

(Legislative Supplement No. 11)

LEGAL NOTICE NO. 24

THE ENERGY ACT

(No. 12 of 2006)

IN EXERCISE of the powers conferred by sections 102, 110 and 123 of the Energy Act, the Minister for Energy, makes the following Rules:—

THE PETROLEUM (AMENDMENT) RULES, 2012

1. These Rules may be cited as the Petroleum (Amendment) Rules, 2012.

2. The Petroleum Rules are amended by deleting Regulation 31A and substituting therefor the following new Regulation— Sub. Leg.

31A. (1) The Kenya Petroleum Refineries Limited shall process such minimum quantities of petroleum crude oil per calendar year as the Minister may from time to time prescribe.

(2) Any person engaged in the importation of refined petroleum products other than bitumen for use in Kenya, shall purchase from the Kenya Petroleum Refineries Limited such quantities of refined petroleum products derived from the processing of the minimum quantity of petroleum crude oil indicated in paragraph 1, as the Minister may prescribe having regard to the market share, per product, of such importer.

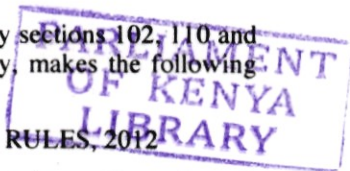
(3) With effect from the 1st July, 2012, no person shall import or cause to be imported refined petroleum products except—

- (a) liquefied petroleum gas;
- (b) bitumen, and
- (c) fuel oil

for use in Kenya other than through an Open Tender System centrally coordinated by the Ministry responsible for energy.

(4) All importation of refined petroleum products other than those specified under paragraph (3) shall except where exempted by the Minister in writing, be through the Kipevu Oil Storage Facility, Shimanzi Oil Terminal, Miritini LPG Import Terminal and Kenya Petroleum Refineries Limited, Changamwe, Mombasa.

(5) In these Rules, “market share” means the percentage of the total sales of each petroleum product in Kenya other than



those specified under paragraph (2) attributable to an importer as determined by the Minister from time to time

Dated the 4th April, 2012.

KIRAITU MURUNGI,
Minister for Energy.

LEGAL NOTICE NO. 25

THE ENERGY ACT

(No. 12 of 2006)

IN EXERCISE of the powers conferred by section 102 and 110 of the Energy Act, 2006, the Minister for Energy makes the following Regulations—

THE ENERGY (IMPORTATION OF PETROLEUM PRODUCTS) (QUOTA ALLOCATION) (AMENDMENT) REGULATIONS, 2012

1. These Regulations may be cited as the Energy (Importation of Petroleum Products) (Quota Allocation) (Amendment) Regulations, 2012.

2. Regulation 2 of the Energy (Importation of Petroleum Products) (Quota Allocation) Regulations, 2010, in these Regulations referred to as “the principal Regulations”, is amended by deleting the definition of “Petroleum products quota allocation” and substituting therefor the following new definition—

“Petroleum products quota allocation” means the percentage of petroleum import requirements, allocated for importation by the National Oil Corporation of Kenya and the Kenya Petroleum Refineries Limited, as established under Regulation 3 of these Regulations.

3. Regulation 3 of the principal Regulations is amended—

- (a) in paragraph (1) by deleting the word “portion” and substituting therefor the word “percentage”;
- (b) in paragraph (2) by adding the words “and the Kenya Petroleum Refineries Limited” immediately after the words “National Oil Corporation of Kenya”.

4 The principal Regulations are amended by deleting the Schedule and substituting therefor the following new Schedule:

SCHEDULE

(R.3)

PETROLEUM PRODUCTS IN THE QUOTA ALLOCATION

<i>Petroleum products</i>	<i>Percentage allocation</i>	<i>Importing company</i>
Petroleum crude oil	100	Kenya Petroleum Refineries Limited
Jet fuel (Kerosene)	30	National oil Corporation of Kenya
Automotive gas oil	30	National Oil Corporation of Kenya

Dated the 4th April, 2012

KIRAITU MURUNGI,
Minister for Energy.

LEGAL NOTICE NO 26

THE ENERGY ACT

(No. 12 of 2006)

IN EXERCISE of the powers conferred by section 102 (w) and 110 of the Energy Act, 2006, the Minister for Energy makes the following Regulations:—

THE ENERGY (PETROLEUM PRICING) (AMENDMENT)
REGULATIONS, 2012

1 These Regulations may be cited as the Energy (Petroleum Pricing) (Amendment) Regulations, 2012

2. The Energy (Petroleum Pricing) Regulations, 2010, in these Regulations referred to as "the principal Regulations", are amended in Regulation 5 by—

LN 196/2010

- (a) deleting the definition of the expression " V_{ip} " and substituting therefor the following new definition—

V_{ip} = the volume, in litres, of a cargo of a refined petroleum product imported through the open tender system and discharged at the port of Mombasa from the 10th day of the previous month to the 9th day of the pricing month;

- (b) deleting the definition of the expression " C_{ip} " and substituting therefor the following new definition—

C_{ip} = the unit cost of a cargo of a refined petroleum product imported through the open tender system and discharged at the port of Mombasa from the 10th day of the previous month to the 9th day of the pricing month, in shillings per litre;

- (c) deleting the definition of the expression " V_{crp} " and substituting therefor the following new definition—

V_{crp} = the volume, in litres of petroleum product yield per month from crude refined at Kenya Petroleum Refineries Limited for the previous one calendar month;

- (d) deleting the definition of the expression " C_{crp} " and substituting therefor the following new definition—

C_{crp} = the calculated unit cost of a petroleum product yielded from crude refined at the Kenya Petroleum Refineries Limited per month for the previous one calendar month in Shillings per Litre;

3. The Principal Regulations are amended by deleting Regulation 7 and substituting therefor the following new regulation—

7. The unit cost of petroleum products obtained from crude oil refined at the Kenya Petroleum Refineries Limited [C_{crp}] shall be the sum of landed cost of crude oil, refinery fees, inventory financing costs and insurance costs for the crude imports allocated to the refinery approved product yields, benchmarked to the cost of importation of the same refined products.

4. The principal Regulations are amended by deleting regulation 8 and by substituting therefor the following new regulation—

8. The average mean exchange rate of leading commercial banks selected by the Commission on the last discharge date shall be used in converting the imported refined petroleum products and crude oil costs determined under Regulations 6 and 7 from foreign currency to Kenya Shillings.

5. The Principal Regulations are amended by deleting and substituting therefor the following new Schedule—

FIRST SCHEDULE

Pipeline Tariff, Delivery rates, Bridging Rates, and x-Factor

		Location	Rate- KES/Litre
1	Pipeline Tariff K_{pt}	Mombasa	0.000
		Nairobi	2.250 plus VAT
		Nakuru	3.095 plus VAT
		Eldoret	3.980 plus VAT
		Kisumu	3.975 plus VAT
2.	Delivery Rates (z)	Within Town (40km Radius)	0.48 plus VAT
		Outside Town	KES 10.85 per Kilometer per 1000 Litres
3	Bridging Rates K_{rd}	Mombasa to Nairobi, Nakuru, Kisumu and Eldoret	KES 8.14 per km per 1000 Litres plus VAT
4	x Factor	Nairobi, Nakuru, Kisumu and Eldoret	80% - Super Petrol and Automotive Diesel 100% - Regular Petrol and Kerosene

6. The principal Regulations are amended by deleting the Third Schedule and substituting therefor the following new Schedule—

THIRD SCHEDULE.

Maximum Allowed Margins ($m_w + m_r$)

Product	Maximum Allowed Margins ($m_w + m_r$) (KES/Litre.)
Super Petrol	10.00
Regular Petrol	10.00
Kerosene	10.00
Automotive Diesel	10.00

Dated the 4th April, 2012.

KIRAITU MURUNGI,
Minister for Energy.