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GAS UTILISATION SYSTEMS

'COMMISSION CONFIRMS TARIFF STAYS TILL YEAR-END'

Third-party access system also comes into force today, says PetGas

KUALA LUMPUR

THE Energy Commission has confirmed that the current tariff for three gas utilisation systems will be maintained until the end of the year, said Petronas Gas Bhd (PetGas).

PetGas told Bursa Malaysia yesterday the tariff was for the Peninsular Gas Utilisation system, Regasification Terminal Sungai Udang and Regasification Terminal Pengerang.

It also said the third-party access (TPA) system, which allowed third parties to access gas facilities they did not own or operate, would come into force today.

The TPA is aimed at opening up the gas supply market to third parties, including foreign companies, to sell gas to any consumer in Malaysia on a "willing buyer, willing seller" basis.

PetGas and Gas Malaysia Bhd are currently supplying the country's liquefied natural gas needs and those interested to participate in the TPA can apply for a licence from the commission.

The TPA is an integral part of

the Gas Supply (Amendment) Act 2016.

The commission had announced in December 2016 that the base tariff per one million British thermal units was pre-determined at RM26.71 for January-June last year, RM28.05 for July-December last year, RM30.90 for January-June this year, RM31.92 for July-December this year, RM32.69 for January-June next year and RM32.74 for July-December next year.

"The company is in discussions with the Energy Commission on the framework and quantum of the said tariff beyond this year," said PetGas.

It said the TPA was to create a situation whereby the gas price to end-consumers would be based on a willing-buyer-willing-seller basis, taking into account healthy competition among suppliers.

However, the government may regulate the gas price for retail consumers to safeguard their interest.

PetGas' share price closed 0.5 per cent, or 10 sen, lower at RM18.90 yesterday.