

GAS TRANSPORTATION TARIFFS
[for Shippers with Natural Gas Distribution
customers]

[W.E.F. 1 Apr 18]

1 Introduction

1.1 Under the Gas Network Code, PowerGas is the Gas Transporter and is responsible for maintaining the reliability and safety of the gas transportation network in Singapore. PowerGas' transportation business is regulated by the Energy Market Authority (EMA). The transportation tariffs levied by PowerGas are approved by the EMA.

1.2 The transportation tariffs are levied on Shippers. Shippers pay transmission as well as distribution charges as part of the distribution tariff for transportation of natural gas to distribution-level end-users. This is to reflect the cost of transporting gas through both the transmission and distribution networks.

1.3 End-user transportation charges imposed by Shippers are commercial arrangements between the Shippers and their end-users.

2 Average Natural Gas Distribution Tariffs

2.1 The indicative average Natural Gas ("NG") Distribution tariff for transportation of gas to end-users in the Jurong, Jurong Island and Tuas ("JIT") area with effect from 1 Apr 18 is \$1.203/MMBtu. This is made up of the following components:-

- transmission charges [details of the charging structure and components are outlined in Section 3]. On average, the transmission charge is \$0.381/MMBtu.
- uniform distribution component of \$0.822/MMBtu chargeable on the volume of gas transported through the distribution network.

2.2 The indicative average Natural Gas ("NG") Distribution tariff for transportation of gas to end-users outside JIT area with effect from 1 Apr 18 is \$2.665/MMBtu. This is made up of the following components:-

- transmission charges [details of the charging structure and components are outlined in Section 3]. On average, the transmission charge is \$0.381/MMBtu.
- uniform distribution component of \$2.285/MMBtu chargeable on the volume of gas transported through the distribution network.

3 Transmission Charging Structure

3.1 Transmission charges consist of capacity and usage charges. Shippers book capacity with PowerGas to transport gas from designated injection points to off-take points. Shippers pay entry and exit charges based on their respective booked capacity. In addition, uniform usage charge is levied on the volume of gas transported. Details of the transmission charge components are shown in the table below.

	Entry capacity charge [\$/MMBtu/hr] Per Annum [a]	Exit capacity charge [\$/MMBtu/hr] Per Annum [b]	Transmission capacity charge [\$/MMBtu/hr] Per Annum [a] + [b]	Transmission usage charge [\$/MMBtu]
a) PNG source				
Transmission Network 1	1053.73	1,437.10	2,490.83	0.0131
Transmission Network 2*	1156.48	1,334.35	2,490.83	0.0131
Transmission Network 2^	1490.31	1,000.52	2,490.83	0.0131
b) LNG source				
Transmission Network 2	1192.47	1,908.14	3,100.61	0.0169

Notes:

- 1) Transmission Network 1 refers to the natural gas transmission network conveying gas from West Natuna, Indonesia. Transmission Network 2 is the natural gas transmission network conveying both piped natural gas and regasified LNG from South Sumatra, Indonesia, Malaysia and the LNG Terminal.
- 2) * For gas injection at Sakra.
- 3) ^ For gas injection at Attap Valley.
- 4) The above charges do not include GST. Charges inclusive of GST are shown in Appendix 1.

3.2 Shippers will have to pay Overrun Charges in the event they off-take gas above their booked capacity. These Overrun Charges are necessary to encourage the efficient use of the gas network. There are two types of Overrun Charges:

- Authorised Capacity Overrun Charge:
If a Shipper applies for additional capacity above the booked capacity (i.e. capacity overrun), the Authorised Capacity Overrun Charge, equivalent to 1.25 times the Transmission Capacity Charge rate, shall be applied on that additional capacity.
- Unauthorised Capacity Overrun Charge:
If a Shipper does not apply for Authorised Capacity Overrun for utilisation of additional capacity above the booked capacity, it will pay 2 times the Transmission Capacity Charge rate for that additional capacity utilised.

**Transmission Charges for Natural Gas Distribution
(inclusive of 7% GST)**

	Entry Capacity Charge Per Annum (\$/MMBtu/hr) [a]	Exit Capacity Charge Per Annum (\$/MMBtu/hr) [b]	Transmission Capacity Charge Per Annum (\$/MMBtu/hr) [a] + [b]	Transmission Usage Charge (\$/MMBtu)
a) PNG source				
Transmission Network 1	1,127.49	1,537.70	2,665.19	0.0140
Transmission Network 2 [Sakra]	1,237.43	1,427.75	2,665.19	0.0140
Transmission Network 2 [Attap Valley]	1,594.63	1,070.56	2,665.19	0.0140
b) LNG source				
Transmission Network 2	1,275.94	2,041.71	3,317.65	0.0181

Note: Figures above may not be reflective of the full GST effect due to rounding.

**Distribution Charges for Natural Gas Distribution
(inclusive of 7% GST)**

Tariff Category	Distribution charge (\$/MMBtu)
Natural gas distribution in JIT	0.880
Natural gas distribution outside JIT	2.440