



**Licence Number: GALA.t.F1/1760/2022**

**LICENCE FOR THE CONSTRUCTION OF A GAS TRANSMISSION FACILITY**

This licence is issued by the National Energy Regulator of South Africa, hereinafter referred to as “NERSA”, in terms of the Gas Act, 2001 (Act No. 48 of 2001). This licence is issued to:

**SASOL GAS LIMITED**

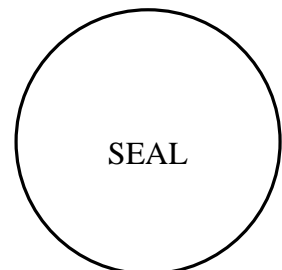
*(Company Registration No: 1964/006005/06)*

hereinafter referred to as “the Licensee”, only for the purpose of constructing a gas Transmission facility in the Wadeville area of the Ekurhuleni Metropolitan Municipality in the Gauteng Province.

The construction of the gas transmission facility permitted under this licence is subject to the terms and conditions as contained in this licence and/or amendments to these conditions as imposed by NERSA. The Licensee must comply with these licence conditions.

Issued at Pretoria on this the ..... day of ..... 2022.

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**ACTING CHIEF EXECUTIVE OFFICER**  
**NATIONAL ENERGY REGULATOR**



# LICENCE CONDITIONS FOR THE CONSTRUCTION OF A GAS TRANSMISSION FACILITY IN THE WADEVILLE AREA OF THE EKURHULENI METROPOLITAN MUNICIPALITY

Licence Number: (Gala.t.F1/1760/2022)

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## DEFINITIONS

For the purpose of this licence and its conditions, any word or expression to which a meaning has been assigned in the Act and the Rules shall have the meaning so assigned, unless the context indicates otherwise

In these licence conditions, the following expressions shall have the following meanings:-

**“Regulations”** means the Piped-Gas Regulations made in terms of section 34(1) of the Act. **Piped Gas Regulations published under GN R321 in GG 29792 of 20 April 2007.**

**“Rules”** means Rules made by NERSA in terms of section 34(3) of the Act.

**“the Act”** means the Gas Act, 2001 (Act No. 48 of 2001), and includes Regulations made under the Act.

**“the Agreement”** means the Agreement Concerning the Mozambican Gas Pipeline between the Government of the Republic of South Africa and Sasol Limited, including Schedule One of the Agreement, being the Regulatory Agreement between the Minister of Minerals and Energy, the Minister of Trade and Industry and Sasol Limited.

**“HPCMS”** means High Pressure Customer Meter Station.

# **CHAPTER ONE: LICENSED ACTIVITIES**

## **1 Licensed Activities**

- 1.1 NERSA grants the Licensee a licence to construct the gas transmission facility at the location and area depicted on Annexure D attached hereto with the following specifications:

**Table 1: Specifications of the pipeline**

<b>Specifications of the pipeline to be constructed</b>	
Type of pipeline	Transmission pipeline
Location including coordinates	
Design Capacity	110.00 GJ/hr
Pipeline Length	7m (total)
Pipeline Inner Diameter	102 mm
Pipeline Outer Diameter	114,3 mm
Material composition	Carbon Steel
Maximum operating pressure	35 bar gauge
Maximum Design Pressure	49 bar gauge

**Table 2: Specifications of the HPCMS**

<b>Specifications of the HPCMS to be constructed</b>	
Type	High Pressure Customer Meter Station
Size	4" T equipment
Allocated area size and coordinates	
Material (Customer Meter Station)	Carbon Steel
Maximum operating pressure	35.5 bar gauge
Minimum operating pressure	15 bar gauge
Flow at maximum operating pressure	720 GJ/h
Flow at minimum operating pressure	300 GJ/h
Inlet Pressure	22 bar gauge
Outlet Pressure	1 bar gauge

- 1.2 The facility contemplated in paragraph 1.1 above must be completed and become operational within 36 months of the date of issue of this licence.
- 1.3 Upon completion of the construction activities mentioned in 1.1 above, the licensee must apply for an amendment of the operating licence for this transmission facility as per section 16 of the Gas Act.
- 1.4 The Licensee may not assign this licence to another party.

## **2 Duration of Licence**

The licence is valid for a period of 25 years from the date of issue, unless revoked by NERSA in accordance with the provisions of the Act.

## **CHAPTER TWO: GENERAL CONDITIONS**

### **3 Amendment of Licence**

This licence may be amended by NERSA in accordance with the provisions of the Act and the Rules.

### **4 Revocation of Licence**

This licence may be revoked by NERSA in accordance with the provisions of the Act.

### **5 Compliance**

5.1 The Licensee must at all times comply with the conditions of this licence, the Act and the Rules.

5.2 This licence is granted only in terms of the Act and for the activities specified and described in paragraph 1.1 above. This licence does not exempt the Licensee from compliance with any other legislations and Regulations.

### **6 Changes in Licensee Particulars**

6.1 The Licensee must notify NERSA if control of the licensed company as contemplated in section 12(2) of the Competition Act, 1998 (Act No. 89 of 1998) changes.

6.2 The Licensee must at all times provide NERSA with the details of any changes in the registered name, operating or trading name, registered address and other contact details, including but not limited to, the names,

telephone numbers, facsimile numbers and email addresses of contact persons.

- 6.3 The notifications contemplated in 6.1 and 6.2 above must be provided within 14 days of the event giving rise to them

## **7 Correspondence with NERSA**

- 7.1 All official communication by the licensee with NERSA must be in writing, signed and addressed to NERSA.

- 7.2 The Licensee must in all correspondence with NERSA quote the licence reference number as it appears on the licence certificate.

## **8 Entry, Inspection and Gathering of Information**

- 8.1 The Licensee must permit any person authorised in terms of the Act, at all reasonable times, to enter any property on which a licensed activity is taking place, and inspect any facility, equipment, machinery, book, account or other document and gather any information in accordance with the Act and the Rules.

## **9 Participation of Historically Disadvantaged South Africans**

- 9.1 The Licensee must annually provide NERSA with the information regarding the promotion of Historically Disadvantaged South Africans as prescribed in the Regulations.

- 9.2 The Licensee must submit the information contemplated in 9.1 above to NERSA within 30 (thirty) days of its financial year end.

## **10 Monitoring and Provision of Information**

- 10.1 The Licensee shall keep all records relating to the compliance or non-compliance with the conditions of this licence. Such records shall be made available to NERSA within 14 days of receipt of a written request for such records.
- 10.2 The Licensee must provide NERSA with quarterly reports indicating the progress made in terms of the execution of the licensed activity.
- 10.3 Upon completion of the construction activities as contemplated in paragraph 1.1 above, the Licensee must provide NERSA with the as-built maps and drawings and identify any deviations and differences from **Annexures A**, hereto, as well as the reason for such deviations and differences.
- 10.4 The Licensee must furnish NERSA with any information in such form and manner and at such times as NERSA may require in the performance of its duties or functions under the Act.



## **CHAPTER THREE: SPECIFIC CONDITIONS**

### **11 Commencement and completion of construction**

11.1 The Licensee must commence the construction activities contemplated in Chapter One above, within 6 months of the date of issue of the licence.

11.2 The Licensee must notify NERSA of the date of commencement of construction within 7 days prior to the commencement of construction.

11.3 The Licensee must complete the construction of the licensed facility contemplated in paragraph 1.1 above and the facility must be ready for operation within 36 calendar months of the date of issue of this licence.

### **12 Construction of the Gas Transmission Facility**

12.1 All construction work must be performed in conformity with the maps, diagrams and specifications as contained in **Annexures A – D** hereto.

12.2 The Licensee must comply with the Act regarding the rights and obligations it has in respect of the premises or land belonging to others.

12.3 All construction activities must comply with the latest issued, applicable and relevant codes and standards as listed in **Annexure C** hereto.

### **13 Third Party Access, Interconnections and Related Matters**

13.1 The Licensee must provide third parties access to the pipeline on commercially reasonable terms to uncommitted capacity in the pipeline.

13.2 The Licensee must:-

- a) Implement and publicise guidelines for the use of the gas transmission system, including details of a non-discriminatory pipeline capacity allocation mechanism. This information must be sufficient to enable potential customers to understand the procedure for obtaining access to the pipeline, as well as to enter and conclude negotiations with the Licensee;
- b) Publicise information regarding available uncommitted pipeline capacity on a monthly basis.

13.3 The guidelines contemplated in 13.2 (a) above must include-

- a) a detailed description of the gas transmission system indicating all ownership boundaries;
- b) method by which the tariffs are calculated;
- c) method by which a customer may request a tariff;
- d) contractual terms and conditions regarding use and payment;
- e) technical requirements for access to the network; and
- f) the process to request access.

13.4 The Licensee must implement and publicise the guidelines contemplated in 13.2 (a) above within thirty days of the date of granting this licence.

13.5 The Licensee must allow third parties to trade transmission transport capacity rights, and must:

- a) develop procedures to facilitate trade in transmission transport capacity rights; and
- b) Submit these procedures for approval by the Energy Regulator prior to implement thereof.

13.6 Sections 21(1) (d), 21(1) (e); 21(1) (f), 21(1) (g) and 21(1) (h) of the Act are conditions of this Licence.

## **14 Ancillary Obligation**

The Licensee is responsible for compliance with these licence conditions regarding any work on the transmission facility or services that are the subject of this license and/or that are subcontracted to other parties.

## **15 Whole Licence**

15.1 This licence and licence conditions constitute the entire licence and supersedes all prior understandings and agreements between the Licensee and NERSA.

**Annexure A: Gas transmission Facility Mechanical Flow and P&ID  
Diagrams**

## Annexure B: Specifications of Natural gas

Energy content	MJ/m <sup>3</sup> (101,325kPa(a), 15°C	39 MJ/nm <sup>3</sup>
(Gross) (EC)	MJ/nm <sup>3</sup> (101,325kPa(a), (0°C)	41,3MJ/nm <sup>3</sup>
Relative density (RD)		0,56-0,70
Wobbe Index (WI) <u>EC</u> √RD	101,325kPa(a), 15°C	48,1 – 52,2
Sulphur (S)*		15 mg/nm <sup>3</sup> max

**Annexure C:** List of applicable Regulations, Operating and Technical Standards for the licensed activity

1. The Licensee must comply with all relevant codes and standards including but not limited to the following:
  - (a) ASME B31.8-2012 – Gas Transmission and Distribution Piping Systems
  - (b) ASME B31.8S – Managing System Integrity of gas pipelines
  - (c) ASME VIII – Rules for construction of Pressure Vessels
  - (d) ASME 16.5 – Pipe flanges and flanged fittings
  - (e) SANS 208 – The design and installation of compressed natural gas (CNG) vehicle filling stations
  - (f) NFPA 52 – National Fire Protection Association
  - (g) NFPA 54 – National Fuel Gas Code
  - (h) SANS 10019 – Transportable metal containers for CNG basic design, manufacture, use and maintenance;
  - (i) SANS 10228 – Identification and classification of dangerous goods of transport;
  - (j) SANS 10231 – Transport of dangerous goods: Operational requirements for road vehicles;
  - (k) SANS 10323 –2 – Transport of dangerous: Emergency information Systems;
  - (l) SANS 10232 – 3 – Emergency Response guides;
  - (m) SANS 10087:6 2006 – The application of liquefied petroleum and compressed natural gasses at engine fuels for internal combustion engines;
  - (n) SANS 20110:2003 – Uniform provisions concerning the approval of: 1) Specific components for motor vehicles using CNG in the propulsion

system; 2) Vehicles with regard to the installation of specific components of an approved type for the use of CNG in their propulsion;

- (o) SANS 208:2005 – The design and installation of CNG filling stations;
- (p) SANS 29001: 2006 – Sector specific quality management system for, petroleum, petrochemical and natural gas industries – requirements for product and service supply organisations;
- (q) SANS 13631: 2003 – Packed reciprocating gas compressors;
- (r) SANS 347 – Pressure vessels and pressurized systems;
- (s) SANS 10227–Inspection in terms of the Pressure Equipment Regulations;  
and
- (t) AGA-7 – Turbine meter operation and maintenance.

2. The Licensee must also comply with all other relevant legislation, including but not limited to the following:

- (a) The Occupational Health and Safety Act, 1993 (Act No. 85 of 1993);
- (b) The National Environmental Management Act, 1998 (Act No. 107 of 1998);
- (c) The Environment Conservation Act, 1989 (Act No.73 of 1989);
- (d) The National Water Act, 1998 (Act No. 36 of 1998);
- (e) The Water Services Act, 1997 (Act No. 108 of 1997);
- (f) The National Environmental Management Air Quality Management Act, 2004 (Act No. 39 of 2004);
- (g) The Hazardous Substances Act, 1973 (Act No. 15 of 1973);
- (h) The Health Act, 1977 (Act No. 63 of 1977);
- (i) National Health Act, 2003 (Act No. 61 of 2003);
- (j) The National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977); and

(k) Construction Regulations, 2003.



**Annexure D:** ArcGIS Map –Proposed Sasol Gas Transmission  
Facility Coordinates