

**MEDIA STATEMENT - FOR RELEASE ON 26 APRIL 2013**

**RELEASED ON BEHALF OF THE DEPARTMENT OF ENERGY**

**ENQUIRIES: ZODWA BATYASHE : 082 455 9796 OR J MOKOBANE 082 766 3674**

**1. ADJUSTMENT TO THE FUEL PRICES: WEDNESDAY, 01 MAY 2013**

Product:

Petrol (all grades)	73.000	cents per litre decrease in retail price
Diesel 0.05% Sulphur	55.560	cents per litre decrease in wholesale price
Diesel 0.005% Sulphur	56.560	cents per litre decrease in wholesale price
Illuminating Paraffin (Wholesale)	58.000	cents per litre decrease in wholesale price
Illuminating Paraffin (SMNRP)	77.000	c/l decrease in the Single Maximum National Retail price (SMNRP)
Maximum Retail Price for LPGAS	81.000	cents per kilogram decrease in the maximum retail price

**2. ECONOMIC FACTORS AFFECTING THE UNIT OVER/UNDER-RECOVERIES FOR THE PERIOD  
27 MARCH 2013 TO 25 APRIL 2013**

The average international product prices of Petrol, Diesel and Illuminating Paraffin decreased during the period under review.

The average Rand/US Dollar exchange rate strengthened when compared to the previous period. The average Rand/US Dollar exchange rate for the period 27 March 2013 to 25 April 2013 was 9.1598 compared to 9.1932 during the previous period.

**The strengthening of the Rand against the US Dollar decreased the contribution to the Basic Fuels Price on petrol, diesel and illuminating paraffin by 2.5 c/l, 2.6 c/l and 2.6 c/l respectively.**

**3. SLATE LEVY**

In line with the Self-adjusting Slate Levy Mechanism Rules, the Slate Levy on petrol and diesel will decrease from 21.92 c/l to 15.36 c/l with effect from 01 May 2013.

**4. SINGLE MAXIMUM NATIONAL RETAIL PRICE FOR ILLUMINATING PARAFFIN (SMNRP)**

The Single Maximum National Retail Price for Illuminating Paraffin changes on a monthly basis and is promulgated in the Government Gazette. The Single Maximum National Retail Price for the period 01 May 2013 to 04 June 2013 will be 1 105.0 c/l compared to 1 182.0 c/l for the period 03 April 2013 to 30 April 2013, that is a decrease of 77,0 c/l

**5. MAXIMUM LPGAS REFINERY GATE PRICE**

The maximum refinery gate price will be R 9 104.35 per metric ton (505.29 c/l), excluding VAT, for the period 01 May 2013 to 04 June 2013.

## 6. PRICE ADJUSTMENT

In terms of the agreed mechanism:

- (a) Price changes are adjusted in such a manner that the over-or under-recovery during the prior month will be corrected in the following month; and
- (b) The unit over- or under-recoveries are rounded up or down to the nearest full cent so that the effect of rounding contributes to the clearing of the cumulative balance of the individual products on the slate.
- (c) In order to manage a negative balance in the Cumulative over/(under) recovery account (the Slate), a Self-Adjusting Slate Levy Mechanism (SLM) was implemented with effect from 7 January 2009 (the SLM is available on the website of the Department of Energy). A Slate levy will only be applicable on all petrol and diesel grades if the Slate balance is negative (cumulative under recovery) by more than R250.0 million

## 7. BREAKDOWN OF PRICE ADJUSTMENT

Petrol ULP	95 Diesel 0.05(%)	Diesel 0.005(%)	Illuminating Paraffin	LPGAS (Gauteng, Zone 9C)
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### The price adjustments in (1) above are based on the following actual data:

Average product over/(under)-recovery, measured for the 22 days from 27/03/2013 to 25/04/2013 (cents / litre) as detailed below	66.037	49.525	50.644	58.849	N/A
Cumulative positive/(negative) slate balances end of March 2013 (R-million)	( 915.576)	( 721.889)	( 721.889)	( 225.707)	

### The price adjustments consist of the following elements:

	<u>c/l</u>	<u>c/l</u>	<u>c/l</u>	<u>c/l</u>	
Average product over/(under)-recovery rounded to the nearest full cent for price (increase) / decrease	66.000	49.000	50.000	58.000	
Slate Levy	6.560	6.560	6.560	N/A	
Rounding	0.440	N/A	N/A	N/A	
LPGas BFP, Retail and VAT (increase)/decrease					81.000
<b><u>Total price (increase) / decrease</u></b>	<b>73.000</b>	<b>55.560</b>	<b>56.560</b>	<b>58.000</b>	<b>81.000</b>

## 8. REPORT OF THE INDEPENDENT AUDITORS

The report of the independent auditors is available on request.

**9. ANALYSIS OF THE ELEMENTS THAT RESULTED IN THE BFP OVER/(UNDER)-RECOVERIES**

The over/(under)-recoveries for the period under review were affected by the factors set out below, which can be quantified as follows:

Petrol 95 ULP c/l	** Diesel 0.05% c/l	** Diesel 0.005% c/l	Illuminating Paraffin c/l
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**Movements in external factors**

Movement in International Product Prices	63.489	46.910	48.014	56.245
Movement in Exchange Rate	2.548	2.615	2.630	2.604
<b><u>BFP Over/(under)-recovery for the period 27/03/2013 to 25/04/2013</u></b>	<b>66.037</b>	<b>49.525</b>	<b>50.644</b>	<b>58.849</b>

**10. COMPOSITION OF THE MAXIMUM RETAIL PRICES FOR LPGAS AT THE COAST (ZONE 1A) AND IN THE INLAND AREA (ZONE 9C) IN CENTS PER KILOGRAM FOR THE PERIOD 01/05/2013 TO 04/06/2013 WILL BE AS FOLLOWS**

<u>Price element</u>	Coast Zone 1A	Inland Zone 9C
Maximum refinery gate price	910.435	910.435
Primary transport costs	37.120	175.960
Operating expenses	343.000	343.000
Working capital	26.000	26.000
Depreciation	126.000	126.000
Gross margin: Cylinder-filling plant	161.000	161.000
Sub-total (1)	<b>1 603.555</b>	<b>1 742.395</b>
Retail Margin: (15% of Subtotal (1))	240.533	261.359
Sub-total (2)	<b>1 844.088</b>	<b>2 003.754</b>
Value Added Tax (14% Sub-total (2))	258.172	280.526
<b>Maximum Retail Price (Rounded to full cents)</b>	<b>2 102.000</b>	<b>2 284.000</b>

## 11. ANNEXURE

The annexure attached contains details of the composition of product prices as well as history of the price

### ANNEXURE 1

**COMPOSITION OF THE RETAIL PRICE OF PETROL AND THE  
WHOLESALE PRICES FOR DIESEL AND IP IN GAUTENG  
FOR THE PERIOD 01/05/2013 TO 04/06/2013 WILL BE AS FOLLOWS:**

	<b>Petrol 95 ULP c/l</b>	<b>Petrol 93 ULP &amp; LRP c/l</b>	<b>Diesel 0.05% S c/l</b>	<b>Diesel 0.005% S c/l</b>	<b>Illuminating Paraffin c/l</b>
Wholesale margin	58.000	58.000	58.000	58.000	58.000
Service cost recoveries	25.500	25.500	25.500	25.500	32.900
Storage, handling & delivery costs	25.500	25.500	25.500	25.500	25.500
Distribution cost	0	0	0	0	7.400
Dealers margin	99.200	99.200	0	0	0
Zone differential in Gauteng	28.900	28.900	28.900	28.900	48.200
IP Tracer levy	0	0	0.010	0.010	0
Fuel levy	212.500	212.500	197.500	197.500	0
Customs & excise duty	4.000	4.000	4.000	4.000	0
RAF levy	96.000	96.000	96.000	96.000	0
Petroleum Products levy	0.150	0.150	0.150	0.150	0
Slate levy	15.360	15.360	15.360	15.360	0.000
DSML	10.000	0.000	0.000	0.000	0.000
Equalisation Fund Levy	0.000	0.000	0.000	0.000	0.000
Incremental Inland Transport Recovery levy	3.000	3.000	3.000	3.000	
Pump Rounding	0.400	0.400			
Sub-total	553.010	543.010	428.420	428.420	139.100
<u>Contribution to the Basic Fuel Price</u>	693.990	680.990	712.630	717.030	709.128
<u>Retail Price</u>	<u>1,247.00</u>	<u>1,224.00</u>			
<u>Wholesale price</u>			<u>1,141.050</u>	<u>1,145.450</u>	<u>848.228</u>

**STATISTICS OF PRICE CHANGES**

<b>Effective from:</b>	<b>Petrol 95 ULP</b>		<b>Diesel</b>		<b>Illuminating Paraffin</b>		<b>LPGAS</b>	
	<b>Gauteng SA c/l</b>	<b>Coast SA c/l</b>	<b>Gauteng SA c/l</b>	<b>Coast SA c/l</b>	<b>Gauteng SA c/l</b>	<b>Coast SA c/l</b>	<b>Gauteng SA c/Kg</b>	<b>Coast SA c/Kg</b>
	<b>From 4 January 2006 0,05% Sulphur</b>							
06-Jan-10	786.00	763.00	<b>689.45</b>	<b>676.15</b>	512.20	483.10		
03-Feb-10	804.00	781.00	<b>699.45</b>	<b>686.15</b>	517.20	488.10		
03-Mar-10	810.00	787.00	<b>703.45</b>	<b>690.15</b>	515.20	486.10		
07-Apr-10	858.00	835.00	<b>751.95</b>	<b>738.65</b>	536.20	507.10		
05-May-10	872.00	848.00	<b>781.45</b>	<b>767.65</b>	566.20	538.10		
02-Jun-10	845.00	821.00	<b>766.45</b>	<b>752.65</b>	553.20	525.10		
14-Jul-10	827.00	803.00	<b>751.45</b>	<b>737.65</b>	541.20	513.10	1 727.00	1 569.00
04-Aug-10	817.00	793.00	<b>738.45</b>	<b>724.65</b>	526.20	498.10	1 801.00	1 619.00
01-Sep-10	807.00	783.00	<b>738.45</b>	<b>724.65</b>	521.20	493.10	1 775.00	1 593.00
06-Oct-10	812.00	788.00	<b>735.45</b>	<b>721.65</b>	520.20	492.10	1 768.00	1 586.00
03-Nov-10	832.00	808.00	<b>746.45</b>	<b>732.65</b>	534.20	506.10	1 800.00	1 618.00
01-Dec-10	845.00	821.00	<b>760.45</b>	<b>746.65</b>	548.20	520.10	1 817.00	1 635.00
05-Jan-11	873.00	849.00	<b>784.051</b>	<b>770.251</b>	569.813	541.713	1 863.00	1 681.00
02-Feb-11	899.00	875.00	<b>814.051</b>	<b>800.251</b>	601.813	573.713	1 904.00	1 722.00
02-Mar-11	942.00	918.00	<b>878.051</b>	<b>864.251</b>	671.813	643.713	1 975.00	1 793.00
06-Apr-11	996.00	966.00	<b>948.451</b>	<b>928.051</b>	720.413	684.513	2 025.00	1 843.00
04-May-11	1 025.00	995.00	<b>964.451</b>	<b>944.051</b>	735.413	699.513	2 078.00	1 896.00
01-Jun-11	1 023.00	993.00	<b>926.451</b>	<b>906.051</b>	703.413	667.513	2 068.00	1 886.00
06-Jul-11	992.00	962.00	<b>915.451</b>	<b>895.051</b>	691.413	655.513	2 026.00	1 844.00
03-Aug-11	1 009.00	979.00	<b>930.451</b>	<b>910.051</b>	701.413	665.513	2 064.00	1 882.00
07-Sep-11	1 018.00	988.00	<b>930.451</b>	<b>910.051</b>	699.413	663.513	2 064.00	1 882.00
05-Oct-11	1 054.00	1 024.00	<b>965.451</b>	<b>945.051</b>	729.413	693.513	2 126.00	1 944.00
02-Nov-11	1 077.00	1 047.00	<b>1001.451</b>	<b>981.051</b>	770.413	734.513	2 160.00	1 978.00
07-Dec-11	1 066.00	1 036.00	<b>1048.690</b>	<b>1028.290</b>	813.428	777.528	2 119.00	1 937.00
04-Jan-12	1 061.00	1 031.00	<b>1027.690</b>	<b>1007.290</b>	788.428	752.528	2 121.00	1 939.00
01-Feb-12	1 095.00	1 065.00	<b>1026.690</b>	<b>1006.290</b>	785.428	749.528	2 171.00	1 989.00
07-Mar-12	1 123.00	1 093.00	<b>1037.070</b>	<b>1016.670</b>	789.428	753.528	2 207.00	2 025.00
04-Apr-12	1 194.00	1 159.00	<b>1088.970</b>	<b>1064.270</b>	816.028	774.128	2 275.00	2 093.00
02-May-12	1 222.00	1 187.00	<b>1098.370</b>	<b>1073.670</b>	825.028	783.128	2 306.00	2 124.00
06-Jun-12	1 167.00	1 132.00	<b>1073.550</b>	<b>1048.850</b>	804.028	762.128	2 207.00	2 025.00
04-Jul-12	1 082.00	1 047.00	<b>1010.970</b>	<b>986.270</b>	746.028	704.128	2 094.00	1 912.00
01-Aug-12	1 104.00	1 069.00	<b>1025.590</b>	<b>1000.890</b>	761.028	719.128	2 146.00	1 964.00
05-Sep-12	1 197.00	1 162.00	<b>1094.590</b>	<b>1069.890</b>	834.028	792.128	2 275.00	2 093.00
03-Oct-12	1 220.00	1 185.00	<b>1133.750</b>	<b>1109.050</b>	867.028	825.128	2 272.00	2 090.00
07-Nov-12	1 210.00	1 175.00	<b>1143.950</b>	<b>1119.250</b>	870.028	828.128	2 273.00	2 091.00
05-Dec-12	1 201.00	1 166.00	<b>1138.950</b>	<b>1114.250</b>	866.028	824.128	2 238.00	2 056.00
02-Jan-13	1 186.00	1 151.00	<b>1111.370</b>	<b>1086.670</b>	849.028	807.128	2 229.00	2 047.00
06-Feb-13	1 227.00	1 192.00	<b>1129.170</b>	<b>1104.470</b>	875.028	833.128	2 302.00	2 120.00
06-Mar-13	1 308.00	1 273.00	<b>1187.550</b>	<b>1162.850</b>	932.028	890.128	2 420.00	2 238.00
03-Apr-13	1 320.00	1 283.00	<b>1196.610</b>	<b>1170.010</b>	906.228	860.328	2 365.00	2 183.00
01-May-13	1 247.00	1 210.00	<b>1141.050</b>	<b>1114.450</b>	848.228	802.328	2 284.00	2 102.00