

GAS ACT, 2001 (ACT No. 48 of 2001)

**RULES MADE BY THE NATIONAL ENERGY REGULATOR IN TERMS OF
SECTION 34(3) OF THE ACT
PART 1: LICENCING**

EXPLANATORY MEMORANDUM

In accordance with the provisions of Section 34(3) of the Gas Act, 2001 (Act No. 48 of 2001) the Energy Regulator may make Rules regarding a number of administrative matters. The Energy Regulator is publishing the second version of the draft Rules for information. It is intended that the only changes in the short term that will be made to these Rules will be those required by Regulations once the Regulations have been gazetted.

The administrative matters concerned arise from the following provisions of the Gas Act—

- a) the form, manner and contents of licence applications as provided for in section 34(3)(c) of the Gas Act of 2001;
- b) the manner of publishing of licence applications and the contents thereof as provided for in section 34(3)(d) of the Gas Act of 2001;
- c) the form and manner in which objections to licence applications must be lodged and the furnishing thereof to the applicant for his or her response thereto as provided for in section 34(3)(e) of the Gas Act of 2001;
- d) the procedure to be followed in considering licence applications as provided for in section 34(3) (f) of the Gas Act of 2001.

These Rules do not duplicate the requirements of the Gas Act. These Rules and the Act must be read together when license applications are made.

GAS ACT, 2001 (ACT No. 48 of 2001)

RULES

In terms of Section 34 (3) of the Gas Act (Act No. 48 of 2001), the National Energy Regulator hereby promulgates the Rules in the attached Schedule. These Rules come into effect on 01 April 2006.

SCHEDULE

ARRANGEMENT OF RULES

EXPLANATORY MEMORANDUM	1
DEFINITIONS	4
UNITS OF MEASURE	4
FORM AND CONTENT OF LICENCE APPLICATION	4
MANNER OF LICENCE APPLICATION	4
PUBLISHING OF LICENCE APPLICATIONS AND CONTENTS THEREOF	5
FORM AND MANNER OF LODGING OBJECTIONS TO LICENCE APPLICATIONS	6
PROCEDURE TO BE FOLLOWED IN CONSIDERING LICENCE APPLICATIONS	7
SHORT TITLE AND COMMENCEMENT	8
ANNEXURE A FORM: APPLICATION FOR LICENCE	9
CHAPTER 1 – General information	10
SECTION A PARTICULARS OF APPLICANT	10
SECTION B DESIRED COMMENCEMENT DATE AND DURATION	10
SECTION C ADDITIONAL INFORMATION	10
SECTION D LICENCE CONDITIONS	10
SECTION E SOLEMN DECLARATION.....	11
CHAPTER 2 - DOCUMENTS TO BE ATTACHED TO THIS APPLICATION	13
Chapter 3 – Details of application	15
CONSTRUCTION OF A TRANSMISSION FACILITY(GALA.t.F1).....	16
CONVERSION INTO A TRANSMISSION FACILITY(GALA.t.F2).....	17
OPERATION OF A TRANSMISSION FACILITY(GALA.t.F3)	19
CONSTRUCTION OF A GAS DISTRIBUTION FACILITY(GALA.d.F1)	20
CONVERSION OF INFRASTRUCTURE INTO A GAS DISTRIBUTION FACILITY(GALA.d.F2)	21
OPERATION OF A GAS DISTRIBUTION FACILITY(GALA.d.F3).....	23
CONSTRUCTION OF GAS STORAGE FACILITY(GALA.s.F1)	24
CONVERSION INTO GAS STORAGE FACILITY (GALA.s.F2).....	25
OPERATION OF GAS STORAGE FACILITY(GALA.s.F3)	26
CONSTRUCTION OF A GAS LIQUEFACTION FACILITY(GALA.I.F1)	27
OPERATION OF A GAS LIQUEFACTION FACILITY(GALA.I.F2).....	29
CONSTRUCTION OF A RE-GASIFICATION FACILITY(GALA.r.F1)	30
OPERATION OF A RE-GASIFICATION FACILITY(GALA.r.F2)	32
TRADING IN GAS(GALA.tr.F1)	34
ANNEXURE B FORM: OBJECTION TO LICENCE APPLICATION	35

DEFINITIONS

1. In these Rules any word or expression to which a meaning has been assigned in the Act shall have the meaning so assigned unless the context indicates otherwise.

“**Act**” means the Gas Act, 2001 (Act No. 48 of 2001).

“**large user**” means users consuming more than 400 000 gigajoules of gas per annum.

UNITS OF MEASURE

2. All measurements must use metric units of measure and volumes of gas must be converted into gigajoules.

FORM AND CONTENT OF LICENCE APPLICATION

3. An application for a licence must be made in writing in the form specified in Annexure A and must contain the information specified therein.

MANNER OF LICENCE APPLICATION

4. An application for a licence must -
 - (a) be signed and dated by a mandated representative of the applicant or the applicant in a solemn declaration certified by a Commissioner of Oaths;
 - (b) be accompanied by a copy thereof;
 - (c) be delivered by hand or sent by registered post to the address specified in Annexure A;
 - (d) include any other information that the Energy Regulator may consider necessary or appropriate and is requested by the Energy Regulator during the process of considering a licence application.
5. The owner of a gas transmission pipeline, a distribution pipeline, a liquefaction facility, a re-gasification facility or a storage facility under construction at the commencement of these Rules must apply to the Energy Regulator for a construction licence.

6. The owner of a gas transmission pipeline, a distribution pipeline, a liquefaction facility, a re-gasification facility or a storage facility in operation at the commencement of these Rules need not apply to the Energy Regulator for a construction licence.
7. Applicants for a licence must be provided with a receipt from the Energy Regulator recording –
 - (a) the date of receipt of the application;
 - (b) the name of the person that received it on behalf of the Energy Regulator;
 - (c) the tracking or reference number allocated to that application.

PUBLISHING OF LICENCE APPLICATIONS AND CONTENTS THEREOF

8. An applicant must publish a notice of a licence application in at least two newspapers on at least three different days in each newspaper, circulating in the area of the proposed activity in any two official languages (one of which must be English).
9. A notice of a licence application published in terms of Section 17 (2) of the Act must–
 - (a) state where the license application will be accessible to members of the public from the date on which the notice is published until the closing date for objections, with the exclusion of Saturday, Sunday and public holidays;
 - (b) state the closing date for receipt of objections, which is 30 days from the last date of publication of the notice;
 - (c) contain a warning that objections received after the closing date may be disregarded;
 - (d) state that persons who wish to lodge objections must do so by completing the form at Annexure B to these Rules and that such forms can be obtained from the NERSA website at the address www.nersa.org.za or from NERSA's offices (physical address below);

The National Energy Regulator (NERSA)
Executive Manager: Hydrocarbons Regulation
Licence applications
Postal Address: P O Box 40343, Arcadia, 0007
Street Address: 526 Vermeulen Street, Arcadia, Pretoria
Telephone number: (012) 401 4600; and
Fax number: (012) 401 4700.

- (e) state that any objection must be sent by registered mail or hand-delivered to:

The National Energy Regulator (NERSA)
Executive Manager: Hydrocarbons Regulation
Licence applications
Postal Address: P O Box 40343, Arcadia, 0007
Street Address: 526 Vermeulen Street, Arcadia, Pretoria
Telephone number: (012) 401 4600; and
Fax number: (012) 401 4700.

A copy may be forwarded to the following E-mail address:

Licence.applications@nersa.org.za

- (f) state that the Energy Regulator will decide on the proposed licence application.
10. If the Energy Regulator deems it necessary when considering the specific characteristics of a licence application, it may direct that the advertisement must be published for a longer period or in more than two newspapers.

FORM AND MANNER OF LODGING OBJECTIONS TO LICENCE APPLICATIONS

11. An objection to a licence application shall be in the form specified in Annexure B and shall contain the information specified therein.
12. An objection to a licence application must be -
- (a) in duplicate ;
 - (b) delivered by hand to

National Energy Regulator
Executive Manager: Hydrocarbons Regulation
Licence applications
526 Vermeulen Street
Arcadia
Pretoria

or sent by registered post to

**National Energy Regulator
Executive Manager: Hydrocarbons Regulation
Licence applications
PO Box 40343
Arcadia
Pretoria
0007**

(c) received by the Energy Regulator within 30 days of the date of last publication of the licence application notice.

13. An applicant for a licence responding to an objection to its application, must—
- (a) do so within 30 calendar days of receipt of the objection to its licence application from the Energy Regulator;
 - (b) do so in writing to the Energy Regulator including the name of the objector and the date of the objection to which it is responding.

PROCEDURE TO BE FOLLOWED IN CONSIDERING LICENCE APPLICATIONS

14. When evaluating licence applications, the Energy Regulator may perform investigations, collect necessary information, consult with national, provincial and municipal authorities, hold public meetings, and, take any other action it considers necessary in order to evaluate the application subject to regulations made in terms of the Gas Act (Act No. 48 of 2001) promulgated subsequent to the commencement of these Rules.
15. In evaluating the licence application the Energy Regulator must consider *inter alia* the following:
- a. the information provided in the application;
 - b. objections to the application;
 - c. the applicants responses to objections; and
 - d. any other information available to it;
 - e. other licence applications that may affect or be affected by its decision;
 - f. technical, administrative, and financial capabilities of the applicant;
 - g. if applicable, the effects of the licence applied for on the activities of other licensees;

- h. methods and procedures for safely operating and maintaining the gas transmission or distribution pipeline or storage facility, or liquefaction or re-gasification facility and its effects on any other transmission or distribution pipeline system, storage system, liquefaction or re-gasification facility;
- i. proposed general conditions for the provision of service; and
- j. technical specifications of the project.

16. Based on the evaluation of the licence application the Energy Regulator may request the applicant to modify the application.

SHORT TITLE AND COMMENCEMENT

17. These Rules are called the Gas Act Rules, Part One: Licensing 2006 and come into operation on 01April 2006.

ANNEXURE A FORM: APPLICATION FOR LICENCE

NATIONAL ENERGY REGULATOR

APPLICATIONS FOR LICENCES IN TERMS OF THE GAS ACT, 2001 (ACT NO. 48 OF 2001)

INSTRUCTIONS	OFFICIAL USE ONLY																				
1. Read the Gas Act, 2001 (Act No. 48 of 2001) with the associated Regulations before completing this application form.	LICENCE NUMBER <table border="1" data-bbox="834 793 1273 842"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>																				

Applicants must provide the information required in this Annexure A and the attachments thereto that are required.

CHAPTER 1 – General information

SECTION A PARTICULARS OF APPLICANT

Please provide the following:

1. Full Name of Applicant and mandated representative
2. Trading name of applicant if different from registered name.
3. Physical and postal address of principal place of business of the applicant.
4. Postal address of registered office if different from principal place of business.
5. Physical address of registered office if different from principal place of business.
6. Telephone number of applicant.
7. Fax number of applicant.
8. E-mail address of applicant.
9. Contact person at applicant, including:
 - (a) designation
 - (b) family name
 - (c) first name
 - (d) telephone number
 - (e) fax number.

SECTION B DESIRED COMMENCEMENT DATE AND DURATION

Desired licence period, that is, the period for which the applicant desires the licence (if granted) to be valid.¹

SECTION C ADDITIONAL INFORMATION

Please provide any other relevant information that the applicant wishes to include with this application.

SECTION D LICENCE CONDITIONS

Please provide your desired licence conditions in terms of section 21(1) of the Gas Act of 2001.

¹ In terms of section 23 of the Gas Act, 2001, licences are valid for 25 years or such longer period as the Energy Regulator may determine.

SECTION E

SOLEMN DECLARATION

I (full names)..... Identity Number..... hereby declare that all information provided herein is within my personal knowledge and is true and correct.

Signed at (place) on this.....day of(month)(year).

.....
Signature

I certify that the deponent:

- (a) has acknowledged that she/he knows and understand the contents of this application form and its annexures, that she/he has no objection to taking the prescribed oath and that she/he considers the oath binding on her/his conscience; and
- (b) has in the prescribed manner sworn that the contents of this application form and its annexures are true and signed same before me at (place) on this.....day of.....(month)(year).

COMMISSIONER OF OATHS

Name: _____

Address: _____

Capacity: _____

Note:

The applicant may request confidential treatment of commercially sensitive information, and subject to the concurrence of the Energy Regulator such information may be withheld from publicly available copies of an application.

Submit the application to:-

**National Energy Regulator
Executive Manager: Hydrocarbons Regulation
Licence applications
P O Box 40343
Arcadia
0007**

Or

**National Energy Regulator
Executive Manager: Hydrocarbons Regulation
Licence applications
526 Vermeulen Street
Arcadia
Pretoria**

Enquiries:

**Contact: Executive Manager: Hydrocarbons Regulation
Contact No.: (012) 401 4600
Fax No.: (012) 401 4700
E-mail: Licence.applications@nersa.org.za**

CHAPTER 2 - DOCUMENTS TO BE ATTACHED TO THIS APPLICATION

1. If the applicant is a natural person, a certified copy of the applicant's identity document and, in the case of a non - South African citizen, permanent residence permit or employment permit and proof of residence in South Africa, or proof of domicile in South Africa, as the case may be.
2. If the applicant is a local government body or other statutory body, a juristic person established in terms of an Act of Parliament; government department; a company or other legal body, attach a copy of the proclamation establishing such body or state relevant legislation.
3. If the applicant is not a natural person, and is not contemplated in (2) above, a document stating –
 - (a) the title of legislation under which it is registered;
 - (b) the registration number given to it in terms of such legislation;
 - (c) In the case of companies, the names of the current directors and the ownership or shareholding structure including particulars of the shareholders.
 - (d) a certified copy of the identity document of the mandated representative authorized to make the application, if applicable (and proof of such authorisation).
4. Provisions to meet any criteria specified by the Minister in terms of section 19 (2) of the Gas Act (if applicable).
5. Documents demonstrating the administrative abilities of the applicant.²
6. Documents demonstrating the financial abilities of the applicant.²
7. Documents demonstrating the technical abilities of the applicant.²
8. A certified copy of the Record of Decision of the relevant environmental authorities in accordance with the National Environmental Management Act, 1998 (Act No. 107 of 1998) permitting the activity for which the licence is sought, if applicable or proof and the status of such a permit application.
9. List of applicable regulations, operating and technical standards, codes and specifications including those relating to safety to be used in the activities

² Only original or certified copies will be accepted by the Energy Regulator.

for which this application is made. For example, American Society of Mechanical Engineers (ASME) Standards, American Petroleum Institute (API) Standards and European Norms (EN).

10. Detailed specification of the gas that will be handled in the facility for which this application is made i.e. the chemical and physical composition, calorific values and Wobbe Index of the gas and the pressures of the gas at point of entry and exit (gas traders need not complete this section).
11. Declaration by the applicant that it is in compliance with the Regulations made under section 34(1)(j) of the Gas Act.
12. Provide proof of compliance with regulations made under the Gas Act, 2001 (Act no. 48 of 2001) regarding environmental rehabilitation.
13. If necessary, a declaration by the applicant giving reasons why any certified copy required is not provided.

Chapter 3 – Details of application

Complete the appropriate form, one of the following:

Construction of a Transmission Facility (GALA.t.F1)
Conversion into a Transmission Facility (GALA.t.F2)
Operation of a Transmission Facility (GALA.t.F3)

Construction of a Storage Facility (GALA.s.F1)
Conversion into a Storage Facility (GALA.s.F2)
Operation of a Storage Facility (GALA.s.F1)

Construction of a Distribution Facility (GALA.d.F1)
Conversion into a Distribution Facility (GALA.d.F2)
Operation of a Distribution Facility (GALA.d.F3)

Construction of a Liquefaction Facility (GALA.l.F1)
Operation of a Liquefaction Facility (GALA.l.F2)

Construction of a Re-gasification Facility (GALA.r.F1)
Operation of a Re-gasification Facility (GALA.r.F2)

Trading in gas (GALA.tr.F1)

CONSTRUCTION OF A TRANSMISSION FACILITY(GALA.t.F1)

Provide the following information. Each numbered item below should be copied and appear at the top of a page with your information below.

1. Attach a description of the proposed facility, adequately specifying the route to which the application relates. This must include key design codes to demonstrate technical feasibility and a map of the route, at a scale acceptable to the Energy Regulator, indicating proposed:
 - (a) capacity;
 - (b) diameters;
 - (c) pressures;
 - (d) compression sites and capacity; and
 - (e) receipt and delivery points.
2. Submit proof of viability of the proposed facility, including:
 - (a) commercial structure and projected cash flows;
 - (b) the gas source;
 - (c) certified, proven saleable reserves; and
 - (d) gas production programme to supply gas for the project.
3. Submit a description of the existing and potential customers including categorization such as distributor, power generator and large users. In case of existing supply agreements, the particulars of such customers.
4. Submit a description of the proposed tariff policies for the facility.
5. Submit a description of the proposed manner in which Third Party Access will be granted to the proposed facility, including grounds for refusal. Specify the proposed allocation mechanism in case of insufficient capacity and measures to ensure non-discrimination.
6. Submit details of planned changes to the pipeline after commencement of operations regarding:
 - (a) pipeline capacity;
 - (b) investment plans and the schedule of implementation; and
 - (c) timelines for service commencement.

CONVERSION INTO A TRANSMISSION FACILITY(GALA.t.F2)

Provide the following information. Each numbered item below should be copied and appear at the top of a page with your information below.

1. Attach a description of the existing and proposed facility, adequately specifying the route(s) to which the application relates. This must include key design codes to demonstrate technical feasibility and detailed maps of the route(s), at a scale acceptable to the Energy Regulator indicating current and proposed:
 - (a) capacity;
 - (b) diameters;
 - (c) pressures;
 - (d) compression sites and capacity; and
 - (e) receipt and delivery points.
2. Submit proof of viability of the proposed facility, including:
 - (a) commercial structure and projected cash flows;
 - (b) the gas source;
 - (c) certified proven saleable reserves; and
 - (d) gas production programme to supply gas for the project
3. Customer description and related information:
 - (a) For the current facility, submit:
 - i. a description of the existing and potential customers;
 - ii. an indication of the likely effects and alternatives available to existing customers;
 - iii. proof of notification to existing customers of intention to apply for a conversion licence.and
 - (b) For the proposed facility, submit a description of the envisaged customers, including categorization such as distributor, power generator and large user.
4. Submit a description of the proposed tariff policies for the converted facility, e.g. standard tariffs with a discount policy or long-term supply agreement based on indexation.
5. Submit a description of the proposed manner in which Third Party Access will be granted to the proposed facility, including grounds for refusal. Specify the proposed allocation mechanism in case of insufficient capacity and measures to ensure non-discrimination.

6. Submit details of planned changes to the pipeline after commencement of operations regarding:
 - (a) pipeline capacity;
 - (b) investment plans and the schedule of implementation; and
 - (c) timelines for service commencement.

OPERATION OF A TRANSMISSION FACILITY(GALA.t.F3)

Provide the following information. Each numbered item below should be copied and appear at the top of a page with your information below.

1. Attach a description of the facility, adequately specifying the route to which the application relates. This must include key design codes to demonstrate technical feasibility and a detailed map of the route at a scale acceptable to the Energy Regulator, indicating :
 - a. capacity;
 - b. diameters;
 - c. pressures;
 - d. compression sites and capacity; and
 - e. receipt and delivery points.
2. Submit proof of viability of the facility, including:
 - a. commercial structure and projected cash flows;
 - b. the gas source;
 - c. certified, proven saleable reserves; and
 - d. gas production programme to supply gas for the project.
3. Submit a description of the existing and potential customers including categorization such as distributor, power generator and large user. In case of existing supply agreements, the particulars of such customers.
4. Submit a description of the proposed tariff policies for the facility, e.g. standard tariffs with a discount policy or long-term supply agreement based on indexation.
5. Submit a description of the proposed manner in which Third Party Access will be granted, including grounds for refusal. Specify the proposed allocation mechanism in case of insufficient capacity and measures to ensure non-discrimination.
6. Submit details regarding the following matters that relate to additional investment plans :
 - a. schedule of implementation;
 - b. gas capacity; and
 - c. timelines for service commencement.
7. Provide a copy of the maintenance policy for the transmission facility

CONSTRUCTION OF A GAS DISTRIBUTION FACILITY(GALA.d.F1)

Provide the following information. Each numbered item below should be copied and appear at the top of a page with your information below.

1. Attach a map of the proposed boundaries of the geographic area and a description of the geographic area in which gas is to be distributed. Attach a description of the proposed facility, adequately specifying the pipelines to which the application relates. This must include key design codes to demonstrate technical feasibility and a detailed map of the pipelines, at a scale acceptable to the Energy Regulator indicating proposed:
 - a. capacity;
 - b. storage integrated into the distribution network;
 - c. diameters;
 - d. pressures;
 - e. proposed general operating pressure;
 - f. compression sites and capacity; and
 - g. receipt and delivery points.
2. Submit proof of viability of the proposed facility, including:
 - a. commercial structure and projected cash flows;
 - b. the gas source, and reserves where applicable;
 - c. certified, proven saleable reserves ;and
 - d. gas production programme to supply gas for the project.
3. Submit a description of the existing and potential customers including categorization such as reticulator, small, medium or large user. In case of existing supply agreements, the particulars of such customers.
4. Submit a description of the proposed pricing and tariff policies for the facility.
5. Demonstrate ability to supply present and future potential customers at competitive prices and conditions. This must include a ten-year development plan to install a pipeline network allowing access to gas by potential customers and showing annual commitments for the installation of pipelines. Note: failure to honour these commitments could lead to reductions in the licence area or even the loss of the licence itself.
6. Submit details regarding the following matters during the various stages of the project's development:
 - a. gas capacity;
 - b. investment plans and the schedule of implementation; and
 - c. timelines for service commencement.

CONVERSION OF INFRASTRUCTURE INTO A GAS DISTRIBUTION FACILITY(GALA.d.F2)

Provide the following information. Each numbered item below should be copied and appear at the top of a page with your information below.

1. Attach a map of the proposed boundaries of the geographic area and a description of the geographic area in which gas is to be distributed. Attach a description of the existing and proposed facilities, adequately specifying the pipelines to which the application relates. This must include key design codes to demonstrate technical feasibility and a detailed map of the pipelines, at a scale acceptable to the Energy Regulator indicating proposed:
 - a. capacity;
 - b. storage integrated into the distribution network;
 - c. diameters;
 - d. pressures;
 - e. proposed general operating pressure;
 - f. compression sites and capacity; and
 - g. receipt and delivery points.

2. Submit proof of viability of the proposed facility, including:
 - a. commercial structure and projected cash flows;
 - b. the gas source;
 - c. certified, proven saleable reserves; and
 - d. gas production programme to supply gas for the project.

3. Customer description and related information:
 - a. For the current facility, submit:
 - i. a description of the existing and potential customers.
 - ii. an indication of the likely effects of the facility conversion and alternatives available to existing customers;
 - iii. proof of notification to existing customers of intention to apply for a conversion licence.and

 - b. For the proposed facility, submit a description of the envisaged customers, including categorization such as reticulator, small, medium or large user.

4. Submit a description of the proposed pricing and tariff policies for the facility.

5. Demonstrate ability to supply present and future potential customers at competitive prices and conditions. This must include details of the stages of the minimum programme of coverage and development in the geographic area.
6. Submit details regarding the following matters during the various stages of the project's development:
 - a. gas capacity;
 - b. investment plans and the schedule of implementation; and
 - c. timelines for service commencement.

OPERATION OF A GAS DISTRIBUTION FACILITY(GALA.d.F3)

Provide the following information. Each numbered item below should be copied and appear at the top of a page with your information below.

1. Attach a map of the proposed boundaries of the geographic area and a description of the geographic area in which gas is to be distributed. Attach a description of the existing or proposed facility, adequately specifying the pipelines to which the application relates. This must include a detailed map of the pipelines, at a scale acceptable to the Energy Regulator indicating proposed:
 - a. capacity;
 - b. storage integrated into the distribution network;
 - c. diameters;
 - d. pressures;
 - e. proposed general operating pressure;
 - f. compression sites and capacity; and
 - g. receipt and delivery points.
2. Submit proof of viability of the proposed facility, including:
 - a. commercial structure and projected cash flows;
 - b. the gas source; and
 - c. certified, proven saleable reserves; and
 - d. gas production programme to supply gas for the project.
3. Submit a description of the existing and potential customers in categories as determined by Regulation.
4. Submit a description of the proposed pricing and tariff policies for the facility.
5. Demonstrate ability to supply present and future potential customers at competitive prices and conditions. This must include details of the stages of the minimum programme of coverage and development in the geographic area.
6. Submit details regarding the following matters during the various stages of the project's development:
 - a. gas capacity;
 - b. investment plans and the schedule of implementation; and
 - c. timelines for service commencement.
7. Provide a copy of the maintenance policy for the distribution facility

CONSTRUCTION OF GAS STORAGE FACILITY(GALA.s.F1)

Provide the following information. Each numbered item below should be copied and appear at the top of a page with your information below.

1. Attach a description of the proposed facility and key design codes to demonstrate technical feasibility, adequately specifying the layout of the proposed facilities and the physical dimensions and capacity of the proposed storage facility. This must include:
 - a. detailed drawings indicating the design of the storage facility and the piping arrangements;
 - b. the proposed location of storage facilities, fences and roads;
 - c. a description of the regular inspection and maintenance procedures.
2. Submit details of effective storage capacity and gas injection and withdrawal rates.
3. Submit proof of viability of the proposed facility, including:
 - a. commercial structure and projected cash flows;
 - b. the gas source;
 - c. certified, proven saleable reserves; and
 - d. gas production programme to supply gas for the project.
4. Submit a description of the proposed tariff policies for the facility.
5. Submit a description of the proposed manner in which Third Party Access will be granted to the proposed facility, including grounds for refusal. Specify the proposed allocation mechanism in case of insufficient capacity and measures to ensure non-discrimination.
6. Submit details regarding the following matters during the various stages of the project's development:
 - a. gas capacity;
 - b. investment plans and the schedule of implementation; and
 - c. timelines for service commencement.

CONVERSION INTO GAS STORAGE FACILITY (GALA.s.F2)

Provide the following information. Each numbered item below should be copied and appear at the top of a page with your information below.

1. Attach a description of the proposed facility and key design codes to demonstrate technical feasibility, adequately specifying the layout of the proposed facilities and the physical dimensions and capacity of the proposed storage facility. This must include:
 - a. detailed drawings indicating the design of the storage facility and the piping arrangements;
 - b. the proposed location of storage facilities, fences and roads;
 - c. a description of the regular inspection and maintenance procedures.
2. Submit details of effective storage capacity and gas injection and withdrawal rates.
3. Submit proof of viability of the proposed facility, including:
 - a. commercial structure and projected cash flows;
 - b. the gas source;
 - c. certified, proven saleable reserves; and
 - d. gas production programme to supply gas for the project.
4. Submit a description of the proposed tariff policies for the facility.
5. Submit a description of the proposed manner in which Third Party Access will be granted to the proposed facility, including grounds for refusal. Specify the proposed allocation mechanism in case of insufficient capacity and measures to ensure non-discrimination.
6. Submit details regarding the following matters during the various stages of the project's development:
 - a. gas capacity;
 - b. investment plans and the schedule of implementation; and
 - c. timelines for service commencement.

OPERATION OF GAS STORAGE FACILITY(GALA.s.F3)

Provide the following information. Each numbered item below should be copied and appear at the top of a page with your information below.

1. Attach a description of the proposed facility, and key design codes to demonstrate technical feasibility adequately specifying the layout of the proposed facilities and the physical dimensions and capacity of the proposed storage facility. This must include:
 - a. detailed drawings indicating the design of the storage facility and the piping arrangements;
 - b. the proposed location of storage facilities, fences and roads;
 - c. a description of the regular inspection and maintenance procedures.
2. Submit details of the effective storage capacity and gas injection and withdrawal rates.
3. Submit proof of viability of the proposed facility, including:
 - a. commercial structure and projected cash flows;
 - b. the gas source;
 - c. certified, proven saleable reserves; and
 - d. gas production programme to supply gas for the project.
4. Submit a description of the proposed tariff policies for the facility.
5. Submit a description of the proposed manner in which Third Party Access will be granted to the proposed facility, including grounds for refusal. Specify the proposed allocation mechanism in case of insufficient capacity and measures to ensure non-discrimination.
6. Submit details regarding the following matters during the various stages of the project's development:
 - a. gas storage capacity;
 - b. investment plans and the schedule of implementation; and
 - c. timelines for service commencement.
7. Submit details of any additional planned investments or upgrading of the facility and the schedule of implementation. Provide timelines for service commencement for each item listed where applicable.
8. Provide a copy of the maintenance policy for the storage facility

CONSTRUCTION OF A GAS LIQUEFACTION FACILITY(GALA.I.F1)

Provide the following information. Each numbered item below should be copied and appear at the top of a page with your information below.

1. Attach a description of the proposed facility and key design codes to demonstrate technical feasibility, adequately specifying the layout of the facility and the physical dimensions and capacity of the proposed facility. This must include:
 - (a) detailed drawings indicating the design of the liquefaction facility and the piping arrangements;
 - (b) the proposed location of liquefaction facilities, fences, access control points and roads;
 - (c) the design capacity of the storage facility of the liquefied gas;
 - (d) the design capacity of the storage facility of the gas to be liquefied; and
 - (e) The design capacity of the proposed liquefaction facility in tonnes of liquefied natural gas (LNG) per annum.
2. Submit details of the proposed geographic location of:
 - (a) the storage facility for liquefied gas if separate from liquefaction facility; and
 - (b) the storage facility for gas that is to be liquefied if separate from liquefaction facility.
3. Give the estimated investment (in Rands) required for the facility including that for land development and any accompanying storage or other facilities on the same geographic site.
4. Give the estimated dates of commencement of construction and completion of construction.
5. Indicate if the applicant will liquefy its own gas. If yes, state what proportion of capacity will be utilized by the applicant.
6. If the applicant intends to liquefy gas belonging to other persons, submit a general description of the type of customers to be served and tariff policies to be applied.
7. Submit details of gas storage injection and production capacity, if applicable.
8. Submit proof of viability of the proposed facility, including:
 - (a) commercial structure and projected cash flows;

- (b) the gas source;
 - (c) certified, proven saleable reserves; and
 - (d) gas production programme to supply gas for the project.
9. Submit a description of the existing and potential customers including categorization such as distributor, power generator, large users and traders. In case of existing supply agreements, the particulars of such customers.
10. Submit details regarding the following matters during the various stages of the project's development:
- (a) gas capacity;
 - (b) investment plans and the schedule of implementation; and
 - (c) timelines for service commencement

OPERATION OF A GAS LIQUEFACTION FACILITY(GALA.I.F2)

Provide the following information. Each numbered item below should be copied and appear at the top of a page with your information below.

1. Attach a description of the facility, and key design codes to demonstrate technical feasibility, adequately specifying the layout of the facility and the physical dimensions and capacity of the facility. This must include:
 - a. detailed drawings indicating the design of the storage facility and the piping arrangements;
 - b. the location of storage facilities, fences and roads;
 - c. the design capacity of the storage facility of the liquefied natural gas;
 - d. the design capacity of the storage facility of the gas to be liquefied; and
 - e. the design capacity of the liquefaction facility in tonnes of gas per annum;
2. Submit details of the geographic location of:
 - a. the storage facility for liquefied gas if separate from liquefaction facility; and
 - b. the storage facility for gas that is to be liquefied if separate from liquefaction facility.
3. Indicate if the applicant will liquefy its own gas. If yes, what proportion of capacity will be utilized by the applicant.
4. If the applicant intends to liquefy gas belonging to other persons, submit a description of the type of customers to be served and the tariff policies to be applied.
5. Submit details of gas storage injection and production capacity, if applicable.
6. Submit proof of viability of the facility, including:
 - a. commercial structure and projected cash flows;
 - b. the gas source;
 - c. certified, proven saleable reserves; and
 - d. gas production programme to supply gas to the project.
7. Submit a description of the existing and potential customers including categorization such as distributor, power generator, large users and traders. In case of existing supply agreements, the particulars of such customers.
8. Provide a copy of the maintenance policy for the liquefaction facility

CONSTRUCTION OF A RE-GASIFICATION FACILITY(GALA.r.F1)

Provide the following information. Each numbered item below should be copied and appear at the top of a page with your information below.

1. Attach a description of the proposed facility and key design codes to demonstrate technical feasibility, adequately specifying the layout of the facility and the physical dimensions and capacity of the proposed facility. This must include:
 - a. detailed drawings indicating the design of the re-gasification facility and the piping arrangements;
 - b. the proposed location of re-gasification facilities;
 - c. the design capacity of the storage facility of the liquefied gas;
 - d. If applicable, the design capacity of the storage facility of gas to be liquefied; and
 - e. the design capacity of the proposed re-gasification facility in tonnes of gas per annum;
2. Submit details of the proposed geographic location of:
 - a. the storage facility for liquefied gas if separate from the re-gasification facility; and
 - b. the storage facility for gas if separate from re-gasification facility.
3. Submit proof of viability of the proposed facility, including:
 - a. commercial structure and projected cash flows;
 - b. the liquefied natural gas source(s); and
 - c. LNG supply to the project in tonnes per annum.
4. Submit details regarding the following matters during the various stages of the project's development:
 - a. gas capacity;
 - b. investment plans and the schedule of implementation; and
 - c. timelines for service commencement.
5. Indicate the proportion of re-gasification capacity that will be utilized by the applicant for own use.
6. Submit a description of the existing and potential customers including categorization such as distributor, power generator, large users and traders. In case of existing supply agreements, the particulars of such customers.
7. Submit a general description of the tariff and charges policies to be applied

8. Submit a description of the proposed manner in which Third Party Access will be granted to the proposed facility, including grounds for refusal. Specify the proposed allocation mechanism in case of insufficient capacity and measures to ensure non-discrimination.

OPERATION OF A RE-GASIFICATION FACILITY(GALA.r.F2)

Provide the following information. Each numbered item below should be copied and appear at the top of a page with your information below.

1. Attach a description of the facility, adequately specifying the layout of the facility and the physical dimensions and capacity of the facility. This must include:
 - a. detailed drawings indicating the design of the re-gasification facility and the piping arrangements;
 - b. the location of re-gasification facilities;
 - c. the design capacity of the storage facility of the liquefied natural gas; and
 - d. If applicable, the design capacity of the storage facility of the gas to be liquefied; and
 - e. the design capacity of the re-gasification facility in tonnes of gas per annum;
2. Submit details of the geographic location of:
 - a. the storage facility for liquefied gas if separate from the re-gasification facility; and
 - b. the storage facility for re-gas if separate from liquefaction facility.
3. Submit proof of viability of the proposed facility, including:
 - a. commercial structure and projected cash flows;
 - b. the LNG source(s); and
 - c. LNG supply to the project in tonnes per annum.
4. Submit details regarding the following matters during the various stages of the project's development:
 - a. gas capacity;
 - b. The schedule of implementation and investment plan; and
 - c. timelines for service commencement.
5. Indicate the proportion of re-gasification capacity will be utilized by the applicant for own use.
6. Submit a description of the existing and potential customers including categorization such as distributor, power generator, large users and traders. In case of existing supply agreements, the particulars of such customers.
7. Submit a description and breakdown of the type of customers to be served and the tariffs and charges and/or tariff and charges policies to be applied.

8. Provide a copy of the maintenance policy for the re-gasification facility

TRADING IN GAS(GALA.tr.F1)

Provide the following information. Each numbered item below should be copied and appear at the top of a page with your information below.

1. A description of the proposed trading to be conducted, including proposed gas pressure(s).
2. For trading above 15 bar: indicate which geographic area the trading is proposed in. For trading between 2 and 15 bar: a description adequately specifying the proposed boundaries of the trading area or areas, with map(s) at a scale acceptable to the Energy Regulator.
3. Detailed specification(s) of the gas that will be traded under the licence.
4. Details of source(s) of gas (distinguish between sources within and outside the borders of South Africa), including certified proven saleable reserves as well as transportation methods.
5. Proposed pricing policy to be applied.
6. Submit a description of the existing and potential customers, including general type of customer, e.g. distributor, reticulator, large users or other category; or in case of existing supply agreements, the particulars of such customers.
7. List all existing contracts with suppliers giving details of volumes, names of parties and duration of contract.

ANNEXURE B FORM: OBJECTION TO LICENCE APPLICATION

(Section 34(3)(e) of the Gas Act of 2001 (Act No. 48 of 2001))

This form must be returned to:
National Energy Regulator
Executive Manager: Hydrocarbons Regulation
P O Box 40343
Arcadia
0007

<i>For office use only:</i> <i>Reference number:</i>

OR

hand-delivered to:
National Energy Regulator
Executive Manager: Hydrocarbons Regulation
526 Vermeulen Street
Arcadia
Pretoria

A copy may be e-mailed to:
Licence.applications@nersa.org.za

1. Name the licence application to which this objection is applicable

.....

2. State the licence application number to which objection is being made:

.....

3. Name of the person or company/organization that is objecting to the licence application

.....

4. Name and surname of objector or objector's contact person

.....

5. Telephone number of objector or objector's contact person

.....

6. Fax number of objector or objector's contact person

.....

7. E-mail address of objector or objector's contact person

.....

8. Postal address of objector or objector's contact person

.....

9. State objection clearly (add additional pages if necessary)

.....

10. State reasons for objection clearly (add additional pages if necessary) and if possible, provide the necessary supporting documentation.

.....

11. Section 18(a) of the Gas Act of 2001 provides that:

Before considering an application for a licence in terms of this Act, the National Energy Regulator—

(a) if it is of the view that the proposed construction of a gas facility or the proposed provision of gas services should be altered to provide access to third parties, must inform the applicant of that view and request the applicant to supply reasons as to why the application should not be considered subject to the imposition of such condition;

12. If your objection relates to this section of the Gas Act of 2001, state clearly your alternative proposal.

.....

Representation to the National Energy Regulator

Do you request an opportunity to orally present your objection/s to NERSA? Yes No

SOLEMN DECLARATION

I (full names).....Identity Number..... hereby declare that all information provided herein is within my personal knowledge and is true and correct.

Signed at (place) on this.....day of(month)(year).

.....
Signature

I certify that the deponent:

has acknowledged that she/he knows and understand the contents of this application form and its annexures, that she/he has no objection to taking the prescribed oath and that she/he considers the oath binding on her/his conscience; and has in the prescribed manner sworn that the contents of this application form and its annexures are true and signed same before me at (place) on this.....day of.....(month)(year).

COMMISSIONER OF OATHS

Name: _____

Address: _____

Capacity: _____