

Gas Regulation

Contributing editors

David Tennant and Adam Brown



2018

GETTING THE
DEAL THROUGH

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David Tennant and Adam Brown
Dentons UK and Middle East LLP

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Preface

Gas Regulation 2018

Sixteenth edition

Getting the Deal Through is delighted to publish the sixteenth edition of *Gas Regulation*, which is available in print, as an e-book and online at www.gettingthedealthrough.com.

Getting the Deal Through provides international expert analysis in key areas of law, practice and regulation for corporate counsel, cross-border legal practitioners, and company directors and officers.

Throughout this edition, and following the unique **Getting the Deal Through** format, the same key questions are answered by leading practitioners in each of the jurisdictions featured. Our coverage this year includes a new chapter on Germany.

Getting the Deal Through titles are published annually in print. Please ensure you are referring to the latest edition or to the online version at www.gettingthedealthrough.com.

Every effort has been made to cover all matters of concern to readers. However, specific legal advice should always be sought from experienced local advisers.

Getting the Deal Through gratefully acknowledges the efforts of all the contributors to this volume, who were chosen for their recognised expertise. We also extend special thanks to the contributing editors, David Tennant and Adam Brown of Dentons UK and Middle East LLP, for their continued assistance with this volume.

GETTING THE
DEAL THROUGH 

London
February 2018

Thailand

Ratana Poonsombudlert, Sawanee Gulthawatvichai and Christopher C Kalis

Chandler MHM Limited

Description of domestic sector

1 Describe the domestic natural gas sector, including the natural gas production, liquefied natural gas (LNG) storage, pipeline transportation, distribution, commodity sales and trading segments and retail sales and usage.

The following is an overview of the natural gas sector in Thailand regarding 2017 gas production, distribution, import and sales.

In 2017 (calculations based on 10-month totals from statistics from January to October), Thailand imported 148.7kboe/d (thousand barrels of oil equivalent per day) of natural gas from Yadana, Yetagun and Zawtika in Myanmar and 95.7kboe/d of LNG, and procured 585.3kboe/d from domestic resources (including the Malaysia-Thailand Joint Development Area (MTJDA)), totalling 829.7kboe/d of natural gas. In August 2014, Thailand started to receive delivery of natural gas from Zawtika in Myanmar.

Thailand is a net importer of both oil and gas. Given the current petroleum resource base and demand profile, Thailand will remain a net importer of hydrocarbons for the foreseeable future.

The major domestic gas resources of Thailand include the Arthit, Baanpot, Benchamas, Bongkot, Erawan, Funan, Gomin, Jakrawan, Kaphong, Maliwan, Morakot, Pailin, Pakarang, Plamuk, Platong, Satun, Siphuhorm, Sirikit and Trat fields. Natural gas production from the MTJDA commenced at the end of 2007.

Gas is produced principally by PTT Exploration and Production Public Company Limited, Chevron and ExxonMobil.

PTT Public Company Limited (PTT) is, with only a few exceptions, the purchaser of all natural gas, which is sold under gas sales agreements (GSAs) to power, petrochemical and other industrial users. There are no retail sales of natural gas other than natural gas vehicles.

Thailand completed construction and officially began commercial operations of the country's first LNG-receiving terminal on 6 September 2011 in Map Ta Phut industrial estate. The facility can currently offtake and unload up to 5 million tonnes of LNG a year (700mmcf/d (million cubic feet per day)) and consists of two 160,000-cubic metre LNG storage tanks and a port for LNG vessels ranging from 125,000 to 264,000 cubic metres. Construction of a second 5-million tonne unit was completed in 2017, but is not yet in operation, and this will bring the capacity of the receiving terminal to 10 million tonnes of LNG a year (1,400mmcf/d). In 2017, Thailand imported 96kboe/d of LNG (calculations based on 10-month totals).

In December 2012, PTT signed a long-term contract with Qatargas for 2 million tonnes of LNG annually for 20 years starting in 2015.

2 What percentage of the country's energy needs is met directly or indirectly with natural gas and LNG? What percentage of the country's natural gas needs is met through domestic production and imported production?

Throughout the first 10 months of 2017, 58 per cent of Thailand's electricity generation was fuelled by natural gas.

Thailand's natural gas needs in 2017 were met as follows: 70 per cent through domestic production (including the MTJDA), 18 per cent through gas imported from Myanmar and 12 per cent LNG imports.

The Petroleum Institute of Thailand (PTIT) is the best source of statistics on the petroleum and petrochemical business. It collects

information from concerned government departments, including the Department of Mineral Fuels (DMF), the Department of Alternative Energy Development and Efficiency (DEDE), PTT, the Department of Energy Business, the Customs Department and the Energy Policy and Planning Office.

PTIT was established in 1985 to operate as a non-profit foundation with support from the government and the academic and private sectors. Some of PTIT's publications include:

- *PTIT Focus*, published monthly with one additional annual issue;
- *Thailand's Petroleum Exploration and Production Fact Book*;
- *Thailand Petroleum and Petrochemical Complex Capacity*;
- *Petrochemical Products Classification*;
- *Petroleum Encyclopaedia*;
- *Petrochemicals Encyclopaedia*; and
- a variety of codes of practice.

The PTIT website address is www.ptit.org.

Government policy

3 What is the government's policy for the domestic natural gas sector and which bodies set it?

The Ministry of Energy establishes policies and plans in relation to the energy sector. Its aims are as follows:

- to enhance energy security and ensure sufficient and reliable energy supply;
- to supervise market-based pricing structures that reflect the true cost and promote competition;
- to promote renewable and alternative energy;
- to promote energy saving and energy efficiency; and
- to promote and set mandates on clean energy by alleviating the impact on the environment, promoting public and private participation and by setting up clean development mechanism projects.

The Energy Regulatory Commission was established under the Energy Industry Act, BE 2550 (2007) (EIA). Two departments in the Ministry of Energy also play a role in implementing policy: the DMF and the DEDE.

The government is actively promoting alternative energy projects, has completed an LNG terminal and approved a 15-year alternative energy plan in January 2009. A 10-year alternative energy plan was approved in November 2011. See question 23 regarding regulations for LNG.

Regulation of natural gas production

4 What is the ownership and organisational structure for production of natural gas (other than LNG)? How does the government derive value from natural gas production?

Under the Petroleum Act, BE 2514 (1971), as amended (PA), petroleum belongs to the state. No person may explore for or produce petroleum in any area, whether such area is owned by such person or other persons, except by virtue of a concession.

However, petroleum produced by the concessionaire belongs to the concessionaire. The concessionaire has the right to sell and dispose of the petroleum that it produces.

The concessionaire must be a company. However, it may be 100 per cent foreign-owned.

Gas separation, distribution and trading are subject to ceilings on foreign ownership under the Foreign Business Operations Act, BE 2542 (1999) (FBOA), the Land Code and other laws.

The government benefits from gas production by receiving royalty and income tax, and maintaining a sufficient and reliable supply of gas for power plants, industrial plants and petrochemical complexes.

Expansion of investment in the petrochemical complex was in a period of uncertainty in 2010 as a result of an injunction filed by the Association for Global Warming Prevention and 42 individuals against eight government agencies for not complying with section 67 of the 2007 Constitution, in which 76 projects in Map Ta Phut were alleged to have failed to comply with the environmental assessment and community consultation requirements under the constitution.

As a result of those proceedings, the cabinet imposed measures to increase scrutiny of projects that it identifies as severe in terms of non-compliance. The court decision in September 2010 determined that most projects were not classified as severe and would not have to face more stringent scrutiny.

5 Describe the statutory and regulatory framework and any relevant authorisations applicable to natural gas exploration and production.

The PA governs the exploration and production of petroleum (natural gas and oil). It is administered by the DMF, formerly under the Ministry of Industry and, since 2002, under the Ministry of Energy. The lease of petroleum rights has been by way of petroleum concessions.

In 2007, the PA was amended by Petroleum Act No. 6. Four ministerial regulations under the PA and a revised form of petroleum concession were published in 2012.

Thai practice in granting petroleum concessions (for oil and gas exploration and production) is to award them only following publication of an international invitation, usually on at least 45 days' notice. Applications are evaluated on a points system by the Petroleum Committee, which forwards its recommendations to the cabinet for approval.

Most concession terms and conditions are prescribed in the Act and its regulations. The standard concession form was initially set out in 1972 in Regulation No. 4, which includes only 18 sections. In 1989, a new concession form was prescribed in Regulation No. 17. A new concession form was also prescribed in 2012. In practice, concession applicants are rarely permitted to negotiate changes in its standard terms.

The Petroleum Income Tax Act, BE 2514 (1971), as amended (PITA), prescribes a special income tax regime for exploration and production companies.

The Ministry of Energy determines regulatory policies governing the production, transmission, distribution and supply of natural gas, based on advice and recommendations of the Petroleum Committee and the DMF. The Energy Regulatory Commission has a role in policies governing transmission, distribution and supply of natural gas. The Energy Regulatory Commission has also announced a 20-year (2011–2030) Energy Efficiency Development Plan, which will eventually require large-scale businesses in the natural gas industry to implement energy conservation promotion measures to encourage customers to reduce energy use by specified minimum standards, as opposed to voluntarily engaging in such activities, as has been the previous practice. See question 8.

See 'Update and trends' regarding amendments to the PA and the PITA in 2017. As at February 2018, the forms of production-sharing contracts (PSC) and risk-service contracts (RSC) have not been published.

6 Are participants required to provide security or any guarantees to be issued with a licence to explore for or to store gas?

Petroleum concessionaires are required to post both parent company guarantees and bank guarantees to secure their work obligations. The mandatory requirement to provide bank guarantees was introduced in the announcement of the 21st bid round on 21 October 2014. The deadline for submission of bids was 8 February 2015. Bids must include bid security of 3 million baht per block, and a letter of intent to place a performance bond to secure expenditure obligations and physical work obligations. The 21st bid round was suspended, and finally cancelled.

Regulation of natural gas pipeline transportation and storage

7 Describe in general the ownership of natural gas pipeline transportation, and storage infrastructure.

PTT has a monopoly on the natural gas pipeline business, and owns the natural gas pipeline system. PTT is a public limited company that is majority-owned by the Ministry of Finance. There are a few private pipelines for the transportation of oil products.

A number of government bodies are concerned with the transportation of petroleum (oil and gas), which may be divided into the following categories:

- marine transport: the Water Transport and Merchant Marine Department and the Ministry of Transport and Communications;
- railway transport: State Railways of Thailand; and
- tanker truck transport: the Department of Land Transport and the Ministry of Transport and Communications.

8 Describe the statutory and regulatory framework and any relevant authorisations applicable to the construction, ownership, operation and interconnection of natural gas transportation pipelines, and storage.

Under the EIA the Energy Regulatory Commission is empowered to regulate, inter alia, the following:

- location and surrounding conditions of an energy business facility;
- technical, engineering and safety standards;
- standards and quality of the service provisions;
- tariffs;
- efficiency of energy and resource utilisation;
- efficiency of energy business operations and service provisions;
- categories and types of fuel, including requirements for the use of renewable energy;
- processes and technologies used in energy industry operations;
- protection against and solutions to energy shortages;
- competition in energy industry operations and prevention of abusive use of monopoly power;
- shareholding structure and relationship with other energy-related business operators;
- opinion-hearing processes and public relations to raise the understanding of the general public and stakeholders;
- environmental standards;
- measures to alleviate community and environmental impact in the vicinity of energy business facilities; and
- comprehensiveness and completeness of reports to the commission.

Sections 100 and 119 to 121 of the Act provide for settlement of disputes by the Regional Energy Consumer Committee (in the case of complaints by energy consumers), or otherwise in accordance with regulations prescribed by the Commission. Decisions of the commission on appeal are treated as final.

9 How does a company obtain the land rights to construct a natural gas transportation or storage facility?

Under the EIA, when it is necessary for a licensee that is a government agency to use immovable property for the purpose of constructing an energy network system (defined as a power network system or a natural gas network system) or other structures necessary and related to such an activity, the expropriation of property will be undertaken by the Energy Regulatory Office, and the ownership of the expropriated property shall belong to the state pursuant to the law on the expropriation of immovable property.

The Energy Regulatory Office has the duty to take care of, maintain, use and acquire interests in immovable property vested in the state in accordance with rules, procedures and conditions prescribed by the Energy Regulatory Commission.

10 How is access to the natural gas transportation system and storage facilities arranged? How are tolls and tariffs established?

Under the EIA, a licensee who has an energy network system (defined as a power network system or a natural gas network system) must allow other licensees or energy industry operators to utilise or connect to its system in accordance with terms stipulated and announced by the licensee who has an energy network system.

The terms concerning connection of energy network systems, use of system services and operation of systems must be based on the following principles:

- they must not adversely affect the security, safety and quality of the energy system;
- they must not disadvantage energy consumers and the public;
- they must not discriminate or hinder other licensees or energy industry operators;
- the technical specifications at the end-use points or at the point of connection to the energy network system must be clear, technically feasible and must not impose an undue burden on the person who asks to use or connect to the system;
- the duties and responsibilities of both the person who asks to use or connect to the system and the person who allows the use of or connection to the system must be clearly specified; and
- any other characteristic specified by the Energy Regulatory Commission.

11 Can customers, other natural gas suppliers or an authority require a pipeline or storage facilities owner or operator to expand its facilities to accommodate new customers? If so, who bears the costs of interconnection or expansion?

Expansion of an energy network system must be approved by the Energy Regulatory Commission. If the expansion plan affects the material interest of the public, the Commission must conduct an opinion-hearing process. A licensee that has an energy network system must conduct operations in line with what is stipulated in the approved expansion plan.

12 Describe any statutory and regulatory requirements applicable to the processing of natural gas to extract liquids and to prepare it for pipeline transportation.

At present, PTT is the sole purchaser of natural gas and the builder and operator of gas separation plants. A sixth gas separation plant was completed on 25 January 2011 (at the time, GSP-6 was the world's largest gas separation plant). The plants are subject to the legal regime applicable to factories in general. There is no special statutory or regulatory regime.

13 Describe the contractual regime for transportation and storage.

Pipeline systems can be interconnected by private contract. A licensee that has an energy network system must disclose the contracts, agreements, conditions and tariffs for the use of or connection to its system, pursuant to the rules, procedures and conditions established by the Energy Regulatory Commission.

If the Commission considers that the terms concerning interconnection of energy network systems, use of system services and system operations do not conform to the principles mentioned in question 10, it has the power to order the licensee issuing such terms to revise or improve them in line with those principles.

Regulation of natural gas distribution

14 Describe in general the ownership of natural gas distribution networks.

PTT has a monopoly on natural gas pipelines and local distribution business.

15 Describe the statutory and regulatory structure and authorisations required to operate a distribution network. To what extent are gas distribution utilities subject to public service obligations?

Under the EIA, the natural gas business – which means natural gas transmission through pipelines and natural gas network systems, natural gas storage and transformation of natural gas from liquid to gas, natural gas procurement and gas wholesale or retail through natural gas distribution systems, excluding natural gas business operations in the transportation sector – is under the supervision of the Energy Regulatory Commission, comprising a chair and six other members.

Licensees must provide energy services pursuant to standards established by the Energy Regulatory Commission.

The Energy Regulatory Commission may assign a licensee to provide energy services in a particular locality where no service exists, or

where services are not extensive or are inadequate to meet the demand of energy consumers in that locality.

The Ministry of Energy is empowered to set the policy on extensive provision of energy services, as well as energy services for the underprivileged, including the policy dealing with energy consumers' complaints.

If an energy consumer is adversely affected by the service provided by a licensee, the consumer shall have the right to make a written complaint to the Regional Energy Consumer Committee. The complaint must clearly indicate the facts and be accompanied by documents and evidence related to the case.

Disputes between licensees shall be resolved in accordance with regulations prescribed by the Energy Regulatory Commission. The decision of the Commission on appeal shall be treated as final.

The Administrative Court has jurisdiction over claims by private sector parties against government agencies.

16 How is access to the natural gas distribution grid organised? Describe any regulation of the prices for distribution services. In which circumstances can a rate or term of service be changed?

Access to the natural gas distribution grid is organised according to regulations of the Energy Regulatory Commission.

Prices for distribution services are regulated by the Energy Regulatory Commission.

17 May the regulator require a distributor to expand its system to accommodate new customers? May the regulator require the distributor to limit service to existing customers so that new customers can be served?

See question 11.

18 Describe the contractual regime in relation to natural gas distribution.

A natural gas distribution system is defined as an energy business and is regulated by the Energy Regulatory Commission (see question 8).

Regulation of natural gas sales and trading

19 What is the ownership and organisational structure for the supply and trading of natural gas?

PTT negotiates GSAs with the various users of natural gas.

Natural gas trading is subject to ceilings on foreign ownership under the FBOA, the Land Code and other laws.

In addition, to be licensed as an oil trader under the Fuel Oil Trading Act, BE 2543 (2000), the applicant must be a private or public company registered under the Civil and Commercial Code or the Public Limited Companies Act with a registered capital meeting the minimum requirements of the Department of Energy Business.

20 To what extent are natural gas supply and trading activities subject to government oversight?

Generally, the Ministry of Energy and the Energy Regulatory Commission supervise all chains of gas supply, such as trading, distribution, import, export, storage, transport and standards of equipment.

The EIA was enacted on 10 December 2007. It became effective on 11 December 2007.

This Act establishes a new regulatory regime for the electricity and natural gas business. One purpose of the Act is to restructure energy industry management by separating policy making, regulation and operational functions.

Under the Act, the natural gas business, which covers natural gas transmission through pipelines and through natural gas network systems, natural gas storage and transformation of natural gas from liquid to gas, natural gas procurement, and gas wholesale or retail sale through natural gas distribution systems, excluding natural gas business operations in the transportation sector, is under the supervision of the Energy Regulatory Commission comprising a chair and six other members.

The Energy Regulatory Office was established as a state agency with the status of a juristic person, and is under the supervision of the Energy Regulatory Commission.

The Energy Regulatory Commission is empowered to issue announcements determining the licences for different types of energy

Update and trends

The subjects of Thailand III Terms, form of contract (petroleum concession versus PSC), royalty rates and other subjects have been discussed at a high level in recent years. Amendments to the PA and PITA were published in the Government Gazette on 22 June 2017, and came into effect on 23 June 2017. The major amendments include:

- to the PA:
 - amending section 23 (concession application and form);
 - adding division 3/1 (PSC) allowing the government to use PSCs;
 - adding division 3/2 (RSC) allowing the government to use RSCs; and
 - authorising the Ministry of Energy to set the rules and procedures for each system; and
- to the PITA:
 - amending division 7-ter (specific provisions governing joint development zone) in relation to the PSC system.

Additional pending issues include the following:

- announcement of forms of PSC and RSC;
- expiring concessions, 2022–23;
- the Thailand–Cambodia Overlapping Claim Area resolution;
- decommissioning rules; and
- the 21st bid round.

The monopoly of PTT in the natural gas business was relaxed in January 2018. The Electricity Generating Authority of Thailand is in the early stages of an LNG procurement project.

industry operations, and recommend to the Minister the issuance of royal decrees determining the categories, capacities and characteristics of the energy industry exempt from the licensing requirement.

Under the Act, a licensee who has an energy network system (including a gas piping system) must carry out operations in line with the energy network system expansion plan. An energy network system licensee that is a state agency stipulated by the Energy Regulatory Commission shall develop its energy network system expansion plan for submission to the Minister of Energy for approval by the cabinet. A licensee that is not a state agency under paragraph 2 must develop its energy network system expansion plan for submission to the Energy Regulatory Commission for approval pursuant to the scope and rules prescribed by the Commission.

Regulations and notifications governing the energy industry, including the ownership and organisational structure for pipelines, were issued on 4 December 2008.

As of January 2017, 24 ministerial regulations and 15 notifications and announcements under the PA had been published. No royal decrees have been issued under the PA.

On 3 March 2009, the cabinet approved a royal decree (effective 5 June 2009) stipulating the categories and sizes of entities operating in the energy business that do not need to obtain energy operation licences:

- power-generating businesses where the total production capacity of each production site is lower than 1MW;
- power-distribution system businesses where the power-generating operator uses the production for its own business;
- power-distribution businesses with a distribution lower than 1MW through the power-distribution system;
- power system control centre businesses that normally have no capacity to directly control power generation; and
- storage and transformation of natural gas from liquid to gas where the total storage of LNG of each storage unit is less than 50,000 litres.

21 How are physical and financial trades of natural gas typically completed?

There are no physical or financial trades of natural gas in the Thai market.

22 Must wholesale and retail buyers of natural gas purchase a bundled product from a single provider? If not, describe the range of services and products that customers can procure from competing providers.

PTT is the sole seller of natural gas in the Thai market, and it generally only sells under long-term contracts.

Regulation of LNG

23 What is the ownership and organisational structure for LNG, including liquefaction and export facilities, and receiving and regasification facilities?

LNG trading is subject to ceilings on foreign ownership under the FBOA, the Land Code and other laws.

Thailand completed construction and officially began commercial operations of Thailand's first LNG-receiving terminal on 6 September 2011. Construction of an expansion of the LNG plant by PTT LNG was completed in 2017. PTT has made arrangements for procuring supplies of LNG, storage, regasification and distribution via the existing natural gas network. The LNG receiving facility in Ma Ta Phut includes a port that can support LNG vessels of between 125,000 and 264,000 cubic metres.

24 Describe the regulatory framework and any relevant authorisations required to build and operate LNG facilities.

The same regulatory framework and governmental and administrative authorisations apply to LNG plants and industrial plants. The first LNG-receiving terminal is operational in Map Ta Phut Industrial Estate.

25 Describe any regulation of the prices and terms of service in the LNG sector.

No regulations governing the prices and terms of service in the LNG sector have been issued.

Mergers and competition

26 Which government body may prevent or punish anticompetitive or manipulative practices in the natural gas sector?

The Trade Competition Act, BE 2542 (1999) established the Trade Competition Commission and prohibited certain practices that might lead to a monopoly or unfair competition. The implementation of this Act was limited, and the government considered amendments to create a more effective law.

A new Trade Competition Act, BE 2560 was enacted in 2017 and came into force on 7 October 2017. At present, the EIA prescribes objectives to promote competition in the energy industry, prevent abusive use of dominance in energy industry operations and promote fairness and transparency in the provision of services for energy network systems without unjust discrimination.

27 What substantive standards does that government body apply to determine whether conduct is anticompetitive or manipulative?

Announcements and regulations for promoting competition in energy industry operations and preventing abusive use of monopoly powers are currently under consideration by the Energy Regulatory Commission.

28 What authority does the government body have to preclude or remedy anticompetitive or manipulative practices?

See question 27.

29 Does any government body have authority to approve or disapprove mergers or other changes in control over businesses in the sector or acquisition of production, transportation or distribution assets?

The Trade Competition Commission established under the Trade Competition Act (2017) is empowered to approve or disapprove mergers and other changes in control over businesses that result in a monopoly or unfair competition.

In the future, announcements and regulations for promoting competition in energy industry operations and preventing abusive use of monopoly power may be enacted.

30 In the purchase of a regulated gas utility, are there any restrictions on the inclusion of the purchase cost in the price of services?

Under the EIA, the Minister of Energy has the power, with the approval of the National Energy Policy Council (NEPC), to establish the policies and guidelines for fixing tariffs for energy industry operations.

Subject to policies and guidelines approved by the NEPC, the Energy Regulatory Commission may prescribe rules for fixing tariffs for each type of licence under the following guidelines:

- they should reflect the actual cost by taking into account a reasonable return of investment of an efficient energy industry operation;
- they should be at a level to ensure efficient and adequate energy procurement to meet the demand for energy within the country;
- they should encourage the improvement of efficiency of energy industry operations;
- fairness must be ensured for both energy consumers and licensees;
- consideration should be given to the assistance of underprivileged power consumers and decentralisation of development to provincial areas;
- the calculation of the tariffs must be clear and transparent, and the tariffs must be made public; and
- there must be no unjust discrimination against energy consumers or those who wish to use energy.

31 Are there any restrictions on the acquisition of shares in gas utilities? Do any corporate governance regulations or rules regarding the transfer of assets apply to gas utilities?

No restrictions exist on the acquisition of shares in gas utilities, except ceilings on foreign ownership under various laws and policies.

International

32 Are there any special requirements or limitations on foreign companies acquiring interests in any part of the natural gas sector?

A petroleum concessionaire must be a company. However, it may be 100 per cent foreign-owned.

Gas separation, distribution and trading are subject to ceilings on foreign ownership under the FBOA, the Land Code and other laws.

33 To what extent is regulatory policy affected by treaties or other multinational agreements?

Thailand is a party to many international treaties, bilateral investment protection treaties and double tax treaties, including those of the World Trade Organization. Thailand is not a party to the International Centre for Settlement of Investment Disputes Convention.

The Association of Southeast Asian Nations (ASEAN) integration, which began on 1 January 2016, includes plans for interconnection of current and planned pipelines among the member states. Such integration will require regulators and governments to collaborate, creating a regulatory framework for transborder trading of energy and natural gas.

34 What rules apply to cross-border sales or deliveries of natural gas?

At present, the Thailand–Malaysia Joint Authority Act, BE 2533 (1990) applies to gas exploration and production in the MTJDA.

Other major laws applicable to the export and import of oil and gas include:

- the Export and Import of Goods into the Kingdom Act, BE 2522 (1979);
- the Customs Act, BE 2560 (2017);
- the Emergency Decree on Remedy and Prevention of Shortage of Fuel Oil, BE 2516 (1973); and
- the Fuel Oil Trading Act, BE 2543 (2000), as amended.

In connection with Thailand integrating with ASEAN in 2016, Thailand is subject to ASEAN policies on transborder trading in natural gas. The ASEAN Plan of Action for Energy Cooperation 2016–2020 specifies cooperation in seven areas, including the Trans-ASEAN gas pipeline.

Transactions between affiliates

35 What restrictions exist on transactions between a natural gas utility and its affiliates?

At present, no restrictions exist on transactions between a natural gas utility and its affiliates.

36 Who enforces the affiliate restrictions and what are the sanctions for non-compliance?

Not applicable.

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Agribusiness
Air Transport
Anti-Corruption Regulation
Anti-Money Laundering
Appeals
Arbitration
Asset Recovery
Automotive
Aviation Finance & Leasing
Aviation Liability
Banking Regulation
Cartel Regulation
Class Actions
Cloud Computing
Commercial Contracts
Competition Compliance
Complex Commercial Litigation
Construction
Copyright
Corporate Governance
Corporate Immigration
Cybersecurity
Data Protection & Privacy
Debt Capital Markets
Dispute Resolution
Distribution & Agency
Domains & Domain Names
Dominance
e-Commerce
Electricity Regulation
Energy Disputes
Enforcement of Foreign Judgments
Environment & Climate Regulation
Equity Derivatives
Executive Compensation & Employee Benefits
Financial Services Litigation
Fintech
Foreign Investment Review
Franchise
Fund Management
Gas Regulation
Government Investigations
Healthcare Enforcement & Litigation
High-Yield Debt
Initial Public Offerings
Insurance & Reinsurance
Insurance Litigation
Intellectual Property & Antitrust
Investment Treaty Arbitration
Islamic Finance & Markets
Joint Ventures
Labour & Employment
Legal Privilege & Professional Secrecy
Licensing
Life Sciences
Loans & Secured Financing
Mediation
Merger Control
Mergers & Acquisitions
Mining
Oil Regulation
Outsourcing
Patents
Pensions & Retirement Plans
Pharmaceutical Antitrust
Ports & Terminals
Private Antitrust Litigation
Private Banking & Wealth Management
Private Client
Private Equity
Private M&A
Product Liability
Product Recall
Project Finance
Public-Private Partnerships
Public Procurement
Real Estate
Real Estate M&A
Renewable Energy
Restructuring & Insolvency
Right of Publicity
Risk & Compliance Management
Securities Finance
Securities Litigation
Shareholder Activism & Engagement
Ship Finance
Shipbuilding
Shipping
State Aid
Structured Finance & Securitisation
Tax Controversy
Tax on Inbound Investment
Telecoms & Media
Trade & Customs
Trademarks
Transfer Pricing
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