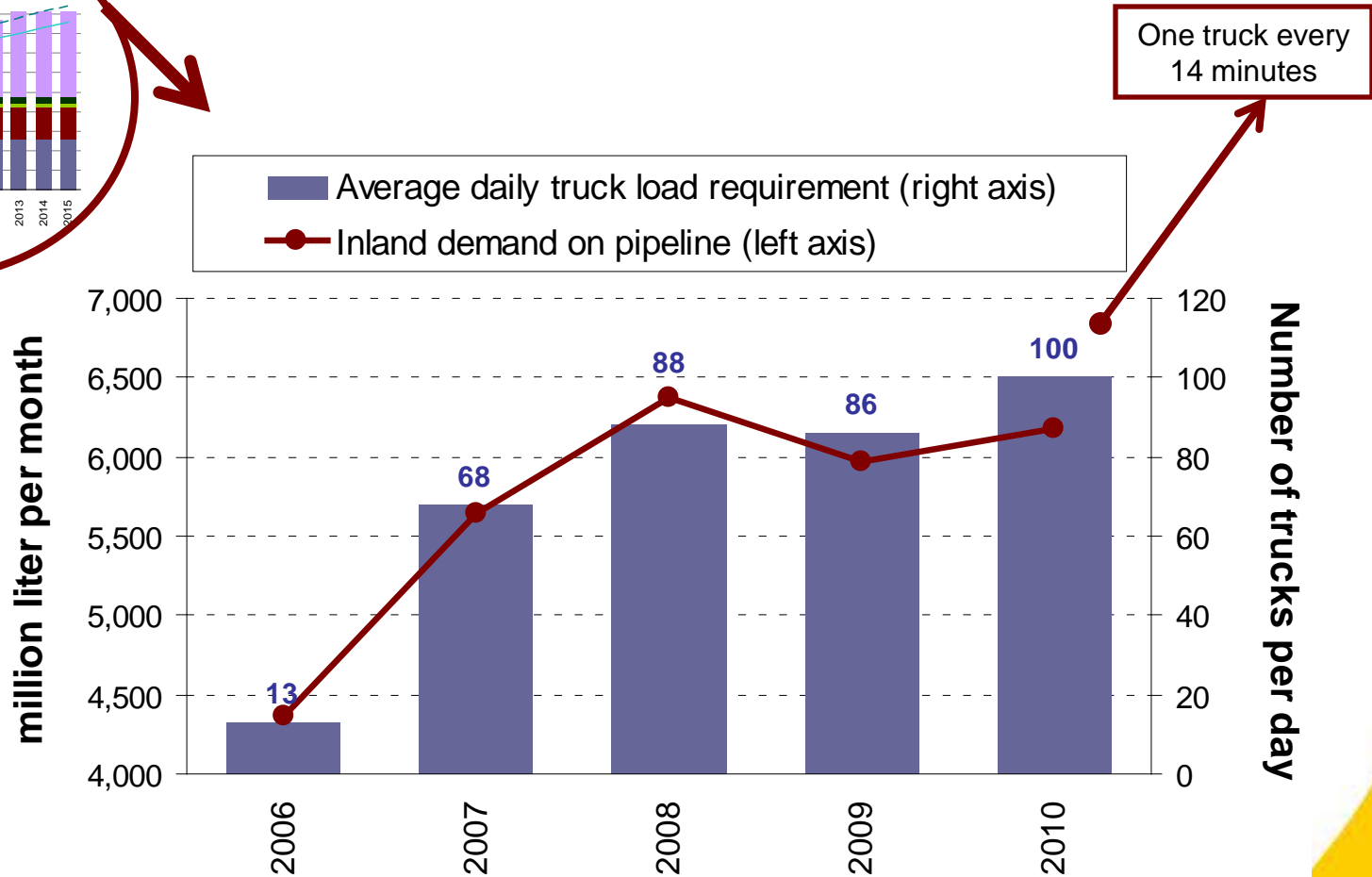
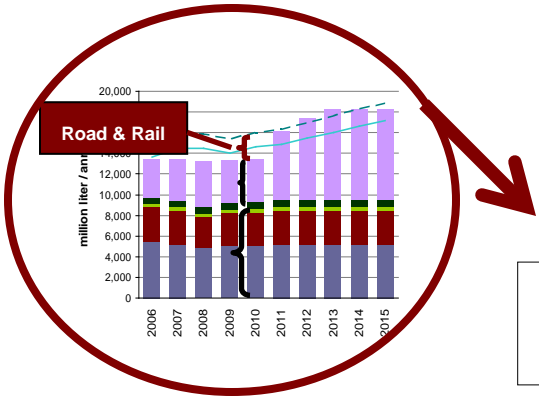
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Inland Supply/Demand Balance



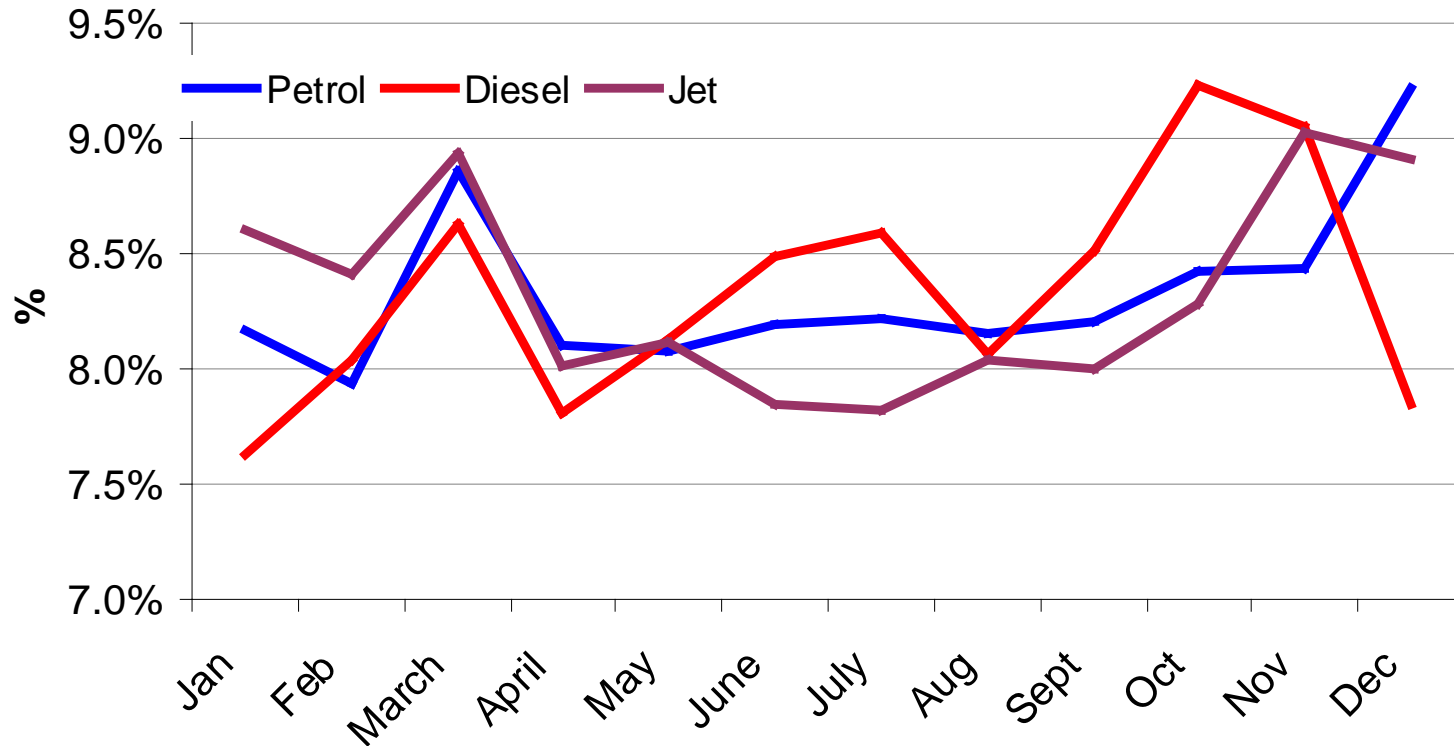
Inland Supply/Demand Balance

- Road haulage requirement

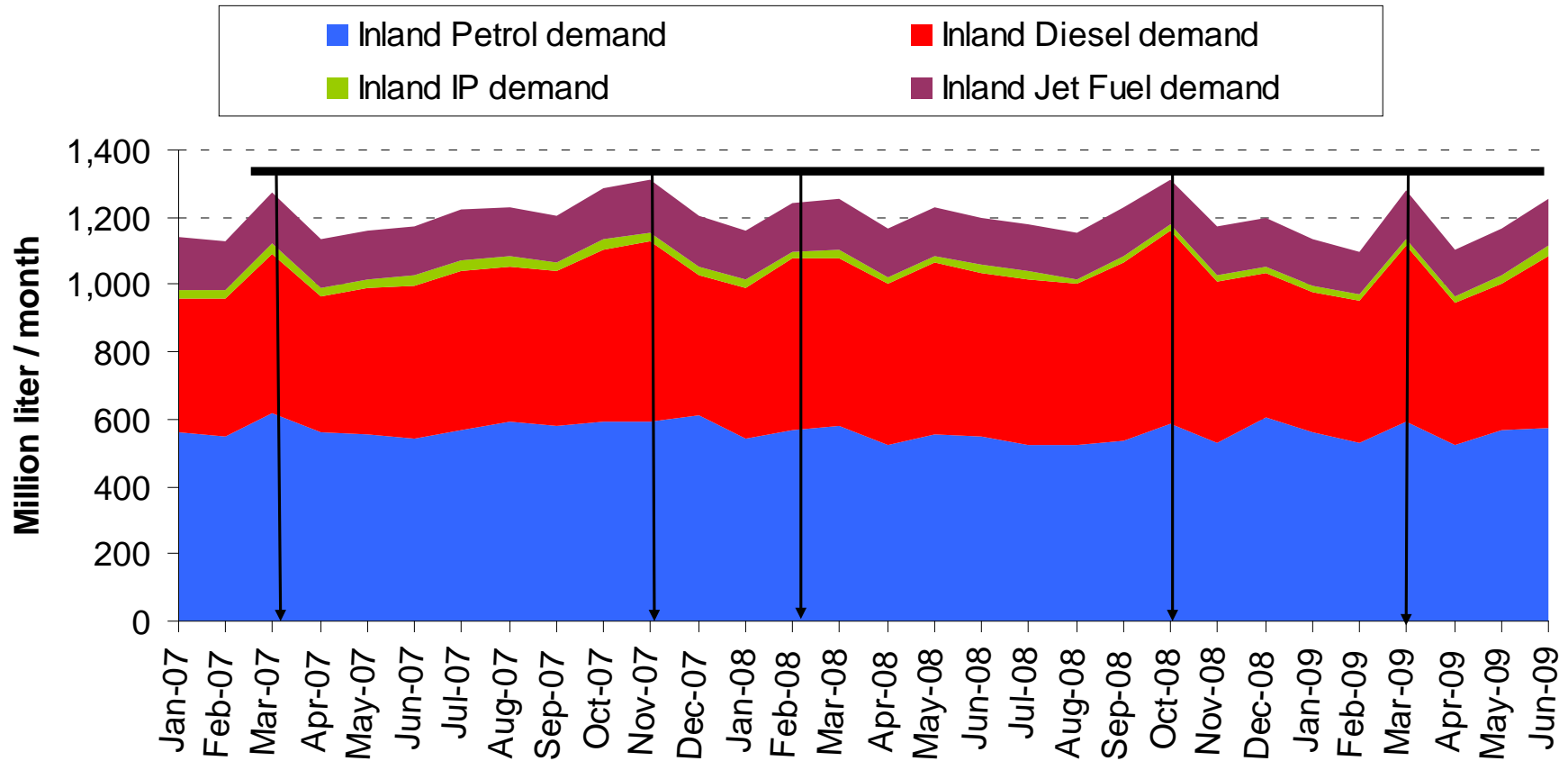


- Seasonal demand

**4 Year monthly demand as % of total year
(2005 - 2008 data)**

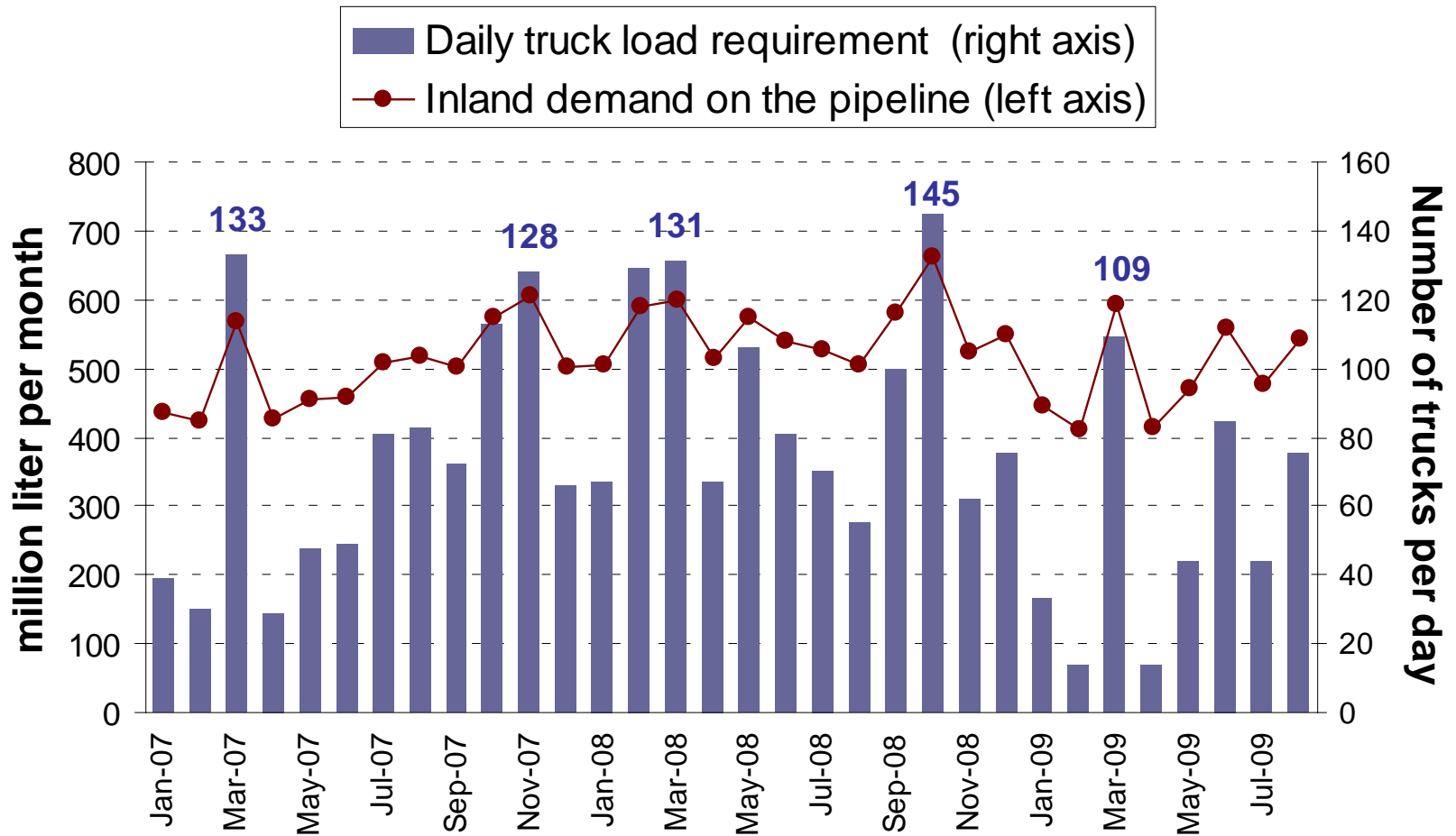


- Seasonal demand - aggregate



Inland Supply/Demand Balance

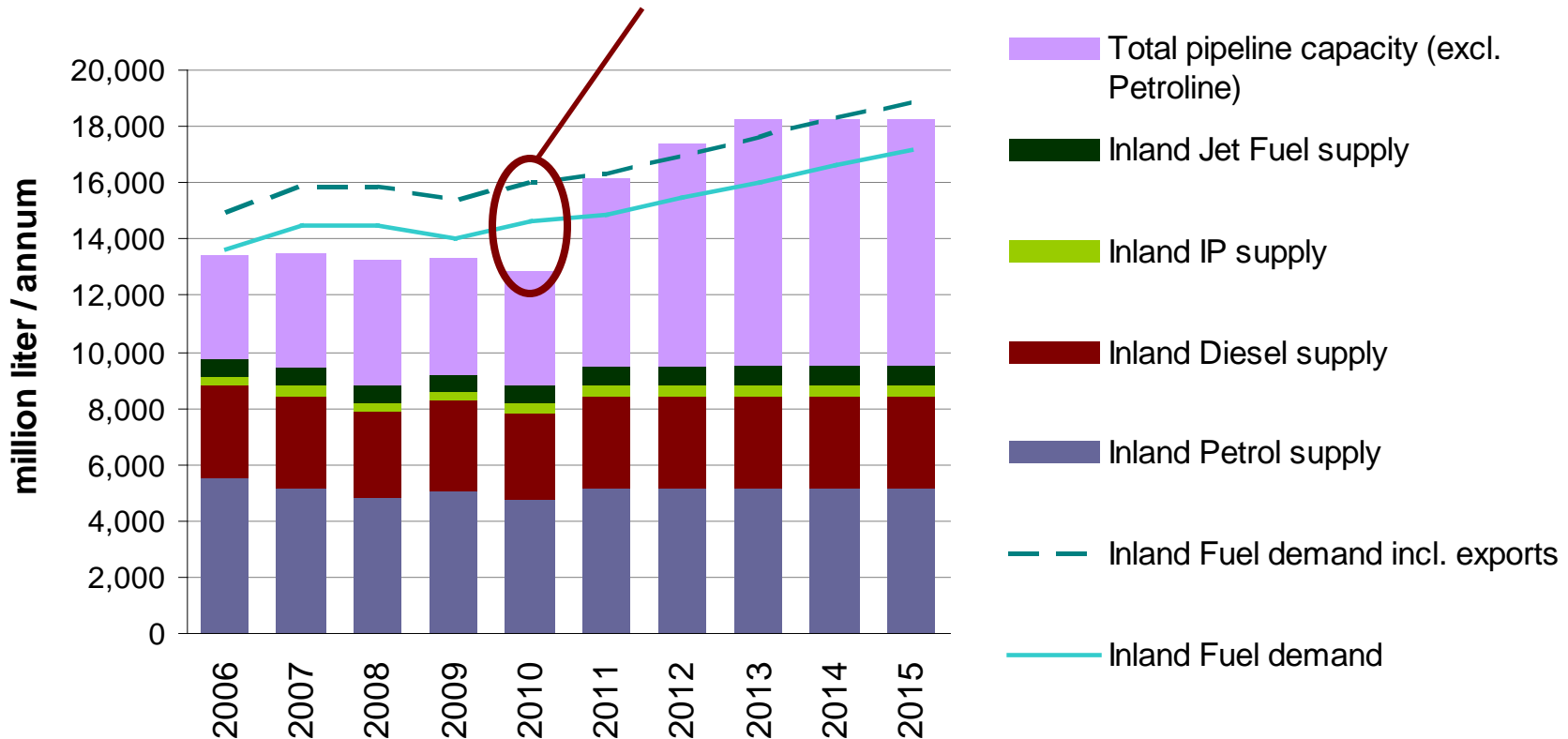
- Road haulage requirement - monthly



Inland Supply/Demand Balance

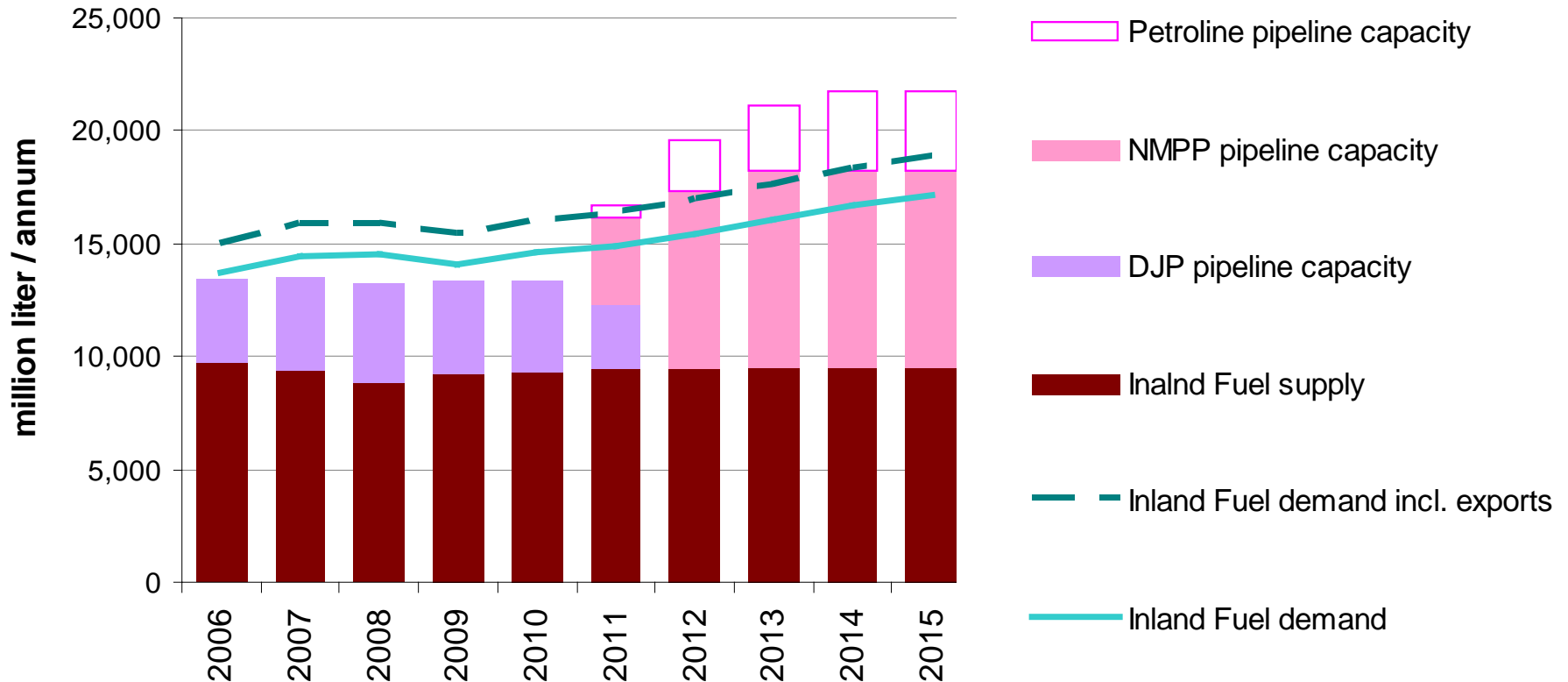
- “What if” scenario: Secunda unforeseen 30 day shutdown of the total facility during 2010

Road haulage requirement increases from an average 100 trucks per day to 130 trucks (one truck every 11 minutes)



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- Potential New Pipeline Capacity



ASSUMPTIONS:
 NMPP commences operation 22 June 2011
 Petroline commences operation September 2011

- **Transnet Pipelines**

- According to Transnet, first fuel is scheduled for 22 June 2011
- Volumes transported by Transnet Pipelines:

	m3/hour	m3/annum
DJP	479	4,200,000

- DJP meets approximately 26% of total inland demand

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World Cup Impact

- Soccer World Cup: 11 June 2010 – 11 July 2010
- Expected number of visitors:

International Visitor Category Grouping	Total Arrivals
FIFA Family	5,000
Special Travel Groups	140,000
Ticketed General Spectators + Tour Groups	215,000
Inter-continental visitors without tickets	40,000
Sub-Total	400,000
African visitors without tickets	300,000
TOTAL	700,000

- Approximately 400 000 inter-continental visitors are expected
 - Of the non-ticket holders 300 000 are estimated as being from African countries, being largely cross-border land arrivals. This number is extremely difficult to estimate – might be lower.
 - Less pre- and post World Cup tourist activities are expected due to the density of the games. Fans will be looking for day tour activities in the area but in the evenings they would probably want to watch other soccer games (even if they do not have tickets).
- It is still hard to plan around the issue of fans' movement as visitors will only know where the matches are going to be once the final draw take place on 4 December 2009.

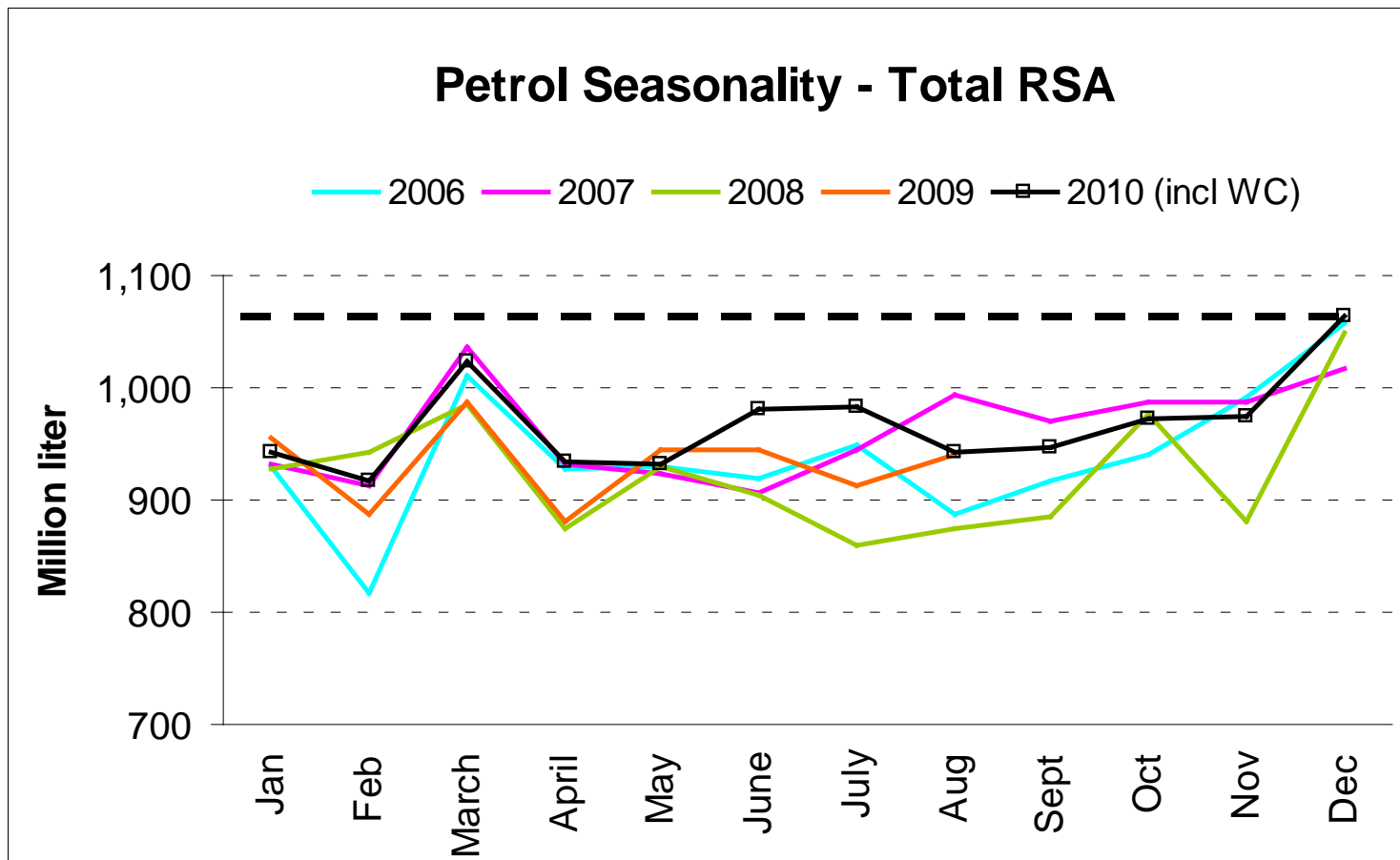
World Cup Impact

- In the absence of a proper bottom-up demand study, NERSA made assumptions on a possible spike in demand during June / July 2010 relative to demand in other months and prior years.
- The assumptions:

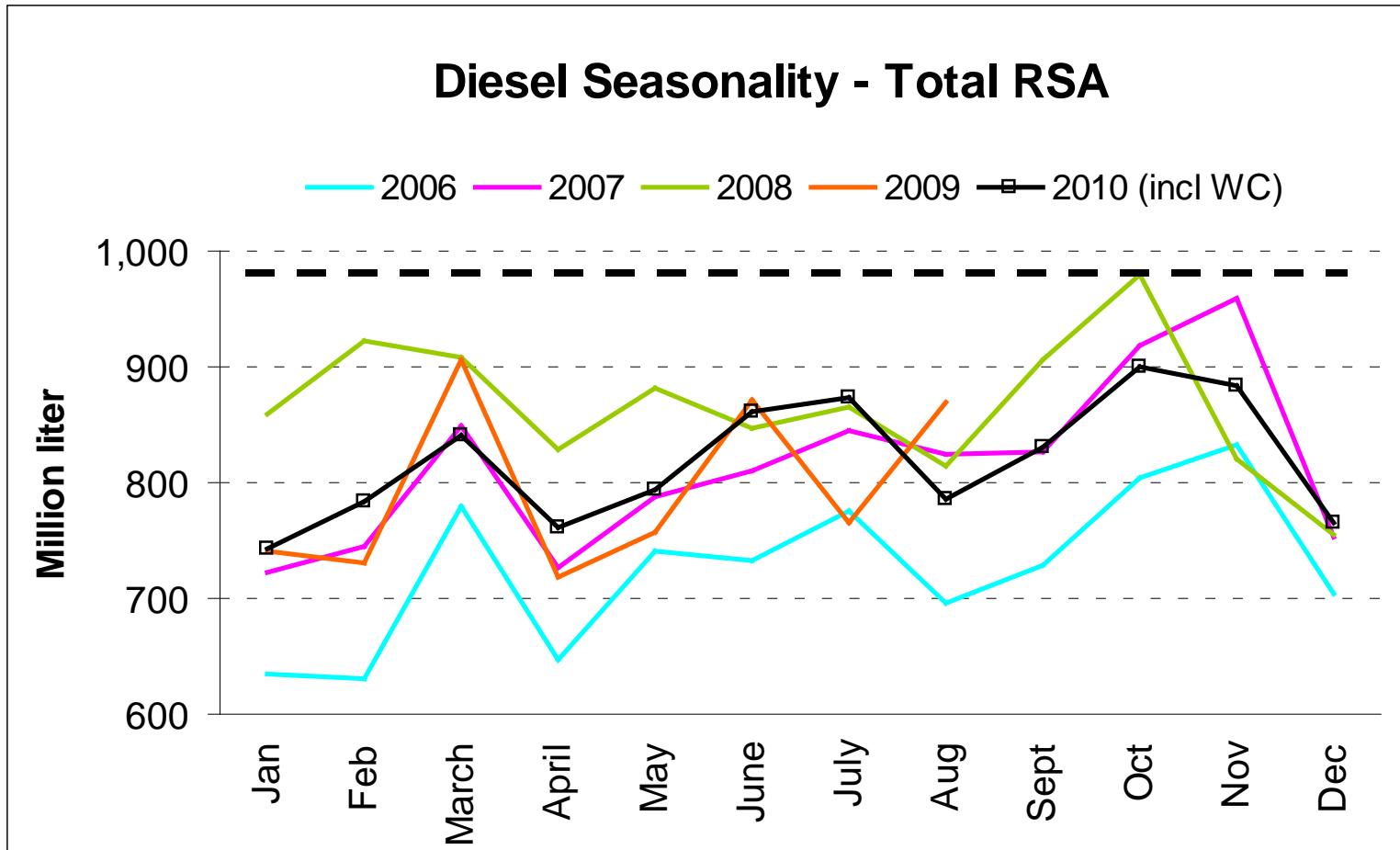
Petrol	Extra 1.1 million liter car tank fulls (60 liter) = 69 million liter
Diesel	Extra 1.1 million car tank fulls (60 liter) = 67 million liter Generators for back-up and technical power supply = 417 000 liter
IP	No increase in demand
Jet	90% increase in demand during the World Cup period = 173 million liter
TOTAL	309 million liter additional fuel demand

- Approximately 1.3% increase in RSA annual fuel demand during 2010 as a result of the World Cup
- Road haulage requirement during June and July 2010: Average approximately 148 trucks per day (one truck every 10 minutes) – similar to Oct 2008

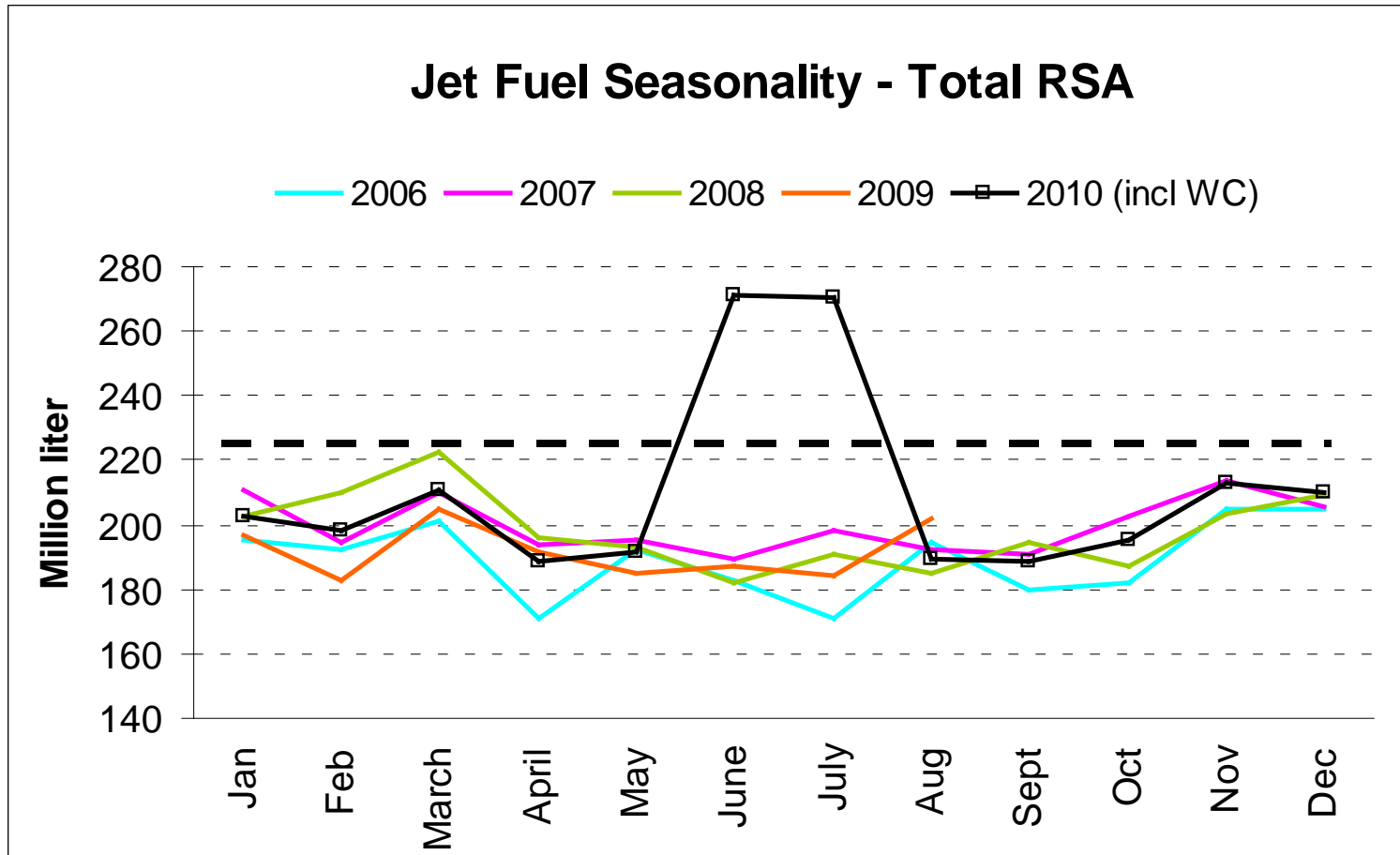
- Petrol



- Diesel



- Jet Fuel



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- **THANK YOU**