

NOTES

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- ¹ Associated gas is either dissolved in crude oil or is present as a “gas cap” above the crude oil in the reservoir. Associated gas is evolved as a byproduct of crude oil production. Thus, its rate of production is typically determined by the production plan for the oil field. It is the most difficult source to manage since it must be produced whether it is needed or not.
- ² See Prospectus Petronas Gas Bhd (1995)
- ³ See V.K.Moorthy (1983).
- ⁴ See Prospectus Petronas Gas Bhd (1995).
- ⁵ For detail explanation, Prospectus Petronas Gas Bhd (1995).
- ⁶ See The Sun, 2 February (1995).
- ⁷ Feegas- the raw gas steam from gas field offshore Terengganu, from which the GPPs segregate methane, ethane, propane, butane and condensate.
- ⁸ See Prospectus Petronas Gas Bhd (1995).
- ⁹ See The proposal by MMC/Shapadu consortium. In typical case privatization programs is managed on a tender or public sale basis. However the method adopted by the Malaysian government is an “invitation” approach. For detail see Jomo K.S (1995).
- ¹⁰The “golden share” concept, has been a feature of a number of United Kingdom privatization’s operators in principal as an entrenched provision allowing the holder power of veto over fundamental decisions of the country (usually involving any major change to the basic orientation and scope of the enterprise) irrespective of the special shareholder’s ordinary shareholding. In Malaysia three assets sales involved Golden Share-MISC, MAS, Sports Toto; For further detail see Jomo K.S (1995).
- ¹¹This figure is GMSB forecast and might differ from the official figure.
- ¹²The Privatization Masterplan include proposal for a single unifying regulatory structure for all privatized enterprises. See also Mohammed Annas (1993).
- ¹³The proposal by MMSC requested for a single national gas utility company during the gestation years.

¹⁴The government in its Privatization Master Plan explain that there is not much scope for increasing competition with natural monopolies, it promises an appropriate regulatory framework to protect consumer interests, particularly in term of price, quality and availability of services as well as “commercial freedom” for private monopolies. For detail see Jomo K.S (1995).

¹⁵See MMSC proposal of the NGDS in Peninsular Malaysia.

¹⁶ million British Thermal Unit (mmBtu) is an energy unit used for comparison with other fuels.

¹⁷ See New Straits Times, July 18 (1996).

¹⁸ The information is extracted from the Gasex NGV (1996).

¹⁹These figures are Gas Malaysia estimates and may differ from official forecasts.

²⁰High premium fuel oil refers to LPG and Diesel.

²¹Price is set according to volume. Therefore the low the volume the higher the price and vice-versa..

²²This is because LPG equipment's has the similar technology with natural gas, information from GMSB.

²³This information is obtain from GMSB.

²⁴This figure was provided by the marketing department of GMSB and might defer depending on several factors.

²⁵There are other reasons for the privatization of Malaysia industries, for detail see Jomo K.S (1995).

²⁶There is a distinction between a “permit” and a “license”. A “permit” is provided for by the legislature when it is intended to prohibit a business except under a permit or authority issued by a prescribed administrative authority. The objective of “license”, on the other hand is regulate the conditions under which a business may be carried out. See V.K. Moorthy, (1983) pp32.

²⁷See Sixth Malaysian Plan 1991-1995.

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GMSB TARIFF CLASSIFICATION

F: GMSB-tar (10n2)

<i>Tariff</i>	<i>Category</i>	<i>Applicability Range mmBtu/year</i>	<i>Price</i>	
A	Residential		Fixed Charge	RM 10/mth < 10 Sm ³
			Commodity Charge	RM 0.80/Sm ³ > 10 Sm ³
B	Commercial		Fixed Charge	RM 80/mth > 100 Sm ³
			Commodity Charge	RM 0.75/Sm ³ < 100 Sm ³
C	General Commercial & Industrial	600 - 5,000	Fixed Charge	RM 150/mth
			Commodity Charge	RM 0.650/Sm ³
D	Small Commercial & Industrial	5,000 - 50,000	Fixed Charge	RM 2,000/mth
			Commodity Charge	RM 0.500/Sm ³
E	Medium Commercial & Industrial	50,000 - 200,000	Fixed Charge	RM 15,000/mth
			Commodity Charge	RM 0.400/Sm ³
F	Large Commercial & Industrial	above 200,000	Fixed Charge	RM 32,000/mth
			Commodity Charge	RM 0.320/Sm ³

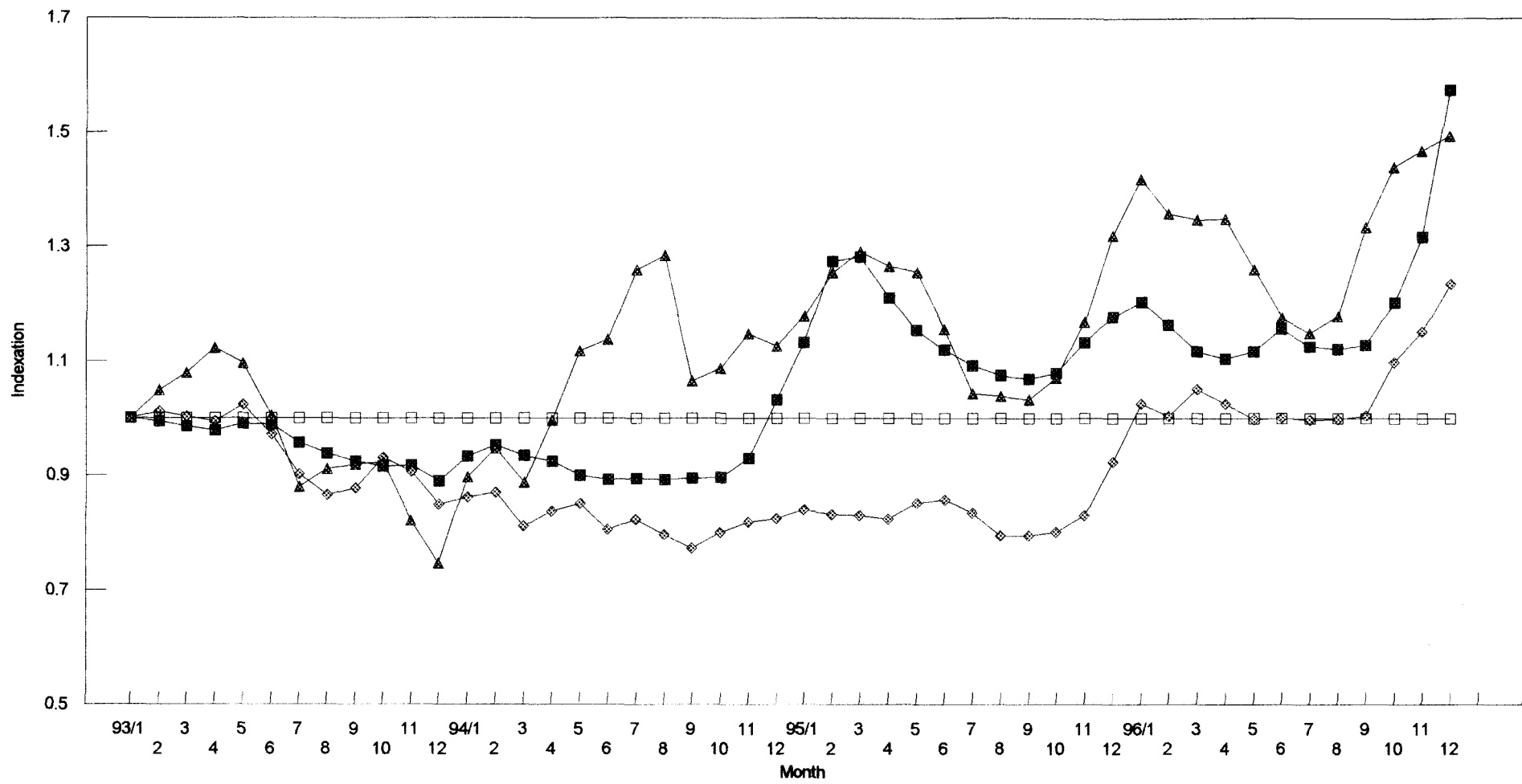
138

NOTE :

The information is obtain from GMSB but has not been approved by the regulator. Therefore, the tariff might be subject to change in future.

Petroleum Product Index

139



■ LPG
◆ DIESEL
▲ Gas Cost Indexation (MFO Spot & Posted)