



**MINISTRY OF ENERGY
REPUBLIC OF SOUTH AFRICA**

NATIONAL ASSEMBLY QUESTION 1501

Mr J F Smalle (DA) to ask the Minister of Energy:

- (1) Whether her department has developed a comprehensive business plan in respect of South Africa's liquid petroleum gas (LPG) requirements; if not, why not; if so, what are the relevant details;
- (2) Whether her department has identified measures to ensure a safe and affordable supply of LPG; if not, why not; if so, what are the relevant details? NW1692E

Reply:

- (1) The Department of Energy is currently in the process of developing a comprehensive LPG Expansion Strategy which seeks to provide a framework for the expansion of the use of LPG in South Africa with a special emphasis on the household sector. This Strategy will highlight strategic options that could be adopted for the orderly development of the LPG industry in South Africa to make LPG an energy carrier of choice for thermal applications;
- (2) With regard to the safety aspects of LPG, there are already legislative measures in place that regulate the safe handling of LPG through the Occupational Health and Safety Act, 1993 (Act No. 58 of 1993) (OHS Act). This Act, which is administered by the Department of Labour, provides for the promulgation of various regulations to ensure safe handling and storage of LPG. Furthermore, the Department of Energy has collaborated with the South African Petroleum Industry Association (SAPIA), the Liquefied Petroleum Gas Safety Association of Southern Africa (LPGSASA) and associations of fuel retailers in embarking on an awareness campaign to request LPG users to fill up their cylinders well on time before the winter season. The campaign includes the safe use and handling of LPG.

With regard to the pricing of LPG, the Department of Energy commenced with the regulation of the maximum retail price of LPG supplied to households in July 2010. The Department of Energy is currently reviewing the Maximum Refinery Gate Price of LPG and the Working Rules for

appropriate pricing of LPG, noting that increased consumption of LPG would only be met through imports.

Lastly, the Department is working together with Transnet to facilitate investments in the LPG import facilities in the medium- to long-term.