Application for an Allocation Direction under Section 38A of the Act

Overview

Any person (‘Applicant’) who is unable to enter into an arrangement for the allocation of gas in any offshore gas pipeline (“Offshore Gas Pipeline”) may apply to the EMA for directions to be given to the applicant and every person whose gas is being conveyed through the Offshore Gas Pipeline (“Existing Users”), requiring such persons to enter into such arrangement for the allocation of gas in the Offshore Gas Pipeline on such terms, and to take such steps to ensure that the arrangement is given effect to.

Information to be provided by Applicant to EMA

An application for allocation directions may be made by the Applicant to EMA using the Section 38A Application Form. The Section 38A Application Form can be downloaded from the EMA website.

EMA would require the Applicant to furnish the following supporting documents together with the Section 38A Application Form:

- evidence that the Applicant had tried to enter into an allocation arrangement with Existing Users of the Offshore Gas Pipeline in good faith and had taken all reasonable steps to reach an allocation arrangement with them;
- draft of the allocation arrangement or basis of allocation which the Applicant considers to be reasonable if imposed on all users of the Offshore Gas Pipeline; and
- any other relevant information and supporting documents.

Submission of Section 38A Application to EMA

The Section 38A Application Form and the supporting information and documents must be sent by personal delivery or by registered mail to EMA at the following address:

Energy Market Authority of Singapore
111 Somerset Road
#15-05 Singapore 238164
Attn: Mr Yeo Yek Seng

(Please mark "Section 38A Application" clearly on the top left hand corner of the envelope)

Actions by EMA after receiving an application

Where an application has been made, EMA will take the following actions:

- decide whether the application should be adjourned to enable further negotiations to take place;
- decide whether the application should be considered further;
- decide whether the application should be rejected.

EMA will keep the Applicant, the Existing Users and any relevant interested parties informed of EMA’s actions or decisions.
Indicative procedures involved in EMA’s consideration of a Section 38A application

The following chart sets out the indicative procedures involved in EMA’s consideration of a Section 38A application. The procedures and timelines in the chart may vary from case to case, depending on the complexity of the application.
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<th>Stage</th>
<th>Responsible parties</th>
<th>Responsibilities</th>
<th>Estimated timeline</th>
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| Submission of Section 38A application to EMA                         | Applicant                                | Applicant submits the following documents to EMA:  
  ▪ Section 38A Application Form;  
  ▪ evidence that the Applicant had tried to enter into an allocation arrangement with Existing Users of the Offshore Gas Pipeline in good faith and had taken all reasonable steps to reach an allocation arrangement with them;  
  ▪ draft of the allocation arrangement or basis of allocation which the Applicant considers to be reasonable if imposed on all users of the Offshore Gas Pipeline; and  
  ▪ any other relevant information and supporting documents. | -                      |
| Initial review of application                                       | EMA                                      | On receipt of an application, EMA will undertake an initial review of the information furnished by the Applicant.                                                                                                 | 7 days after receipt of application. |
| Notification to Existing Users and interested parties                | EMA                                      | If adequate information has been furnished by the Applicant, EMA will:  
  ▪ inform all the Existing Users and interested parties that EMA has received a Section 38A application seeking allocation directions; and  
  ▪ request for feedback on the draft allocation arrangement or basis of allocation proposed by the Applicant from the interested parties. | 7 days after receipt of application. |
| Response from Existing Users and interested parties                  | Existing Users and interested parties    | The Existing Users and the interested parties respond to EMA with their comments on the draft allocation arrangement or basis of allocation proposed by the Applicant.                                                                 | 28 days after receipt of notice and documents from EMA. |
| Decision by EMA                                                      | EMA                                      | EMA would consider all the information and responses provided by the Applicant, the Existing Users and the interested parties.  
  ▪ EMA will inform the Applicant, the Existing Users and the interested parties of the outcome of the Section 38A | 28 days from receipt of responses. |
application. EMA may decide whether the application should be adjourned to enable further negotiations to take place;  

- decide whether the application should be considered further;  
- decide whether the application should be rejected.

### If the Section 38A application is successful

<table>
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<tr>
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<th>Responsible party</th>
<th>Actions / Responsibilities</th>
<th>Estimated timeline</th>
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| Issue of draft allocation directions by EMA| EMA               | EMA will issue draft allocation directions to the Applicant, the Existing Users and interested parties requiring them to enter into an allocation arrangement on the terms specified by EMA.  

The draft allocation directions may be subject to modifications to take into account the issues raised. | 28 days from receipt of responses. |
| Response to EMA’s draft directions         | Existing Users/Applicant/interested parties | The Existing Users, the Applicant and interested parties must raise any issues they have on the draft allocation directions. Such issues have to be communicated to EMA in writing.  

Any responses to the draft allocation directions must be provided to EMA within the period specified by EMA. | 28 days after issue of draft allocation directions. |
| Final review of allocation directions by EMA| EMA               | EMA would undertake a final review of the draft allocation directions.                     | 28 days from receipt of all responses to the draft allocation |
| Issue of final allocation directions by EMA | EMA | EMA issues final allocation directions, requiring the Applicant and the Existing Users to enter into such arrangement for the allocation of gas in the Offshore Gas Pipeline on such terms, and to take such steps to ensure that the arrangement is given effect to. | 28 days after receipt of all responses to the draft allocation directions. |