

SANEA Action for Energy

Future SA Supply – Demand Balance

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Overview

- Purpose
- Supply side Issues
- Demand side Issues
- Net effect
- Conclude
- Other Challenges

Purpose

- SA has future supply challenges
- Explore the No investment route
- Explore 2 Investment possibilities
 - Project Mthombo (PetroSA Coega)
 - Project Mafutha (Sasol, New CTL plant)
- Discuss possible outcomes

Supply side Issues – Current Facilities

Refineries

Nameplate

Capacity

- Chevron 100 000 bbl/d (crude throughput)
- Engen 125 000
- Natref 105 000
- Sapref 165 000

Synfuel Plants

- Secunda 100 000 bbl/d (product output)
- PetroSA 32 000

Demand side Assumptions (SA + BLSN)

	Volume (2008) (mill litre pa)	% Growth p.a.
Petrol	<u>12 670</u>	<u>1.5</u>
Diesel	11 460	5.0
Jet	2 520	3.0
IP	<u>540</u>	<u>-2.0</u>
Distillate	14 520	4.4

Note: Long term Actual Product Demand Growth rates (SA)

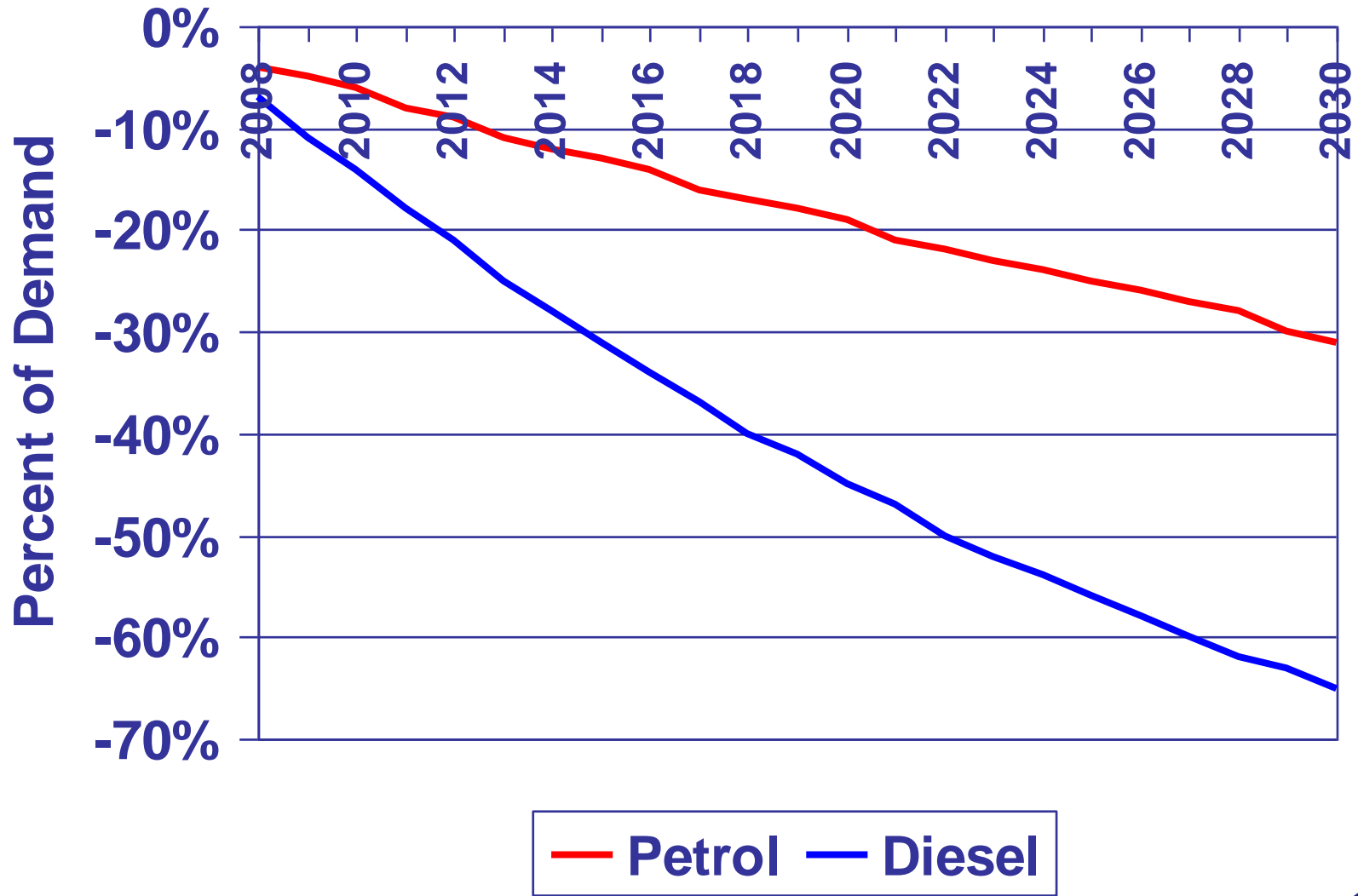
Petrol:	1.0% p.a.
Diesel:	4.7% p.a.
Jet:	5.0% p.a.
IP:	-3.5% p.a.
Distillate:	3.0% p.a.



Source: SAPIA



Net Position – No Change in Current Supply



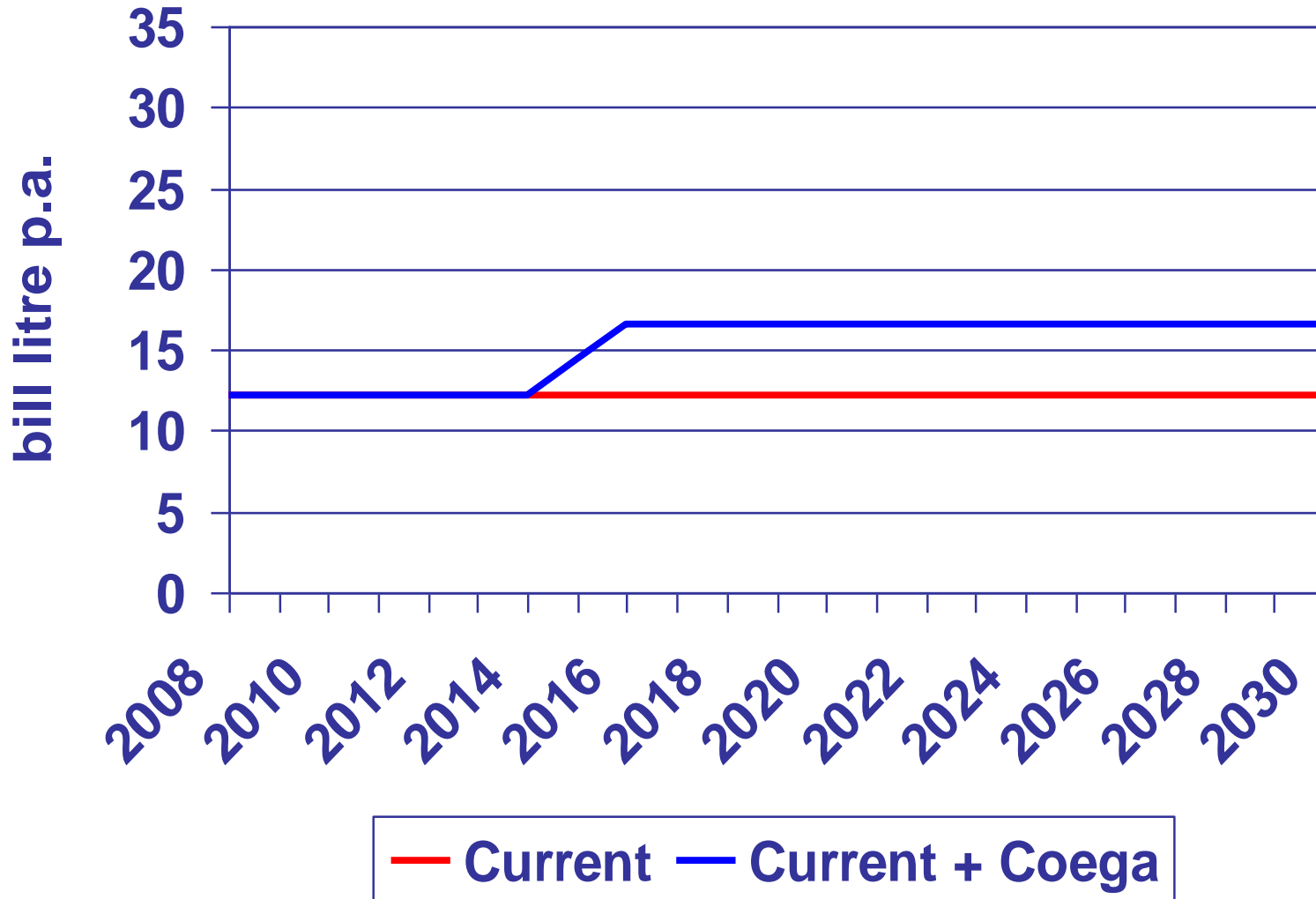
Supply side Issues – Future Possibilities

- Coega
 - 400 tbd (crude) from 2015
- Mafutha (Sasol CTL)
 - 80 tbd (product) from 2020

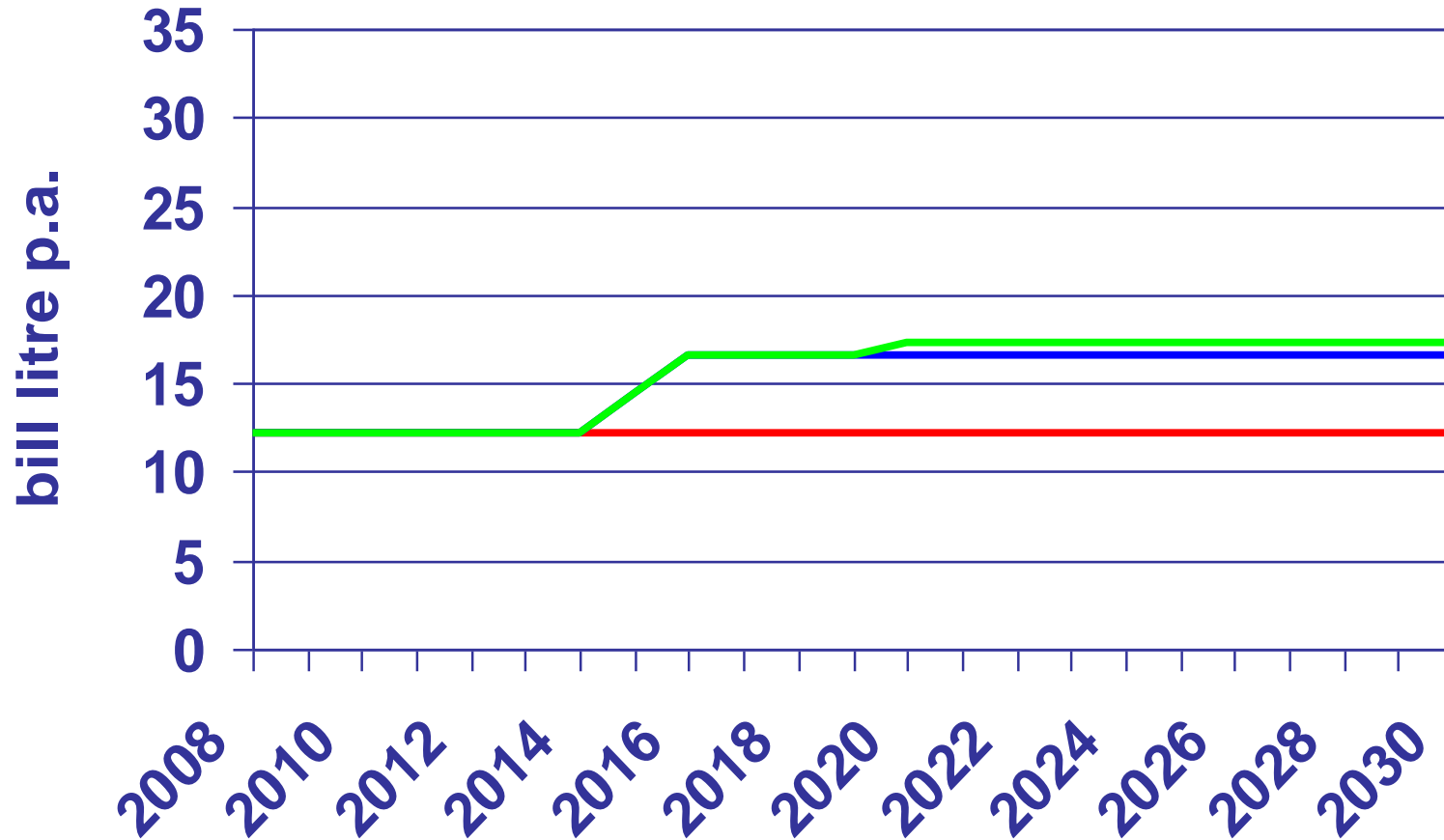
Other ??

- Angola
- Mozambique

Petrol Supply Position (bill litre p.a.)

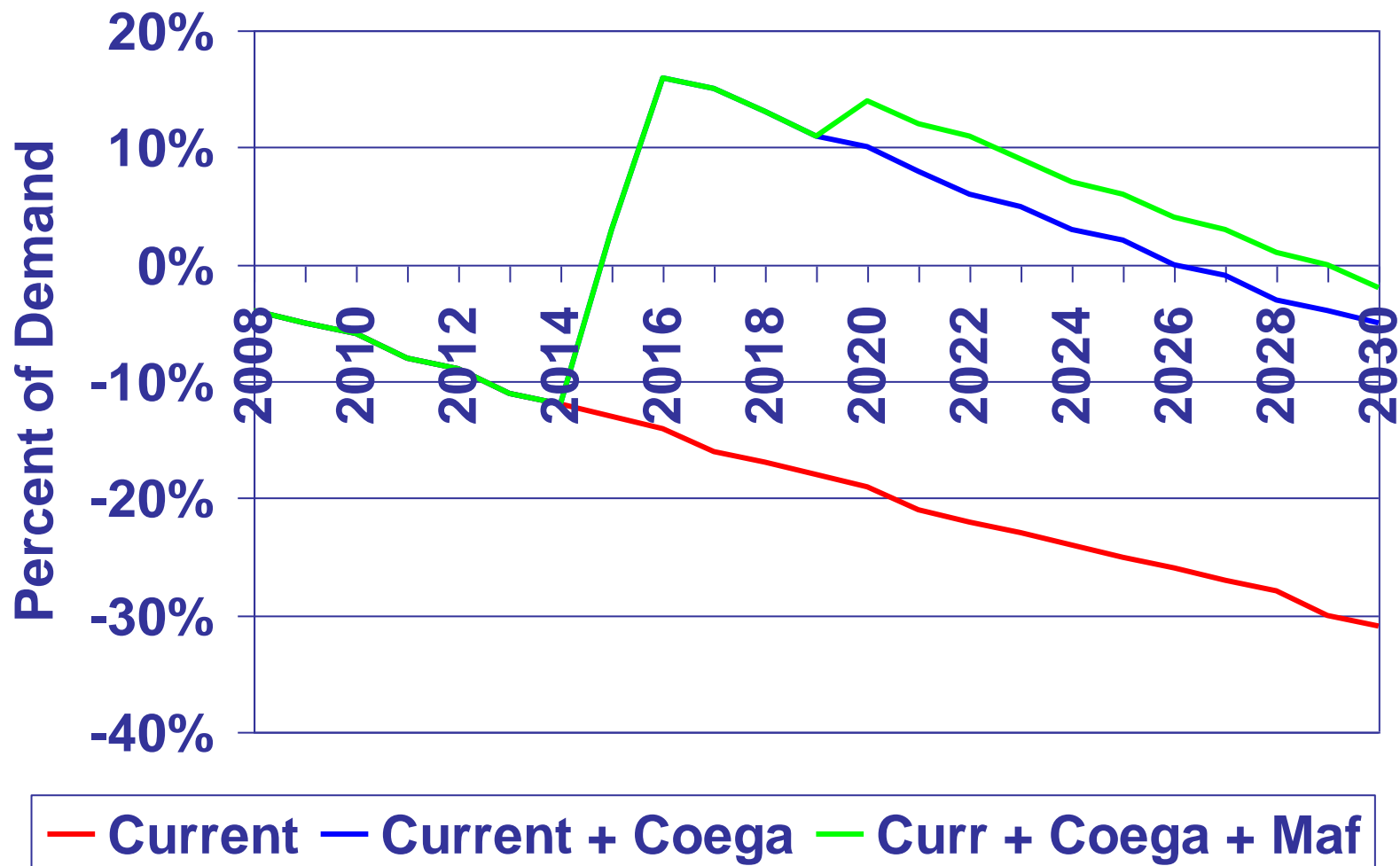


Petrol Supply Position (bill litre p.a.)

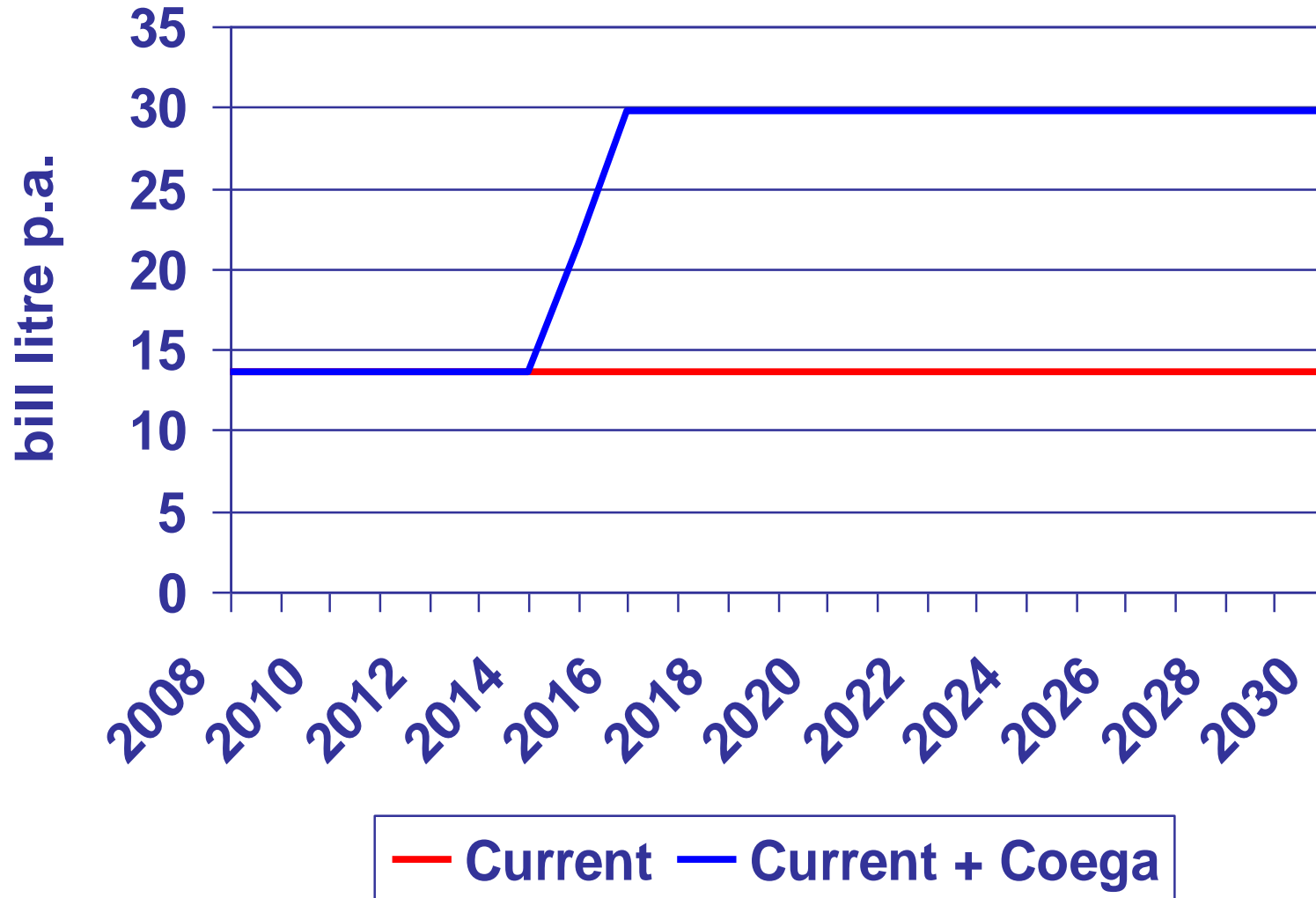


— Current — Current + Coega — Curr + Coega + Maf

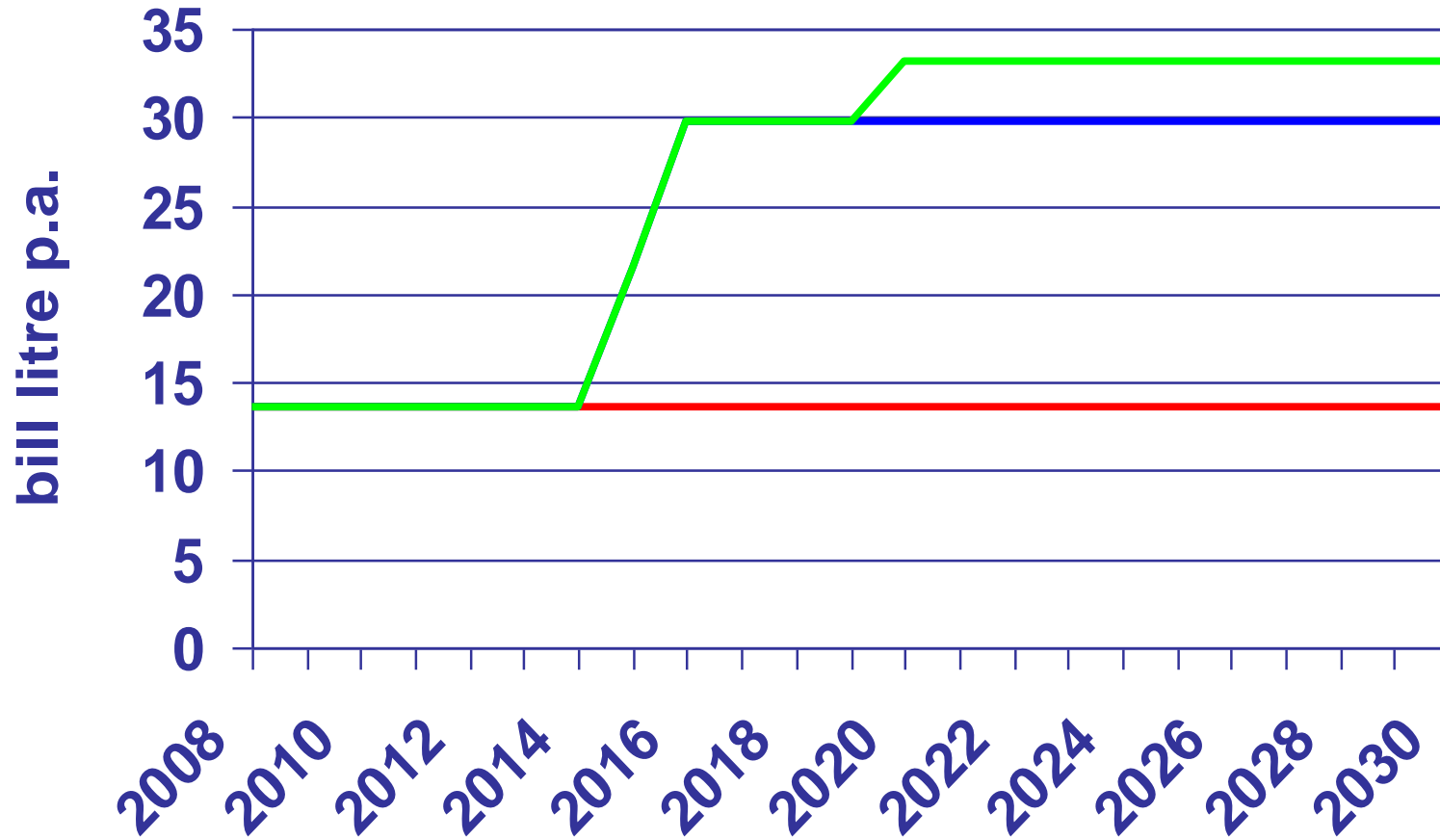
Net Position for Petrol



Distillate Supply Position (bill litre p.a.)



Distillate Supply Position (bill litre p.a.)



— Current — Current + Coega — Curr + Coega + Maf



Net Position for Diesel



— Current — Curr + Coega — Curr + Coega + Maf

Assumes all existing plant continuing operating

Conclusion on the S & D

- Current Supply rapidly becomes too little into the future
- SA needs new Supply capacity
 - Question is how much and when
- Benefit of new Supply capacity will be in Balance of Payments
- If Coega is built the big challenge will be what happens with the excess barrels
- Mafutha will not help significantly in the short term; best to bring it on later

Other Challenges for the SA LFI

- Logistical challenges to provide Supply for the World Cup
- Logistical Infrastructure
 - Refurbishment
 - Expansion
 - New facilities
- The new Pipeline and the tariffs
- Improved Air Quality deliverable
 - Cleaner Fuel specs
 - Engine technology
 - Tailpipe testing

Thank you



ENGEN