

Headline	Natural gas tariff for non-power sector to go up from July 1		
MediaTitle	The Sun		
Date	14 Jun 2018	Color	Black/white
Section	National	Circulation	149,192
Page No	11	Readership	447,576
Language	English	ArticleSize	111 cm ²
Journalist	N/A	AdValue	RM 1,810
Frequency	Daily	PR Value	RM 5,430



Natural gas tariff for non-power sector to go up from July 1

PETALING JAYA: Gas Malaysia Bhd has announced a higher average effective natural gas tariff for the non-power sector in Peninsular Malaysia at RM32.69/MMBtu from July 1 to Dec 31, 2018, 17 sen or 0.5% higher than the RM32.52/MMBtu from Jan 1 to June 30, 2018.

It said in a filing with the stock exchange that the average natural gas base tariff is set at RM31.92/MMBtu for the second half of the year. However, under the gas cost pass

through (GCPT) mechanism, a surcharge of 77 sen/MMBtu will apply to all tariff categories due to the higher actual gas costs against the reference gas costs in the base tariff.

The natural gas tariff revision was approved by the government via a letter from the Energy Commission dated June 12.

For Category A (Residential), the effective tariff rate, however, fell 0.5% to RM23.80/MMBtu from RM23.92/MMBtu. For the other

categories, the effective tariff rate will range from RM30.50/MMBtu to RM33.32/MMBtu.

Gas Malaysia said the tariff revision has no material impact on its business operations and is expected to contribute positively towards its financial position for the financial year ending Dec 31, 2018.

Its shares rose 4 sen or 1.4% to close at RM2.94 yesterday on 107,000 shares done.

The government has prescribed the Incentive Based Regulation Framework

which sets the base tariff for a regulatory period of three years from January 2017 and allows changes in the gas costs to be passed through via GCPT every six months.

In a statement yesterday, the Malaysian Gas Association said it supports the revision to the natural gas tariff for the non-power sector and applauds the government's market liberalisation efforts including deregulation of gas price to achieve a market-based pricing.