



LICENCE NO.	EMA/LNGTO/001
TYPE	LNG Terminal Operator
LICENSEE	Singapore LNG Corporation Pte Ltd
NOTIFICATION NO.	9

1. Pursuant to Condition 2 of the Gas Licence for LNG Terminal Operator Licensee (Licence No. EMA/LNGTO/001) ("Licence") granted to Singapore LNG Corporation Pte Ltd ("SLNG"), SLNG is hereby notified that SLNG shall not, without the prior written approval of the Energy Market Authority ("Authority"), provide any service as Other Regulated Services other than the services set out in Schedule 3 to the Licence. Upon the Authority's written approval for SLNG to provide any service as Other Regulated Services, such service shall be deemed to form part of Schedule 3 with effect from such date specified by the Authority in its written approval. The provision of Other Regulated Services set out in Schedule 3 by SLNG shall be subject to the following terms and conditions:

(1) Separate Accounts

SLNG shall ensure that separate accounts are kept for Price Regulated Services and for each Other Regulated Service. Specifically, SLNG shall separately account for any incremental costs that are directly attributable to the provision of each Other Regulated Service ("Incremental Costs"). For each financial year, if SLNG's revenue from each Other Regulated Service is:

- (a) less than the Incremental Costs, SLNG shall not recover the revenue shortfall from customers receiving Price Regulated Services; or
- (b) greater than the Incremental Costs, the excess revenue shall be used to offset the cost of providing Price Regulated Services and lower the tariffs for customers receiving Price Regulated Services accordingly.

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(2) Charges for Other Regulated Services

Where the Authority determines, after consultation with SLNG, that SLNG's charges for the provision of any Other Regulated Service are not reasonable, the Authority may by notice in writing require such charges to be approved by the Authority, and SLNG shall provide the Other Regulated Service in accordance with the charges as approved by the Authority. Such requirements shall not affect any agreement to provide the Other Regulated Service that SLNG may have entered into prior to the date of the Authority's notice.

(3) No adverse impact on provision of Throughput Services

SLNG shall ensure that the provision of Other Regulated Services will not adversely affect the provision of Throughput Services under the Licence by, inter alia:

- (a) prioritising the availability of resources for or in relation to the provision of Throughput Services over the provision of Other Regulated Services; and
- (b) curtailing or suspending the provision of Other Regulated Services to prioritise the availability of the terminal for the receipt and regasification of LNG during any period of curtailment or suspension of piped natural gas ("PNG") supply into Singapore except when the curtailment or suspension of PNG supply is due to scheduled maintenance or termination of the relevant PNG supply agreements ("Gas Emergency").

(4) Assist in mitigating Gas Emergency

In providing Storage and Reload Services to any customer, SLNG shall procure from the customer the right for SLNG to purchase, in the event of a Gas Emergency, the customer's LNG inventory at a fair market value.

(5) No potential conflict of interests with other terminal users

SLNG shall ensure that the provision of Other Regulated Services will not result in SLNG having any potential conflict of interests with other terminal users.

(6) Limit on LNG inventory for provision of Storage and Reload Services

SLNG shall not own an inventory of more than 6,000m³ of LNG (excluding the remaining balance of any LNG inventory used for the commissioning of any equipment of the terminal approved by the Authority) for the purpose of providing Storage and Reload Services.

(7) Penalty

Any contravention of the conditions set out in this Notification shall be deemed to be a contravention of the LNG Terminal Operator Licence and shall be dealt with in accordance with Section 19 of the Gas Act (Cap. 116A).

(8) Remedial Steps

Where contravention of any of the conditions set out in this Notification has occurred, SLNG shall take all necessary remedial steps and action to bring such contravention to an end without delay at its own costs and expenses. Such costs and expenses shall not be directly or indirectly passed to customers of Throughput Services or Other Regulated Services.

(9) General

For the avoidance of doubt, this Notification shall form an integral part of the LNG Terminal Operator Licence (Licence No. EMA/LNGTO/001). Any word or expression used in this Notification shall, unless otherwise defined, have the same meaning as that used in the LNG Terminal Operator Licence.

3. This Notification shall come into effect on the date set out below and shall supersede Notification No. 7.



NG WAI CHOONG
Chief Executive
Energy Market Authority of Singapore

20 Apr 2017

