



Press Release

KPC Reassures the Country and Region on Fuel Supply during Elections

August 3, 2017 ... The Kenya Pipeline Company (KPC) has given assurance that there is sufficient supply of fuel in the country to meet domestic and regional demand during the forthcoming elections.

KPC's current stock position in the country indicates that there is over 88 million litres of petrol, more than 98 million litres of diesel and over 71 million litres of jet fuel available at various depots throughout the country. According to KPC, the current stocks are expected to last up to 12 days. Already, there are ships in Mombasa carrying 138 million litres of diesel and 56 million litres of jet fuel waiting to discharge into the KPC system.

"We have put in place adequate measures to ensure that all our depots continue to operate normally during the election period. Due to rising demand for fuel around this time, our Eldoret and Kisumu depots will be operating 24 hours so as to serve the country and the region adequately," said KPC's Managing Director Joe Sang adding that an additional 253 million litres of super petrol, 311 million litres of diesel and 197 million litres of jet fuel are expected to be delivered into the country during the month of August 2017.

"We urge the oil marketing companies to place their orders in time so that our consumers can access fuel during this critical electioneering period. KPC is ready and able to take the country and the region through this period as far as access to petroleum products is concerned," Sang assured the public.

The announcement follows recent concerns by Uganda that there could be disruption in supply of petroleum products during the election period. Sang said the company will continuously monitor the schedule of fuel imports to ensure that there is no disruption in supply of fuel to its customers in the country and also in the region. He also added that security has been enhanced in all depots across the country to ensure a smooth flow of operations during the election period.

The chief executive reminded stakeholders that the Sinendet-Kisumu Pipeline (Line 6) which was operationalized in April 2016 now ensures ample petroleum product volumes are available in the Western Kenya region and the export market of Uganda, Eastern DRC, Rwanda, Burundi, and Northern Tanzania. The line has enhanced petroleum product availability in Kisumu which has a full tank capacity of 39 million litres.

“The new line has ended fuel shortages in Western Kenya with sufficient supplies to the region and to the neighbouring countries,” said Sang.

In April 2017, KPC introduced a promotional tariff of USD 41.55 (Kshs 4,238) per 1,000 litres on all transit products in its Kisumu and Eldoret depots from the current 59.32 (Kshs 6,050) per 1,000 litres. KPC has recorded a 20 percent growth in exports to the region following introduction of the promotional tariff for exporters.

KPC is currently undertaking a number of large scale energy infrastructure projects aimed at tapping growth opportunities in the regional oil & gas sector. The company is currently constructing the Mombasa-Nairobi Pipeline replacement Project (Line 5) which is scheduled to be completed this year.

The firm has also established a new state of the art loading facilities in Eldoret and new tanks in Nairobi Terminal which will ensure provision of sufficient capacity for receipt of higher volumes of products expected once the Mombasa – Nairobi pipeline is replaced.

Signed

JOE SANG

KPC MANAGING DIRECTOR