

Notice

Pursuant to the Government's decision to set the consumer gas price sold by Gas Malaysia Energy Services Sdn. Bhd. (GMES) in the gas distribution segment, the details of gas supply to the residential sector is as follows:

- (a) The Gas Supply Act 1993 [Act 501] states that any sale or use of gas to consumers' premises through a piping system shall be licensed via a retail licence. Piping systems include those contained in residential apartments, where a retail licence may be issued by the Commission to a Joint Management Body (JMB) or Management Corporation (MC). Any residential apartments not having a JMB or MC is advised to contact the Commission for identification of party to whom a license shall be issued.
- (b) Continuity of Supply: To ensure continuity of supply, a JMB or MC is advised to obtain a retail licence from the Commission. All retail licensees are required to enter into a supply agreement with any shipping licensee licensed by the Commission under Act 501 on or before 31 March 2020. Commencing 1 January 2020 until such supply agreement is entered into, Gas Malaysia Berhad (GMB) shall be continuing its current gas supply to end-users.
- (c) <u>Management of Gas Supply</u>: A retail licensee who has entered into a gas supply agreement with a shipping licensee may choose whether to manage gas supply to end-users or to appoint Gas Malaysia (LPG) Sdn Bhd (GMLPG) or any other service provider as their agent to carry out the management of gas supply to their end-users.
- (d) <u>Safety of Piping System</u>: A retail licensee is responsible to ensure the safety of the piping system and related facilities. To discharge its responsibility, the retail licensee may appoint any gas contractor registered with the Commission to carry out the necessary works.
- (e) <u>Costs</u>: The selling price of gas for Category A which is RM25.10/mmBtu as announced by the Commission which will take effect from 1 January 2020 until 31 December 2020 is the price of gas supplied to retailers for residential users and does not include the costs for the management of gas supply and safety of piping system mentioned in paragraphs (c) and (d) above.