



GP(G)/ECoS/005/2023

**GUIDELINES ON DEMARCATION OF
LICENSE AND MAINTENANCE
DOWNSTREAM OF CITY GATE STATION**



GUIDELINES ON DEMARCATION OF LICENCE AND MAINTENANCE DOWNSTREAM OF CITY GATE STATION

IN exercise of the power conferred by Section 72 of the Gas Supply Enactment 2023 (“Enactment”), the Energy Commission of Sabah (ECoS) issues these guidelines.

1.0 Citation and Commencement

- 1.1 These guidelines may be cited as Guidelines on Demarcation of Licence and Maintenance Downstream of City Gate Station (“Guidelines”).
- 1.2 These Guidelines shall come into operation with immediate effect.

2.0 Purpose of these Guidelines

The purpose of these Guidelines is to clarify the demarcation of licensing and maintenance downstream of city gate stations.

3.0 Amendment and Variation

ECoS may at any time modify, vary, review or revoke these Guidelines.

Dated: 10th January 2023

DATUK Ir. ABDUL NASSER BIN ABDUL WAHID

Chief Executive Officer
Energy Commission of Sabah

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1. OBJECTIVES

- 1.1. These Guidelines are developed by the Commission with the following objectives:
- (a) to clarify the demarcation of any licence issued under Section 6 of the Enactment which is applicable downstream of a city gate station; and
 - (b) to clarify the demarcation of maintenance responsibilities downstream of a citygate station.

2. SCOPE

- 2.1. These Guidelines shall apply to any person who carries out the activity of distribution, retail or use of gas downstream of a city gate station.
- 2.2. These Guidelines are not intended in any way to circumvent the application of and obligations or requirements under any other written law or standards. Parties relying on these Guidelines are advised to obtain independent advice on the applicability of the same to their equipment or installations.

3. DEFINITIONS AND INTERPRETATION

- 3.1. In these Guidelines, the following terms shall bear the following meanings:

“Enactment” means the Gas Supply Enactment 2023, as amended, modified or supplemented from time to time;

“Commission” means Energy Commission of Sabah; and

“Energy Laws” means the Enactment and all subsidiary legislations made thereunder, as amended, modified or supplemented from time to time.

- 3.2. Subject to paragraph 3.1 and unless expressly indicated to the contrary or unless the context otherwise requires, terms adopted and used in these Guidelines shall bear the same meanings as they are defined in the Energy Laws.

- 3.3. If there are any conflict between the provisions of these Guidelines and of

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those contained in the Energy Laws, the provisions in the Energy Laws shall prevail.

4. DEMARCATION OF LICENCE AND MAINTENANCE

4.1. The delivery of gas downstream of the last flange of a city gate station may be done through a distribution pipeline and/or a piping system

4.2. According to Section 2 of the Enactment:

(a) "Distribution pipeline" means those parts of the gas pipeline including installations connected downstream of the last flange of a city gate station to the last flange of a regulating or metering station at the premises of consumer or a retail licensee; and

(b) "Piping system" means all parts of those physical facilities including installations, through which gas moves, from the last flange of a regulating or metering station connected to the distribution pipeline or from the filling connection of a storage tank or cylinder for purposes of reticulation or delivery in respect of retail or use of gas through a piping system to any gas appliance in any premises.

4.3. Due to the design of the gas pipeline during construction, the ending of the distribution pipeline in some areas may need to be further clarified.

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4.4. The following diagrams shall clarify the demarcation of the licences and the demarcation of the maintenance of the pipeline:

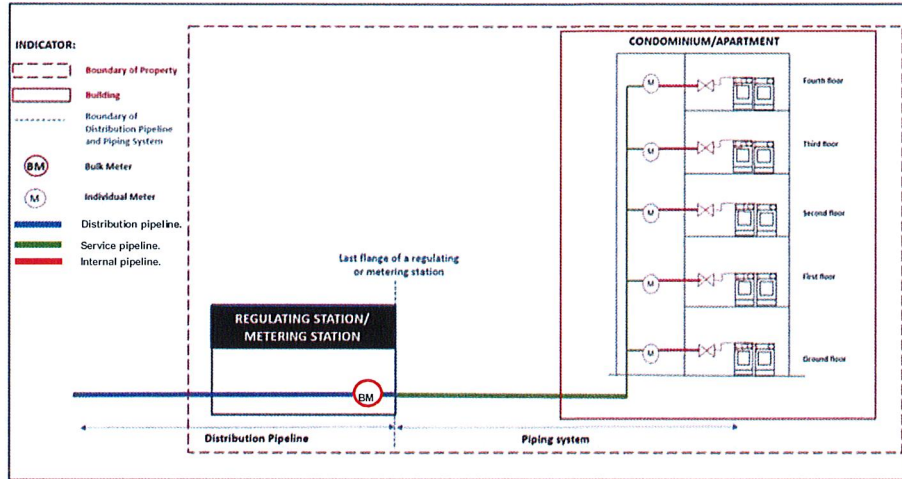


Diagram 1

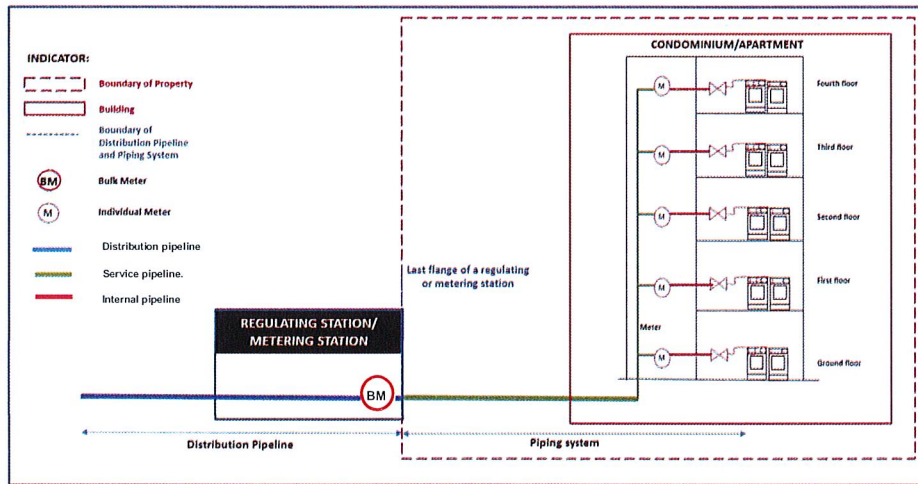


Diagram 2

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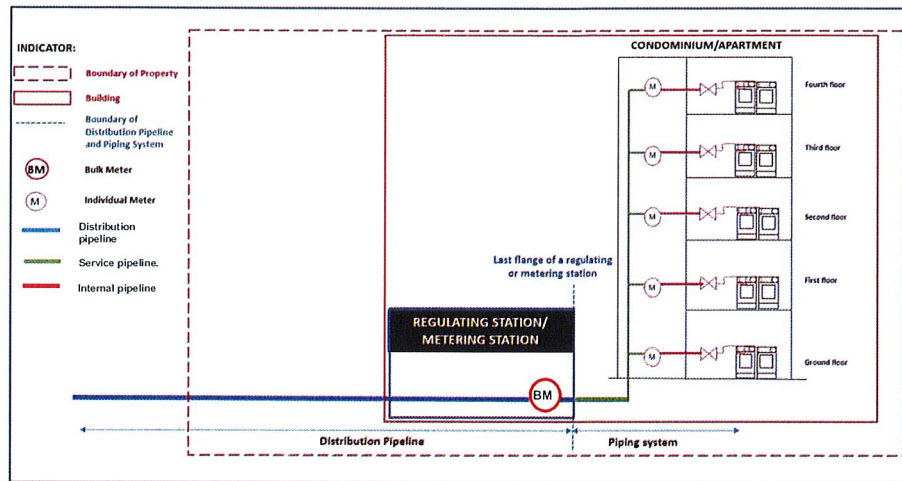


Diagram 3

Notes for Diagram 1 to Diagram 3:

1. The maintenance of the distribution pipeline is the responsibility of the distribution licensee.
2. The piping system in the common area is owned by one owner and thus one retail licence is required.
3. The maintenance of the piping system starting from the last flange of a regulating or metering station to an individual meter or the boundary of an individual unit (refer to Diagrams 13 to 15 for additional details) is the responsibility of the retail licensee. The remaining piping system to any gas appliance in the individual unit is the responsibility of the owner of the unit.

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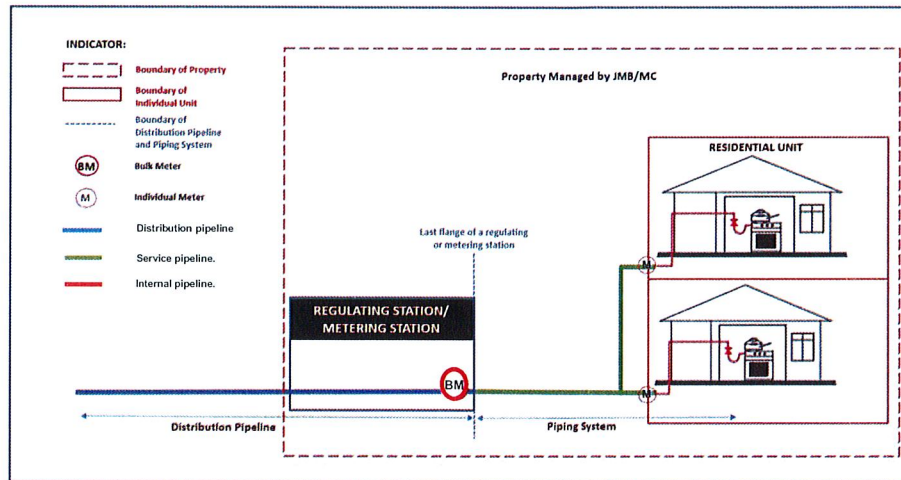


Diagram 4

Notes for Diagram 4:

1. The maintenance of the distribution pipeline is the responsibility of the distribution licensee.
2. The piping system in the common area is owned by one owner and thus one retail licence is required.
3. The maintenance of the piping system starting from the last flange of a regulating or metering station to an individual meter is the responsibility of the retail licensee. The remaining piping system to any gas appliance in the individual unit is the responsibility of the owner of the unit.

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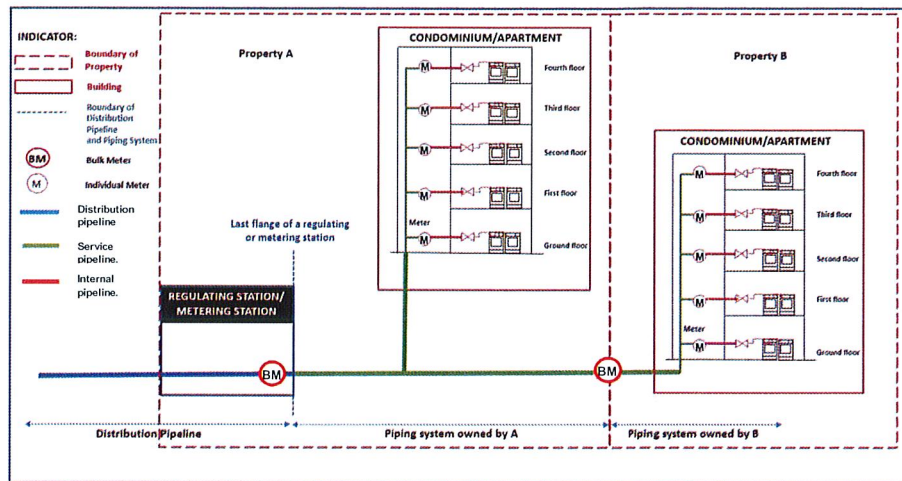


Diagram 5

Notes for Diagram 5:

1. The maintenance of the distribution pipeline is the responsibility of the distribution licensee.
2. Property A and Property B are owned by two different owners and therefore separate retail licences are required for Property A and Property B respectively.
3. The maintenance of the piping system starting from the last flange of a regulating or metering station to an individual meter or the boundary of an individual unit and the second bulk meter (refer to Diagrams 13 to 15 for additional details) is the responsibility of the retail licensee for Property A and the remaining piping system to any gas appliance in the individual unit is the responsibility of the owner of the unit.
4. The maintenance of the piping system starting from the second bulk meter to an individual meter or the boundary of an individual unit (refer to Diagrams 13 to 15 for additional details) is the responsibility of the retail licensee for Property B and the remaining piping system to any gas appliance in the individual unit is the responsibility of the owner of the unit.

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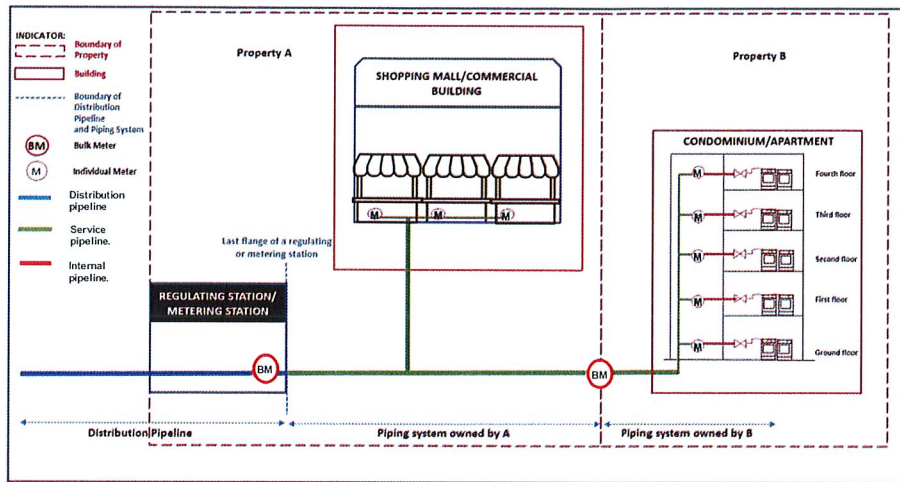


Diagram 6

Notes for Diagram 6:

1. The maintenance of the distribution pipeline is the responsibility of the distribution licensee.
2. Property A and property B are owned by two different owners, and therefore separate retail licences are required for Property A and Property B respectively.
3. The maintenance of the piping system starting from the last flange of a regulating or metering station to an individual meter inside the shopping mall or commercial building and the second bulk meter is the responsibility of the retail licensee for Property A and the remaining piping system to any gas appliance in the individual unit is under the responsibility of the owner of the unit.
4. The maintenance of the piping system starting from the second bulk meter to an individual meter or the boundary of an individual unit (refer to Diagrams 13 to 15 for additional details) is the responsibility of the retail licensee for Property B and the remaining piping system to any gas appliance in the individual unit is the responsibility of the owner of the unit.

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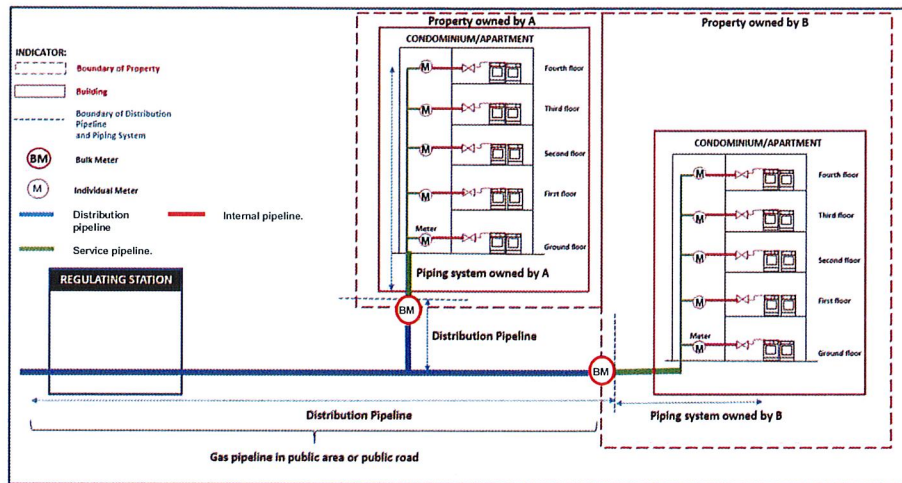


Diagram 7

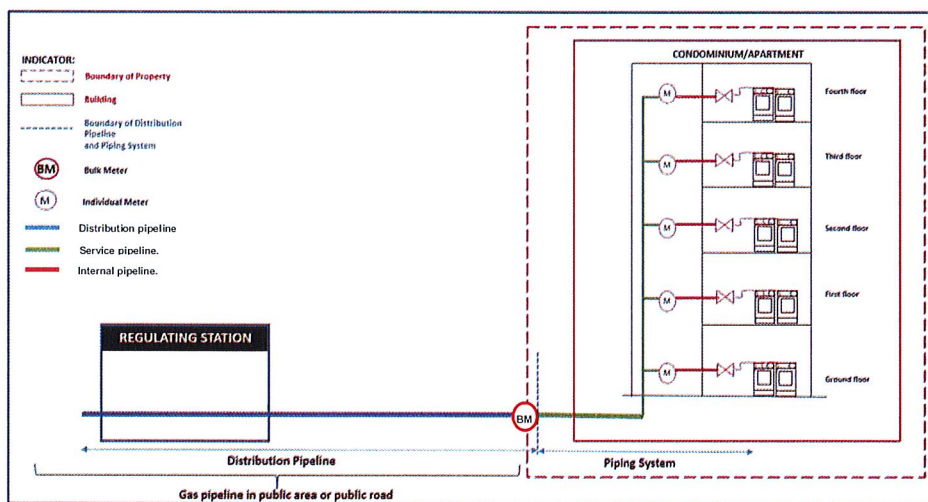


Diagram 8

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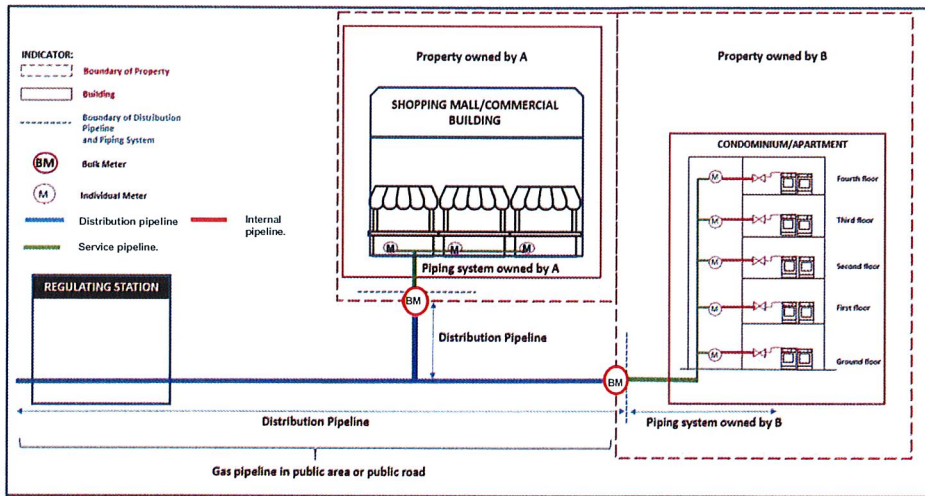


Diagram 9

Notes for Diagram 7 to Diagram 9:

1. The maintenance of the distribution pipeline is the responsibility of the distribution licensee.
2. The maintenance of the piping system starting from the last flange of a bulk meter or after the bulk meter to an individual meter or the boundary of an individual unit (refer to Diagrams 13 to 15 for additional details) is the responsibility of retail licensee for Property A or Property B and the remaining piping system to any gas appliance in the individual unit is the responsibility of the owner of the unit. In the case of a shopping mall or commercial building, the responsibility of the retail licensee is until the individual meter.

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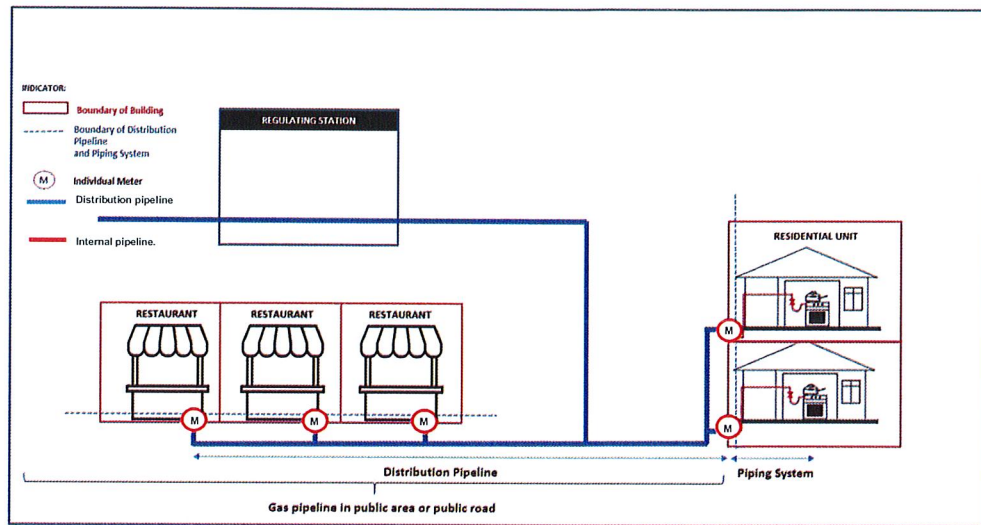


Diagram 10

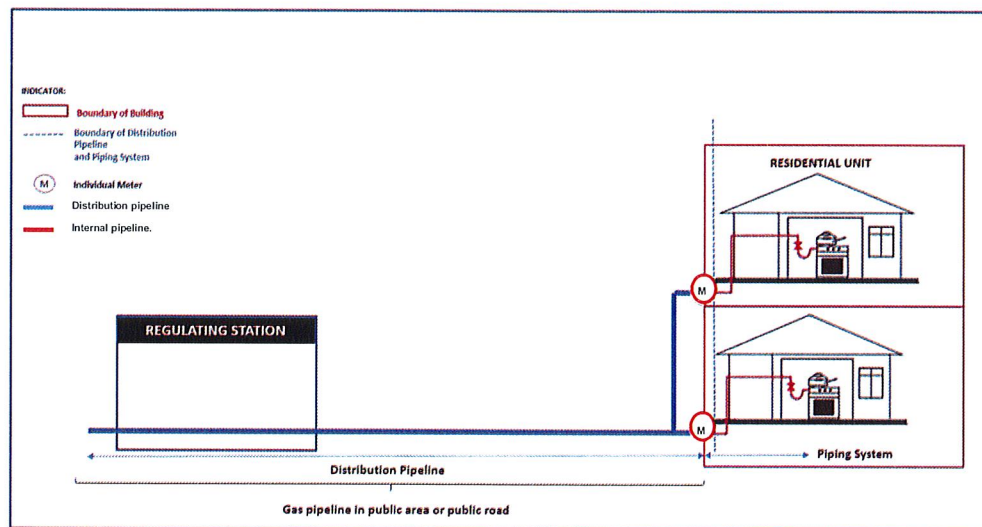


Diagram 11

Notes for Diagram 10 to Diagram 11:

1. The maintenance of the distribution pipeline is the responsibility of the distribution licensee.
2. The maintenance of the piping system (after the individual meter) to any gas appliance in the individual unit is the responsibility of the owner of the unit.

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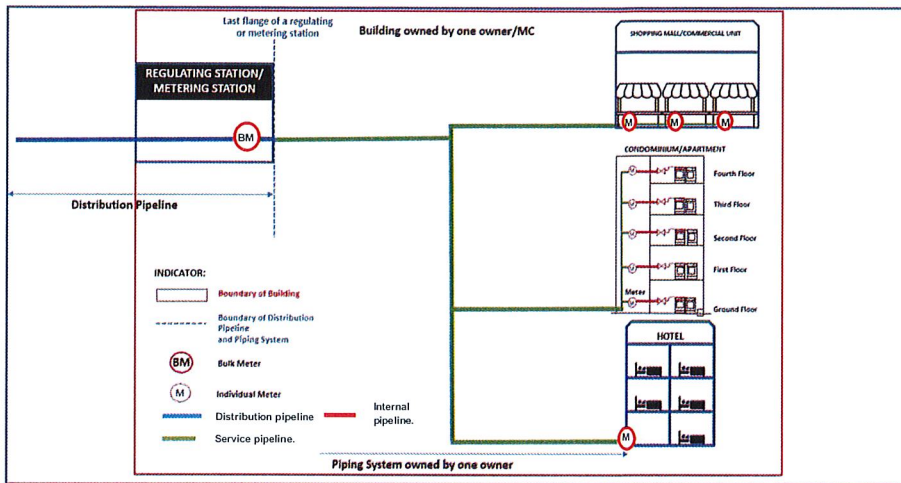


Diagram 12

Notes for Diagram 12:

1. The maintenance of the distribution pipeline is the responsibility of the distribution licensee.
2. The piping system is owned by one owner and thus one retail licence is required.
3. A private gas licence is not required for the hotel.
4. The maintenance of the piping system starting from the last flange of a regulating or metering station to an individual residential meter or the boundary of a residential individual unit (refer to Diagrams 13 to 15 for additional details), to individual meters inside the shopping mall and to meters of the hotel is the responsibility of the retail licensee. The remaining piping system to any gas appliance in the individual units of the shopping mall or the hotel is the responsibility of the owner of the unit or the management of the hotel.

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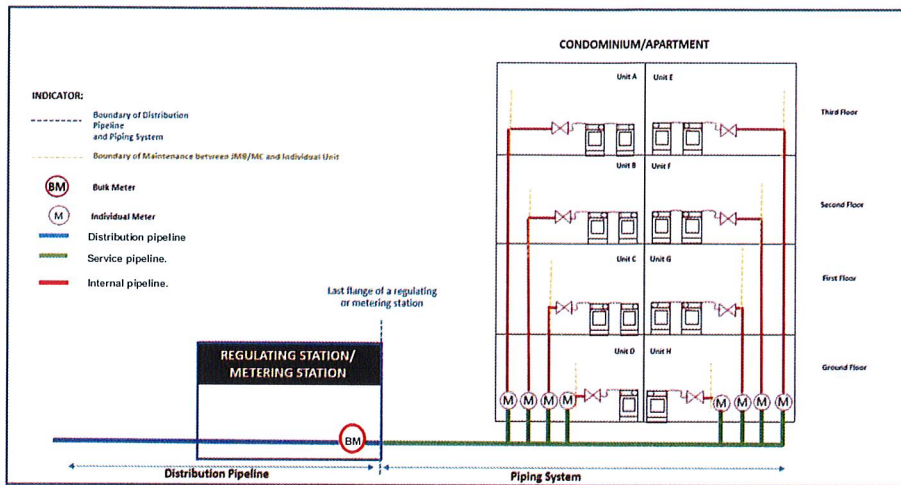


Diagram 13

Notes for Diagram 13:

1. The maintenance of the piping system starting from the last flange of a regulating or metering station to the boundary of a residential individual unit (the piping system in the common areas including the piping system after an individual meter) is the responsibility of the retail licensee.
2. The remaining piping system to any gas appliance in the individual unit is the responsibility of the owner of the unit.

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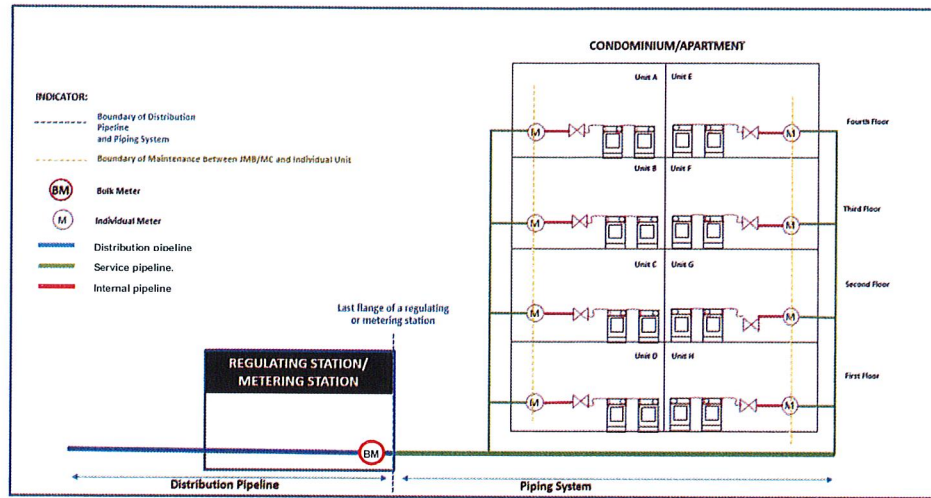


Diagram 14

Notes for Diagram 14:

1. Provided that an individual meter is installed at the boundary of an individual unit, the maintenance of the piping system starting from the last flange of a regulating or metering station to the individual meter is the responsibility of the retail licensee.

2. The remaining piping system to any gas appliance in the individual unit is the responsibility of the owner of the unit.

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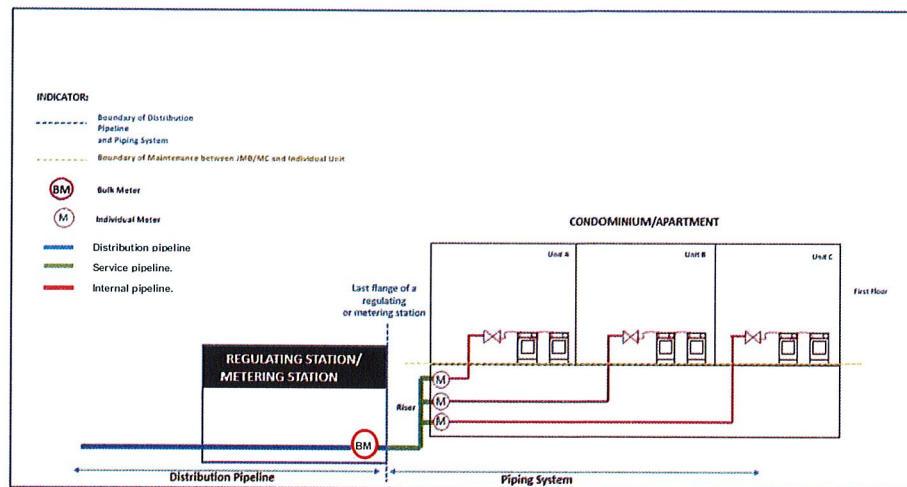


Diagram 15

Notes for Diagram 15:

1. Provided that an individual meter is installed immediately after the riser, the maintenance of the piping system starting from the last flange of a regulating or metering station to the boundary of a residential individual unit (the piping system in the common areas including the piping system after an individual meter) is the responsibility of the retail licensee.
2. The remaining piping system to any gas appliance in the individual unit is the responsibility of the owner of the unit.

5. REFERENCE TO COMMISSION FOR DETERMINATION

- 5.1. In the event of any inconsistencies or ambiguities in the demarcation of the licence and maintenance as set out in these Guidelines, such inconsistencies or ambiguities shall be determined by the Commission. Affected parties are to refer such cases to the Commission for final determination.