



# **TECHNICAL INDICATOR DESCRIPTIONS 2012/13 – 2014/15**

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## 1. EXECUTIVE SUMMARY

NERSA is the regulatory authority established in terms of the National Energy Regulator Act, 2004 (Act No. 40 of 2004) **with the mandate to** undertake the functions of the National Electricity Regulator as set out in the Electricity Regulation Act, 2006 (Act No. 4 of 2006), undertake the functions of the Gas Regulator as set out in the Gas Act, 2001 (Act No. 48 of 2001), undertake the functions of the Petroleum Pipelines Regulatory Authority as set out in the Petroleum Pipelines Act, 2003 (Act No. 60 of 2003) and to perform such other functions as may be assigned to it by or under these Acts. NERSA's mandate is anchored on the following four primary Acts:

- National Energy Regulator Act, 2004 (Act No. 40 of 2004);
- Electricity Regulation Act, 2006 (Act No. 4 of 2006);
- Gas Act, 2001 (Act No. 48 of 2001);
- Petroleum Pipelines Act, 2003 (Act No. 60 of 2003);

The regulatory functions of NERSA, as contained in relevant legislation, are summarised as follows:

- Issuing of licences with conditions;
- Setting and/or approving tariffs and prices;
- Monitoring and enforcing compliance with licence conditions;
- Dispute resolution including mediation, arbitration and the handling of complaints;
- Gathering, storing and disseminating industry information;
- Setting of rules, guidelines and codes for the regulation of the three industries;
- Determining of conditions of supply and applicable standards;
- Consulting with government departments and other bodies with regard to industry development and regarding any matter contemplated in the three industry Acts;
- Expropriating land as necessary to meet the objectives of the relevant legislation;
- Registration; and
- Performing any activity incidental to the execution of its duties

NERSA's mandate is further derived from written government policies and regulations developed by the Minister of Energy in terms of the Electricity Regulation Act, Gas Act and Petroleum Pipelines Act. NERSA is expected to proactively take necessary regulatory actions in anticipation of and in response to the changing circumstances in the energy industry.

NERSA derives its revenues by, amongst others, imposing prescribed levies on the regulated industries following a prescribed transparent procedure. In this regard, the following Acts govern the imposition of such levies:

- Gas Regulator Levies Act, 2002 (Act No. 75 of 2002);

- Petroleum Pipelines Levies Act, 2004 (Act No. 28 of 2004); and
- Section 5B of the Electricity Act, 1987 (Act No. 41 of 1987).

Apart from the mentioned legislation that anchors NERSA's mandate and the imposition of levies, the following facilitating and all other legislation is also applicable to NERSA's conduct of its business:

- The Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA), which specifies the accounting of NERSA as a Section 3 Public Entity;
- The Promotion of Access to Information Act, 2000 (Act No. 2 of 2000) (PAIA), which determines the way that NERSA has to treat access to information; and
- The Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000) (PAJA), which determines just administrative action of NERSA.

The purpose of this document is to provide technical descriptions for all the Key Performance Indicators as reflected in the NERSA approved Annual Performance Plan (2012/13 . 2014/15). In line with the Annual Performance Plan, these indicators are divided in programmes as well as in the following functional areas:

- Electricity Industry Regulation
- Piped-Gas Industry Regulation;
- Petroleum Pipelines Industry Regulation;
- Cross-Cutting; and
- Organisational.

## 2. ELECTRICITY INDUSTRY REGULATION

### 2.1. Electricity Industry Regulation Programme 1: Setting and/or approval of tariffs and prices

Indicator number	1	2
Indicator title	<b>% of municipalities that are sustainable within the ring fenced electricity business</b>	<b>% of tariff applications of all licensed distributors set and approved</b>
Short definition	The Minister of Energy approved on 12 February 2013 that this Performance Indicator is removed from the NERSA Annual Performance Plan as the sustainability of the municipalities falls outside of NERSA's control	The percentage of all tariff applications from licensed distributors set and approved
Purpose/Importance		The implementation of this KPI is necessary for NERSA to execute its mandate in setting prices and tariffs
Source/collection of data		Tariff Applications and D Forms
Method of calculation		(number of approved tariff applications / number of received tariff applications)*100
Data limitations		None
Type of indicator		Numeric
Calculation type		Percentage
Reporting cycle (quarterly, annually or at longer time intervals)		Annual
New indicator		Yes
Desired performance		100% of tariff applications of all licensed distributors set and approved

Indicator number	3	4
Indicator title	<b>Implementation of RRM requirements by municipalities</b>	<b>To ensure low-income households are protected from rising electricity prices</b>
Short definition	As part of the requirements of the Regulatory Reporting Manuals (RRMs), the licencees must submit a plan on how they will implement the RRMs. This plan is called the Implementation Plan	To protect low-income households as far as possible from rising electricity prices
Purpose/Importance	The implementation of this KPI will enable NERSA to have accurate and adequate data in order to be able to accurately set the prices and tariffs for the metros which is in line with NERSA's mandate	The implementation of this KPI forms part of the setting of prices and tariffs, moreover this will ensure that the burden on the poor is limited and will also assist in lowering the usage of electricity
Source/collection of data	RRM implementation plan	Tariff Applications
Method of calculation	Number of Implementation Plans	(number of approved inclining block tariffs / number of received tariff applications)*100
Data limitations	Submission of Plans by Municipalities	Implementation of IBTs by Municipalities
Type of indicator	Numeric	Numeric
Calculation type	Number	Percentage
Reporting cycle (quarterly, annually or at longer time intervals)	Annual	Annual
New indicator	Yes	Yes
Desired performance	Approved implementation plan for an additional 3 Municipalities	Approved Inclining Block Tariffs (IBTs) for 65% of licensed distributors for residential customers

Indicator number	5	6
Indicator title	<b>Eskom's revenue requirements and prices approved</b>	<b>Interest cover ratio achieved by Eskom</b>
Short definition	To ensure that Eskom's revenue requirements for the next Multi-Year Price Determination period is approved to allow Eskom enough revenue to be a going concern but also to protect the consumers against inflated prices	The Minister of Energy approved on 12 February 2013 that this Performance Indicator is removed from the NERSA Annual Performance Plan as it is covered under the new proposed indicator of <i>%Approved Eskom's annual Regulatory Reports+</i> (see Indicator below)
Purpose/Importance	The implementation of this KPI is necessary for NERSA to execute its mandate in setting prices and tariffs	
Source/collection of data	Eskom Revenue Requirement application and Minimum Information Requirements for Tariff Applications templates	
Method of calculation	Revenue requirement analysis	
Data limitations	Accuracy of information received	
Type of indicator	Numeric	
Calculation type	Percentage	
Reporting cycle (quarterly, annually or at longer time intervals)	Annual	
New indicator	Yes	
Desired performance	Approved Eskom's MYPD3	

Indicator number	7	8
Indicator title	<b>% Weighted Average Cost of Capital achieved by Eskom</b>	<b>Debt: Equity ratio achieved by Eskom</b>
Short definition	The Minister of Energy approved on 12 February 2013 that this Performance Indicator is removed from the NERSA Annual Performance Plan as it is covered under the new proposed indicator of <i>%Approved Eskom's annual Regulatory Reports+</i> (see Indicator number 12 below)	The Minister of Energy approved on 12 February 2013 that this Performance Indicator is removed from the NERSA Annual Performance Plan as it is covered under the new proposed indicator of <i>%Approved Eskom's annual Regulatory Reports+</i> (see Indicator below)
Purpose/Importance		
Source/collection of data		
Method of calculation		
Data limitations		
Type of indicator		
Calculation type		
Reporting cycle (quarterly, annually or at longer time intervals)		
New indicator		
Desired performance		

Indicator number	9	10
Indicator title	<b>The impact of Eskom's revenue and price determinations analysed</b>	<b>Approved Eskom's annual retail tariffs (ERTSA)</b>
Short definition	The Minister of Energy approved on 12 February 2013 that this Performance Indicator is removed from the NERSA Annual Performance Plan as it is covered under the new proposed indicator of <i>%Approved Eskom's annual Regulatory Reports+</i> (see Indicator number 12 below)	This KPI will determine the structural adjustments of Eskom's retail tariffs (those tariffs that Eskom used to sell electricity to other distributors, amongst others)
Purpose/Importance		The implementation of this KPI fits into the setting of tariffs and prices in that NERSA will determine the structural adjustments of Eskom's retail tariffs (those tariffs that Eskom used to sell electricity to other distributors, amongst others)
Source/collection of data		ERTSA Application by Eskom and tariff model
Method of calculation		Determined by the tariff model
Data limitations		Accuracy and timeliness of information
Type of indicator		Numeric
Calculation type		Percentage
Reporting cycle (quarterly, annually or at longer time intervals)		Annual
New indicator		Yes
Desired performance		Approved Eskom's retail tariffs for 2013/14



Indicator number	11	12
Indicator title	<b>The Free Basic Electricity (FBE) rate for the compensation of Eskom approved on time for implementation in line with the legal requirements</b>	<b>Eskom's annual regulatory reports approved</b>
Short definition	The rate for the compensation of Eskom for the provision of the Free Basic Electricity for the poor has to be approved before 1 April 2013	A part of the Regulatory Reporting Manuals, Eskom must submit its Annual Regulatory Reports to NERSA for approval
Purpose/Importance	The implementation of this KPI will ensure that the free basic electricity is implementable by municipalities as they will get their required revenue and the poor will benefit	The implementation of this KPI will enable NERSA to have accurate and adequate data in order to be able to accurately set the prices and tariffs for Eskom which is in line with NERSA's mandate
Source/collection of data	Eskom-FBE customer statistics and consumption information. NERSA- the Approved 1st block of The Eskom Retail Tariff	Regulatory Reporting Manuals (RRM) compliance
Method of calculation	In line with the tariff model	Considered . yes / no
Data limitations	Accuracy and timeliness of information	Receipt of the Annual Regulatory Reports by Eskom
Type of indicator	Numeric	Numeric
Calculation type	Percentage	Yes / No
Reporting cycle (quarterly, annually or at longer time intervals)	Annual	Annual
New indicator	Yes	Yes
Desired performance	The free basic electricity rate for the compensation of Eskom determined	Approved Regulatory Financial Reports for 2011/12 for Eskom

## 2.2. Electricity Industry Regulation Programme 2: Licensing and Registration

<b>Indicator number</b>	<b>1</b>
<b>Indicator title</b>	<b>% of licence applications processed in 120 days (statutory time frame) from application</b>
<b>Short definition</b>	From the date of application, NERSA needs to determine how long it takes to process a licence application
<b>Purpose/Importance</b>	The implementation of this KPI is directly necessary in order to comply with NERSA's mandate to Issue licences with conditions
<b>Source/collection of data</b>	Information as contained in the Reasons for Decisions (RfD) document. The RfD documents outlines the timelines in the processing of applications
<b>Method of calculation</b>	$(\text{number of processed licence applications within 120 days} / \text{number of received licence applications}) * 100$
<b>Data limitations</b>	Incomplete applications
<b>Type of indicator</b>	Numeric
<b>Calculation type</b>	Percentage
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Quarterly
<b>New indicator</b>	Yes
<b>Desired performance</b>	75% of licence applications processed in 120 days (statutory time frame) from application

### 2.3. Electricity Industry Regulation Programme 3: Compliance monitoring and enforcement

Indicator number	1	2
Indicator title	<b>Number of audit reports on the state of licensees' compliance with licence conditions</b>	<b>% of corrective action plans implemented through re-enforcement from previous non-compliant licensees</b>
Short definition	NERSA conducts audits on the state of licensees compliance with licence conditions and compiles an audit report based on the findings. The report is issued once comments from licensees have been incorporated	The Minister of Energy approved on 12 February 2013 that this Performance Indicator is removed from the approved Annual Performance Plan as it falls outside of the mandate of NERSA as the licensees are expected to implement the corrective action plans and not NERSA. NERSA can only report on the status of compliance with licence conditions and recommend possible corrective action plans. These corrective action plans will be monitored in the next financial year
Purpose/Importance	This KPI will ensure effective and consistent compliance monitoring throughout the value chain in the electricity industry (part of the legislative mandate and thus service delivery of NERSA)	
Source/collection of data	Compliance audit reports	
Method of calculation	Number of reports	
Data limitations	Cooperation by licensees in providing management comments	
Type of indicator	Numeric	
Calculation type	Number	
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	
New indicator	Yes	
Desired performance	10 audit reports on the state of licensees compliance with licence conditions	

Indicator number	3
Indicator title	<b>% of compliance by selected licensees with 80% of prescribed conditions</b>
Short definition	The Minister of Energy approved on 12 February 2013 that this Performance Indicator is removed from the approved Annual Performance Plan as it falls outside of the mandate of NERSA as the licensees are expected to implement the corrective action plans and not NERSA. NERSA can only report on the status of compliance with licence conditions and recommend possible corrective action plans. These corrective action plans will be monitored in the next financial year
Purpose/Importance	
Source/collection of data	
Method of calculation	
Data limitations	
Type of indicator	
Calculation type	
Reporting cycle (quarterly, annually or at longer time intervals)	
New indicator	
Desired performance	

## 2.4. Electricity Industry Regulation Programme 4: Dispute resolution, including mediation, arbitration and handling of complaints

Indicator number	1	2
Indicator title	<b>% of complaints processed in 120 days from receipt</b>	<b>Report showing the status of complaints and disputes in the electricity supply industry</b>
Short definition	From the date of application, NERSA needs to determine how long it takes to finalise a complaint	On an annual basis, NERSA will compile a report on the status of complaints and disputes in the electricity supply industry
Purpose/Importance	The implementation of this KPI is directly linked to NERSA's mandate of dispute resolution including mediation, arbitration and the handling of complaints	The implementation of this KPI is directly linked to NERSA's mandate of dispute resolution including mediation, arbitration and the handling of complaints
Source/collection of data	Records of complaints received	Records of complaints and disputes
Method of calculation	(number of finalised complaints within 120 days of receipt / number of received complaints)*100	Writing of a report
Data limitations	Participation by complainant and licencees	None
Type of indicator	Numeric	Numeric
Calculation type	Percentage	Yes / No
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Annual
New indicator	Yes	Yes
Desired performance	70% of complaints processed in 120 days from receipt	Report showing the status of complaints and disputes in the electricity supply industry

## 2.5. Electricity Industry Regulation Programme 5: Setting of rules, guidelines and codes for the regulation of the electricity industry

Indicator number	1	2
Indicator title	% attendance and chairing of the Grid Code Advisory Committee's quarterly meetings – thus enabling IPPs to constructively participate at all meetings including the Industry Expert Team workgroup sessions	% completion of applications received from IPPs relating to fair and equitable access to electricity infrastructure requiring amendment of the Grid code processed within set timelines
Short definition	NERSA is the Chair of the Grid Code Advisory Committee and also participates in the Industry Expert Teams. This KPI measures the attendance and participation in these meetings	In order to facilitate the entry of Independent Power Producers (IPPs) into the grid, the grid code needs to be amended from time to time based on applications to the effect.
Purpose/Importance	The implementation of this KPI is directly linked to NERSA's mandate of Setting of rules, guidelines and codes for the regulation of the three industries	The implementation of this KPI is directly linked to NERSA's mandate of Setting of rules, guidelines and codes for the regulation of the three industries
Source/collection of data	Minutes of Grid Code Advisory Committee meetings and the Industry Expert Team meetings	Applications for amendments of the grid code by IPPs
Method of calculation	(number of meetings attended / number of meetings held)*100	(number of applications completed / number of applications received)*100
Data limitations	None	None
Type of indicator	Numeric	Numeric
Calculation type	Percentage	Percentage
Reporting cycle (quarterly, annually or at longer time intervals)	Annual	Quarterly
New indicator	Yes	Yes
Desired performance	100% attendance and chairing of Grid Code Advisory Committee's quarterly meetings . thus enabling IPPs to constructively participate at all meetings including the Industry Expert Team workgroup sessions	100% completion of applications received from IPPs relating to fair and equitable access to electricity infrastructure requiring amendment of the Grid code processed within set timelines

Indicator number	3	4
Indicator title	% of transmission development plans evaluated	% of rules developed relating to IRP and publicised through a consultation process within the required time frame
Short definition	The evaluation of the transmission development plans is necessary a necessary step to ensure that Eskom complies with its licence conditions	The Minister of Energy approved on 12 February 2013 that this Performance Indicator is removed from the approved Annual Performance Plan due to changes in energy policy and the revised New Generation Regulations that was published by the Minister of Energy
Purpose/Importance	This KPI will ensure effective and consistent compliance monitoring throughout the value chain in the electricity industry (part of the legislative mandate and thus service delivery of NERSA)	
Source/collection of data	Transmission development plans	
Method of calculation	(number of transmission development plans evaluated / number of transmission development plans received)*100	
Data limitations	Submission of transmission development plans	
Type of indicator	Numeric	
Calculation type	Percentage	
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	
New indicator	Yes	
Desired performance	100% Transmission Development Plans evaluated	

Indicator number	5	6
Indicator title	% development and publication of rules (standard offer programme) for the implementation of EEDSM through a consultation process within the required time frame	% development and publication of bulletins on the renewable energy performance
Short definition	NERSA needs to develop and publish rules for the implementation of Energy Efficiency and Demand Side Management (EEDSM) through a consultation process within the required time frame. This will be done as part of the MYPD3	NERSA needs to develop and publish bulletins on the renewable energy performance
Purpose/Importance	The implementation of this KPI is directly linked to NERSA's mandate of Setting of rules, guidelines and codes for the regulation of the three industries	The implementation of this KPI is directly linked to NERSA's mandate of Setting of rules, guidelines and codes for the regulation of the three industries
Source/collection of data	Published rules	Published bulletins
Method of calculation	(number of developed and published rules / total number of rules)*100	(number of published bulletins / number of planned publish bulletins)*100
Data limitations	None	None
Type of indicator	Numeric	Numeric
Calculation type	Percentage	Percentage
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Bi-annual
New indicator	Yes	Yes
Desired performance	100% development and publication of rules (standard offer programme) for the implementation of EEDSM through a consultation process within the required time frame	Two (2) bulletins on renewable energy performance

Indicator number	7	8
Indicator title	% development and publication of co-generation rules through a consultation process within the required time frame	Guidelines for municipal tariff increase and benchmarks
Short definition	The Minister of Energy approved on 12 February 2013 that this Performance Indicator is removed from the approved Annual Performance Plan due to changes in energy policy and the revised New Generation Regulations that was published by the Minister of Energy	On an annual basis, NERSA provides guidelines to municipalities on the tariff increases in order to assist them in their tariff applications. This has to be done before 1 April every year
Purpose/Importance		The implementation of this KPI is directly linked to NERSA's mandate of Setting of rules, guidelines and codes for the regulation of the three industries
Source/collection of data		Guidelines to municipalities on the tariff increases
Method of calculation		Was guidelines provided - yes / no
Data limitations		None
Type of indicator		Numeric
Calculation type		Yes / No
Reporting cycle (quarterly, annually or at longer time intervals)		Annual
New indicator		Yes
Desired performance		Published guideline for municipal tariff increases and benchmarks for 2013/14



<b>Indicator number</b>	<b>9</b>
<b>Indicator title</b>	<b>% Selected distribution development plans evaluated</b>
<b>Short definition</b>	The evaluation of the distribution development plans is necessary a necessary step to ensure that Eskom complies with its licence conditions
<b>Purpose/Importance</b>	This KPI will ensure effective and consistent compliance monitoring throughout the value chain in the electricity industry (part of the legislative mandate and thus service delivery of NERSA)
<b>Source/collection of data</b>	Distribution development plans
<b>Method of calculation</b>	(number of distribution development plans evaluated / number of selected distribution development plans)*100
<b>Data limitations</b>	Submission of distribution development plans
<b>Type of indicator</b>	Numeric
<b>Calculation type</b>	Percentage
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Quarterly
<b>New indicator</b>	Yes
<b>Desired performance</b>	100% of selected distribution Development Plans evaluated

## 2.6. Electricity Industry Regulation Programme 6: Establishing NERSA as an efficient and effective regulator

<b>Indicator number</b>	<b>1</b>
<b>Indicator title</b>	<b>Number of end-user forums established</b>
<b>Short definition</b>	According to the Electricity Regulation Act, municipalities must establish and fund end-user forums. This needs to form part of their licence conditions and NERSA must monitor the compliance to these conditions
<b>Purpose/Importance</b>	According to the Electricity Regulation Act (ERA), electricity distributors have to set up end-user forums. Once the Minister of Energy has prescribed the manner in amending licence conditions through Regulations, licence conditions will be amended to ensure that licencees adhere to this clause in the ERA
<b>Source/collection of data</b>	Compliance reports
<b>Method of calculation</b>	Number of end-user forums established
<b>Data limitations</b>	NERSA is awaiting the promulgation of Regulations by the Minister of Energy on the amendment of licence conditions before this can become a licence condition
<b>Type of indicator</b>	Numeric
<b>Calculation type</b>	Number
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Quarterly
<b>New indicator</b>	Yes
<b>Desired performance</b>	10 end user forums established in alignment with compliance issues

### 3. PIPED-GAS INDUSTRY REGULATION

#### 3.1. Piped-Gas Industry Regulation Programme 1: Setting and/or approval of tariffs and prices

Indicator number	1	2
Indicator title	<b>% of maximum prices approved within 90 days from the date of publishing the price application</b>	<b>% of transmission and storage tariffs approved within 90 days from the date of publishing the tariff application</b>
Short definition	NERSA has to approve maximum prices for piped-gas in line with the approved Methodology for Maximum Prices. In order to ensure timely approval of these prices, NERSA has indicated that the prices should ideally be approved within 90 days from publishing of the application	NERSA has to approve transmission and storage tariffs for piped-gas. In order to ensure timely approval of these tariffs, NERSA has indicated that the tariffs should ideally be approved within 90 days from publishing of the application
Purpose/Importance	The implementation of the maximum pricing methodology and thus the approval of the maximum prices is directly linked to NERSA's mandate of setting and approving of tariffs and prices. It is also a necessary step in the process of getting ready for full implementation of maximum prices in 2014, when the Regulatory Agreement comes to an end	The implementation of this KPI is necessary for NERSA to execute its mandate in setting and approving prices and tariffs
Source/collection of data	Applications for maximum prices of gas	Applications for transmission and storage tariffs
Method of calculation	(number of finalised maximum prices within 90 days of receipt / number of maximum price applications)*100	(number of finalised transmission and storage tariffs within 90 days of receipt / number of transmission and storage tariffs applications)*100
Data limitations	Completeness and accuracy of information	Completeness and accuracy of information
Type of indicator	Numeric	Numeric
Calculation type	Percentage	Percentage
Reporting cycle (quarterly, annually or at longer time intervals)	Annual	Annual
New indicator	Yes	Yes
Desired performance	80% of maximum prices approved within 90 days from the date of publishing the price application	80% of transmission and storage tariffs approved within 90 days from the date of publishing the tariff application

<b>Indicator number</b>	<b>3</b>	<b>4</b>
<b>Indicator title</b>	<b>Number of days for completing the calculation of prices and for providing a report on Sasol Gas compliance with all pricing provisions of Schedule One to the Agreement</b>	<b>Number of days for completing the calculation of aggregate prices of gas for each province</b>
<b>Short definition</b>	Sasol Gas has to comply with the provisions of Schedule One to the Agreement. NERSA has to monitor Sasol Gas compliance. This is one aspect of the monitoring of compliance	NERSA has to calculate aggregate prices for gas for each province. This should be done in a timely manner and therefore NERSA must calculate the number of days that it takes to complete these calculations
<b>Purpose/Importance</b>	The implementation of this KPI is directly linked to NERSA's mandate of compliance monitoring as the investigations into the pricing requirements are linked to compliance of Sasol Gas with legislation and licence conditions	The implementation of this KPI ensures that the prices charged by Sasol Gas to its customers can be evaluated for compliance
<b>Source/collection of data</b>	Prices of all piped-gas customers from Sasol Gas for the previous financial year	Prices of all piped-gas customers from Sasol Gas for the previous calendar year
<b>Method of calculation</b>	Actual number of days taken to compile the report	Actual number of days taken to compile the report
<b>Data limitations</b>	None	None
<b>Type of indicator</b>	Numeric	Numeric
<b>Calculation type</b>	Number	Number
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Annual	Annual
<b>New indicator</b>	Yes	Yes
<b>Desired performance</b>	Report on Sasol Gas compliance with all pricing provisions of Schedule One to the Agreement to be completed within 120 days after receiving the information	Report on Sasol Gas compliance with all pricing provisions in terms of Schedule One to the Agreement to be completed within 150 days after receiving the information

### 3.2. Piped-Gas Industry Regulation Programme 2: Licensing and Registration

Indicator number	1	2
Indicator title	<b>% of all licences applications processed according to licensing procedures</b>	<b>Number of days of implementing licensing decision</b>
Short definition	From the date of application, NERSA needs to determine how long it takes to process a licence application . this needs to be in line with the licensing procedures	After a decision has been made on a licence application, NERSA has to implement the decision in a timely manner
Purpose/Importance	The implementation of this KPI is directly necessary in order to comply with NERSA's mandate to Issue licences with conditions	The implementation of this KPI is directly necessary in order to comply with NERSA's mandate to Issue licences with conditions and will ensure that licensing decisions are implemented timeously
Source/collection of data	Licence applications	Licence application processors
Method of calculation	(number of processed licence applications in line with the procedures / number of licence applications received)*100	Number of days from decision to implementation
Data limitations	Accuracy and completeness of information	None
Type of indicator	Numeric	Numeric
Calculation type	Percentage	Number
Reporting cycle (quarterly, annually or at longer time intervals)	Annual	Annual
New indicator	Yes	Yes
Desired performance	To finalise 50% of all licence applications according to licensing procedures	20 days to implement licensing decision

<b>Indicator number</b>	<b>3</b>	<b>4</b>
<b>Indicator title</b>	<b>Register operations in terms of Section 28 of the Gas Act</b>	<b>Number of days taken to process registration application</b>
<b>Short definition</b>	NERSA has to register operations in the piped-gas industry in line with the Gas Act. In order to do this, NERSA publishes notices in newspapers calling for registration	NERSA has to process registration applications in a timely manner
<b>Purpose/Importance</b>	The implementation of this KPI is directly necessary in order to comply with NERSA's mandate to register gas operations	The implementation of this KPI is directly necessary in order to comply with NERSA's mandate to register gas operations and will ensure that the registration is done timeously
<b>Source/collection of data</b>	Registration applications	Application processors
<b>Method of calculation</b>	Number of newspapers notices were published in	Number of days from application to finalisation
<b>Data limitations</b>	None	None
<b>Type of indicator</b>	Numeric	Numeric
<b>Calculation type</b>	Number	Number
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Quarterly	Annual
<b>New indicator</b>	Yes	Yes
<b>Desired performance</b>	Publish notices in newspapers calling for registration	100% of all applications are processed within 60 days

Indicator number	5	6
Indicator title	<b>To develop the non financial reporting requirements on the RRM</b>	<b>Approved implementation strategy for the gas to power component of IRP2010</b>
Short definition	After the completion of the financial Regulatory Reporting Manuals, the second phase, containing the non-financial information requirements needs to be developed	The Minister of Energy approved on 12 February 2013 that this Performance Indicator is removed from the 2012/13 Annual Performance Plan as activities will only commence during the 2013/14 financial year as this Performance Indicator has been overtaken by the Request for Information for gas fired power stations that was published by the Department of Energy
Purpose/Importance	The implementation of this KPI will enable NERSA to have accurate and adequate data in order to be able to monitor compliance to licence conditions amongst others	
Source/collection of data	RRM	
Method of calculation	Non-financial reporting requirements developed . yes / no	
Data limitations	None	
Type of indicator	Numeric	
Calculation type	Yes / No	
Reporting cycle (quarterly, annually or at longer time intervals)	Annual	
New indicator	Yes	
Desired performance	Approved non financial reporting RRM requirements	

Indicator number	7	8
Indicator title	Approved implementation strategy for LNG	Approved research report on alternative gas sources from specifically compressed natural gas, Shale gas, coal bed methane gas and underground coal gasification
Short definition	The Minister of Energy approved on 12 February 2013 that this Performance Indicator is removed from the 2012/13 Annual Performance Plan as activities will only commence during the 2013/14 financial year as this Performance Indicator has been overtaken by the Request for Information for gas fired power stations that was published by the Department of Energy	As the regulator of the piped-gas industry, NERSA has to conduct research on alternative gas sources
Purpose/Importance		The implementation of this KPI is directly linked to NERSA's mandate of Consulting with government departments and other bodies with regard to industry development and regarding any matter contemplated in the three industry Acts and will ensure that the Gas Amendment Bill closes some of the regulatory gaps identified in the Gas Act. In order for NERSA to be able to have this consultation, research needs to be conducted to be able to consult from an informed point of view
Source/collection of data		Research information and information from licence applications
Method of calculation		Approved research report . yes / no
Data limitations		None
Type of indicator		Numeric
Calculation type		Yes / No
Reporting cycle (quarterly, annually or at longer time intervals)		Annual
New indicator		Yes
Desired performance		Conduct one research study on the results of gas exploration activities in South Africa and Mozambique



### 3.3. Piped-Gas Industry Regulation Programme 3: Compliance monitoring and enforcement

Indicator number	1	2
Indicator title	<b>Number of monthly volume balance reports assessed</b>	<b>Number of audits on the ROMPCO pipeline conducted</b>
Short definition	NERSA needs to assess the volume balance reports on a monthly basis	NERSA needs to conduct audits on the ROMPCO pipeline twice a year
Purpose/Importance	The implementation of this KPI is directly linked to NERSA's mandate of compliance monitoring	The implementation of this KPI is directly linked to NERSA's mandate of compliance monitoring
Source/collection of data	Volume balance report assessment reports	Audit reports
Method of calculation	Number of reports	Number of reports
Data limitations	Accuracy and availability of information	Accuracy and availability of information
Type of indicator	Numeric	Numeric
Calculation type	Number	Number
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Bi-annually
New indicator	Yes	Yes
Desired performance	Assess all 12 monthly volume balance reports	To conduct 2 audits on ROMPCO pipeline

<b>Indicator number</b>	<b>3</b>	<b>4</b>
<b>Indicator title</b>	<b>Number of investigations conducted and non-compliance notices issued</b>	<b>Quarterly monitoring reports of RRM Compliance</b>
<b>Short definition</b>	NERSA needs to investigate possible non-compliance and issue notices of non-compliance if and when necessary	In line with the approved Regulatory Reporting Manuals (RRMs), NERSA will on a quarterly basis report on progress made with regards to the implementation of the RRMs by licencees
<b>Purpose/Importance</b>	The implementation of this KPI is directly linked to NERSA's mandate of compliance monitoring	The implementation of this KPI will enable NERSA to have accurate and adequate data in order to be able to accurately set the prices and tariffs which is in line with NERSA's mandate
<b>Source/collection of data</b>	Investigation reports	Quarter RRM Report
<b>Method of calculation</b>	Number of reports	Quarter RRM Report . yes / no
<b>Data limitations</b>	Accuracy and availability of information	None
<b>Type of indicator</b>	Numeric	Numeric
<b>Calculation type</b>	Number	Yes / No
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Quarterly	Quarterly
<b>New indicator</b>	Yes	Yes
<b>Desired performance</b>	3 investigations conducted and non-compliance notices issued (if and when necessary)	Quarterly RRM Compliance report

<b>Indicator number</b>	<b>5</b>
<b>Indicator title</b>	<b>To investigate and publish availability of uncommitted capacity in gas transmission pipelines</b>
<b>Short definition</b>	In order to facilitate third party access, the uncommitted capacity in gas transmission pipelines needs to be determined and published
<b>Purpose/Importance</b>	The implementation of this KPI is directly linked to NERSA's mandate of compliance monitoring
<b>Source/collection of data</b>	Uncommitted capacity reports
<b>Method of calculation</b>	Report published . yes / no
<b>Data limitations</b>	Accuracy and reliability of information
<b>Type of indicator</b>	Numeric
<b>Calculation type</b>	Yes / No
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Quarterly
<b>New indicator</b>	Yes
<b>Desired performance</b>	Appoint a service provider to conduct a study and determine the level of uncommitted capacity in gas transmission pipelines

### 3.4. Piped-Gas Industry Regulation Programme 4: Dispute resolution, including mediation, arbitration and handling of complaints

Indicator number	1	2
Indicator title	<b>% of all received complaint investigations completed within 6 months</b>	<b>% of all initiated complaints completed within 12 months</b>
Short definition	From the date of application, NERSA needs to determine how long it takes to finalise a complaint that was received	From the date of application, NERSA needs to determine how long it takes to finalise a complaint that was initiated by NERSA
Purpose/Importance	The implementation of this KPI is directly linked to NERSA's mandate of dispute resolution including mediation, arbitration and the handling of complaints	The implementation of this KPI is directly linked to NERSA's mandate of dispute resolution including mediation, arbitration and the handling of complaints
Source/collection of data	Records of complaints received	Records of complaints initiated
Method of calculation	(number of finalised received complaints within 6 months of receipt / number of received complaints)*100	(number of finalised initiated complaints within 12 months of initiation / number of initiated complaints)*100
Data limitations	Participation by complainant and licencees	Participation by licencees
Type of indicator	Numeric	Numeric
Calculation type	Percentage	Percentage
Reporting cycle (quarterly, annually or at longer time intervals)	Annual	Annual
New indicator	Yes	Yes
Desired performance	50% of received complaint investigations completed within 6 months	50% of initiated investigations completed within 12 months

### 3.5. Pied-Gas Industry Regulation Programme 5: Setting of rules, guidelines and codes for the regulation of the electricity industry

Indicator number	1	2
Indicator title	Number of stakeholder workshops held	Developed, approved and implemented HDI scorecard
Short definition	Stakeholder workshops pricing and tariffs needs to be conducted	The Minister of Energy approved on 12 February 2013 that this Performance Indicator is removed from the 2012/13 Annual Performance Plan as activities will only commence during the 2013/14 financial year the licencees have not submitted the required information to NERSA needed in order to develop the scorecard and there it is recommended that the timeframes are pushed out
Purpose/Importance	NERSA has an obligation to its stakeholders to provide information and education around its activities and mandate	
Source/collection of data	Notice of workshop	
Method of calculation	Number of notices	
Data limitations	None	
Type of indicator	Numeric	
Calculation type	Number	
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	
New indicator	Yes	
Desired performance	4 stakeholder workshops	

### 3.6. Piped-Gas Industry Regulation Programme 6: Establishing NERSA as an efficient and effective regulator

Indicator number	1	2
Indicator title	<b>Proposed amendments to existing legislation submitted to the policy maker</b>	<b>Approved comments on draft legislative amendments (as and when required)</b>
Short definition	If NERSA feels that there are gaps in the legislation that it has to implement, NERSA needs to bring this to the attention of the policy maker and in addition, NERSA will try to assist the policy maker in proposing relevant amendments	If the policy maker publish any proposed draft legislation that NERSA has to implement or that has an impact on the mandate of NERSA, NERSA has to comment on the proposed draft legislation
Purpose/Importance	To facilitate the best possible legislative framework to enable NERSA in executing its mandate	To facilitate the best possible legislative framework to enable NERSA in executing its mandate
Source/collection of data	Proposed amendments	Approved comments
Method of calculation	Proposed amendments . Yes / no (if relevant)	Approved comments . Yes / no (if relevant)
Data limitations	If no amendment is needed, this KPI will not be relevant	If no draft legislation is published, this KPI will not be relevant
Type of indicator	Numeric	Numeric
Calculation type	Yes / No	Yes / No
Reporting cycle (quarterly, annually or at longer time intervals)	Annual	Annual
New indicator	Yes	Yes
Desired performance	Legislative benchmark conducted and proposed amendments submitted to the policy maker	Approved comments on draft legislative amendments submitted to the policy makers (as and when required)

<b>Indicator number</b>	<b>3</b>
<b>Indicator title</b>	<b>Number of stakeholder workshops</b>
<b>Short definition</b>	Stakeholder workshops regarding licensing and compliance monitoring needs to be conducted
<b>Purpose/Importance</b>	NERSA has an obligation to its stakeholders to provide information and education around its activities and mandate
<b>Source/collection of data</b>	Notice of workshop
<b>Method of calculation</b>	Number of notices
<b>Data limitations</b>	None
<b>Type of indicator</b>	Numeric
<b>Calculation type</b>	Number
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Annual
<b>New indicator</b>	Yes
<b>Desired performance</b>	Conduct 1 stakeholder workshop

#### 4. PETROLEUM PIPELINES INDUSTRY REGULATION

##### 4.1. Petroleum Pipelines Industry Regulation Programme 1: Setting and/or approval of tariffs and prices

Indicator number	1a	1b
Indicator title	<b>Pipeline tariffs set</b>	<b>Pipeline tariffs set</b>
Short definition	NERSA has to set the revenue requirements for Transnet Pipelines on an annual basis	Apart from Transnet, NERSA has to also set tariffs for other pipelines
Purpose/Importance	The implementation of this KPI is necessary for NERSA to execute its mandate in setting tariffs	The implementation of this KPI is necessary for NERSA to execute its mandate in setting tariffs
Source/collection of data	Tariff application	Tariff application
Method of calculation	According to the published tariff methodology	According to the published tariff methodology
Data limitations	Accuracy, reliability and completeness of information	Accuracy, reliability and completeness of information
Type of indicator	Numeric	Numeric
Calculation type	Percentage	Percentage
Reporting cycle (quarterly, annually or at longer time intervals)	Annual	Quarterly
New indicator	Yes	Yes
Desired performance	Decision on Transnet pipeline tariffs application	Final report on other pipelines for tariff setting



Indicator number	2	3
Indicator title	<b>Percentage of storage and loading facilities tariff applications approved</b>	<b>Approved financial reports from phase 1 RRM licensees</b>
Short definition	NERSA is starting to receive the storage and loading facility tariff applications and these need to be considered	A part of the Regulatory Reporting Manuals, licencees must submit their Financial Reports to NERSA for approval
Purpose/Importance	The implementation of this KPI is necessary for NERSA to execute its mandate in setting tariffs	The implementation of this KPI will enable NERSA to have accurate and adequate data in order to be able to accurately set the prices and tariffs which is in line with NERSA's mandate
Source/collection of data	Tariff applications	Financial Reports
Method of calculation	(Number of storage and loading facility tariffs considered / total number of storage and loading facilities)*100	Approved financial reports . Yes / no
Data limitations	NERSA is dependent on licencees to submit tariff applications . accuracy and completeness of information	None
Type of indicator	Numeric	Numeric
Calculation type	Percentage	Yes / No
Reporting cycle (quarterly, annually or at longer time intervals)	Biannual	Quarterly
New indicator	Yes	Yes
Desired performance	30% of storage and loading facilities tariff applications approved	Approved RRM phase 1 licensees (X3) Regulatory Financial Reports

<b>Indicator number</b>	<b>4</b>
<b>Indicator title</b>	<b>Progress reports on phase 2 RRM licensees</b>
<b>Short definition</b>	In line with the approved Regulatory Reporting Manuals (RRMs), NERSA will on a quarterly basis report on progress made with regards to the implementation of the RRMs by licencees
<b>Purpose/Importance</b>	The implementation of this KPI will enable NERSA to have accurate and adequate data in order to be able to accurately set the prices and tariffs which is in line with NERSA's mandate
<b>Source/collection of data</b>	Progress Reports
<b>Method of calculation</b>	Quarterly RRM Report . yes / no
<b>Data limitations</b>	None
<b>Type of indicator</b>	Numeric
<b>Calculation type</b>	Yes / No
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Quarterly
<b>New indicator</b>	Yes
<b>Desired performance</b>	Approved RRM phase 2 licensee (X1) Implementation Plan (IP) and Cost Allocation Matrix (CAM)

## 4.2. Petroleum Pipelines Industry Regulation Programme 2: Licensing and Registration

Indicator number	1	2
Indicator title	<b>% of licences approved within statutory deadlines</b>	<b>Number of suspected unlicensed facilities investigated</b>
Short definition	From the date of application, NERSA needs to determine how long it takes to process a licence application	NERSA has to investigate all suspected unlicensed activities and request those that should be licensed to apply for a licence
Purpose/Importance	The implementation of this KPI is directly necessary in order to comply with NERSA's mandate to Issue licences with conditions	The implementation of this KPI is directly necessary in order to comply with NERSA's mandate to Issue licences with conditions and to ensure that all unlicensed facilities have been appropriately licensed
Source/collection of data	Licence applications	Inspection reports
Method of calculation	(number of processed licence applications within statutory deadlines / number of received licence applications)*100	Number of suspected unlicensed activities investigated
Data limitations	Incomplete applications	None
Type of indicator	Numeric	Numeric
Calculation type	Percentage	Number
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly
New indicator	Yes	Yes
Desired performance	100% licences approved within statutory deadlines	5 suspected unlicensed facilities investigated

### 4.3. Petroleum Pipelines Industry Regulation Programme 3: Compliance monitoring and enforcement

Indicator number	1	2
Indicator title	<b>% of reports analysed and ready for noting within 60 days</b>	<b>% of licensees HDSA submissions analysed and ready for noting within 60 days</b>
Short definition	NERSA has to monitor compliance to licence conditions. In order to ensure that a report on compliance is done timeously, NERSA strives to compile the report within 60 days	NERSA has to facilitate the entry of historically disadvantaged South Africans into the petroleum pipelines market. One way of monitoring this is to get licencees to submit their HDSA status to NERSA
Purpose/Importance	The implementation of this KPI is directly linked to NERSA's mandate of compliance monitoring	The implementation of this KPI is directly linked to NERSA's mandate of compliance monitoring . track the involvement of HDIs in the industry
Source/collection of data	Reports	HDSA submissions
Method of calculation	(number of reports ready for noting within 60 days / total number of reports)*100	(number of licensees HDSA submissions analysed / total number of licencees)*100
Data limitations	Accuracy of information	Submission of HDSA information to NERSA
Type of indicator	Numeric	Numeric
Calculation type	Percentage	Percentage
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly
New indicator	Yes	Yes
Desired performance	85% of reports analysed and ready for noting within 60 days	50% of licensees HDSA submissions analysed and ready for noting within 60 days

Indicator number	3	4
Indicator title	% of licensees whose 3 <sup>rd</sup> party compliance status are reported on	% of common carriers investigated
Short definition	NERSA has to facilitate competition in the industry. A way of monitoring this is to get licensees to submit their 3 <sup>rd</sup> party status reports	NERSA has to investigate common carriers
Purpose/Importance	The implementation of this KPI is directly linked to NERSA's mandate of compliance monitoring . ensure that there is information available for possible third party access (especially HDIs)	The implementation of this KPI is directly linked to NERSA's mandate of compliance monitoring
Source/collection of data	3 <sup>rd</sup> party compliance Reports	Investigation reports
Method of calculation	(number of whose 3 <sup>rd</sup> party compliance status received / total number of licensees)*100	(number of common carriers investigated / total number of common carriers)*100
Data limitations	Submission of 3 <sup>rd</sup> party compliance information to NERSA	None
Type of indicator	Numeric	Numeric
Calculation type	Percentage	Percentage
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Quarterly
New indicator	Yes	Yes
Desired performance	3 <sup>rd</sup> party compliance status for 50% of licensees reported on	30% of common carriers investigated

#### 4.4. Petroleum Pipelines Industry Regulation Programme 4: Dispute resolution, including mediation, arbitration and handling of complaints

<b>Indicator number</b>	<b>1</b>
<b>Indicator title</b>	<b>% of complaints received investigated and concluded within 60 days</b>
<b>Short definition</b>	From the date of application, NERSA needs to determine how long it takes to finalise a complaint
<b>Purpose/Importance</b>	The implementation of this KPI is directly linked to NERSA's mandate of dispute resolution including mediation, arbitration and the handling of complaints
<b>Source/collection of data</b>	Records of complaints received
<b>Method of calculation</b>	(number of finalised complaints within 60 days of receipt / number of received complaints)*100
<b>Data limitations</b>	Participation by complainant and licencees
<b>Type of indicator</b>	Numeric
<b>Calculation type</b>	Percentage
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Annually
<b>New indicator</b>	Yes
<b>Desired performance</b>	100% of complaints received investigated and concluded within 60 days

**4.5. Petroleum Pipelines Industry Regulation Programme 5: Setting of rules, guidelines and codes for the regulation of the electricity industry**

<b>Indicator number</b>	<b>1</b>	<b>2</b>
<b>Indicator title</b>	<b>Approved licensing guidelines published</b>	<b>Published tariff guidelines for storage facilities</b>
<b>Short definition</b>	NERSA has developed licensing guidelines. These will be published on order to assist potential licencees in compiling their applications	NERSA has developed tariff guidelines for storage facilities. These will be published to assist licencees who are applying for tariffs for storage facilities to compile their applications
<b>Purpose/Importance</b>	The implementation of this KPI is directly linked to NERSA's mandate of Setting of rules, guidelines and codes for the regulation of the three industries	The implementation of this KPI is directly linked to NERSA's mandate of Setting of rules, guidelines and codes for the regulation of the three industries
<b>Source/collection of data</b>	Publications	Publications
<b>Method of calculation</b>	Published . Yes / no	Published . Yes / no
<b>Data limitations</b>	None	None
<b>Type of indicator</b>	Numeric	Numeric
<b>Calculation type</b>	Yes / No	Yes / No
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Annually	Annually
<b>New indicator</b>	Yes	Yes
<b>Desired performance</b>	1 <sup>st</sup> version of licensing guidelines published	Review annual tariff guidelines for storage facilities

<b>Indicator number</b>	<b>3</b>
<b>Indicator title</b>	<b>Approved guidelines to determine the SRAB of storage facilities</b>
<b>Short definition</b>	In order to set and approve tariffs, the starting regulatory asset base needs to be determined. This KPI will provide the guidelines on how to do this
<b>Purpose/Importance</b>	The implementation of this KPI is directly linked to NERSA's mandate of Setting of rules, guidelines and codes for the regulation of the three industries
<b>Source/collection of data</b>	Approved guidelines
<b>Method of calculation</b>	Approved guidelines . yes / no
<b>Data limitations</b>	None
<b>Type of indicator</b>	Numeric
<b>Calculation type</b>	Yes / No
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Annually
<b>New indicator</b>	Yes
<b>Desired performance</b>	Investigate guidelines for the SRAB of storage facilities



#### 4.6. Petroleum Pipelines Industry Regulation Programme 6: Establishing NERSA as an efficient and effective regulator

Indicator number	1	2
Indicator title	<b>Infrastructure investigated and reported on in Durban</b>	<b>Report on the inland supply forecast</b>
Short definition	NERSA reports on the infrastructure at the Durban harbor	In order to determine if there is going to be enough supply for the inland market, a forecast model has been developed
Purpose/Importance	The implementation of this KPI is directly linked to the mandate of NERSA (Gathering, storing and disseminating industry information)	The implementation of this KPI is directly linked to the mandate of NERSA (Gathering, storing and disseminating industry information)
Source/collection of data	Investigation report	Report
Method of calculation	Investigation report . yes / no	Report . yes / no
Data limitations	Accuracy and reliability of information	Accuracy, availability and reliability of information
Type of indicator	Numeric	Numeric
Calculation type	Yes / No	Yes / No
Reporting cycle (quarterly, annually or at longer time intervals)	Quarterly	Biannually
New indicator	Yes	Yes
Desired performance	Infrastructure investigated and reported on	Petroleum Pipelines Subcommittee to consider the report on the inland supply forecast

<b>Indicator number</b>	<b>3</b>	<b>4</b>
<b>Indicator title</b>	<b>Report on the review of legislation for the petroleum pipelines industry</b>	<b>Published storage tariffs</b>
<b>Short definition</b>	In order to ensure that NERSA has the best possible legislative framework in which to carry out its mandate, NERSA proactively engage policy makers regarding amendments to legislation needed	In order to ensure transparency, NERSA published all approved storage tariffs
<b>Purpose/Importance</b>	To facilitate the best possible legislative framework to enable NERSA in executing its mandate	To ensure transparency and promote competition
<b>Source/collection of data</b>	Report	Publication
<b>Method of calculation</b>	Report . yes / no	Publication . yes / no
<b>Data limitations</b>	None	None
<b>Type of indicator</b>	Numeric	Numeric
<b>Calculation type</b>	Yes / No	Yes / No
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Annually	Annually
<b>New indicator</b>	Yes	Yes
<b>Desired performance</b>	Annual Report on the review of legislation for the petroleum pipelines industry	Published storage tariff

<b>Indicator number</b>	<b>5</b>
<b>Indicator title</b>	<b>Publication of financial and tariff information</b>
<b>Short definition</b>	In order to ensure transparency, NERSA published all financial and tariff information
<b>Purpose/Importance</b>	To ensure transparency
<b>Source/collection of data</b>	Publication
<b>Method of calculation</b>	Publication . yes / no
<b>Data limitations</b>	None
<b>Type of indicator</b>	Numeric
<b>Calculation type</b>	Yes / No
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Biannually
<b>New indicator</b>	Yes
<b>Desired performance</b>	Publication of financial and tariff information on NERSA website

## 5. CROSS-CUTTING REGULATORY

### 5.1. Cross-Cutting Programme 6: Establishing NERSA as an efficient and effective regulator

Indicator number	1	2
Indicator title	<b>Benchmark report on regulatory decisions by category</b>	<b>Report on the impact of regulatory decisions</b>
Short definition	NERSA will benchmark its decisions against similar organisations	NERSA will conduct a study in order to determine the impact of its decisions
Purpose/Importance	In order to become a world-class leader in energy regulation, NERSA has to benchmark its decisions	In order to ensure that NERSA takes informed decisions, the impact of the decisions taken should be considered
Source/collection of data	Report	Report
Method of calculation	Report . yes / no	Report . yes / no
Data limitations	None	None
Type of indicator	Numeric	Numeric
Calculation type	Yes / No	Yes / No
Reporting cycle (quarterly, annually or at longer time intervals)	Annually	Annually
New indicator	Yes	Yes
Desired performance	Report on: <ul style="list-style-type: none"> <li>• NERSA reasons for decision per category (with specific reference to consistency and standardisation among the 3 industries); and</li> <li>• best practice reasons for decision among world class regulators</li> </ul>	Regulatory Impact Assessment (RIA) consultation paper

Indicator number	3	4
Indicator title	<b>Research reports on new sources of energy</b>	<b>Harmonised regulatory processes</b>
Short definition	As the regulator of the electricity, piped-gas and petroleum pipelines industries, NERSA has to conduct research into new sources of energy	As NERSA regulates three different industries, it is necessary to harmonise regulatory processes between the industries
Purpose/Importance	The implementation of this KPI is directly linked to NERSA's mandate of Consulting with government departments and other bodies with regard to industry development and regarding any matter contemplated in the three industry Acts	The implementation of this KPI will ensure harmonisation and synergy of regulatory processes between the three regulated industries
Source/collection of data	Research information and information from licence applications	Research information and tariff methodologies
Method of calculation	Approved research report . yes / no	Approved research report . yes / no
Data limitations	None	None
Type of indicator	Numeric	Numeric
Calculation type	Yes / No	Yes / No
Reporting cycle (quarterly, annually or at longer time intervals)	Annually	Annually
New indicator	Yes	Yes
Desired performance	Research report on new sources of energy	Research report on harmonisation of tariff methodologies

<b>Indicator number</b>	<b>5</b>	<b>6</b>
<b>Indicator title</b>	<b>Published quarterly newsletters</b>	<b>Number of stakeholder engagement and education programmes conducted</b>
<b>Short definition</b>	On a quarterly basis, NERSA publish newsletters to all stakeholders containing information regarding the organisation and the industries being regulated	NERSA engages its stakeholders in a number of ways, including education programmes
<b>Purpose/Importance</b>	NERSA has an obligation to its stakeholders to provide information and education around its activities and mandate	NERSA has an obligation to its stakeholders to provide information and education around its activities and mandate
<b>Source/collection of data</b>	Published newsletters	Reports on stakeholder engagements and education programmes held
<b>Method of calculation</b>	Published newsletters . yes / no	Number of stakeholder engagements and education programmes held
<b>Data limitations</b>	None	None
<b>Type of indicator</b>	Numeric	Numeric
<b>Calculation type</b>	Yes / No	Number
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Quarterly	Quarterly
<b>New indicator</b>	Yes	Yes
<b>Desired performance</b>	Quarterly newsletters published	Undertake 20 stakeholder engagement and education programmes

<b>Indicator number</b>	<b>7</b>
<b>Indicator title</b>	<b>Approved proposals / comments on policy changes</b>
<b>Short definition</b>	If the policy maker publish any proposed draft legislation that NERSA has to implement or that has an impact on the mandate of NERSA, NERSA has to comment on the proposed draft legislation
<b>Purpose/Importance</b>	To facilitate the best possible legislative framework to enable NERSA in executing its mandate
<b>Source/collection of data</b>	Approved proposals / comments
<b>Method of calculation</b>	Approved proposals / comments . Yes / no (if relevant)
<b>Data limitations</b>	If no draft legislation is published, this KPI will not be relevant
<b>Type of indicator</b>	Numeric
<b>Calculation type</b>	Yes / No
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Annual
<b>New indicator</b>	Yes
<b>Desired performance</b>	Approved proposals / comments on policy changes (if and when necessary)

## 6. ORGANISATIONAL

### 6.1. Organisational Programme 6: Establishing NERSA as an efficient and effective regulator

Indicator number	1	2
Indicator title	% successful implementation of the annual business plan	% of targets in the Annual Performance Plan met
Short definition	The Minister of Energy approved on 12 February 2013 that this Performance Indicator is removed from the approved Annual Performance Plan as NERSA does not have a Business Plan anymore. There is a Performance Indicator talking to the % of targets in the Annual Performance Plan that has been met which is the relevant indicator (see number 2 below). This indicator was approved before the full impact of the implementation of the Framework for Strategic Plans and Annual Performance Plans was understood	This is a calculation of the % of KPIs in the Annual Performance Plan that was carried out as planned
Purpose/Importance		This KPI will provide an indication of the organisational performance against planned activities in order to carry out its mandate
Source/collection of data		Fourth quarter performance report and report of performance against predetermined objectives
Method of calculation		(number of targets completed as planned / total number of targets )*100
Data limitations		None
Type of indicator		Numeric
Calculation type		Percentage
Reporting cycle (quarterly, annually or at longer time intervals)		Annually
New indicator		Yes
Desired performance		66% of targets met



<b>Indicator number</b>	<b>3</b>	<b>4</b>
<b>Indicator title</b>	<b>% of staff retention</b>	<b>% of organisational structure filled</b>
<b>Short definition</b>	What is the staff retention of the organisation	What percentage of the approved organisational structure has been filled
<b>Purpose/Importance</b>	This KPI will determine to what extent NERSA has the human resource capacity to carry out its mandate	This KPI will determine to what extent NERSA has the human resource capacity to carry out its mandate
<b>Source/collection of data</b>	Resignation letters	Human Resource reports
<b>Method of calculation</b>	$(1 - (\text{number of resignations} / \text{number of filled positions})) * 100$	$(\text{number of filled positions} / \text{total number of positions}) * 100$
<b>Data limitations</b>	None	None
<b>Type of indicator</b>	Numeric	Numeric
<b>Calculation type</b>	Percentage	Percentage
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Quarterly	Quarterly
<b>New indicator</b>	Yes	Yes
<b>Desired performance</b>	95% staff retention	95% of organisational structure filled

<b>Indicator number</b>	<b>5</b>	<b>6</b>
<b>Indicator title</b>	<b>% of staff undergoing training and development</b>	<b>Level of (%) customer satisfaction</b>
<b>Short definition</b>	To indicate what percentage of staff has underwent training and development	To determine the level of customer satisfaction with NERSA
<b>Purpose/Importance</b>	This KPI will determine to what extent the staff is being capacitated with regards to training and development to be able to do their work	This KPI will provide an indication as to the view of the stakeholders of NERSA's role and implementation of its mandate
<b>Source/collection of data</b>	Training and development register	Completed customer satisfaction questionnaires
<b>Method of calculation</b>	(number of staff undergoing training and development / total number of staff)*100	Customer satisfaction calculation model
<b>Data limitations</b>	None	Accuracy and completeness of information
<b>Type of indicator</b>	Numeric	Numeric
<b>Calculation type</b>	Percentage	Percentage
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Quarterly	Quarterly
<b>New indicator</b>	Yes	Yes
<b>Desired performance</b>	70% of staff undergoing training and development	67% customer satisfaction

<b>Indicator number</b>	<b>7</b>	<b>8</b>
<b>Indicator title</b>	<b>Result of annual audit</b>	<b>% of creditors paid within 30 days after all relevant documentation have been received</b>
<b>Short definition</b>	NERSA is audited on an annual basis by the Auditor-General	In line with Government's direction, NERSA aims to pay all its creditors within 30 days of receipt of all relevant documentation
<b>Purpose/Importance</b>	This KPI is a reflection of how accurately the information published in NERSA's Annual Report is a reflection of what is happening	This KPI will measure whether creditors are being paid timeously
<b>Source/collection of data</b>	Final Management Report from the AG	Payment transaction reports and invoices
<b>Method of calculation</b>	Qualified audit . yes / no	(number of creditors paid within 30 days of receipt of all relevant documentation / total number of creditors)*100
<b>Data limitations</b>	None	None
<b>Type of indicator</b>	Numeric	Numeric
<b>Calculation type</b>	Yes / No	Percentage
<b>Reporting cycle (quarterly, annually or at longer time intervals)</b>	Annually	Quarterly
<b>New indicator</b>	Yes	Yes
<b>Desired performance</b>	Unqualified audit	80% of creditors paid within 30 days after all relevant documentation have been received