

DRAFT GAS (AMENDMENT) BILL

Bill No. /2018.

Read the first time on .

A BILL

i n t i t u l e d

An Act to amend the Gas Act (Chapter 116A of the 2002 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1. This Act is the Gas (Amendment) Act 2018 and comes into operation on a date that the Minister appoints by notification in the *Gazette*.

Amendment of section 2

2. Section 2 of the Gas Act is amended —

(a) by deleting the words “section 83” in the definition of “Appeal Panel” and substituting the words “section 84”;

(b) by deleting paragraph (a) of the definition of “earthworks” and substituting the following paragraph:

“(a) any act of excavating earth, rock or other material (by whatever means);

(aa) any act done on, in or under the ground in connection with —

(i) any work for or relating to the construction, reconstruction, extension, renovation, alteration, demolition or repair of any building, road, railway, bridge, viaduct, flyover, sewer or sewage works;

(ii) any work for or relating to the laying, inspecting, repairing or renewing of any main, pipe, cable, fitting or other apparatuses;

(iii) any soil investigation work; or

(iv) such other works as are usually undertaken by a person carrying on business as a contractor in the construction industry or as a professional civil or structural engineer;”;
and

(c) by deleting the words “earth rod” in paragraph (c) of the definition of “earthworks” and substituting the words “bar, rod, pole, picket,”; and

(d) by inserting, immediately after the definition of “meter”, the following definition:

““meter installation” means any meter and its associated equipment and installation, including any associated pipework, filter, valve, pressure regulating equipment, seal, housing, mounting, telemetry equipment, gas chromatograph and flow computer;”.

Amendment of section 3

3. Section 3(3) of the Gas Act is amended —

(a) by deleting the word “dangers arising from the” in paragraph (b) and substituting the words “dangers (including to health) arising from the import,”; and

(b) by inserting, immediately after paragraph (f), the following paragraph:

“(fa) to ensure security of supply of gas to consumers and to arrange for the secure operation of the gas transmission network in accordance with the Gas Network Code or other codes of practice;”.

Amendment of section 32

4. Section 32 of the Gas Act is amended —

(a) by deleting the words “other than a gas transporter” in subsection (1); and

(b) by inserting, immediately after subsection (5), the following subsection:

“(5A) Subsection (1) does not prohibit a gas transporter from commencing or carrying out, or causing or permitting the commencement or carrying out of earthworks within the vicinity of any gas plant or gas pipe in a gas pipeline network owned by, or under the management or control of, the gas transporter.”.

Amendment of section 32A

5. Section 32A of the Gas Act is amended by deleting subsections (1), (2) and (3) and substituting the following subsections:

“(1) Any person who wilfully, recklessly or negligently hinders or prevents any gas plant or gas pipe in a gas pipeline network owned by, or under the management or control of, a gas transporter from being used or operated in the manner in which it is intended to be used or operated shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$1 million or to imprisonment for a term not exceeding 5 years or to both.

(2) A person (X) shall be guilty of an offence if X —

(a) removes, destroys or damages; or

(b) causes or permits to be removed, destroyed or damaged by any other person (Y),

any gas plant or gas pipe in a gas pipeline network owned by, or under the management or control of, a gas transporter.

(3) X shall, upon conviction of an offence under subsection (2), be liable to a fine not exceeding \$1 million or to imprisonment for a term not exceeding 5 years or to both.

(3A) To avoid doubt, subsection (2)(b) applies whether or not Y —

(a) is an employee, agent or independent contractor of X; or

(b) is an employee, agent or independent contractor of a third party, whether or not the third party is engaged by X.”.

New section 32B

6. The Gas Act is amended by inserting, immediately after section 32A, the following section:

“Damage to submarine gas pipelines

32B. Where any person wilfully, recklessly or negligently —

- (a) does any act, or permits or causes any act to be done, which causes or is likely to cause damage to any submarine gas pipeline in the territorial waters of Singapore; or
- (b) omits to do anything required to prevent any damage to any submarine gas pipeline in the territorial waters of Singapore,

the person shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$2 million or to imprisonment for a term not exceeding 5 years or to both.”.

Amendment to section 47

7. Section 47 of the Gas Act is amended by deleting subsections (1) and (2) and substituting the following subsections:

“(1) A person commits an offence if the person —

- (a) intentionally lays or causes to be laid a pipe or a gas fitting to connect with any gas pipeline or gas pipeline network belonging to or under the management or control of a gas transporter without the consent of the gas transporter;
- (b) dishonestly or fraudulently abstracts, uses or consumes, or dishonestly or fraudulently diverts or causes to be diverted, any gas supplied by a gas licensee;
- (c) alters or tampers with any part of any meter or meter installation for registering the quantity of gas supplied to any person or premises;
- (d) does any thing that compromises or adversely affects the ability or proper operation of any meter or meter installation in duly registering the quantity of gas supplied to any person or premises; or
- (e) causes or permits any other person to contravene paragraph (b), (c) or (d).

(1A) A person that is guilty of an offence under subsection (1) shall be liable on conviction —

- (a) to a fine that is the total of the following;
 - (i) an amount not exceeding \$50,000;
 - (ii) an amount equal to 3 times the value of any gas, the diversion, abstraction, use, consumption or supply of which is in contravention of, or a result of a contravention of, paragraph (a), (b), (c) or (d) of subsection (1) (as the case may be); or
- (b) to imprisonment for a term not exceeding 5 years,

or to both and, in the case of a continuing offence, to a further fine not exceeding \$250 for every day or part thereof during which the offence continues after conviction.

(1B) The value of the gas diverted, abstracted, used, consumed or supplied as mentioned in subsection (1A)(a)(ii), may be determined based on the amount of such gas fairly and reasonably estimated from a comparison of records of gas usage before, during and after the diversion, abstraction, use, consumption or supply, as are appropriate and available.

(2) Any of the following is a rebuttable presumption that a person has contravened subsection (1)(c) (including in connection with an offence of another person under subsection (1)(e)), if the meter or meter installation in question was in the custody or under the control of the person at the time of the alleged contravention:

- (a) the existence of any device attached to any part of or in the vicinity of a meter or meter installation, for altering the index of the meter or the meter installation or for preventing the meter or meter installation from duly registering the quantity of gas supplied;
- (b) the existence of any hole on the meter cover of a meter or meter installation;
- (c) the existence of any damage to, removal of or change to the chemical composition of any paint or other chemical compound applied by a gas licensee over any screw, or other component or mechanism of a meter or the meter installation; or
- (d) the existence of any damage to, removal of or change in the seal or lock which is fastened by a gas licensee on any part of a meter or meter installation to ensure that the meter or meter installation is not tampered with.”.

Amendment of section 63A

8. Section 63A of the Gas Act is amended —

(a) by deleting the words “, not being a 30% controller,” in the definition of “12% controller” in subsection (1);

(b) by inserting, immediately after the definition of “arrangement” in subsection (1), the following definition:

“ “associate” has the meaning given to that expression in regulations made under section 63CA;”;

(c) by deleting the words “or a gas transport agent” in the definition of “designated gas licensee” in subsection (1) and substituting the words “, a gas transport agent or an LNG terminal operator”;

(d) by deleting the definition of “equity interest” in subsection (1) and substituting the following definition:

“ “equity interest” has the meaning given to that expression in regulations made under section 63CA;” and

- (e) by deleting the definitions of “related corporation”, “share”, “substantial equity interest holder”, “substantial shareholder”, “treasury share”, “unit”, “unit holder”, “voting share” and “written law” in subsection (1); and
- (f) by deleting subsections (2) to (5).

Amendment of section 63B

9. Section 63B of the Gas Act is amended —

- (a) by deleting subsections (1) and (2) and substituting the following subsections:

“(1) A designated gas licensee, a designated entity or the trustee-manager of a designated business trust shall give notice in writing to the Authority if any person acquires equity interest in the licensee, the entity or the business trust, respectively, whether through a series of transactions over a period of time or otherwise, that would result in that person holding 5% or more but less than 12% of the total equity interest in the licensee, the entity or the business trust, respectively.

(1A) The notice under subsection (1) must be given within 5 days after the gas licensee, a designated entity or the trustee-manager of a designated business becomes aware of the acquisition mentioned in that subsection.

(2) No person shall, whether through a series of transactions over a period of time or otherwise, become a 12% controller, a 30% controller or an indirect controller of a designated gas licensee, a designated entity or a designated business trust without obtaining the prior written approval of the Authority.”;

- (b) by deleting the words “, whether or not he has obtained any approval of the Authority under subsection (2) or is exempted from subsection (2) under section 63D,” in subsection (3); and
- (c) by deleting subsections (4) and (5).

Amendment of section 63C

10. Section 63C of the Gas Act is amended by deleting subsection (4) and substituting the following subsection:

“(4) Any approval by the Authority under this section may be granted subject to such conditions as the Authority considers appropriate.”.

New section 63CA

11. The Gas Act is amended by inserting, immediately after section 63C, the following section:

“Regulations for carrying out sections 63B and 63C

63CA.—(1) The Authority may, with the approval of the Minister, make such regulations as are necessary or expedient for carrying out the purposes of sections 63B and 63C.

- (2) Without limiting subsection (1), the regulations may prescribe —
- (a) the meaning of equity interest and the circumstances under which a person would be considered to hold a percentage of the total equity interest in a designated gas licensee, a designated entity or a designated business trust;
 - (b) the circumstances under which a person would be considered to be in a position to control a percentage of the voting power in a designated gas licensee, a designated entity or a designated business trust;
 - (c) the circumstances under which a person would be considered to have acquired as a going concern a business referred to in section 63B(3);
 - (d) the circumstances under which a person would be considered to be an associate for the purposes of sections 63B, 63E and 63G;
 - (e) the conditions which the Authority may impose in granting any approval under section 63B, including conditions —
 - (i) restricting the disposal or further acquisition of equity interests or voting power in the designated gas licensee, designated entity or designated business trust; or
 - (ii) restricting the exercise of voting power in the designated gas licensee, designated entity or designated business trust;
 - (f) the form of any notice given or application made under section 30B, the manner in which the notice may be given or the application made, and the person or persons who may give the notice or make the application; and
 - (g) the period within which a notice under section 63B(1) must be given to the Authority.”.

Amendment of section 63G

- 12.** Section 63G of the Gas Act is amended by deleting subsection (2).

New Part VIIIA

- 13.** The Gas Act is amended by inserting, immediately after Part VIII, the following Part:

“PART VIIIA
GAS SHORTAGE

Definitions

- 68A.** In this Part —

“generation licensee” means a person licensed as a generation licensee under the Electricity Act (Cap. 89A);

“severe gas shortage situation” means a situation in which —

- (a) there is a shortage of natural gas imported into Singapore resulting in any gas importer providing less of such gas to any of its customers than is

required under its arrangement with that customer (without taking into consideration any such gas to be provided on a reasonable endeavours basis under that arrangement); and

- (b) given the extent, and the likely period or the uncertainty of the period, of the shortage, the shortage will or is likely to —
 - (i) threaten the security or stability of the supply of gas or electricity in Singapore; or
 - (ii) result in —
 - (A) a severe loss of output from any industry sector that uses natural gas as feedstock or fuel stock; or
 - (B) result in it no longer being economically feasible for any consumer using natural gas as feed stock or fuel stock to continue its operations in Singapore.

Directions by Authority

68B.—(1) The Authority may, with the approval of the Minister, issue to any person such directions specified in subsection (2) as it considers necessary, where the Authority considers that there is an imminent or actual severe gas shortage situation.

(2) The directions for the purpose of subsection (1) are for the purpose of addressing or alleviating the severe gas shortage situation, or prevent the severe gas shortage situation from occurring or continuing.

(3) For the purposes of subsection (2), the directions may require any person to do or not to do any thing, including directions to —

- (a) enter into or modify any agreement between the person to whom the direction is issued and any other person;
- (b) terminate any agreement between the person to whom the direction is issued and any other person; or
- (c) give any consent or withhold the giving of any consent required under any agreement between the person to whom the direction is issued and any other person.

(4) A direction under this section remains in force until revoked by the Authority.

(5) Any person who fails to comply with a direction of the Authority issued under this Part shall be guilty of an offence and shall be liable on conviction —

- (a) to a fine not exceeding \$1 million; and
- (b) in the case of a continuing offence, to a further fine not exceeding \$100,000 for every day or part thereof during which the offence continues after conviction,

and section 19 does not apply.

(6) Any person who does any act which he knows or ought reasonably to know is or is likely to obstruct, hinder or otherwise prevent any other person from complying with

a direction of the Authority issued under this Part shall be guilty of an offence and shall be liable on conviction —

- (a) to a fine not exceeding \$1 million; and
- (b) in the case of a continuing offence, to a further fine not exceeding \$100,000 for every day or part thereof during which the offence continues after conviction.

(7) No action, suit or other legal proceedings shall lie against any party to a contract or arrangement made before the date of commencement of this Part, or in relation to, any breach of that contract or arrangement, where such breach is solely attributable to, or occasioned by, the compliance by that party with any direction of the Minister or the Authority issued under this Part.

Requests for information, etc.

68C.—(1) For the purpose of making a determination on any matter under this Part (including whether or not a direction should be issued under this Part), the Authority or the Minister, as the case may be, may, by notice in writing, request for such information and document from such person (including a person likely to be affected by a direction issued under this Part) as the Authority or the Minister considers necessary.

(2) Any person who, upon a request referred to in subsection (1), provides to the Authority or the Minister, as the case may be, any information or document that is false, misleading or inaccurate in a material particular, or recklessly provides any such information or document, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

(3) Section 5 applies (with the necessary modifications) to information and documents provided under this section to the Authority or the Minister as it applies to information and documents provided to the Authority under section 4.

Regulations for this Part

68D.—(1) The Minister may make regulations —

- (a) to provide for the modification or revocation of any direction issued under section 68B;
- (b) to provide for the manner of service on any person of any direction, notice and other document for the purposes of this Part;
- (c) to provide for the circumstances in which compensation is payable for any loss or damage suffered as a result of a person complying with a direction of the Authority issued under section 68B, and for matters relating to the determination and payment of the compensation, including the following:
 - (i) the constitution and appointment of the members of a Pricing Panel to determine matters (including the amount) concerning the compensation, the qualifications of any of the members, the period of tenure of any of the

members, and the circumstance in which a members may be disqualified from so acting;

- (ii) the remuneration and allowances of members of the Pricing Panel;
- (iii) the deeming of such members as public servants within the meaning of the Penal Code (Cap. 224);
- (iv) the procedure to be adopted by the Pricing Panel in its proceedings and the records to be kept by the Pricing Panel;
- (v) compelling the attendance of witnesses to give evidence to the Pricing Panel and the examination of witnesses under oath, and compelling the production of documents;
- (vi) the treatment and usage of confidential information and documents received by the Pricing Panel;
- (vii) the amounts which the Pricing Panel must —
 - (A) include in reckoning the compensation to be paid (including any quantifiable loss or damage suffered by any person as a direct consequence of any direction issued by the Authority under section 68B); or
 - (B) exclude in reckoning the compensation (including any quantifiable amount received or recoverable by any person who has suffered loss or damage referred to in sub-paragraph (A), that has the effect of compensating the person, in whole or in part, for that loss or damage),
 - and to provide for such other principles as the Minister considers appropriate for the purpose of determining the compensation;
- (viii) the person or persons by whom the compensation (or any part of the compensation) is payable and the person or persons to whom the compensation (or any part of the compensation) is to be paid, and the manner of payment, as determined by the Pricing Panel;
- (ix) the circumstances in which the Pricing Panel may review its determination of the compensation;
- (d) to provide for fees or charges for any thing done under this Part;
- (e) for prescribing anything which is required to be prescribed under this Part or which is necessary or expedient to be prescribed for carrying out or giving effect to the provisions of this Part.

(2) The Minister may, in making regulations under this Part, provide that any person who contravenes any regulation shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 12 months or to both.”.

New section 72A

14. The Gas Act is amended by inserting, immediately after section 72, the following section:

“Guidelines

72A.—(1) The Authority may issue guidelines with a view to providing practical guidance or certainty in respect of any one or more of the provisions in this Part.

(2) For the purpose of preparing any guidelines under subsection (1), the Authority may consult with such person as the Authority thinks fit.

(3) Where, in any administrative proceedings commenced in connection with this Part, any provision in this Part to which any guideline issued under subsection (1) relates is alleged to have been contravened, then —

- (a) compliance with such guideline; or
- (b) a contravention of or failure to comply with, whether by act or omission, such guideline,

may be relied upon by any party to those proceedings as tending to negative or establish the contravention which is in question in those proceedings.”.

Amendment of section 83

15. Section 83 of the Gas Act is amended —

- (a) by deleting the words “under subsection (3)” in subsection (2) and substituting the words “to consider and determine the appeal”; and
- (b) by deleting the words “establish by direction, within 30 days of the request, an Appeal Panel to consider an appeal made under this section” in subsection (3) and substituting the words “establish an Appeal Panel within 30 days after the request, to consider and determine the appeal in question”.

Amendment of section 84

16. Section 84(1) of the Gas Act is amended by deleting the words “under section 83(3) or 93(4)”.

Amendment of section 92

17. Section 92 of the Gas Act is amended by deleting subsection (3).

New section 92A

18. The Gas Act is amended by inserting, immediately after section 92, the following section:

“Payment into Consolidated Fund

92A. All sums collected by the Authority in the composition of any offence under section 92, or as a financial penalty required to be paid to the Authority under this Act, must be paid into the Consolidated Fund.”.

Amendment of section 93

19. Section 93 of the Gas Act is amended —

(a) by deleting the words “, together with adequate details of the grounds for the appeal” in subsection (1);

(b) by inserting, immediately after subsection (2), the following subsection:

“(2A) The person lodging an appeal under subsection (1) must, in the manner and time specified by the Minister —

(a) state as concisely as possible the circumstances under which the appeal arises, the issues and the grounds for appeal; and

(b) state all relevant facts, evidence and arguments for the appeal,

and the Minister may reject the appeal if the person fails to comply with this subsection.

(2B) The person who has lodged an appeal under subsection (2A) must provide such further information and documents as may be required by the Minister in such manner and within such period as may be specified by the Minister.”; and

(c) by inserting, immediately after the words “Appeal Panel” in subsection (4), the words “under section 84”.

Amendment of section 96

20. Section 96(2) of the Gas is amended —

(a) by deleting paragraph (g);

(b) by deleting paragraph (o) and substituting the following paragraph:

“(o) the regulation of the conversion of a gas pipeline network and gas appliances so as to allow for the conveyance of natural gas in the gas pipeline network and supply to such gas appliance, and for the interconnection of gas pipeline networks, and the conferring on any person authorised by a gas transporter or gas retailer of —

(i) the power to obtain information and documents from any person necessary for the purposes of the conversion and interconnection; and

(ii) the power to enter any premises to carry out any inspection or perform any work relating to such conversion and interconnection;”;

(c) by deleting the full-stop at the end of paragraph (z) and inserting, immediately thereafter the following paragraphs:

“(za) the prescribing of fees and charges and their method of payment for the purposes of this Act;

(zb) the prescribing of any service provided in connection with the performance of any function or duty of the Authority, for which the

Authority may charge a price by way of agreement with the person to whom the service is provided (instead of prescribing the price).”.

Miscellaneous amendments to sections 33, 34 and 35

21. The Gas Act is amended —

(a) by deleting the words “a gas transporter or an LNG terminal operator” wherever they appear in the following provisions and substituting the words “a gas licensee”:

Sections 33(1), 34(1), (5), (6)(a), (b) and (d) and (7), and 35(2);

(b) by deleting the words “gas transporter or LNG terminal operator” wherever they appear in the following provisions and substituting in each case the words “gas licensee”:

Sections 33(1), (2)(d), 34(1)(a) and (2)(a), and 35(1);

(c) by deleting the words “the gas transporter and relevant gas shippers or of the LNG terminal operator, as the case may be” in section 33(1)(b) and substituting the words “that gas licensee”;

(d) by deleting paragraphs (a), (b) and (c) of section 33(2) and substituting the following paragraphs:

“(a) the security or reliability of the supply of gas to the public;

(b) the survival of the gas licensee, or the whole or part of its business for which it is authorised by its licence to carry on, as a going concern;

(c) the transfer to another company, or (with respect to different parts of the area to which the gas licensee’s licence relates, or different parts of its business or undertaking) to 2 or more different companies, as a going concern, of such of the gas licensee’s undertakings as is necessary to transfer in order to ensure that the functions and duties which have been vested in the gas licensee by virtue of its licence may be properly carried out; or”;

(e) by deleting the words “any undertaking” in section 33(3) and substituting the words “the transfer of the gas licensee’s business or undertaking”;

(f) by deleting subsection (4) of section 33;

(g) by deleting paragraphs (b) and (c) of section 34(1) and substituting the following paragraphs:

“(b) an order requiring the gas licensee to immediately take any action or do or not do any act or thing in relation to that part of its business or undertaking to which its gas licence relates as the Minister may consider necessary;

(c) an order appointing a person to advise the gas licensee on the proper conduct of that part of its business or undertaking to which its gas licence relates.”;

(h) by deleting paragraph (c) of section 34(2) and substituting the following paragraph:

“(c) the Minister considers it in the interest of the security or reliability of the supply of gas to the public; or”;

(i) by inserting, immediately after subsection (3) of section 34, the following subsection:

“(3A) Any order made by the Minister under subsection (1) must be published in such manner as will secure adequate publicity.”;

(j) by deleting the words “a gas transporter’s or an LNG terminal operator’s property” in the section 34(6)(c) and substituting the words “a gas licensee’s property”; and

(k) by deleting subsection (2) of section 35 and substituting the following subsection:

“(2) The Authority may at any time (whether or not the appointment of the person has terminated) fix the remuneration and expenses to be paid by a gas licensee to any person appointed by the Minister under section 34(1)(c) to advise the gas on the proper conduct of the business or undertaking to which its gas licence relates.”.

EXPLANATORY STATEMENT

This Bill seeks to amend the Gas Act (Cap. 116A).

Clause 1 relates to the short title and commencement.

Clause 2(a) makes a technical amendment to the definition of “Appeal Panel”.

Clause 2(b) and (c) amend the definition of “earthworks”. Clause 2(b) makes it clear that “earthworks” relates to works carried out on, in or under the ground (and not only the act of excavation). Clause 2(c) extends the definition of “earthwork” to the driving or sinking of any bar, rod, pole, casing or tube into the ground (and not only of any earth rod, casing or tube).

Clause 2(d) inserts new definition of “meter”.

Clause 3 amends section 3(3) to expand the functions and duties of the Energy Market Authority of Singapore (“Authority”) under the Act, to include —

- (a) protecting the public from danger to health associated with gas, and other dangers arising from the import of gas; and
- (b) ensuring the security of the supply of gas and the secure operation of the gas transmission network.

Clause 4 amends section 32 to clarify that the prohibition concerning earthworks within the vicinity of any gas plant or gas pipe in a gas pipeline network in subsection (1) of that section, does not apply to a gas transporter in relation to any gas plant or gas pipe in a gas pipeline network under the management or control of the gas transporter.

Clause 5 deletes and substitutes subsections (1), (2) and (3), and inserts new subsection (3A), in section 32A. The offences in subsections (1), (2) and (3) in relation to certain gas plants and gas pipes are being rationalised, with hindering of use, etc., now under the new subsection (1) and removal, destruction and damage now under the new subsection (2). Under the latter, an offence is committed by an individual

who damages, etc., such gas plant or gas pipe, and any person that caused or permitted the individual to so damage, etc., such gas plant or gas pipe. With regard to the person causing or permitting the damage, etc., the relationship between the person who caused or permitted the damage, etc., to, and the individual that damaged, etc., such gas plant or gas pipe is not relevant — an offence is committed so long as the person caused or permitted the individual to damage, etc., such gas plant or gas pipe. The person can cause the individual to damage, etc., such gas plant or gas pipe by, for instance, giving to the individual person instructions which, when followed, result in the damage, etc.. This is whether the instructions are given directly to the individual, or indirectly through one or more other parties. Each party involved in “passing on” the instructions (including, if applicable, the employer of the individual) is also guilty of the offence of causing the damage, etc.

Clause 6 inserts new section 32B to provide for a new offence in relation to damage to submarine gas pipelines.

Clause 7 amends section 47 to include new offences of —

- (a) dishonestly or fraudulently diverting or causing the diversion of gas, and doing any thing that compromises or adversely affects the ability or proper operation of a meter or meter installation, in registering the quantity of gas supplied to a person or premises; and
- (b) causing or permitting another person to contravene section 47(1)(b), (c) or (d).

To deter behaviour prohibited under section 47(1), the punishment for the offence will now have an additional fixed fine component that is equal to 3 times the value of the gas diverted, abstracted, used, consumed, supplied in contravention or as a result of a contravention of section 87(1). The value may be based on appropriate and available records of gas usage, before, during and after the abstraction, use, consumption, diversion or supply.

Clauses 8 to 12 make various amendments to Part VIIB (Control of Gas Licensees and Entities with Interests in Gas Pipeline Network) to bring this Part in alignment with Part IVA of the Electricity Act (Cap. 89A).

Clause 13 inserts a new Part VIIIA to provide for the powers of the Authority in giving directions to persons in the event of a severe shortage of such gas. A person must comply with any such direction given to the person, even if compliance will result in a person being in breach of any agreement already entered into by the person. Regulations may be made under this Part to allow any person that has suffered loss or damage as a result of any direction given by the Authority, to be compensated for the loss. The amount of compensation may be determined by a Pricing Panel appointed under the regulations.

Clause 14 inserts a new section 72A which to empower the Authority to issue guidelines to provide practical guidance and certainty in respect of provisions under Part IX (Competition), and to provide for the evidential value of the guidelines.

Clauses 15 and 16 amend sections 83 and 84, respectively, to clarify that an Appeal Panel established for the purposes of the Act is established under section 84.

Clause 17 makes a consequential amendment to section 92 following the new section 92A inserted under clause 17.

Clause 18 inserts new section 92A to provide for the payment of various monies collected by the Authority to be paid into the Consolidated Fund.

Clause 19(a) and (b) amends section 93(1) and inserts new subsections (2A) and (2B) to ensure that appeals made to the Minister are properly and adequately supported and justified.

Clause 19(c) makes a technical amendment to section 93(4).

Clause 20(a) and (c) deletes paragraph (g) of and inserts new paragraphs (za) and (zb) in section 96(2), to empower regulations to be made concerning fees and charges, and to prescribe services provided by the Authority in connection with any function or duty of the Authority, for which the Authority may charge a price by way of agreement.

Clause 20(b) deletes and substitutes paragraph (o) of section 96(2) to broaden the scope of regulations that may be made to facilitate the conversion of a gas pipeline network and gas appliances, for the conveyance and supply of natural gas.

Clause 21 makes various amendments to sections 33, 34 and 35 (relating to special administration orders, etc.) to apply the sections to all gas licensees (and not only gas transporters and LNG terminal operators).

EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.
