

Transnet to appeal against R6.2bn Sasol award over tariff dispute

Transnet said on Thursday it would appeal a court decision to award Sasol and TotalEnergies about R6.2bn (\$344m) in damages and interest to settle a tariff dispute.

By [Nelson Banya](#) 21 Jun 2024



Image source: [KATRIN BOLOVTSOVA](#) from [Pexels](#)

Sasol said earlier on Thursday that it won the award in a High Court ruling against Transnet, which it accused of overcharging it for transporting crude oil for several years.

"The judgment thus has enormous implications not only for the public purse but also for Transnet's ability to discharge its obligations," Transnet said in a statement.

"Transnet intends to appeal the judgment," it added.

In 2017, Sasol Oil joined TotalEnergies, its joint venture partner in the Natref crude oil refinery, in a lawsuit against Transnet Pipelines over a tariff dispute.

"On 18 June 2024, judgement was handed down by the High Court in Sasol Oil and TotalEnergies' favour. Damages in the amount of R3,889,475,802 plus interest amounting to approximately R2.3bn (\$128m) were awarded to Sasol Oil," Sasol said in a statement.

TotalEnergies was not immediately available to comment.



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The dispute has its roots in a 1967 agreement between the then South African government and Total, which established an inland crude oil refinery at a time when coastal refineries were struggling to meet inland demand.

To secure the participation of Total in the inland refinery Natref, the government put in place a pipeline tariff structure that would match the costs of a coastal processing facility.

Sasol, which was set up as a state-owned business in 1950 and privatised in 1979, owns 63,64% of Natre with TotalEnergies holding the remainder.

(\$1 = R17.9996)

ABOUT THE AUTHOR

Reporting by Nelson Banya; editing by Jason Neely and Erelia Sithole-Matarise

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