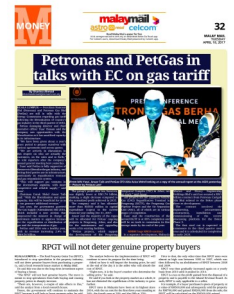


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MediaTitle	Malay Mail		
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Petronas and PetGas in talks with EC on gas tariff

By Sharina Ahmad

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KUALA LUMPUR — Petroliaam Nasional Bhd (Petronas) and Petronas Gas Bhd (PetGas) are still in talks with the Energy Commission regarding gas tariff following the liberalisation of country's gas industry in the third quarter of 2016.

PetGas managing director and chief executive officer Yusa' Hassan said the company saw opportunities with the liberalisation as it has unutilised capacity in its infrastructure.

"We have been given about a year's grace period to prepare ourselves with various agreements and access quotes.

"We are actively in discussions in this respect on who are actually the customers, on the rules and so forth," he told reporters after the company's annual general meeting here yesterday.

Yusa' said PetGas is fully supportive of the move to liberalise the gas industry, and letting third parties use its infrastructure; particularly its regasification terminal and gas transmission system.

"This will support gas ventures in the downstream segment, with more competitive and reliable supply," said Yusa'.

Chairman Datuk Mohd Anuar Taib said: "With the liberalisation and spare

capacity, this will be beneficial for us as it can generate additional revenue."

Last year, the government gazetted The Gas Supply (Amendment) Bill 2016, which included a new section that empowered the minister in charge of petroleum matters to approve licenses for the regasification or distribution of gas and the transportation of gas.

PetGas said 2016 was a healthy year, with its revenue increasing 2.4% to RM4.56 billion.

The group's profit after tax, however, was slightly lower at RM1.74 billion, marking a slight decrease compared to the normalised profit achieved in 2015.

The company said it has allocated more than RM500 million in capital expenditure (capex) in the current financial year ending Dec 31, 2017.

Anuar said the majority of the capex will be allocated for PetGas' ongoing projects in Pengerang, Johor, and also for the maintenance and upgrading works of its existing facilities.

"PetGas projects, which support the development of the Pengerang Integrated Complex (PIC) in Johor, are on track," said Anuar.

The projects are the Liquefied Natural Gas (LNG) Regasification Terminal in Pengerang (RGTP), the Pengerang Gas Pipeline Project and the Air Separation Unit (ASU), all of which are in various stages of completion.

Yusa' said the construction of the second RGTP is at 86% completion and will be on track to commission its first storage tanks by the end of the year.

MMHE bags RM1b contract

In a separate development, Malaysia Marine and Heavy Engineering Holdings Bhd's unit has secured a RM1 billion contract from Petronas Carigali Sdn Bhd related to the Bokor phase three re-development.

The contract involved the engineering, procurement, construction, installation and commissioning of the central processing platform for the Bokor Phase 3.

The first steel cut is expected to commence in the third quarter next year and it is scheduled for completion in early 2020.

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(From left) Yusa', Anuar Taib and PetGas CFO Aida Aziza Mohd looking at a copy of the annual report at the AGM yesterday.
— Picture by Firdaus Latif