

## Free Flow



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## Spring Lights Gas, Scoops some Prestigious Awards in 2011

Spring Lights Gas, is honoured to be recognised by industry leaders and 2011 was a celebrated year for the company, as it was chosen again as one of the finalists in the **Utilities and Energy Sector** in the **KZN Top Business Awards**. In addition, SLG was recognised by Toyota South Africa in 2011, when SLG received the supplier's award in recognition of the SLG's consistency and excellence in services rendered in 2010. This is the third consecutive year that SLG has been recognised by Toyota SA.

*"Spring Lights Gas is a company that provides Toyota South Africa with a source of clean energy that fully supports Toyotas' commitment to be completely environmentally responsible. They ensure just in time, on tap supply continuity and product consistency at a competitive rate. In addition to a clean energy solution Spring Lights Gas offers a range of other services such as safety training and assessment as well as energy management and optimisation tools."*

*Alan Warren, Senior Manager, Materials and Facilities Purchasing, Toyota SA Manufacturing.*

SLG was also a finalist in **The African Access 2011 National Business Awards** and was awarded the **Finalist Certificate of Excellence in the ESG and Customer Focus** categories. These awards recognise organisations for their outstanding business achievement in bettering our people, plant and profits through excellence.

### A Welcome Note

2011 has come and gone and we are already in the second month of the New Year. The past year was a challenging one and its ripple effects are still with us, as evidenced by persistently unstable currencies, energy prices and turmoil in various global financial markets. Despite all the uncertainty and tumult experienced as result of these disparate factors, we remain cautiously optimistic in the face of a fairly robust South African economy.

We take this opportunity to express our sincere gratitude to all our stakeholders, particularly our customers, for the phenomenal support that they have and continue to give us. SLG remains a significant contributor within the energy supply market because of the support that we receive from our customers. We therefore begin 2012 with a fulsome acknowledgement of your contribution to our success and looking forward to finding opportunities of adding value to you and giving back to the communities within which we operate.

We wish you all of the best as you prepare to take charge of the wonderful opportunities that lie ahead in your environment. SLG continues to strengthen and edify its customers by offering its unique set of services that are tailored to each customer's requirements. These service offerings are provided solely for the benefit of our customers with the ultimate aim of ensuring that they remain competitive in their respective industries.

Regards

*Motsamai Koapeng, CEO, Spring Lights*

## What does the economic front hold in the first quarter of 2012?

We asked our Economic Consultant to SLG, Elize Kruger, what the economic outlook is in the first quarter of 2012 and this is what she had to say:

### A few points to note on the drivers of February 2012 VPM prices

- The rand exchange rate appreciated during January 2012 spurred by optimism that a disorderly Greek debt default could be prevented, though day-to-day developments in this regard still have a notable influence on the Euro currency and also flowing through to the rand exchange rate. The rand exchange rate remains highly sensitive to any change in investors' risk aversion, as it acts as a proxy-currency for emerging market investments given the highly liquid foreign exchange market in South Africa. From levels around R8.13/USD at the end of 2011, the rand recovered to as low as R7.94/USD on 23 January 2012.
- The rand exchange rate for calculating the VPM gas prices for February 2012 was stronger at R8.05 (average of the first 3 Tuesdays of the month), compared to R8.18 in January 2012 and back to the same level recorded in the last 2 months of 2011.
- Geopolitical developments are mainly to blame for the recent upward trend in the international price of crude petroleum. Strikes in Nigeria and the European Union's decision to ban imports of Iranian oil from the start of July (in an effort to limit Iran's nuclear development), all contributed to the higher oil prices. International crude oil prices averaged ±US\$112/bbl in January (to 23Jan) compared to US\$108.1/bbl in December (FY12 budget level: US\$94/bbl).
- The average crude oil price **increased** by US\$3.9/bbl in January 2012 while the average price for VPM calculation purposes (i.e. average for first 3 Tuesdays of a month) of Kerosene, Gasoil and HSFO increased at US\$4.1/bbl, US\$5.2/bbl and US\$7.2/BBL respectively, the latter two significantly more than the crude oil price. Almost exactly the opposite development compared to the previous month, when the product prices increased notably less than the crude oil market, reflecting the extreme volatility in these product prices from month to month. **The impact of the product price increases in the 3 relevant products and a moderately stronger rand exchange rate are gas prices in all 6 volume categories moving higher during February 2012; the increases fluctuated between 1.8% (V1) and 4.2% (V6).**



### BBBEE COMPANY!

We are proud to announce that SLG is now a level 3 BBBEE Company with an AA status.

This achievement shows the spirit of transformation that SLG embraces as a true BEE Company. We are assessed on all the seven elements of the Generic Scorecard as per the BBBEE Codes and the company did well in all areas. Emphasis needs to be placed on the fact that we do not only focus on the areas of management and ownership as a BEE company but have a strong focus on the human based elements of the codes which are Skills Development, Enterprise Development and Socio-Economic Development.

The verification was done by Empowerdex Verification Services.

### Congratulations to the SLG Team.



### News from SAPGA

SAPGA provides the industry with competent and registered gas practitioners on all application levels (domestic, commercial, industrial & specialised) and introduced a new scope and competency requirements for all registered gas practitioners. Authorised gas practitioners are being issued with a credit card type registration card stipulating the practitioner's application level and expiry date. The development of a Gas Practitioner Trade has been recognised and an application to list the trade has been made to the Department of Higher Education and Training (DHET). The realisation of this learning path-way in conjunction with the

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## Matriculants pass with flying colours

Zwelibanzi High School is a school situated in the heart of Umlazi with a distinct record of performance excellence. If you take the time to visit this diamond in the rough, you may just miss the building altogether as it does not look like much, unlike the typical two storey buildings that are typical of schools in the townships. This is a modest single storey building surrounded by small homes and is situated away from the main roads.

Once you have found it, and have made your way into the school property past a modest security gate, what greets you is nothing short of special. There are no loitering kids during learning hours, all of the kids in the classrooms are quiet, and most importantly, everyone is clad in full school uniform.

Meeting the principal, Mr Maseko, gives you a sense of how this is possible. The man is driven, instills a great sense of discipline and is actually surprisingly chatty with his learners and they think he is the school's super star. Learning and excellence is a culture at Zwelibanzi, and this is also evident in the extramural activities of the school, albeit that these are limited. They have a trophy cabinet in the reception area full of winners trophies in music and various learning and cultural activities.

This all gives a sense of how they have achieved a 90.2 percent pass rate in matric with 47 and 34.3 percent Bachelors and Diploma passes respectively.

The Top 10 matriculants averaged between 73.4 and 85.7 percent. The Top Student, Xabiso Xolo achieved 7A's and a B. It is

also noteworthy that this school is a comprehensive school and has major focus on Mathematics and Science and does not offer Maths Literacy.

This school, elementary as its resources may be, is simply a diamond for the Umlazi community and the country as a whole. According to Professor Jansen, VC of UFS, it is simply "a miracle school".

development of NQF 4 will enable greater opportunities for current and aspiring persons working in the gas industry. NQF levels 2 & 3 training material to complete the qualification is finalized and marketing to the gas industry will start from June 2012. The development of NQF 4 is in process of being tabled with the Chieta to probably commence as from May 2012. This level of qualification will become more gas industry specific in realising a career path for members in the natural gas environment.

Improved COC's for domestic, commercial and industrial applications have also been realised. SAPGA is also mandated by the Department of Labour under the Pressure Equipment Regulations (PER) to administer the Safe Gas Equipment Scheme (SGES) for industrial equipment for LPG and NG. As from 30 November 2011 all importers, distributors, suppliers and local manufacturers need to register their equipment with the scheme prior to installation at the end user. Not registering with the scheme will be unfavourable for the supplier, gas practitioner and ultimately the end user.

A new standard for the domestic/commercial environments, SANS 827 has been gazetted which will ensure more stringent, disciplined and safer applications for natural gas.

The 5th Natural Gas Conference will be hosted on 11 & 12 September 2012 and an increase in media coverage and attendance by delegates is expected. The next KwaZulu-Natal Road Show will be held in the second quarter of 2012.



Zwelibanzi High School recently celebrated the donation of a computer lab by Spring Lights Gas. The project funded was in the region of R150 000.00





## Upcoming Events

### Spring Lights Gas Annual Golf Day 2012

This annual highlight of our promotional events calendar is to be hosted, once again, at the prestigious Cotswold Downs Golf Estate, Hillcrest on the 9 March 2012. Book your place now to avoid disappointment.

### Gas Forum: September 2012

Date to be finalized: Any comments or thought what you would like us to address; we look forward to your suggestions. Please email [olivia@slgas.co.za](mailto:olivia@slgas.co.za) and we will try and include and address these in our programme

Visit our website for regular updates on what is happening in the industry and in our CSI Projects, [www.slgas.co.za](http://www.slgas.co.za)

Any other comments you are welcome to email us at [info@slgas.co.za](mailto:info@slgas.co.za) or [olivia@slgas.co.za](mailto:olivia@slgas.co.za) or you are welcome to call us on 031 266 3865

### IMPORTANT NUMBERS

For any Gas related emergencies please contact:  
0800 112 890 – 24 hours

Whistleblowers Hotline: 0800 864 463

### WE DO OUR BIT IN THE WAR AGAINST THE HIV/AIDS PANDEMIC IN OUR COUNTRY.

As part of its CSI program, SLG continues to support its communities and has formed partnerships with organizations like iThemba – A Place of Hope, Fulton School for the Deaf and Umuzi Wethemba KwaJesu in their fight against the effects of HIV and AIDS. These organizations deliver dynamic and comprehensive services for the local communities that include education, counseling, testing and support for people infected and affected by HIV and AIDS. For more on these great organisations please go to [www.slgas.co.za](http://www.slgas.co.za) and click on the CSI tab.

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