

## PETROLEUM OUTLETS FOUND OFFERING FOR SALE ADULTERATED OR EXPORT PRODUCTS IN THE MONTHS OF OCTOBER, NOVEMBER AND DECEMBER 2013 AND JANUARY 2014.

The Energy Regulatory Commission (ERC) is established under the Energy Act, No 12 of 2006 (the Act) as the energy sector regulatory agency, with responsibility for economic and technical regulation of electric power, renewable energy and downstream petroleum sub-sectors.

Section 95 of the Energy Act prohibits the storage, transportation and/or sale within Kenya of petroleum products that do not conform to the Kenya Standard or of adulterated petroleum products; the Section also prohibits the sale within Kenya of petroleum products intended for export.

ERC developed a programme of continuous monitoring of the quality of petroleum products being sold throughout the country. During the months of October, November and December 2013 and January 2014, ERC together with Kenya Revenue Authority (KRA), Kenya Bureau of Standards (KEBS) and other government agencies conducted a countrywide monitoring exercise to enforce compliance with the provisions of the Act. During the exercise 1,350 tests were carried out in 539 petroleum outlets and over 98% of the stations tested were found to be compliant.

However, nineteen (19) tests from sixteen (16) stations were non-compliant. The following is a list of the petroleum outlets which were found offering for sale adulterated products or products intended for export.

Test Date	Name of Station	County	Physical Location	Nature of Default	Status as at 15 <sup>th</sup> February 2014
8.10.2013	Western Service Station	Kisumu	Kisumu East	1. Offering for sale diesel contaminated with Kerosene 2. Offering for sale transit diesel and motor gasoline	Station closed for 45 days and re-opened after Fine, Penalties and Taxes/ Duties of KShs. 130,022 were paid to KRA
10.10.2013	Mulwanda Filling Station	Kakamega	Mulwanda, Khwisero	Offering for sale transit diesel	Station closed
10.10.2013	Emuleche Filling Station	Kakamega	Butere	Offering for sale transit diesel and motor gasoline	Station closed
23.10.2013	Oilcom Thika Road Service Station	Nairobi	Roysambu, Kasarani	Offering for sale diesel contaminated with Kerosene	Station closed for 10 days and re-opened after Fine, Penalties and Taxes/ Duties of KShs. 1,700,000 were paid to KRA
4.11.2013	Universal Filling Station	Embu	Makutano, Mbeere South	Offering for sale transit motor gasoline	Station closed
4.11.2013	Western View Filling Station	Embu	Makutano, Mbeere South	1. Offering for sale diesel contaminated with Kerosene 2. Offering for sale transit motor gasoline	Station closed
4.11.2013	VI Filling Station	Embu	VI, Mbeere South	Offering for sale transit motor gasoline	Station closed
5.11.2013	Pafeka Filling Station	Kirinyaga	Kianyaga, Kirinyaga East	Offering for sale diesel contaminated with illuminating kerosene	Station closed
6.11.2013	Lucky Diesel Point	Kirinyaga	Kibingoti, Kirinyaga West	Offering for sale transit motor gasoline	Station closed
3.12.2013	Shell Bidii Service Station	Nairobi	Eastleigh, Starehe	Offering for sale diesel contaminated with illuminating kerosene	Station closed for 20 days and re-opened after Fine, Penalties and Taxes/ Duties of KShs. 1,700,000 were paid to KRA
21.12.2013	Hass Eastleigh Service Station	Nairobi	Eastleigh, Starehe	Offering for sale diesel and motor gasoline contaminated with illuminating kerosene	Station closed for 6 days and re-opened after Fine, Penalties and Taxes/ Duties of KShs. 1,200,000 were paid to KRA
21.12.2013	Mamba Service Station	Nairobi	Industrial Area, Makadara	Offering for sale motor gasoline contaminated with illuminating kerosene	Station closed for 6 days and re-opened after Fine, Penalties and Taxes/ Duties of KShs. 500,000 were paid to KRA
14.01.2014	Josim Filling Station	Meru	Maua, Igembe South	Offering for sale diesel and motor gasoline contaminated with illuminating kerosene	Station closed
14.01.2014	Jabai Filling Station	Meru	Kiutine, Igembe Central	Offering for sale diesel and motor gasoline contaminated with illuminating kerosene	Station closed
14.01.2014	Quality Filling Station	Meru	Kiutine, Igembe Central	Offering for sale transit automotive gasoil	Station closed
16.01.14	National Oil Kagio Service Station	Kirinyaga	Kagio, Kirinyaga	1. Offering for sale motor gasoline contaminated with illuminating kerosene 2. Offering for sale automotive gasoil contaminated with illuminating kerosene	Station closed for 7 days and re-opened after Fine, Penalties and Taxes/ Duties of KShs. 500,000 were paid to KRA

The County Commissioners were requested to withdraw the licenses of operators of the defaulting outlets and defaulters were further required to pay penalties and taxes prescribed under the applicable tax laws before consideration for resumption of business.

It has further come to our attention that there are a few transporters that are diverting transit petroleum products into the local market and/or adulterating motor fuels with illuminating kerosene. As a result, owners of the following five (5) trucks have been penalized after their trucks were found in possession of adulterated motor fuels:-

Test Date	Truck Number	Transporter Name	Nature of Default	Quantity	Status as at 15 <sup>th</sup> February 2014
18.12.2013	KBT257P/ ZE1977	Gadhaffways	Possession of motor gasoline contaminated with illuminating kerosene	35,000	Truck impounded at KRA Busia yard
18.12.2013	KBR311F/ ZD2895	Stabex International Limited	Possession of motor gasoline contaminated with illuminating kerosene	34,000	Fine, Penalties and Taxes/ Duties of KShs. 1,000,000 paid to KRA and the product localised
18.12.2013	KBU140P/ ZE2457	Dakawou	Possession of diesel contaminated with illuminating kerosene	31,000	Fine, Penalties and Taxes/ Duties of KShs. 1,000,000 paid to KRA and the product localised
18.12.2013	KBN025P/ ZC7046	Y.S. Transporters	Possession of diesel contaminated with illuminating kerosene	30,943	Fine, Penalties and Taxes/ Duties of KShs. 1,690,024 paid to KRA and the product localised
20.12.2013	KAZ687R/ ZC7136	Oilcom Kenya Limited	Possession of diesel contaminated with illuminating kerosene	32,000	Fine, Penalties and Taxes/ Duties of KShs. 1,000,000 paid to KRA and the product localised

A list of all stations found with adulterated product is available in our website [www.erc.go.ke](http://www.erc.go.ke).

It is notified for public information that ERC together with KRA, KEBS and other government agencies shall continue to carry out the monitoring of petroleum outlets and any that are found to be in contravention of the Act shall be dealt with in accordance with the law.

The Commission maintains a hotline number (0708 444 000), operational during normal working hours, with a view of increasing its engagement with stakeholders to enhance enforcement and compliance activities.