

ENERGY PRODUCTION AND PROCESSING

2.1 Imported Petroleum Products

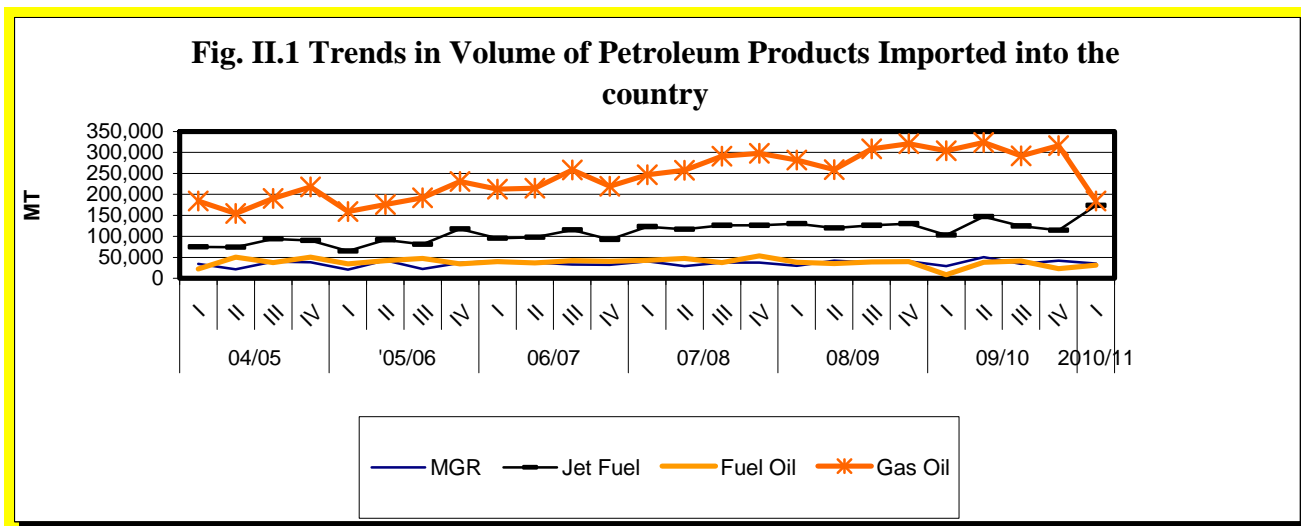
A total amount of 423,409.9 metric tones (MT) of petroleum products was imported into the country during the first quarter of 2010/11. This amount was 14.8 percent and 5 percent lower than the fourth quarter of 2009/10 and a year

earlier, respectively (Table 2.1). The annual marginal decline was attributed to lower import of gas oil which constitutes the largest component of petroleum products.

Table 2.1: Volume of Petroleum Products Imported (In Metric Tones)

	2009/10		2010/11		2010/11		Percentage Change	
	Qtr I		Qtr IV		Qtr I		C/A	C/B
	A	Share In percent	B	Share In percent	C	Share In percent		
Regular Gasoline (MGR)	29,178	6.5	42,142.9	8.5	34,775.1	8.2	19.2	-17.5
Jet Fuel	103,454	23.2	114,956.8	23.1	173,261.4	40.9	67.5	50.7
Fuel Oil	8,711	2.0	23,180.9	4.7	31,202.1	7.4	258.2	34.6
Gas Oil (ADO)	304,391	68.3	316,624.7	63.7	184,166.3	43.5	-39.5	-41.8
Total	445,734	100.0	496,905.3	100.0	423,404.9	100.0	-5.0	-14.8

Source: Ethiopian Petroleum Enterprise



Source: EPE

Meanwhile, the total value of petroleum product imported during the period under review reached Birr 4 billion,

depicting a 21.8 percent annual rise, but a 14.1 percent decline against the preceding quarter (Table 2.2).

Table 2.2 Value of Petroleum Products Imported In '000 Birr)

	2009/10				2010/11		Percentage Change	
	Qtr I		Qtr IV		Qtr I			
	A	Share In percent	B	Share In percent	C	Share In percent	C/A	C/B
Regular Gasoline (MGR)	219,214.5	7	4,07243.45	8.7	333,701.0	8.3	52.2	-18.1
Jet Fuel	830,831.7	25	1,155,283.4	24.7	939,551.4	23.4	13.1	-18.7
Fuel Oil	52,467.3	2	160,891.4	3.4	229,607.3	5.7	337.6	42.7
Gas Oil (ADO)	2,198,944.3	67	2,956,479.7	63.2	2,517,844.5	62.6	14.5	-14.8
Total	3,301457.8	100.0	4,679,898.0	100.0	4,020,704.3	100.0	21.8	-14.1

Source: EPE

The yearly growth in the value of petroleum imports was due to 337.6 percent surge in the value of fuel oil and 52 percent increase in regular gasoline. Jet fuel and gas oil also exhibited 13-14.5 percent pick up. Quarter-on-quarter basis, however, there was a decline in the value of all components, except fuel oil.

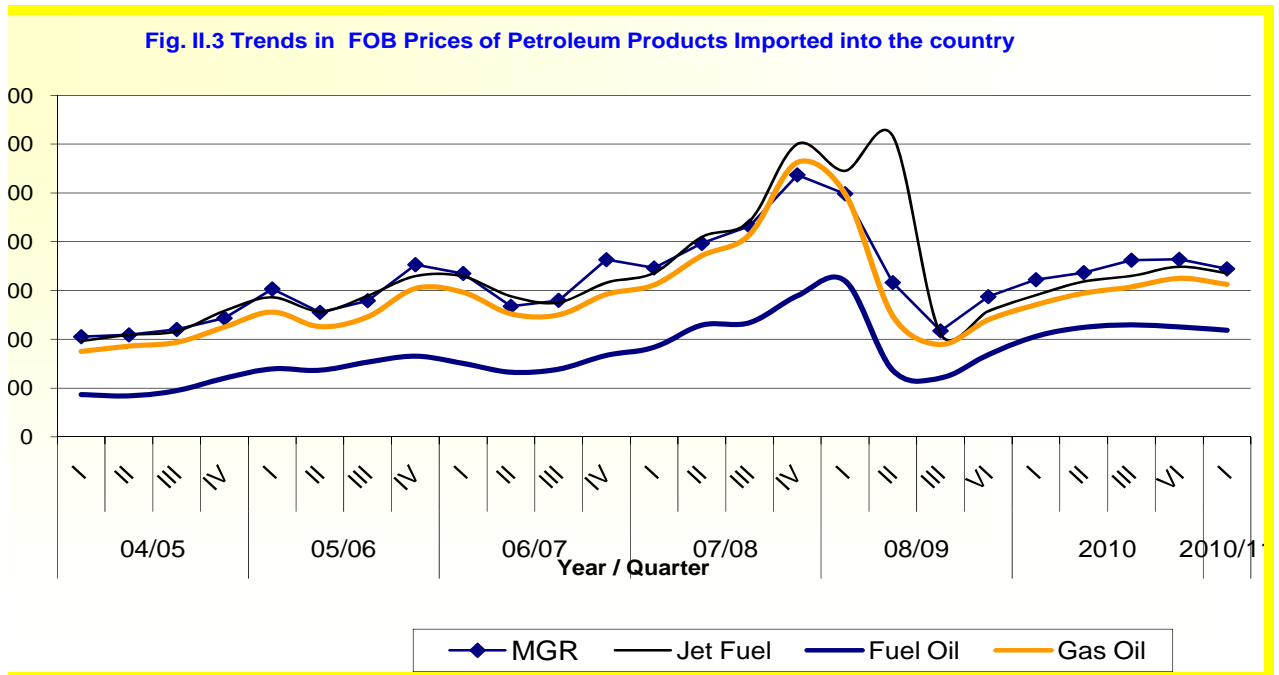
The FOB prices of petroleum products also on average dropped by 4 percent to

USD 605.5 per metric ton from USD 631.3 in preceding owing to slow down in their FOB prices. Year- on- year basis, however , FOB prices surged on average by 11.2 percent on account of higher prices of gas oil (15.4 percent), jet fuel (15.6 percent), fuel oil (6.1 percent) and regular gasoline (6.8 percent) (Table 2.3).

Table 2.3 : FOB Price of Petroleum Products Imported

Petroleum Products	2009/10		2010/11	Percentage Change	
	Qtr I	Qtr IV	Qtr I	C/A	C/B
	A	B	C		
Regular Gasoline (MGR)	644.1	727.3	688.1	6.8	-5.4
Jet Fuel	580.7	697.1	671.4	15.6	-3.7
Fuel Oil	412.2	450.7	437.2	6.1	-3.0
Gas Oil (ADO)	541.9	650.1	625.5	15.4	-3.8
Average	544.7	631.3	605.5	11.2	-4.1

Source: Ethiopian Petroleum Enterprise



Source: EPE

International crude oil price on average was USD 73.5 per barrel in July, 75.3 in August and 74.8 in September 2010, respectively.

Accordingly, domestic retail prices of petroleum products were slightly adjusted upwards. In Addis Ababa, the average fuel prices slightly increased to Birr 11.3 per

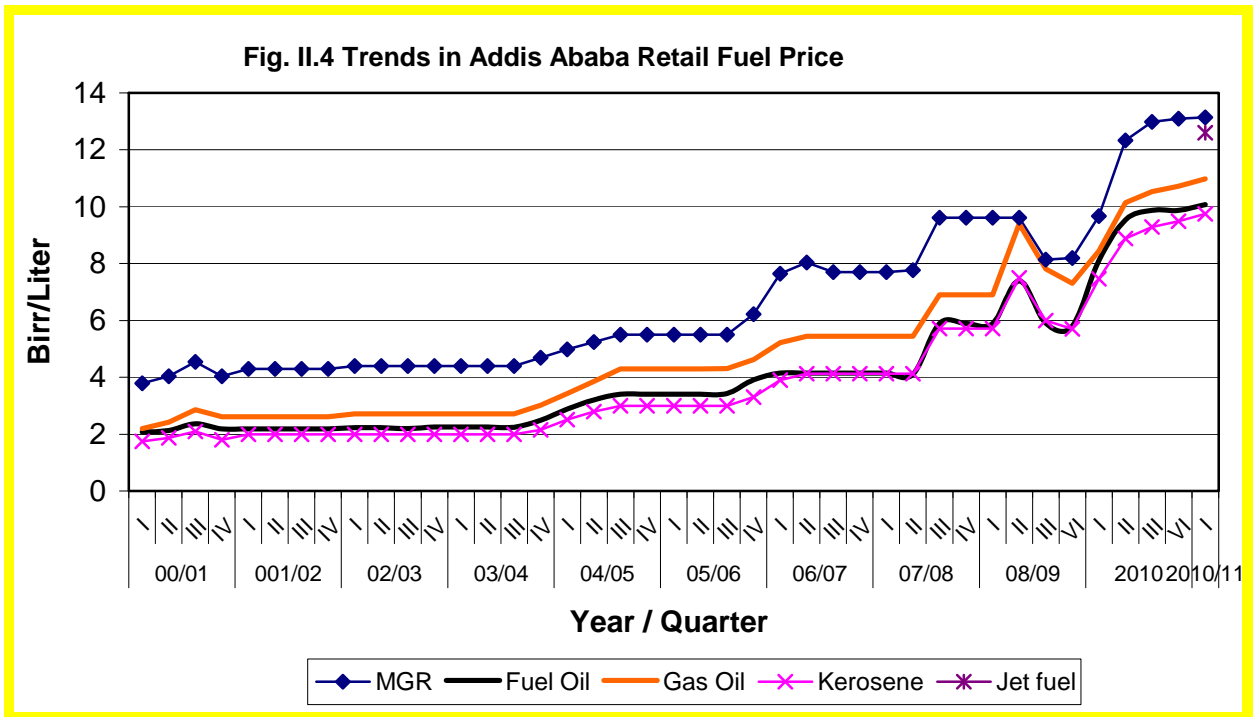
liter from Birr 11.1 in preceding quarter showing a 1.8 percent increase.

Compared to a year earlier, however, the average fuel price increase was as high as 29.9 percent owing to a surge in the prices of regular gasoline, fuel oil, gas oil, kerosene and jet fuel (Table 2.4).

Table 2.4: Addis Ababa Average Retail Prices of Fuel

Petroleum Products	2009/10		2010/11	(Birr/Litre)	
	Qtr I	Qtr IV	Qtr I	Percentage Change	
	A	B	C	C/A	C/B
	Regular Gasoline (MGR)	9.7	13.1	13.1	35.1
Fuel Oil	8.1	9.9	10.1	24.5	2.0
Gas Oil (ADO)	8.4	10.7	11.0	31.0	2.8
Kerosene	7.5	9.5	9.8	30.7	3.2
Jet	9.7	12.2	12.6	29.9	3.3
Average	8.7	11.1	11.3	29.9	1.8

Source: Ethiopian Petroleum Enterprise



Source: EPE

2.2 Electric Power Generation

Total electricity generated during the review period was about 1.2 billion KWH, in contrast with 1.0 billion in the preceding quarter and 866.7 million a year ago (Table 2.5).

The 15.5 percent quarterly growth in electricity generation was solely attributed to 28.5 percent rise in hydropower, which constituted 98.1 percent of the total power supply in the review period. On annual First quarter 2010/11

terms, the 36.6 percent surge in power generation was solely on account of 70.2 percent expansion in hydropower which more than compensated the decline in thermal power by 90 percent.

About 99 percent of the electricity generated was from the interconnected system (ICS) and the rest 1 percent from self contained system (SCS) (Table 2.6).

Total amount of electricity generation in the country from all sources is estimated to reach 2000 MW at the end of 2010. The Ethiopian Electric Power Corporation supplies power to more than 1.83 million customers which represent 41 percent coverage. (EEPCo).

According to the five year Growth and Transformation Plan (GTP), the country's electricity generation capacity is projected to increase to 8000 MW by 2015 from 2000 MW in 2010. Similarly the coverage will rise to 75 percent.

Table 2.5: Electricity Generation

('000 of K.W.H)

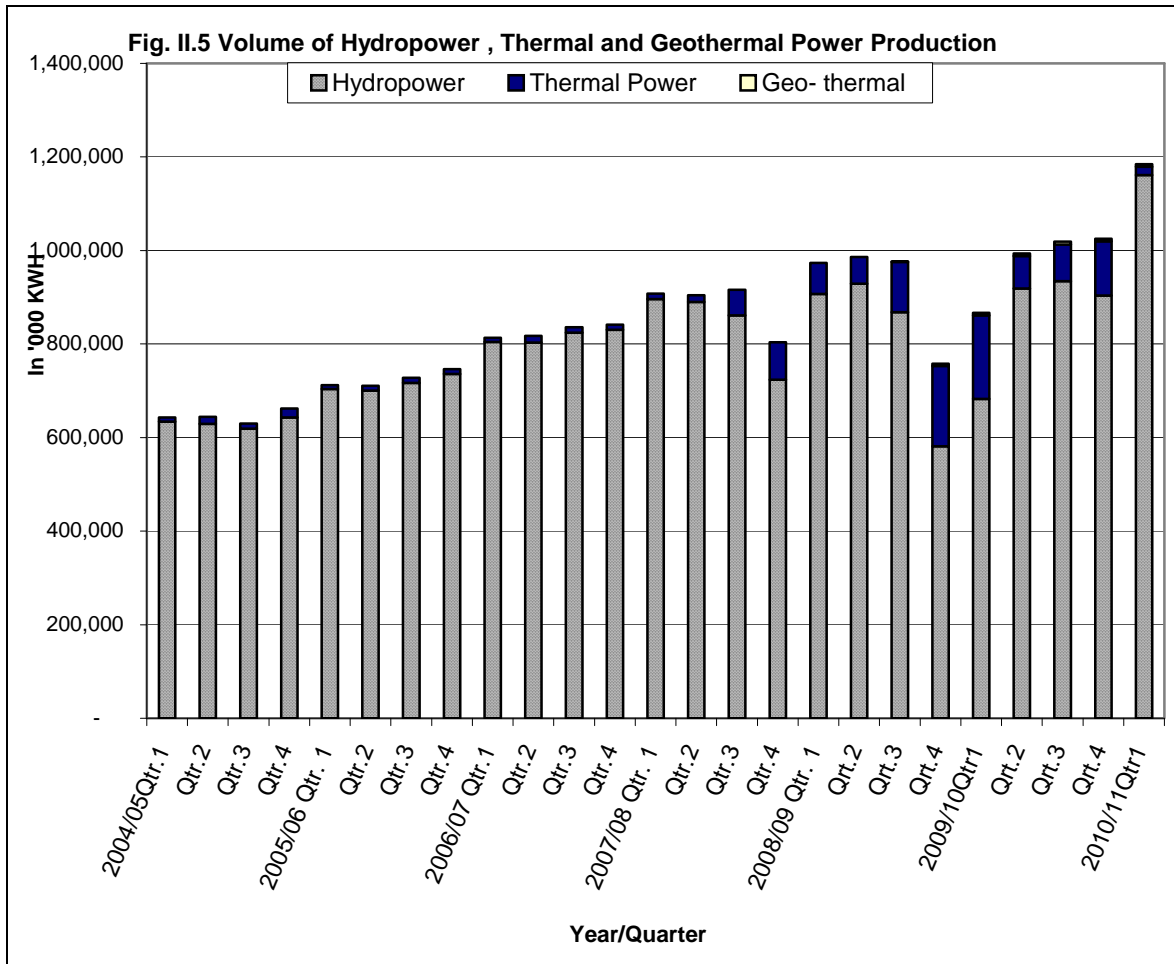
Power Source	2009/10				2010/11		Percentage Change	
	Qtr I	Share	Qtr IV	Share	Qtr I	Share	C/A	C/B
	A	In percent	B	In percent	C	In percent		
Hydropower	682,347.2	78.7	903,667.0	88.1	1,161,295.9	98.1	70.2	28.5
Thermal Power	178,786.0	20.6	116,337.1	11.3	17,490.9	1.5	-90.2	-85.0
Geothermal	5,575.2	0.6	5,491.8	0.5	5,486.4	0.5	-1.6	-0.1
Total	866,708.4	100	1,025,495.9	100.0	1,184,273.2	100.0	36.6	15.5

Source: Ethiopian Electric Power Corporation (EEPCO)

Table 2.6: Generation of Electricity Power in the Interconnected System (ICS)
(’000 of K.W.H)

System of Power Supply	2009/10			2010/11			Percentage Change	
	Qtr I	Share In percent	Qtr IV	Share In percent	Qtr I	Share In percent	C/A	C/B
	A	B	C	D				
ICS								
Hydro Power	676,800.8	78.1	898,985.1	87.7	1,154,660.2	97.5	70.6	28.4
Thermal Power	172,680.7	19.9	110,242.2	10.8	12,127.3	1.0	(93.0)	(89.0)
Geothermal	5,575.2	0.6	5,491.8	0.5	5,486.3	0.5	(1.6)	(0.1)
Sub-Total	855,056.7	98.7	1,014,719.1	98.9	1,172,273.8	99.0	37.1	15.5
SCS								
Hydro Power	5,546.4	0.64	4,681.9	0.5	6,635.7	0.6	19.6	41.7
Thermal Power	6,105.3	0.7	6,094.9	0.6	5,363.0	0.4	(12.1)	(12.0)
Geothermal			–		–			
Sub-Total	11,651.7	1.3	10,776.8	1.1	11,999.4	1.0	3.0	11.3
Grand Total	866,708.4	100.0	1,025,495.9	100.0	1,184,273.2	100.0	36.6	15.5

Source: Ethiopian Electric Power Corporation (EEPCO)



Source: EEPCo