

# URBAN GAS BUSINESS ACT

Wholly Amended by Act No. 3705, Dec. 31, 1983

Amended by Act No. 4541, Mar. 6, 1993

Act No. 4887, Jan. 5, 1995

Act No. 4965, Aug. 4, 1995

Act No. 5092, Dec. 29, 1995

Act No. 5230, Dec. 30, 1996

Act No. 5453, Dec. 13, 1997

Act No. 5505, Jan. 13, 1998

Act No. 5823, Feb. 8, 1999

Act No. 6420, Feb. 3, 2001

Act No. 6638, Jan. 26, 2002

Act No. 6886, May 27, 2003

Act No. 6916, May 29, 2003

Act No. 7240, Oct. 22, 2004

Act No. 7282, Dec. 31, 2004

Act No. 7306, Dec. 31, 2004

Act No. 7505, May 26, 2005

Act No. 8186, Jan. 3, 2007

Act No. 8455, May 17, 2007

Act No. 8765, Dec. 21, 2007

Act No. 8852, Feb. 29, 2008

Act No. 8863, Feb. 29, 2008

Act No. 8976, Mar. 21, 2008

Act No. 9021, Mar. 28, 2008

Act No. 9222, Dec. 26, 2008

Act No. 9533, Mar. 25, 2009

Act No. 9983, Jan. 27, 2010

Act No. 10219, Mar. 31, 2010

Act No. 10498, Mar. 30, 2011

Act No. 10764, May 30, 2011

Act No. 10959, Jul. 25, 2011

Act No. 11690, Mar. 23, 2013  
Act No. 11794, May 22, 2013  
Act No. 11998, Aug. 6, 2013  
Act No. 12065, Aug. 13, 2013  
Act No. 12065, Aug. 13, 2013  
Act No. 12154, Jan. 1, 2014  
Act No. 12287, Jan. 21, 2014  
Act No. 12926, Dec. 30, 2014

## **Article 1 (Purpose)**

The purpose of this Act is to protect users' interests and promote the sound development of urban gas business by rationally adjusting and fostering urban gas business, and to secure public safety by prescribing matters on the installation, maintenance, and safety management of gas supply facilities and gas-using facilities.

## **Article 2 (Definitions)**

The definitions of terms used in this Act shall be as follows: *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013; Act No. 12065, Aug. 13, 2013; Act No. 12287, Jan. 21, 2014>*

1. The term "urban gas" means gases prescribed by Presidential Decree, which include natural gas (including liquefied natural gas; hereinafter the same shall apply), or petroleum gas, byproduct gas from naphtha, biogas, or synthetic natural gas supplied via pipelines;
- 1-2. The term "urban gas business" means the business of supplying urban gas to users or producing urban gas (excluding petroleum refinery business under the Petroleum and Petroleum Substitute Fuel Business Act), including gas wholesale business, general urban gas business, urban gas filling business, business of producing byproduct gas from naphtha or biogas, and business of producing synthetic natural gas;
2. The term "urban gas business entity" means any gas wholesale dealer, general urban gas business entity, urban gas filling business entity, producer of byproduct gas from naphtha or biogas, and synthetic natural gas producer, each of whom has obtained permission for urban gas business pursuant to Article 3;
3. The term "gas wholesale business" means business in which a person, other than a general urban gas business entity and a producer of byproduct gas from naphtha or biogas, supplies urban gas to general urban gas business entities, urban gas filling business entities, or large-quantity users prescribed by Ordinance of the Ministry of Trade, Industry and Energy;
4. The term "general urban gas business" means the business of supplying urban gas provided by gas wholesale dealers, etc., or self-produced petroleum gas, byproduct gas from naphtha, or biogas to users

via pipelines based on general demand;

4-2. The term "urban gas filling business" means the business, prescribed by Ordinance of the Ministry of Trade, Industry and Energy, of supplying urban gas provided by gas wholesale dealers, etc., or self-produced byproduct gas from naphtha or biogas, by filling such gas in a container, storage tank, or tank fixed on a motor vehicle;

4-3. The term "business of producing byproduct gas from naphtha or biogas" means the business of self-producing byproduct gas from naphtha or biogas for self-consumption, or supplying such gas to any person referred to in subparagraphs of Article 8-3 (1);

4-4. The term "business of producing synthetic natural gas" means the business of self-producing synthetic natural gas for self-consumption, supplying such gas to gas wholesale dealers, or providing such gas to a person who owns a majority of shares or stakes of the relevant synthetic natural gas producer and who intends to be supplied with the relevant gas for self-consumption;

5. The term "gas supply facilities" means facilities for producing or supplying urban gas, which include gas-producing facilities, gas pipeline facilities, gas filling facilities, facilities for producing byproduct gas from naphtha or biogas, and synthetic natural gas producing facilities prescribed by Ordinance of the Ministry of Trade, Industry and Energy;

6. The term "gas-using facilities" means gas users' facilities other than gas supply facilities, which are prescribed by Ordinance of the Ministry of Trade, Industry and Energy;

7. The term "natural gas export and import business" means the business of exporting or importing natural gas;

8. The term "natural gas export and import business entity" means any person who conducts natural gas export and import business after having registered pursuant to Article 10-2 (1);

9. The term "direct importer for his/her own consumption" means any person who directly imports natural gas for his/her own consumption for purposes prescribed by Presidential Decree, such as electricity generation or industrial use;

9-2. The term "natural gas shipping business" means the business of carrying in or out natural gas by using storage facilities installed in a bonded area prescribed in Article 154 of the Customs Act;

9-3. The term "natural gas shipping business entity" means any person who conducts the business of carrying in or out natural gas after having reported pursuant to Article 10-2 (3);

10. The term "detailed safety inspection" means any activity performed by an institution specialized in gas safety management to identify potential hazards of gas supply facilities and causes thereof by utilizing equipment and technology, in order to prevent urban gas accidents.

### **Article 3 (Permission for Business)**

(1) Any person that intends to conduct gas wholesale business shall obtain permission from the Minister of Trade, Industry and Energy. The same shall also apply to any modification to important matters prescribed by Ordinance of the Ministry of Trade, Industry and Energy from among permitted matters. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(2) Any person that intends to conduct general urban gas business shall obtain permission from the Special Metropolitan City Mayor, a Metropolitan City Mayor, a Metropolitan Autonomous City Mayor, a Do Governor, or the Governor of a Special Self-Governing Province (hereinafter referred to as a "Mayor/Do Governor"). The same shall also apply to any modification to important matters prescribed by Ordinance of the Ministry of Trade, Industry and Energy from among permitted matters. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12065, Aug. 13, 2013>

(3) Any person that intends to conduct urban gas filling business shall obtain permission for each business office from a Metropolitan Autonomous City Mayor, the Governor of a Special Self-Governing Province, the head of a Si/Gun/Gu (the head of a Gu means the head of an autonomous Gu; hereinafter referred to as the "head of a Si/Gun/Gu"). The same shall also apply to any modification to important matters prescribed by Ordinance of the Ministry of Trade, Industry and Energy from among permitted matters. <Newly Inserted by Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013; Act No. 12065, Aug. 13, 2013>

(4) Any person who intends to conduct the business of producing byproduct gas from naphtha or biogas shall obtain permission to establish each place of business from a Mayor/Do Governor. The same shall also apply to any modification to important matters prescribed by Ordinance of the Ministry of Trade, Industry and Energy from among permitted matters. <Newly Inserted by Act No. 12287, Jan. 21, 2014>

(5) Any person who intends to conduct the business of producing synthetic natural gas shall obtain permission to establish each place of business from the Minister of Trade, Industry and Energy. The same shall also apply to any modification to important matters prescribed by Ordinance of the Ministry of Trade, Industry and Energy from among permitted matters. <Newly Inserted by Act No. 12287, Jan. 21, 2014>

(6) Where a general urban gas business entity or an urban gas filling business entity intends to produce byproduct gas from naphtha or biogas by himself/herself, he/she shall obtain permission under paragraph (4). <Newly Inserted by Act No. 12287, Jan. 21, 2014>

(7) Permission for gas wholesale business or general urban gas business under paragraph (1) or (2) may be granted only if the relevant application satisfies the following requirements: <Amended by Act No. 9983, Jan. 27, 2010; Act No. 12287, Jan. 21, 2014>

1. The relevant business is of an economic scale appropriate for the public interest and general demand;
2. The relevant applicant has financial resources and technical capabilities necessary to properly conduct such business;
3. The relevant applicant has the capability to establish and maintain supply facilities as appropriate for the stable supply of urban gas.

(8) Permission for urban gas filling business under paragraph (3) may be granted only if the relevant application satisfies the following requirements: <Newly Inserted by Act No. 9983, Jan. 27, 2010; Act No. 12287, Jan. 21, 2014>

1. The commencement or change of business shall not affect the protection of the lives of citizens, prevention of damage to property, and prevention of disasters;

2. The safety of business shall be recognized through technical evaluation conducted by the Korea Gas Safety Corporation under Article 28 of the High-Pressure Gas Safety Control Act (hereinafter referred to as the "Korea Gas Safety Corporation");

3. No facilities shall be installed in an area that is banned from the installation of such facilities by the head of the relevant Si/Gun/Gu to protect the lives of citizens, prevent damage to property and disasters.

(9) Permission for the business of producing byproduct gas from naphtha or biogas under paragraph (4), or for the business of producing synthetic natural gas under paragraph (5) may be granted only if a person satisfies the following requirements: *<Newly Inserted by Act No. 12287, Jan. 21, 2014>*

1. A person shall possess capability to install and maintain gas supply facilities suitable for producing and supplying byproduct gas from naphtha, biogas, or synthetic natural gas;

2. It shall be recognized through a technical examination conducted by the Korea Gas Safety Corporation that a person ensures safety;

3. A person shall possess funds and technical capability necessary to conduct business in a proper way;

4. Gas supply facilities shall not be installed more than necessary in the same area, taking into consideration the gas demand.

(10) Detailed matters concerning standards for permission under paragraphs (7) through (9) shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014>*

(11) A Mayor/Do Governor or the head of a Si/Gun/Gu may establish detailed standards for permission for general urban gas business, urban gas filling business, or the business of producing byproduct gas from naphtha or biogas, or may determine service areas of general urban gas business (hereinafter referred to as "service area"), to suit regional characteristics, in conformity with the standards for permission under paragraphs (7) through (10), and may publicly announce such detailed standards or service areas. In such cases, he/she shall consult thereon with the Minister of Trade, Industry and Energy. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014>*

(12) Where the Minister of Trade, Industry and Energy, a Mayor/Do Governor, or the head of a Si/Gun/Gu grants permission under paragraphs (1) through (6), he/she shall notify the chief of the competent fire station of the permitted matters within seven days. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014>*

#### **Article 4 (Grounds for Disqualification)**

None of the following persons may obtain permission for urban gas business: *<Amended by Act No. 12287, Jan. 21, 2014>*

1. An incompetent person under the adult guardianship;

2. A person declared bankrupt and not yet reinstated;

3. A person for whom two years have not elapsed since his/her sentence of imprisonment without labor or greater punishment declared by a court was completely executed (including cases where the execution of the sentence is deemed completed) or exempted, for violating Articles 172, 172-2, 173,

173-2, 174 (excluding attempts to commit crimes referred to in Articles 164 (1), 165, and 166 (1)) and 175 (excluding persons who have prepared or conspired to commit crimes referred to in Articles 164 (1), 165, and 166 (1)) of the Criminal Act, the High-Pressure Gas Safety Control Act, the Safety Control and Business of Liquefied Petroleum Gas Act, or this Act;

4. A person who is under suspension of the execution of his/her sentence of imprisonment without labor or greater punishment, for committing a crime under subparagraph 3;

5. A person for whom two years have not passed since permission for his/her business was revoked pursuant to Article 9;

6. A corporation whose representative falls under any of subparagraphs 1 through 5.

**Articles 5 and 6 Deleted.** <by Act No. 5823, Feb. 8, 1999>

**Article 7 (Succession, etc. to Business)**

(1) Any of the following persons shall succeed to the status of an urban gas business entity:

1. Where an urban gas business entity has died, the successor;
2. Where an urban gas business entity has transferred all or part of his/her business, the transferee;
3. Where a corporate urban gas business entity merges with any third urban gas business entity, the corporation that survives a merger or established in the course of a merger.

(2) Any person that acquires the whole gas supply facilities of an urban gas business entity by auction under the Civil Execution Act, by liquidation of assets under the Debtor Rehabilitation and Bankruptcy Act, by the sale of the seized property under the National Tax Collection Act, the Customs Act or the Framework Act on Local Taxes, or according to procedures corresponding thereto, shall succeed to the status of the urban gas business entity. <Amended by Act No. 10219, Mar. 31, 2010>

(3) Any person that succeeds to the status of an urban gas business entity shall report thereon to the Minister of Trade, Industry and Energy, the relevant Mayor/Do Governor or the head of the relevant Si/Gun/Gu, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013>

(4) Article 4 shall apply mutatis mutandis to successors under paragraphs (1) and (2).

**Article 7-2 (Succession to Effect of Disposition)**

If the status of an urban gas business entity has been succeeded as prescribed in Article 7, the effect of disposition of suspension of business or of disposition of restrictions thereon (including penalty surcharges imposed in lieu of suspension of business or order for restrictions prescribed in Article 10) under Article 9 on such previous urban gas business entity shall be succeeded to a person who has succeeded to such status for one year from the expiration date of period for such disposition, and if procedures for disposition are under way, such procedures may continuously apply to a person who has succeeded to such status: Provided, That where the person who succeeded to such status (excluding persons who succeeded by inheritance) has verified that he/she was not aware of such disposition or violations when he/she succeeded to such status, this shall not apply.

### **Article 8 (Reporting of Commencement, etc. of Business)**

Where an urban gas business entity commences his/her business or where he/she suspends or closes all or any part of his/her business, he/she shall report such fact to the Minister of Trade, Industry and Energy, the relevant Mayor/Do Governor, or the head of the relevant Si/Gun/Gu. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013>

### **Article 8-2 (Quantities Intended for Self-Consumption by Synthetic Natural Gas Producers)**

Where a synthetic natural gas producer or a person who holds a majority of shares or stakes of the relevant synthetic natural gas producer intends to consume synthetic natural gas for himself/herself, Article 10-9 shall apply to the quantity intended for self-consumption. In such cases, "direct importer for his/her own consumption" shall be construed as "synthetic natural gas producer or person who holds a majority of shares or stakes of the relevant synthetic natural gas producer", and "natural gas" as "synthetic natural gas", and "import" as "self-consumption", respectively.

### **Article 8-3 (Restrictions on Disposal by Producers of Byproduct Gas from Naphtha or Biogas)**

(1) No producer of byproduct gas from naphtha or biogas shall supply urban gas he/she has produced by himself/herself to persons other than those provided in the following:

1. A gas wholesale dealer;
2. A general urban gas business entity;
3. A person who intends to use urban gas in a region other than the service area of an general urban gas business entity;
4. A person who is not supplied with urban gas by a general urban gas business entity for good reason, from among those who intend to use urban gas in the service area of an general urban gas business entity;
5. A person who intends to use urban gas after being directly supplied with urban gas by a producer of byproduct gas from naphtha or biogas, whose aggregate of monthly maximum supply quantity is not more than the quantity prescribed by Ordinance of the Ministry of Trade, industry and Energy.

(2) No synthetic natural gas producer shall dispose of urban gas he/she has produced by himself/herself to a third party by methods other than supply referred to in subparagraph 4-4 of Article 2.

(3) Notwithstanding paragraph (2), a synthetic natural gas producer may dispose of synthetic natural gas to a third party in accordance with procedures and methods for disposal prescribed by Presidential Decree, in cases where it is required to achieve a balance between supply of and demand for synthetic natural gas and efficient treatment thereof, or for other reasons prescribed by Presidential Decree.

### **Article 9 (Revocation, etc. of Permission)**

(1) Where a gas wholesale dealer or a general urban gas business entity falls under any of the following, or where an urban gas filling business entity falls under any of subparagraphs 1 through 4, 8-2, 8-3, 9, 9-2, or 10 through 12, or a producer of byproduct gas from naphtha or biogas or a synthetic natural gas producer falls under any of subparagraphs 1 through 5, 8, 8-2, 8-3, 9, 9-2, or 10 through 16, the Minister of Trade, Industry and Energy, a Mayor/Do Governor, or the head of a Si/Gun/Gu may revoke permission for

his/her business or order the suspension of, or restrictions on, his/her business within a fixed period of not more than six months: Provided, That in the case of subparagraph 1 or 4, the permission for his/her business shall be revoked: <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9983, Jan. 27, 2010; Act No. 10959, Jul. 25, 2011; Act No. 11690, Mar. 23, 2013; Act No. 12065, Aug. 13, 2013; Act No. 12287, Jan. 21, 2014>

1. Where he/she has obtained permission under Article 3 by fraud or other improper means;
  2. Where he/she fails to meet standards for permission under Article 3;
  3. Where he/she has caused substantial danger and injury to the public or users intentionally or by negligence;
  4. Where he/she comes to fall under any subparagraph of Article 4: Provided, That this shall not apply where a corporation that comes to fall under subparagraph 6 of Article 4 appoints a replacement for its representative within three months, and a successor falling under any of subparagraphs 1 through 5 of Article 4 transfers his/her business to any third person within six months from the date of his/her predecessor's death;
  5. Where he/she disobeyed an order to modify a gas supply plan issued under Article 18 (5);
  6. Where he/she has supplied urban gas, in violation of Article 20 (4);
  7. Where he/she has disobeyed an order to apply for approval for amending the supply regulations issued under Article 20 (7);
  8. Where he/she has disobeyed an order to restrict gas supply issued under Article 24 (2);
  - 8-2. Where he/she has supplied or consumed urban gas falling short of quality standards, or has stored, transported, or kept such urban gas for the purpose of supply or consumption, in violation of Article 25 (3);
  - 8-3. Where he/she has failed to undergo a quality inspection under Article 25-2 (1) or has refused, interfered with, or evaded a quality inspection under paragraph (2) of the same Article;
  9. Where he/she has disobeyed an order to amend safety management regulations issued under Article 26 (3);
  - 9-2. Where he/she has failed to maintain gas supply facilities in compliance with the facility standards and technical standards for each facility, in violation of Article 26-2;
  10. Where he/she has disobeyed an order issued under Article 27 (1);
  11. Where he/she has disobeyed an order issued under the first sentence of Article 27 (2);
  12. Where he/she has failed to comply with a request to dismiss a safety manager issued under Article 29 (5) without good cause;
  13. Where he/she has disobeyed an order for adjustment issued under Article 40 (1);
  14. Where he/she has disobeyed an order for consolidation issued under Article 40 (2);
  15. Where he/she has failed to submit a necessary report required under Article 41 (1);
  16. Where he/she has failed to submit a report concerning business required under Article 41 (2).
- (2) Standards for rendering a disposition to each violation under paragraph (1) shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy, in consideration of the causes and gravity of the

violation. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

#### **Article 10 (Penalty Surcharges)**

(1) In any of the following cases, the Minister of Trade, Industry and Energy, each Mayor/Do Governor, or the head of a Si/Gun/Gu may impose a penalty surcharge not exceeding thirty million won in lieu of an order to suspend or restrict business under Article 9: <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9983, Jan. 27, 2010; Act No. 10959, Jul. 25, 2011; Act No. 11690, Mar. 23, 2013; Act No. 12065, Aug. 13, 2013; Act No. 12287, Jan. 21, 2014>

1. Where a gas wholesale dealer, general urban gas business entity, producer of byproduct gas from naphtha or biogas, or synthetic natural gas producer falls under any of Article 9 (1) 2, 3, 5 through 8, 8-2, 8-3, 9, 9-2, or 10 through 16;
2. Where an urban gas filling business entity falls under any of Article 9 (1) 2, 3, 8-2, 8-3, 9, 9-2, or 10 through 12.

(2) The amount of a penalty surcharge that is imposed under paragraph (1) according to the kind and gravity of each violation and other necessary matters shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(3) Where a person liable to pay a penalty surcharge under paragraph (1) fails to pay it by the payment due date, the Minister of Trade, Industry and Energy, the relevant Mayor/Do Governor or the head of the relevant Si/Gun/Gu shall collect it in the same manner as delinquent national taxes are collected or pursuant to the Act on the Collection, etc. of Local Non-Tax Revenue. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013; Act No. 11998, Aug. 6, 2013>

#### **Article 10-2 (Registration, etc. of Natural Gas Export and Import Business)**

(1) Any person that intends to conduct natural gas export and import business shall file for registration with the Minister of Trade, Industry and Energy, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. The same shall apply to any modification to important matters prescribed by Presidential Decree, such as the scale of natural gas storage facilities, from among registered matters. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(2) Requirements for registration, such as facility standards for natural gas export and import business under paragraph (1) shall be prescribed by Presidential Decree.

(3) Any person who intends to conduct natural gas shipping business shall report to the Minister of Trade, Industry and Energy, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. The same shall also apply to any modification to important matters prescribed by Presidential Decree, such as the scale of natural gas storage facilities, from among reported matters. <Newly Inserted by Act No. 12287, Jan. 21, 2014>

(4) Articles 4, 7, and 7-2 shall apply mutatis mutandis to grounds for disqualification of natural gas export and import business entities, succession to business, and succession to the effect of dispositions. In such cases, "urban gas business" shall be construed as "natural gas export and import business", "urban gas business entity" as "natural gas business entity", "Article 9" and "permission" under subparagraph 5 of

Article 4 as "Article 10-7" and "registration", and "Article 9" and "Article 10" under Article 7-2 as "Article 10-7" and "Article 10-8", respectively. <Amended by Act No. 12287, Jan. 21, 2014>

(5) Articles 4 and 7 shall apply mutatis mutandis to grounds for disqualification of, and succession to, the business of a natural gas shipping business entity. In such cases, "urban gas business" shall be construed as "natural gas shipping business", "urban gas business entity" as "natural gas shipping business entity", "Article 9" in subparagraph 5 of Article 4 as "Article 10-7", and "after permission is revoked" as "after the place of business is closed", respectively. <Newly Inserted by Act No. 12287, Jan. 21, 2014>

### **Article 10-3 (Conditional Registration)**

(1) Any person that intends to file for registration (hereafter referred to as "main registration" in this Article) under Article 10-2, may file an application for conditional registration with the Minister of Trade, Industry and Energy on condition that he/she will have facilities prescribed in the requirements for registration. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12926, Dec. 30, 2014>

(2) Upon receipt of an application for conditional registration under paragraph (1), the Minister of Trade, Industry and Energy shall examine the application within a period prescribed by Ordinance of the Ministry of Trade, Industry and Energy and notify the relevant applicant as to whether he/she grants such conditional registration. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(3) Where any person that has completed conditional registration under paragraph (2) files an application for main registration, the Minister of Trade, Industry and Energy shall grant the main registration after verifying whether the application meets the requirements for registration. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(4) Deleted. <by Act No. 12926, Dec. 30, 2014>

(5) Other necessary matters concerning for conditional registration shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

### **Article 10-4 (Reporting of Commencement, Suspension, and Closure of Business)**

Where any natural gas export and import business entity or natural gas shipping business entity has commenced, suspended, or closed business, he/she shall report such fact to the Minister of Trade, Industry and Energy, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy.

### **Article 10-5 (Approval, etc. for Export and Import of Natural Gas)**

(1) Where a natural gas export and import business entity that is an urban gas business entity intends to conclude an import, export, or transportation contract of natural gas, he/she shall obtain approval from the Minister of Trade, Industry and Energy after fully meeting the requirements, such as necessity of such export, import, or transportation in light of supply of and demand for urban gas, appropriateness of price, etc., as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. The same shall also apply to any modification to the terms and conditions of the contract so approved. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013>

(2) Notwithstanding paragraph (1), where a contract for the import, export, or transportation of natural gas, which a natural gas export and import business entity that is an urban gas business entity intends to conclude, falls under the contract prescribed by Presidential Decree in terms of the quantity, period, etc., he/she shall file a report thereon with the Minister of Trade, Industry and Energy after concluding the contract, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. The same shall also apply to any modification to the terms and conditions of the contract so reported. *<Newly Inserted by Act No. 12926, Dec. 30, 2014>*

(3) Where a natural gas export and import business entity that is a direct importer for his/her own consumption concludes a natural gas import, export, or transportation contract, he/she shall report such fact to the Minister of Trade, Industry and Energy, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. The same shall also apply to any modification to the terms and conditions of the contract so reported. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014; Act No. 12926, Dec. 30, 2014>*

(4) Where a direct importer for his/her own consumption intends to conclude a natural gas import contract or export contract under paragraph (3), he/she shall provide prior notification to the Minister of Trade, Industry and Energy about the amount and scale of, and timing for, import or export, and other matters before concluding such contract, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014; Act No. 12926, Dec. 30, 2014>*

(5) Where a natural gas shipping business entity has entered into a contract for carrying in or out, or transporting, natural gas, he/she shall report such fact to the Minister of Trade, Industry and Energy, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. The same shall also apply to any modification to the details of the contract reported. *<Newly Inserted by Act No. 12287, Jan. 21, 2014, Act No. 12926, Dec. 30, 2014>*

#### **Article 10-6 (Restrictions on Disposal by Direct Importer for his/her Own Consumption, etc.)**

(1) No direct importer for his/her own consumption shall dispose of imported natural gas to a third party in the Republic of Korea: Provided, That the same shall not apply where the disposal of such gas is required to achieve a balance between supply of and demand for natural gas, and its efficient management, or for other reasons prescribed by Presidential Decree. *<Amended by Act No. 12287, Jan. 21, 2014>*

(2) Where a direct importer for his/her own consumption disposes of natural gas to a third party in the Republic of Korea pursuant to the proviso to paragraph (1), matters necessary for the procedures for such disposal, methods, etc. thereof shall be prescribed by Presidential Decree. *<Amended by Act No. 12287, Jan. 21, 2014>*

(3) No natural gas shipping business entity shall dispose of natural gas carried into a bonded area under Article 154 of the Customs Act to a third party in the Republic of Korea other than gas wholesale dealers: Provided, That he/she may dispose of evaporating gas generated in the process of operating gas supply facilities to direct importers for their own consumption in accordance with procedures and methods

prescribed by Presidential Decree. <Newly Inserted by Act No. 12287, Jan. 21, 2014>

#### **Article 10-7 (Revocation, etc. of Registration)**

(1) Where a natural gas export and import business entity or natural gas shipping business entity falls under any of the following, the Minister of Trade, Industry and Energy shall revoke the registration of his/her natural gas export and import business or order the natural gas shipping business entity to close his/her place of business: <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014; Act No. 12926, Dec. 30, 2014>

1. Where he/she has filed for registration pursuant to Article 10-2 (1) or reported pursuant to Article 10-2 (3) by fraud or other improper means;
2. Where he/she has closed his/her natural gas export and import business;
3. Where he/she comes to fall under any subparagraph of Article 4 that is applied mutatis mutandis in Article 10-2 (4) or (5): Provided, That this shall not apply where a corporation that comes to fall under subparagraph 6 of Article 4 appoints a replacement for its representative within six months;
4. Where he/she fails to conduct natural gas export and import business for at least one consecutive year after commencing business without good cause.

(2) Where a natural gas export and import business entity no longer meets the requirements for registration under Article 10-2 (2), the Minister of Trade, Industry and Energy may revoke the registration or issue an order to suspend all or part of such business within a fixed period of not more than six months. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(3) Standards for issuing a disposition to each violation under paragraph (2) shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

#### **Article 10-8 (Penalty Surcharges)**

(1) Where the Minister of Trade, Industry and Energy can issue an order to a natural gas export and import business entity to suspend all or part of his/her business under Article 10-7 (2), he/she may impose a penalty surcharge in lieu of a disposition to suspend business, up to an amount not exceeding the amount equivalent to the volume of natural gas exported or imported during the period for which the business entity fails to meet the requirements for registration. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(2) The amount of a penalty surcharge that is imposed under paragraph (1) according to the kind and gravity of each violation, the method of calculating a penalty surcharge and other necessary matters shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(3) Where a person liable to pay a penalty surcharge under paragraph (1) fails to pay it by the payment due date, the Minister of Trade, Industry and Energy shall cancel the imposition of the penalty surcharge and issue a disposition of suspending natural gas export and import business under 10-7 (2): Provided, That the Ministry of Trade, Industry and Energy shall collect such penalty surcharge in the same manner as

delinquent national taxes are collected, if it is impossible to issue such disposition of suspending business, due to the suspension or closure of business under Article 10-4 or on any inevitable grounds prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12926, Dec. 30, 2014>

(4) Penalty surcharges imposed and collected under paragraphs (1) and (3) shall devolve on the special accounts for energy and resource-related projects under the Act on the Special Accounts for Energy and Resources-Related Projects. <Amended by Act No. 12154, Jan. 1, 2014>

#### **Article 10-9 (Quantity of Natural Gas for Direct Import for his/her Own Consumption)**

(1) A direct importer for his/her own consumption may import an additional quantity of natural gas only where a new demand occurs following the construction or enlargement of facilities, the replacement of fuel, etc.

(2) Notwithstanding paragraph (1), where a gas supply contract into which a direct importer for his/her own consumption has entered with a natural gas export and import business entity who is a gas wholesale dealer is cancelled or expired, or it is stipulated in such contract that gas supply may be converted to direct import for his/her own consumption, the direct importer may import natural gas for electricity generation: Provided, That where the Minister of Trade, Industry and Energy deems it necessary to control the supply and demand, he/she may restrict the import of natural gas for electricity generation, by a direct importer for his/her own consumption.

(3) With regard to the quantity with which a direct importer for his/her own consumption is supposed to be supplied by an urban gas business entity under a contract concluded with the urban gas business entity, the direct importer shall not otherwise import natural gas, except cases provided in paragraph (2).

#### **Article 10-10 (Obligations to Store Natural Gas)**

(1) A gas wholesale dealer shall store natural gas to achieve a balance between supply of and demand for urban gas, as prescribed by Presidential Decree.

(2) Where necessary to control the supply of and demand for urban gas, a gas wholesale dealer may use natural gas stored pursuant to paragraph (1), as prescribed by Presidential Decree.

(3) Notwithstanding paragraph (1), where a gas wholesale dealer directly develops an overseas gas field and imports gas, while meeting the requirements prescribed by Presidential Decree, his/her obligations to store natural gas may be exempted or reduced.

(4) Matters necessary for the exemption from, or reduction of, obligations to store natural gas under paragraph (3) shall be prescribed by Presidential Decree.

[This Article Newly Inserted by Act No. 12065, Aug. 13, 2013] <<Enforcement Date: Aug. 14, 2016>>

#### **Article 11 (Approval, etc. of Facility Construction Plans)**

(1) Where an urban gas business entity intends to perform works to install or alter gas supply facilities prescribed by Ordinance of the Ministry of Trade, Industry and Energy, he/she shall obtain approval of such work plan from the Minister of Trade, Industry and Energy, or the head of the relevant Si/Gun/Gu after meeting all requirements, such as the facility standards, technical standards and standards for human

resources, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. The same shall also apply to any modification to important matters prescribed by Ordinance of the Ministry of Trade, Industry and Energy from among approved matters. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013>

(2) Where an urban gas business entity intends to perform construction works of gas supply facilities prescribed by Ordinance of the Ministry of Trade, Industry and Energy, from among works to install or alter gas supply facilities, he/she shall report a plan for such works to the Minister of Trade, Industry and Energy or the head of the relevant Si/Gun/Gu, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. The same shall apply to any modification to important matters prescribed by Ordinance of the Ministry of Trade, Industry and Energy from among reported matters. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013>

(3) Notwithstanding paragraphs (1) and (2), where gas supply facilities are installed or altered at the cost of urban gas users pursuant to the Housing Act or any other Acts, a person that performs construction works of such gas supply facilities may apply for approval of the work plan or approval of modification thereto, or report the work plan or any modification thereto, on behalf of the relevant urban gas business entity. In such cases, the person that performs construction works of such gas supply facilities shall notify the urban gas business entity thereof. <Amended by Act No. 9533, Mar. 25, 2009>

(4) Any of the following persons shall in advance hear the opinions of the Korea Gas Safety Corporation on the relevant work plan, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy: <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013>

1. A person that intends to obtain approval of a work plan under paragraph (1) or approval of modification thereto;
2. A person that intends to report a work plan under paragraph (2) or report any modification thereto;
3. A person that intends to perform works to install or alter gas supply facilities prescribed by Ordinance of the Ministry of Trade, Industry and Energy, other than the gas supply facilities under paragraphs (1) and (2).

(5) Where an urban gas business entity has obtained approval of a work plan under paragraph (1) or approval of modification thereto, or has reported a work plan under paragraph (2) or any modification thereto, he/she shall be deemed to have obtained permission under Article 11 of the Building Act or to have reported under Article 14 of the same Act. <Newly Inserted by Act No. 9021, Mar. 28, 2008>

(6) Any urban gas business entity that intends to file for constructive permission or report under paragraph (5) shall also submit related documents prescribed by the relevant Act. <Newly Inserted by Act No. 9021, Mar. 28, 2008>

(7) Where an application for approval of a work plan under paragraph (1) or of any modification thereto is made, or a report of a work plan under paragraph (2) or of any modification thereto is filed, if matters falling under paragraph (5) are included in the work plan, the Minister of Trade, Industry and Energy or

the head of a Si/Gun/Gu shall consult in advance with the heads of related administrative agencies. In such cases, the heads of the related administrative agencies shall submit their opinions within 15 days after receipt of a request for consultation. <Newly Inserted by Act No. 9021, Mar. 28, 2008; Act No. 11690, Mar. 23, 2013>

**Article 11-2 (Installation, etc. of Emergency Supply Facilities)**

Where an urban gas business entity is not able to obtain approval of a work plan under Article 11 (1) or submit a report on a work plan under paragraph (2) of the same Article due to the destruction or damage of gas supply facilities or a disaster or other emergency, he/she shall install emergency supply facilities and report such fact to the Minister of Trade, Industry and Energy or the head of the relevant Si/Gun/Gu, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

**Article 11-3 (Use of Public Land)**

(1) Where an urban gas business entity needs to install gas supply facilities above or under the ground of public land managed by the State, a local government or any other public institution, he/she may use the public land upon obtaining permission from the relevant manager to the extent that the utility of such public land is not compromised.

(2) Any manager of public land under paragraph (1) shall not refuse the use of the public land without good cause.

**Article 12 (Construction and Management of Gas Facilities)**

(1) A constructor who has registered gas facility construction business under Article 9 of the Framework Act on the Construction Industry (hereinafter referred to as "constructor") and who intends to perform and manage works to install or alter gas supply facilities or gas-using facilities in excess of the scale prescribed by Ordinance of the Ministry of Trade, Industry and Energy, shall inform in advance the relevant urban gas business entity of the details of such works so that the urban gas business entity may examine the work plan of such gas supply facilities, impacts on gas supply capabilities, etc., and such urban gas business entity shall inform the constructor and potential gas users of the results of examination of details of the construction work. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013>

(2) Where a constructor performs any works to install or alter gas supply facilities or gas-using facilities, he/she shall perform and manage such works in conformity with the facility standards and technical standards for each facility prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

**Article 12-2 Deleted.** <by Act No. 5230, Dec. 30, 1996>

**Articles 12-3 through 13 Deleted.** <by Act No. 5823, Feb. 8, 1999>

**Article 14 (Keeping and Presentation of Construction Records, etc.)**

(1) Upon completion of any work to install or alter gas supply facilities or gas-using facilities, every constructor shall prepare and keep the relevant construction records, as-built drawings (where they are

stored in an electronic auxiliary memory unit, they may be replaced by such stored data; hereinafter the same shall apply) or other necessary documents (hereinafter referred to as "construction records, etc."), as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(2) Any constructor shall issue copies of construction records, etc. of gas supply facilities to urban gas business entities, and issue copies of construction records, etc. of gas-using facilities to urban gas business entities and persons using urban gas at gas-using facilities prescribed by Ordinance of the Ministry of Trade, Industry and Energy (hereinafter referred to as "specific gas-using facilities"). <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013>

(3) Where an urban gas business entity has accepted copies of construction records, etc. of gas supply facilities or gas-using facilities pursuant to paragraph (2), he/she shall submit as-built drawings from among them to the Minister of Trade, Industry and Energy or the head of the relevant Si/Gun/Gu, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

#### **Article 15 (Construction Supervision, etc.)**

(1) Where an urban gas business entity (referring to a person that installs gas supply facilities in the case of the former part of Article 11 (3); hereafter the same shall apply in this Article) performs works to install or alter gas supply facilities prescribed by Ordinance of the Ministry of Trade, Industry and Energy, he/she shall have it supervised by the Minister of Trade, Industry and Energy or the head of the relevant Si/Gun/Gu: Provided, That where he/she receives construction project management services under Article 39 (2) of the Construction Technology Promotion Act, he/she need not have such works supervised, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 11794, May 22, 2013>

(2) Where an urban gas business entity has performed works to install or alter gas supply facilities under the main body of paragraph (1), he/she shall not use the gas supply facilities unless such facilities are determined by the relevant supervisor to be appropriate for use.

(3) Where an urban gas business entity intends to receive construction project management services under the proviso to paragraph (1), he/she shall notify the Minister of Trade, Industry and Energy or the head of the relevant Si/ Gun/Gu and the Korea Gas Safety Corporation of matters concerning such construction project management services before starting works and after completing works. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 11794, May 22, 2013>

(4) Where a person that uses gas at specific gas-using facilities (hereinafter referred to as "user of specific gas-using facilities") performs works to install or alter the specific gas-using facility, he/she shall in advance hear the opinions of the Korea Gas Safety Corporation on such work plan: Provided, That persons prescribed by Ordinance of the Ministry of Trade, Industry and Energy may be exempt from such formalities. <Amended by Act No. 9533, Mar. 25, 2009; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013>

(5) Where an urban gas filling business entity performs works to install or alter gas filling facilities, he/she shall undergo an interim inspection by the head of the competent Si/Gun/Gu on each process of the works, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Newly Inserted by Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013>

(6) Where an urban gas filling business entity or user of specific gas-using facilities completes works to install or alter gas filling facilities or specific gas-using facilities, he/she may use them only after the relevant gas filling facilities or specific gas-using facilities pass a completion inspection conducted by the head of the relevant Si/Gun/Gu. <Amended by Act No. 9983, Jan. 27, 2010>

(7) The subject matter of, and standards for supervision, interim inspections and completion inspections under paragraphs (1), (5) and (6), and other necessary matters therefor shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013>

#### **Article 16 (Temporary Use of Supply Facilities)**

(1) Where gas supply facilities meet all requirements, such as necessity for achieving a balance between supply of and demand for urban gas and possibility of safe use of such supply facilities, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy, the Minister of Trade, Industry and Energy or the head of a Si/Gun/Gu may permit the temporary use of such gas supply facilities, upon determining a period and methods of use thereof, even before the works to install or alter such gas supply facilities under Article 15 (1) is fully completed. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013>

(2) Gas supply facilities temporarily used under paragraph (1) shall be used only during the period and in the methods determined under paragraph (1).

#### **Article 17 (Regular Inspections and Non-periodic Inspections)**

(1) Any urban gas business entity and user of specific gas-using facilities shall undergo a regular or non-periodic inspection of gas supply facilities or specific gas-using facilities by the Minister of Trade, Industry and Energy or the head of the relevant Si/Gun/Gu, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy: Provided, That persons prescribed by Presidential Decree may be exempt from all or some of regular inspections. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(2) The subject matter of, and standards for regular inspections and non-periodic inspections under paragraph (1), and other necessary matters concerning inspections shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

#### **Article 17-2 (Implementation of Detailed Safety Inspections and Safety Evaluations, etc.)**

(1) Any urban gas business entity shall regularly undergo a detailed safety inspection and a safety evaluation conducted by the Korea Gas Safety Corporation on gas supply facilities prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No.

*11690, Mar. 23, 2013; Act No. 12065, Aug. 13, 2013*>

(2) The timing of a detailed safety inspection and safety evaluation of gas supply facilities under paragraph (1) shall be as follows: *<Newly Inserted by Act No. 12065, Aug. 13, 2013>*

1. Detailed safety inspection: Each time determined by Ordinance of the Ministry of Trade, Industry and Energy within the range of five years from the year to which the date on which 15 years have passed from the date on which the construction of gas supply facilities under paragraph (1) was completed belongs: Provided, That in the case of a liquefied natural gas storage tank from among gas supply facilities under paragraph (1), once in the year to which the date on which five years have passed from the date its construction was completed belongs, and each time determined by Ordinance of the Ministry of Trade, Industry and Energy from the year to which the date on which 15 years have passed from the date on which its construction was completed;

2. Safety evaluation: Each time determined by Ordinance of the Ministry of Trade, Industry and Energy within the range of five years before and after the construction of gas supply facilities under paragraph (1).

(3) The Korea Gas Safety Corporation shall notify a person who has undergone a detailed safety inspection or safety evaluation of the result of the detailed safety inspection or safety evaluation it has conducted pursuant to paragraph (1), as prescribed by Ordinance of the Ministry of Trade, Industry and Energy, and shall report the aforesaid result to the Minister of Trade, Industry and Energy. *<Newly Inserted by Act No. 12065, Aug. 13, 2013>*

(4) Where the detailed safety inspection or safety evaluation under paragraph (1) finds that gas supply facilities require improvements, etc., the Minister of Trade, Industry and Energy may order an urban gas business entity and a constructor of gas supply facilities other than an urban gas business entity prescribed in Article 39-2 (1) to take necessary measures, such as the repair or reinforcement of gas supply facilities, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Newly Inserted by Act No. 12065, Aug. 13, 2013>*

(5) Matters necessary for the specific timing and methods of, and standards, etc. for, detailed safety inspections and safety evaluations under paragraph (1) shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12065, Aug. 13, 2013>*

### **Article 17-3 (Evaluations of Safety Management Level)**

(1) An urban gas business entity may undergo a quantitative evaluation of the results of the management and operation (hereinafter referred to as "evaluation of safety management level") of gas supply facilities and gas-using facilities conducted by the Korea Gas Safety Corporation in order to improve safety management level and prevent gas accidents.

(2) An urban gas business entity who has undergone an evaluation of safety management level pursuant to paragraph (1) shall be deemed to have undergone a regular inspection under Article 17 (1) and confirmation and evaluation as to whether he/she has complied with safety management regulations under

Article 26 (5), respectively.

(3) As for an urban gas business entity who has undergone an evaluation of safety management level pursuant to paragraph (1), the period until which the next regular inspection prescribed in Article 17 (1) shall be conducted, and the period until which the next confirmation and evaluation shall be made as to the compliance with the safety management regulations prescribed in Article 26 (5) may be determined respectively, within the range of three years in consideration of the evaluation results of safety management level, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy.

(4) Standards for and methods of the evaluation of safety management level under paragraph (1) and other necessary matters shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy.

#### **Article 17-4 (Detailed Standards)**

(1) The Gas Technical Standards Committee established under Article 33-2 of the High-Pressure Gas Safety Control Act may establish standards specifically stipulating the detailed specifications and standards, specific measurements, specific testing methods, etc., which meet any of the following standards within the scope of such standards (hereinafter referred to as "detailed standards"): *<Amended by Act No. 9533, Mar. 25, 2009; Act No. 9983, Jan. 27, 2010; Act No. 12065, Aug. 13, 2013>*

1. Facility standards and technical standards for each facility under Article 12 (2);
2. Standards for supervision, interim inspections, and completion inspections under Article 15 (7);
3. Standards for regular inspections and non-periodic inspections under Article 17 (2);
4. Standards for detailed safety inspections and safety evaluations under Article 17-2 (5);
- 4-2. Standards for evaluations of safety management level under Article 17-3 (4);
5. Standards for prevention of damage to gas pipelines under Article 30-6.

(2) Detailed standards shall be deliberated and resolved upon by the Gas Technology Standards Committee under paragraph (1) and approved by the Minister of Trade, Industry and Energy, as prescribed by Presidential Decree, after deliberation and resolution. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

(3) When any detailed standard is approved under paragraph (2), the Gas Technology Standards Committee under paragraph (1) shall inform the public of the details of such detailed standards through the web site, etc. without delay, and the Minister of Trade, Industry and Energy shall announce such approval in the Official Gazette. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

(4) Satisfying any detailed standard shall be deemed as satisfying the standards referred to in the subparagraph of paragraph (1) which govern such detailed standard.

(5) In addition to matters provided in paragraphs (1) through (4), the procedures, etc. for the establishment and revision of detailed standards shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Newly Inserted by Act No. 12065, Aug. 13, 2013>*

#### **Article 18 (Gas Supply Plans)**

(1) Any general urban gas business entity shall prepare a five-year gas supply plan to be implemented from the following year, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy, and

shall submit the plan to the relevant Mayor/Do Governor by the end of November each year. In such cases, he/she shall consult thereon with gas wholesale dealers. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(2) Any gas wholesale dealer and synthetic natural gas producer shall prepare a five-year gas supply plan to be implemented from the following year, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy, and shall submit the plan to the Minister of Trade, Industry and Energy by the end of December each year. In such cases, the synthetic natural gas producer shall consult with gas wholesale dealers. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014>

(3) Any producer of byproduct gas from naphtha or biogas shall prepare a five-year gas supply plan to be implemented from the following year, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy, and shall submit the plan to a Mayor/Do Governor by the end of November every year. In such cases, the producer of byproduct gas from naphtha or biogas shall consult with gas wholesale dealers or general urban gas business entities. <Newly Inserted by Act No. 12287, Jan. 21, 2014>

(4) Where any urban gas business entity modifies a gas supply plan prescribed in paragraphs (1) through (3), he/she shall submit a report thereon to the Minister of Trade, Industry and Energy or the relevant Mayor/Do Governor in advance. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014>

(5) Where the Minister of Trade, Industry and Energy or a Mayor/Do Governor deems that a gas supply plan prescribed in paragraphs (1) through (4) is likely to hinder the promotion of the public interest because the gas supply plan becomes inappropriate due to changes in social or economic circumstances, he/she may order the relevant urban gas business entity to modify such gas supply plan within a given period. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014>

#### **Article 18-2 (Gas Supply and Demand Plans)**

(1) Any Mayor/Do Governor shall prepare a five-year gas supply and demand plan to be implemented from the following year, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy, and shall submit the plan to the Minister of Trade, Industry and Energy by the end of December each year. In such cases, the gas supply and demand plan shall include an urban gas supply expansion plan, including support for the promotion of the supply of urban gas to areas where urban gas is not supplied and other matters. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014>

(2) Every year, the Minister of Trade, Industry and Energy shall formulate a five-year gas supply and demand plan including the relevant year, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014>

(3) The Minister of Trade, Industry and Energy shall formulate a long-term gas supply and demand plan for the period of at least ten years including the relevant year, every two years, and shall publicly announce the major content thereof, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Newly Inserted by Act No. 12287, Jan. 21, 2014>

(4) The Minister of Trade, Industry and Energy shall endeavor so that a gas supply and demand plan referred to in paragraphs (2) and (3) includes an urban gas supply expansion plan including support for the promotion of the supply of urban gas to areas where urban gas is not supplied and other matters. *<Newly Inserted by Act No. 12287, Jan. 21, 2014>*

(5) Where the Minister of Trade, Industry and Energy deems it necessary to control the supply and demand of natural gas, he/she may alter a long-term natural gas supply and demand plan referred to in paragraph (3). In such cases, he/she shall publicly announce reasons for such alteration and the major content of the alteration. *<Newly Inserted by Act No. 12287, Jan. 21, 2014>*

#### **Article 18-3 (Work Plans for Gas Supply Facilities)**

(1) Any Mayor/Do Governor shall establish a work plan for urban gas supply facilities by area for two years including the relevant year, based on the gas supply plans submitted by general urban gas business entities under Article 18 (1), by the end of March each year, and announce the work plan. The same shall apply to any modification to such announced plan.

(2) Any general urban gas business entity shall install gas supply facilities according to the work plan for urban gas supply facilities by area announced under paragraph (1): Provided, That this shall not apply where inevitable reasons prescribed by Ordinance of the Ministry of Trade, Industry and Energy exist.

*<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

#### **Article 18-4 Deleted.** *<by Act No. 8765, Dec. 21, 2007>*

#### **Article 19 (Urban Gas Business Entities' Obligations to Supply)**

(1) No gas wholesale dealer shall refuse or suspend the supply of natural gas he/she is supposed to supply to general urban gas business entities, urban gas filling business entities, or large-quantity users prescribed by Ordinance of the Ministry of Trade, Industry and Energy, without a reason specifically prescribed in supply regulations set forth in Article 20 (1) or other good reason. *<Newly Inserted by Act No. 12065, Aug. 13, 2013>*

(2) Notwithstanding paragraph (1), except where obligations to supply natural gas is reflected in a gas supply plan submitted to the Minister of Trade, Industry and Energy pursuant to Article 18 (2), no gas wholesale dealer shall be obligated to supply natural gas to a direct importer for his/her own consumption.

*<Newly Inserted by Act No. 12065, Aug. 13, 2013>*

(3) No general urban gas business entities shall either refuse to supply urban gas or suspend the supply thereof to gas users in its permitted service area except in any of the following cases: *<Amended by Act No. 12065, Aug. 13, 2013>*

1. Where the number of households applying for gas supply service in an area where the installation of gas supply facilities is required is less than the number as notified by a City/Do;
2. Where it is impracticable to install gas supply facilities or to secure the safety thereof due to unique geographical features such as railroad, high-speed railroad, water and sewage, river, bedrock, etc.;
3. Where an area is prescribed by Presidential Decree as inappropriate for gas supply given its locational conditions such as geography, environment, etc.;

4. Where an area is restricted for the construction works of gas supply facilities as prescribed by other Acts;
5. When there are other good reasons.

#### **Article 19-2 (Sharing Expenses for Installation of Gas Supply Facilities)**

(1) Any general urban gas business entity may require a person who requests for a modification to any terms and conditions of a contract for urban gas supply or gas supply to bear all or some expenses incurred in installing gas supply facilities.

(2) Where any general urban gas business entity requests the bearing of expenses incurred in installing gas supply facilities under paragraph (1), he/she shall do so according to the following criteria:

1. Gas consumption;
2. Type of gas consumption, for example, for cooking, house heating, business purposes, industrial purposes, etc.;
3. Scale of gas pipes, gas supply facilities, and auxiliary facilities thereof.

(3) Where any general urban gas business entity requests the bearing of expenses incurred in installing gas supply facilities under paragraphs (1) and (2), he/she notify a person who bears such expenses in writing of his/her share of the expenses, standards for and methods of calculation thereof, and payment method, payment due date, etc.

(4) Details regarding the standards for calculation of apportionment of expenses for installation under paragraphs(2) and (3), method of sharing, procedure for payment thereof, and other necessary matters shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 11690, Mar. 23, 2013>*

#### **Article 19-3 (Support for Expenses for Installing Gas Supply Facilities)**

The State or a local government may fully or partially subsidize expenses incurred in installing gas supply facilities to any general urban gas business entity, if it is impracticable for him/her to supply urban gas because he/she falls in cases under any subparagraph of Article 19.

#### **Article 19-4 (Urban Gas Filling Business Entities' Obligations, etc. to Conduct Safety Inspections)**

(1) When any urban gas filling business entity supplies urban gas to users, he/she shall conduct a safety inspection on the facilities of the users and provide the users with guidance necessary for preventing hazards, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 11690, Mar. 23, 2013>*

(2) If any safety inspection conducted under paragraph (1) finds that user facilities are not in compliance with the facility standards and technical standards under Article 12 (2), the relevant urban gas filling business entity shall advise the user to improve his/her facilities.

(3) Where an urban gas filling business entity has conducted a safety inspection under paragraph (1), he/she shall prepare a safety inspection record and keep such record for two years, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Newly Inserted by Act No. 12065, Aug. 13, 2013>*

(4) The qualifications and number of inspectors, inspection equipment, inspection standards, and other matters necessary for conducting safety inspections under paragraph (1) shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 11690, Mar. 23, 2013; Act No. 12065, Aug. 13, 2013>

#### **Article 20 (Supply Regulations)**

(1) Any gas wholesale dealer shall establish supply regulations about urban gas charges and other terms and conditions of supply (hereinafter referred to as "supply regulations") and shall obtain approval of such regulations from the Minister of Trade, Industry and Energy. The same shall apply to any modification to approved matters. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014>

(2) Any general urban gas business entity shall establish supply regulations and obtain approval from a Mayor/Do Governor. The same shall also apply to any modification to approved matters. <Newly Inserted by Act No. 12287, Jan. 21, 2014>

(3) The Minister of Trade, Industry and Energy or Mayors/Do Governors shall approve the supply regulations only when the following requirements are satisfied: <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014>>

1. Charges shall be fair;
2. Charges shall be clearly set, either in fixed rates or fixed amounts;
3. There shall be a fair and clear determination with respect to the responsibilities as well as the apportionment of expenses incurred in for gas supply facilities and gas-using facilities, between the gas supplier and the persons supplied with gas or among the gas users;
4. There shall be no unfair discrimination against a specified business entity or specified person.

(4) Any gas wholesale dealer or general urban gas business entity shall supply urban gas according to supply regulations approved pursuant to paragraph (1) or (2). <Amended by Act No. 12287, Jan. 21, 2014>

(5) Detailed matters concerning requirements for approval under paragraph (3) shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014>

(6) Where the Minister of Trade, Industry and Energy deems that it is necessary to improve the supply regulations of a general urban gas business entity because matters concerning urban gas charges, terms and conditions of supply, and apportionment of expenses are inappropriate and may cause imbalance in supply of and demand for urban gas, or to protect gas users, he/she shall require the relevant Mayor/Do Governor to take measures necessary for modifying the details of the supply regulations. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014>

(7) Where the Minister of Trade, Industry and Energy or each Mayor/Do Governor deems that the supply regulations are likely to hinder the promotion of the public interest because such regulations became inappropriate due to changes in social or economic circumstances, he/she may order each gas wholesale dealer or general urban gas business entity to apply for approval of modification to such regulations within

a given period. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014>

(8) The Minister of Trade, Industry and Energy may request a Mayor/Do Governor or general urban gas business entity to submit data concerning the calculation of urban gas rates, payment methods of rates, and bearing of expenses under the supply regulations approved by the Mayor/Do Governor pursuant to paragraph (2). <Newly Inserted by Act No. 12287, Jan. 21, 2014>

#### **Article 20-2 (Keeping and Distribution of Supply Regulations)**

Each gas wholesale dealer or general urban gas business entity shall keep the supply regulations approved pursuant to Article 20 (1) or (2) at a place where such regulations are easy to access, such as his/her office or place of business, and shall deliver a copy of the relevant supply regulations upon request of gas users, so that gas users are informed of the content thereof. <Amended by Act No. 12287, Jan. 21, 2014>

#### **Article 21 (Ensuring Appropriateness in Measurement of Amount of Gas Supply)**

(1) Any general urban gas business entity shall take measures to ensure appropriateness in measuring the amount of gas supply as prescribed by Presidential Decree, such as applying a correction factor, to correct measurement errors in the amount of gas supply that may occur due to difference, etc. in the temperature and pressure when urban gas is supplied. <Amended by Act No. 9533, Mar. 25, 2009>

(2) The Minister of Trade, Industry and Energy or Mayors/Do Governors may give support to any general urban gas business entity that intends to ensure appropriateness in measuring the amount of gas supply under paragraph (1), as prescribed by Presidential Decree. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(3) Where the Mayors/Do Governors deem it necessary for ensuring appropriateness in measuring the amount of gas supply, they may require general gas business entities to submit a report on the measures taken under paragraph (1), or require affiliated public officials to enter the relevant offices to inspect books, documents, facilities and other articles. In such cases, public officials entering the offices for inspection shall carry a certificate indicating their authority and produce it to related parties.

(4) Where the Mayors/Do Governors intend to conduct an inspection under paragraph (3), they shall notify related parties of an inspection plan including the time, reasons, details, etc. of the inspection by no later than seven days before such inspection: Provided, That this shall not apply where it is necessary to conduct an inspection urgently or giving a prior notice can defeat the purpose of an inspection due to the destruction of evidence.

(5) Where the Mayors/Do Governors acknowledge the need for improvement after having accepted a report or having conducted an inspection under paragraph (3), they may issue a correction order to the relevant general urban gas business entity.

(6) Necessary matters for submitting reports, conducting inspections, notification of inspection plans, and methods of, and procedures for issuing correction orders under paragraphs (3) through (5) shall be prescribed by Presidential Decree.

**Articles 22 and 23 Deleted.** <by Act No. 5823, Feb. 8, 1999>

**Article 24 (Restrictions, etc. on Use of Gas)**

(1) Where it is deemed that citizens' livelihood and the public interest will be obviously hindered unless emergency restrictions are taken on gas use due to a temporary shortage in the supply of urban gas, the Minister of Trade, Industry and Energy may require gas users to restrict the use thereof upon prescribing the following matters to a necessary extent: <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013>

1. Limits on the amount used;
2. The purpose of use;
3. A period of restrictions on use.

(2) The Minister of Trade, Industry and Energy may order urban gas business entities to restrict gas supply to the extent necessary for imposing restrictions under paragraph (1). <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

**Article 25 (Maintenance of Quality of Urban Gas)**

(1) The Minister of Trade, Industry and Energy may establish the quality standards of urban gas, in terms of inflammability, calories, harmful constituents, concentration of odorous substances, in order to secure the proper quality of urban gas. <Amended by Act No. 11690, Mar. 23, 2013>

(2) Where the Minister of Trade, Industry and Energy has established the quality standards of urban gas pursuant to paragraph (1), he/she shall announce the quality standards so established. <Amended by Act No. 11690, Mar. 23, 2013>

(3) Any urban gas business entity or direct importer for his/her own consumption shall maintain the quality of urban gas which he/she supplies or consumes, or stores, transports or keeps for the purpose of supply or consumption in compliance with the quality standards of urban gas established under paragraph (1).

**Article 25-2 (Quality Inspection of Urban Gas)**

(1) When a gas wholesale dealer, a general urban gas business entity that produces petroleum gas, a producer of byproduct gas from naphtha or biogas, a synthetic natural gas producer, or a direct importer for his/her own consumption intends to supply or consume urban gas, he/she shall undergo a quality inspection conducted by any urban gas quality inspection agency prescribed by Presidential Decree in order to ascertain whether such urban gas meets the quality standards of urban gas under Article 25 (1). <Amended by Act No. 12287, Jan. 21, 2014>

(2) If necessary to maintain the quality of urban gas, the Minister of Trade, Industry and Energy, a Mayor/Do Governor or the head of a Si/Gun/Gu may conduct quality inspections of urban gas which urban gas business entities and direct importers for their own consumption supply or consume, or store, transport or keep for the purpose of supply or consumption. <Amended by Act No. 11690, Mar. 23, 2013>

(3) Necessary matters concerning methods and procedures for conducting quality inspections under paragraphs (1) and (2) and other matters shall be prescribed by Ordinance of the Ministry of Trade,

Industry and Energy. <Amended by Act No. 11690, Mar. 23, 2013>

#### **Article 26 (Safety Management Regulations)**

(1) Any urban gas business entity shall establish safety management regulations concerning the maintenance of safety of gas supply facilities and gas-using facilities, and shall submit the safety management regulations to the Minister of Trade, Industry and Energy, the relevant Mayor/Do Governor or the head of the relevant Si/Gun/Gu before commencing his/her business. In such cases, the statement of opinion of the Korea Gas Safety Corporation shall be attached to the safety management regulations.

<Amended by Act No. 8852, Feb. 29, 2008; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013>

(2) Safety management regulations referred to in paragraph (1) shall give priority to safety in all management activities, including management policies, organizational management, data and information management and facility management, and include necessary matters for securing safety comprehensively through giving priority to safety.

(3) Where the Minister of Trade, Industry and Energy, a Mayor/Do Governor or the head of a Si/Gun/Gu deems it necessary to secure safety, he/she may order the relevant urban gas business entities to modify safety management regulations under paragraph (1). <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013>

(4) Any urban gas business entity, safety management agent of gas-using facilities under Article 28 (1) and his/her respective employees shall observe safety management regulations, and prepare and maintain the implementation records thereof.

(5) The Minister of Trade, Industry and Energy, each Mayor/Do Governor or the head of a Si/Gun/Gu shall confirm whether an urban gas business entity, safety management agent of gas-using facilities under Article 28 (1) and his/her respective employees observe the safety management regulations under paragraph (1) and conduct an evaluation thereof, as prescribed by the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013>

(6) Guidelines for establishing safety management regulations and necessary matters for the Korea Gas Safety Corporation to present its opinion under paragraph (1) shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

#### **Article 26-2 (Safety Maintenance of Gas Facilities)**

Any urban gas business entity or user of specific gas-using facilities shall maintain the gas supply facilities or specific gas-using facilities in compliance with the facility standards and technical standards for each facility prescribed in Article 12 (2).

#### **Article 27 (Orders, etc. to Improve Gas Facilities)**

(1) Where the Minister of Trade, Industry and Energy or the head of a Si/Gun/Gu deems that any gas supply facility or gas-using facility fails to meet the facility standards and technical standards for each facility under Article 12 (2), he/she may issue an order to the relevant urban gas business entity or gas users to repair, improve, relocate such gas supply facilities or gas-using facilities to make them meet the

standards, or issue an order to take measures necessary for preventing hazards, such as suspension or restriction of gas supply, or suspension or restriction of use of gas supply facilities or gas-using facilities, as prescribed by Presidential Decree. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013>

(2) Where the Minister of Trade, Industry and Energy or the head of a Si/Gun/Gu deems it urgent and inevitable to maintain public safety, he/she may order any urban gas business entity to relocate gas supply facilities, suspend or restrict the use thereof, or discard gas in the gas supply facilities. In such cases, due compensation shall be made for any loss incurred to such urban gas business entity, as prescribed by Presidential Decree, unless it is caused by a natural disaster, war or other force majeure. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013>

#### **Article 28 (Safety Management Agents of Gas-Using Facilities)**

(1) Where any general urban gas business entity intends to commission any third person to perform his/her duties on his/her behalf to efficiently conduct the duties of safety management of gas-using facilities according to the safety management regulations under Article 26, he/she shall commission a person having qualifications prescribed by Ordinance of the Ministry of Trade, Industry and Energy (hereinafter referred to as "safety management agent of gas-using facilities") to vicariously perform such duties. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(2) Safety management agents of gas-using facilities shall be prohibited from installing a boiler using urban gas as fuel among gas-using facilities.

(3) The Minister of Trade, Industry and Energy or a Mayor/Do Governor may require a safety management agent of gas-using facilities to submit data concerning the cost of installation of gas-using facilities which he/she imposes on gas users, and where he/she deems it necessary for the protection of gas users and the promotion of public interest, he/she may publish all or part of the content thereof. <Newly Inserted by Act No. 12287, Jan. 21, 2014>

#### **Article 28-2 (Safety Measures Following Change to Gas-Using Facilities)**

Where a gas user intends to use urban gas after changing liquefied petroleum gas-using facilities under the Safety Control and Business of Liquefied Petroleum Gas Act, to gas-using facilities, the relevant general urban gas business entity, constructor, and gas user shall take safety measures prescribed by Ordinance of the Ministry of Trade, Industry and Energy, regarding such liquefied petroleum gas-using facilities, such as removal of liquefied petroleum gas containers and supplementary installation. <Amended by Act No. 11690, Mar. 23, 2013; Act No. 12926, Dec. 30, 2014>

#### **Article 28-3 (Safety Measures Following Building Work)**

(1) Where a building in which urban gas pipelines are installed is planned for work of extension, renovation, major repair, or removal, the implementer of such building work shall inform the relevant urban gas business entity that supplies urban gas of his/her work plan including the date and time and details of work, by not later than seven days before the commencement of such work, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy: Provided, That this shall not apply to works

prescribed by Presidential Decree that are deemed as having no risk of causing damage to urban gas pipelines.

(2) The implementer of a building work under paragraph (1) and the relevant urban gas business entity shall take safety measures prescribed by Ordinance of the Ministry of Trade, Industry and Energy, regarding gas pipeline facilities and gas-using facilities, such as turning off gas shut-off valves and removal of gas remaining inside the pipelines.

#### **Article 29 (Safety Managers)**

(1) Any urban gas business entity and user of specific gas-using facilities (referring to any person entrusted with the duty to manage specific gas-using facilities, if applicable; hereinafter the same shall apply in this Article, Article 30 (2), subparagraphs 4 and 5 of Article 53, and Article 54 (1) 16) shall select and appoint a safety manager before commencing his/her business or using the relevant facilities to perform duties of maintaining the safety of and operating gas supply facilities or specific gas-using facilities. In such cases, safety managers appointed under Article 15 of the Industrial Safety and Health Act shall be deemed safety managers appointed under this Act.

(2) Where a person appointing safety managers under paragraph (1) appoints or dismisses a safety manager, or where a safety manager retires, he/she shall, without delay, report the fact to the Minister of Trade, Industry and Energy, the relevant Mayor/Do Governor or the head of the relevant Si/Gun/Gu, and appoint a new safety manager within 30 days from the date of dismissal or retirement of the safety manager, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy: Provided, That where it is impracticable to appoint a safety manager within such period, he/she may extend the period after obtaining approval from the Minister of Trade, Industry and Energy, the relevant Mayor/Do Governor, or the head of the relevant Si/Gun/Gu. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

(3) Where a safety manager is unable to perform his/her duties temporarily due to travel, sickness or other causes, a person that has appointed a safety manager under paragraph (1) shall appoint his/her agent to perform duties on behalf of the safety manager.

(4) Any safety manager shall conscientiously perform his/her duties and a person that has appointed a safety manager under paragraph (1) and his/her employees shall respect the safety manager's opinion about safety and follow the advice of the safety manager.

(5) Where a safety manager prescribed by Presidential Decree fails to conscientiously perform his/her duties, the Minister of Trade, Industry and Energy, the relevant Mayor/Do Governor or the head of the relevant Si/Gun/Gu may request the urban gas business entity or the user of specific gas-using facilities who has appointed the safety manager to dismiss such safety manager. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

(6) Where the Mayor/Do Governor or the head of a Si/Gun/Gu requests dismissal of a safety manager under paragraph (5), he/she shall notify the Minister of Trade, Industry and Energy of the fact that the safety manager has failed to conscientiously perform his/her duties. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

(7) The type, qualifications, number, scope of duties of safety managers, period for which the agent of a safety manager acts for the safety manager and other necessary matters shall be prescribed by Presidential Decree.

### **Article 30 (Safety Education)**

(1) Any person who performs duties related to safety management of urban gas business entities, constructors, or users of specific gas-using facilities shall receive safety education provided by the Minister of Trade, Industry and Energy, the relevant Mayor/Do Governor or the head of the relevant Si/Gun/Gu. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013>

(2) Any urban gas business entity, constructor, or user of specific gas-using facilities shall require persons, among his/her employees, who are obligated to receive safety education under paragraph (1) to receive such safety education.

(3) The scope of persons obligated to receive safety education, period and curriculum thereof, and other matters necessary for safety education under paragraph (1) shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

### **Article 30-2 (Establishment of Excavation Work Information Support Center)**

In order to efficiently implement the construction and operation of an information network to support excavation works necessary for supplying information, publicity, etc. to prevent damage to urban gas pipelines that can be caused by drilling, piling, excavating sites or other works of excavating ground (hereinafter referred to as "excavation works"), and other duties of support of information on the verification of pipelines laid underground, an Excavation Work Information Support Center (hereinafter referred to as "the Information Support Center") shall be established in the Korea Gas Safety Corporation.

### **Article 30-3 (Verification of Status of Urban Gas Pipelines Laid Underground)**

(1) A person that intends to perform excavation works in an area where the urban gas business has been permitted shall request the Information Support Center, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy, to verify whether the urban gas business entity permitted to supply urban gas in the area has laid urban gas pipelines under the relevant land, before starting such excavation works: Provided, That this shall not apply to excavation works prescribed by Presidential Decree, which are acknowledged as having no risk of causing damage to urban gas pipelines. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(2) Upon receipt of a request under paragraph (1), the Information Support Center shall notify the relevant urban gas business entity of such fact, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(3) Upon receipt of notification under paragraph (2), the relevant urban gas business entity shall verify whether urban gas pipelines are laid under the relevant land, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(4) Where urban gas pipelines are found to be laid underground upon verification under paragraph (3), the relevant excavation worker and urban gas business entity shall take the following measures before starting excavation works, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy: <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013>

1. Indicating the location of the field of excavation works and the location of urban gas pipelines laid underground;
  2. Notifying the Information Support Center of the fact of marking under subparagraph 1;
  3. Measures prescribed by Ordinance of the Ministry of Trade, Industry and Energy to prevent any accident due to excavation works, such as installation of facilities necessary for protecting urban gas pipelines, provision of drawings marking the location, etc. of urban gas pipelines laid underground, etc.
- (5) No excavation workers shall perform excavation works before receiving notice of commencement of excavation works from the Information Support Center.

#### **Article 30-4 (Gas Safety Impact Assessment)**

(1) Persons prescribed by Presidential Decree who intend to perform excavation works in an area where the urban gas business is permitted shall prepare documents for gas safety impact assessment (hereinafter referred to as "assessment document") and submit them to the head of the relevant Si/Gun/Gu. In such cases, a written opinion of the Korea Gas Safety Corporation shall be attached to the assessment document.

(2) A person that prepares an assessment document shall ask the opinion of the urban gas business entity that manages urban gas pipelines affected by excavation works and shall include the opinion in the assessment document. <Amended by Act No. 9533, Mar. 25, 2009>

(3) Where the head of a Si/Gun/Gu deems it necessary to supplement an assessment document, he/she may require the person that has submitted the assessment document to supplement it.

(4) A person that has submitted an assessment document pursuant to paragraph (1) (including a person that has supplemented the assessment document under paragraph (3)) shall perform excavation works according to the details of the assessment document.

(5) Necessary matters concerning guidelines for preparing an assessment document and other matters shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

#### **Article 30-5 (Consultation and Work-Around Inspections)**

(1) Any one who intends to perform excavation works prescribed by Ordinance of the Ministry of Trade, Industry and Energy that have great danger of causing damage to urban gas pipelines in an area where the urban gas business is permitted shall consult with the relevant urban gas business entity to protect such urban gas pipelines, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy, and the urban gas business entity in receipt of a request for consultation shall comply therewith except in extenuating circumstance: Provided, That this shall not apply to persons who have submitted an assessment document to the head of a Si/Gun/Gu pursuant to the fore part of Article 30-4 (1). <Amended by

*Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013>*

(2) When an urban gas business entity and a person that intends to perform excavation works have consulted with each other under the main body of paragraph (1), they shall prepare a written agreement, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy, and observe the details of the written agreement. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

(3) Where gas pipelines pass a underground construction site where a railroad (including an urban railroad) or road is constructed or other works prescribed by Ordinance of the Ministry of Trade, Industry and Energy are under way, the urban gas business entity managing the gas pipelines and the implementer of such works shall establish a joint monitoring system and conduct regular work-around inspections, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013>*

#### **Article 30-6 (Compliance with Standards for Prevention of Damage to Gas Pipelines)**

Any person that performs excavation works in an area where the urban gas business is permitted shall perform excavation works in accordance with the standards for the prevention of damage to gas pipelines prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013>*

#### **Article 30-7 (Safety Measures, etc. for Gas Pipelines)**

(1) Any urban gas business entity shall endeavor to take safety measures prescribed by Ordinance of the Ministry of Trade, Industry and Energy for gas pipelines where excavation works are performed in the permitted service area. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013>*

(2) Any urban gas business entity shall prepare and preserve drawings of gas pipelines, indicating the locations of the urban gas pipelines laid underground and other matters prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013>*

#### **Article 39-2 (Approval, etc. of Facility Work Plans)**

(1) Where any installer of gas supply facilities other than an urban gas business entity (referring to a person who enters into a contract for the use of gas supply facilities with an urban gas business entity, a direct importer for his/her own consumption, or a natural gas shipping business entity and installs such gas supply facilities, and a direct importer for his/her own consumption or a natural gas shipping business entity who installs gas supply facilities; hereinafter the same shall apply) intends to perform works to install or alter gas supply facilities prescribed by Ordinance of the Ministry of Trade, Industry and Energy, he/she shall obtain approval of such work plan according to the following classification after meeting all requirements, such as facility standards, technical standards, and standards for human resources, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. The same shall also apply to any modification to important matters prescribed by Ordinance of the Ministry of Trade, Industry and Energy from among approved matters: *<Amended by Act No. 12065, Aug. 13, 2013; Act No. 12287, Jan. 21, 2014>*

1. Gas supply facilities except those prescribed in subparagraph 2: The Minister of Trade, Industry and Energy;
2. Gas pipeline facilities connected to pipelines of a general urban gas business entity: A Mayor/Do Governor.

(2) Where an installer of gas supply facilities other than an urban gas business entity intends to perform works prescribed by Ordinance of the Ministry of Trade, Industry and Energy, from among works for installation or alteration of gas supply facilities prescribed by Ordinance of the Ministry of Trade, Industry and Energy, he/she shall report such work plan to the Minister of Trade, Industry and Energy or a Mayor/Do Governor according to the classification referred to in each subparagraph of paragraph (1), as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. The same shall apply also apply to any modification to important matters prescribed by Ordinance of the Ministry of Trade, Industry and Energy from among reported matters. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12065, Aug. 13, 2013>

(3) A person who intends to obtain approval of a work plan or approval of modification thereto under paragraph (1), or to submit a report on a work plan or a report on modification thereto under paragraph (2) shall hear the opinions of the Korea Gas Safety Corporation on the work plan.

(4) Where the Minister of Trade, Industry and Energy or a Mayor/Do Governor intends to grant approval or approval of modification to a work plan under paragraph (1), he/she shall hear the opinions of the relevant urban gas business entity that possesses gas pipeline facilities connected to the gas supply facilities included in the work plan, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12065, Aug. 13, 2013>

(5) Where the Minister of Trade, Industry and Energy grants approval or approval of modification to a work plan under paragraph (1) or receives a report on a work plan or a report on modification thereto under paragraph (2), he/she shall notify the Mayor/Do Governor having jurisdiction over the work plan of such gas supply facilities of the details of such approval or report. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

**Article 39-3 Deleted.** <by Act No. 8765, Dec. 21, 2007>

#### **Article 39-4 (Gas Supply and Demand Plans)**

Any direct importer for his/her own consumption shall formulate a five-year gas supply and demand plan to be implemented from the following year by the end of December each year, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy, and shall submit the plan to the Minister of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

#### **Article 39-5 (Provisions Applicable Mutatis Mutandis)**

@Articles 14 (2) and (3), 15 (1) through (3) and (7), 17, 17-2, 26, 26-2, 27, 29, 30, 30-3, 30-5, 30-7, 40 (1), 41 (1), (3), and (4), 43, 43-3, 44 (2) 1, 3, 4, 4-3, 5, and 6, 44 (3), and 44-2 shall apply mutatis mutandis to installers of gas supply facilities other than urban gas business entities. In such cases, "the Minister of Trade, Industry and Energy, a Mayor/Do Governor or the head of a Si/Gun/Gu", "the Minister

of Trade, Industry and Energy or the head of a Si/Gun/Gu", and "the Minister of Trade, Industry and Energy or a Mayor/Do Governor" referred to in the former part of Article 26 (1), paragraphs (3) and (5) of the aforesaid Article, Article 27 (1), the former part of paragraph (2) of the aforesaid Article, and Articles 29 (2) and (5), 43-3, and 44-2 (1) and (2) shall be construed as "a Mayor/Do Governor", respectively.

#### **Article 39-6 (Joint Use of Gas Supply Facilities)**

(1) A producer of byproduct gas from naphtha or biogas, a synthetic natural gas producer, or a direct importer for his/her own consumption may use gas supply facilities jointly with a person possessing such gas supply facilities in consultation with him/her. *<Amended by Act No. 12287, Jan. 21, 2014>*

(2) Notwithstanding paragraph (1), a gas wholesale dealer that possesses gas pipeline facilities shall provide the service of using gas pipeline facilities to a producer of byproduct gas from naphtha or biogas, a synthetic natural gas producer, or a direct importer for his/her own consumption within the extent of facility capacity, as stipulated by pipeline facility use regulations under Article 39-8 (1). *<Amended by Act No. 12287, Jan. 21, 2014>*

(3) A producer of byproduct gas from naphtha or biogas, a synthetic natural gas producer, or a direct importer for his/her own consumption who intends to jointly use the gas supply facilities under paragraph (1) shall include a plan for the joint use of gas supply facilities in a work plan formulated under Article 11 or 39-2, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014>*

(4) Any installer of gas supply facilities other than an urban gas business entity may use gas supply facilities directly or allow another business entity to use gas supply facilities in order to enhance efficiency in the use of facilities. *<Newly Inserted by Act No. 12287, Jan. 21, 2014>*

#### **Article 39-7 (Prohibited Conduct)**

(1) When providing the service of using gas pipeline facilities pursuant to Article 39-6 (2), a gas wholesale dealer that possesses gas pipeline facilities shall not refuse to offer, or delay in giving, the service of using such gas pipeline facilities, unless a producer of byproduct gas from naphtha or biogas, a synthetic natural gas producer, or a direct importer for his/her own consumption breaches any terms and conditions of use stipulated in pipeline facility use regulations under Article 39-8 (1). *<Amended by Act No. 12287, Jan. 21, 2014>*

(2) Where a gas wholesale dealer is deemed to violate paragraph (1), the Minister of Trade, Industry and Energy may order the gas wholesale dealer to suspend the violation. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

#### **Article 39-8 (Pipeline Facility Use Regulations, etc.)**

(1) Gas wholesale dealers that possess gas pipeline facilities shall establish pipeline facility use regulations regarding pipeline facility use charges and other terms and conditions of use, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy, and obtain approval from the Minister of Trade, Industry and Energy. The same shall also apply to any modification to approved matters. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

(2) Where the Minister of Trade, Industry and Energy deems that gas pipeline facility use regulations under paragraph (1) are likely to undermine the promotion of the public interest as the gas pipeline facility use regulations become inappropriate due to changes in social and economic circumstances, he/she may order the relevant gas wholesale dealer to modify such gas pipeline facility use regulations within a period prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

(3) General urban gas business entities shall establish guidelines for use of pipeline facilities, including pipeline facility use charges and other terms and conditions of use, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy, and report them to the relevant Mayor/Do Governor. The same shall also apply to any modification to reported matters. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

(4) Gas wholesale dealers that possess gas-producing facilities shall establish guidelines for use of manufacturing facilities, including manufacturing facility use charges and other terms and conditions of use, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy, and report them to the relevant Mayor/Do Governor. The same shall also apply to any modification to reported matters. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

#### **Article 40 (Adjustment Orders, etc.)**

(1) Where the Minister of Trade, Industry and Energy deems it necessary to control the supply of and demand for urban gas, he/she may order urban gas business entities or direct importers for their own consumption to make necessary adjustments, as prescribed by Presidential Decree. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013; Act No. 12065, Aug. 13, 2013>*

(2) Where the Minister of Trade, Industry and Energy or a Mayor/Do Governor deems it necessary to achieve a balance between supply of and demand for urban gas and to promote the public interest, and where any general urban gas business entity has refused to supply urban gas or has suspended the supply of urban gas in a violation of Article 19, he/she may order the adjustment of the relevant gas service area or consolidation of business. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013>*

(3) Where a Mayor/Do Governor deems that the characteristics of part of service area of an general urban gas business entity has changed substantially compared with those at the time of permitting business because the part of area falls under any of the following cases, he/she may order the adjustment of the relevant gas service area or consolidation of business following consultation with the Minister of Trade, Industry and Energy: *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 10764, May 30, 2011; Act No. 11690, Mar. 23, 2013>*

1. Where any part of a gas service area has been designated as a housing site development area under Article 3 of the Housing Site Development Promotion Act when a certain period of time elapses after general urban gas business was permitted;

2. Where any part of a gas service area has been designated as a multi-districts development area under Article 4 of the Balanced Regional Development and Support for Local Small and Medium Enterprises Act, development promotion district under Article 9 of the same Act, or specific region under Article 26 (3) of the same Act when a certain period of time elapses after general urban gas business was permitted;
  3. Where a specific-use area within any part of a gas service area has been changed under Article 36 (1) of the National Land Planning and Utilization Act when a certain period of time elapses after general urban gas business was permitted.
- (4) Detailed standards for the area and the period under paragraph (3) shall be prescribed by Presidential Decree.

#### **Article 40-2 (Accounting)**

- (1) Any urban gas business entity shall keep accounts according to the accounting standards determined by the Minister of Trade, Industry and Energy in consultation with the Financial Services Commission. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 8863, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*
- (2) Any urban gas business entity that conducts urban gas business and any business other than the urban gas business shall keep separate accounts of urban gas business, from those of business other than urban gas business.
- (3) The accounts of urban gas business shall be kept separately by sub-dividing them into accounts of gas supply facilities and accounts of other urban gas business.

#### **Article 40-3 (Guidance and Supervision)**

The Minister of Trade, Industry and Energy shall guide and supervise the Mayors/Do Governors or the heads of Sis/Guns/Gus with respect to safety management affairs, such as various inspections of gas supply facilities or gas-using facilities, as prescribed by Presidential Decree, in order to ensure public safety and prevent hazards related to the supply and use of urban gas. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013>*

#### **Article 41 (Reports, etc.)**

- (1) The Minister of Trade, Industry and Energy may require Mayors/Do Governors, the heads of Sis/Guns/Gus, urban gas business entities, or direct importers for their own consumption to submit necessary reports, as prescribed by Presidential Decree. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12065, Aug. 13, 2013>*
- (2) Mayors/Do Governors or the heads of Sis/Guns/Gus may require general urban gas business entities and producers of byproduct gas from naphtha or biogas to submit reports on their business, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014>*
- (3) Where any of the following accidents occurs in connection with gas supply facilities or facilities for using gas supplied by an urban business entity, the urban business entity shall immediately notify the Korea Gas Safety Corporation of such accident, as prescribed by Ordinance of the Ministry of Trade,

Industry and Energy, and the Korea Gas Safety Corporation in receipt of such notification shall report the same to the Minister of Trade, Industry and Energy, the relevant Mayor/Do Governor or the head of the relevant Si/Gun/Gu: *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

1. An accident in which persons die;
2. An accident in which persons are injured or poisoned;
3. An explosion or fire accident due to gas leakage;
4. An accident in which persons are evacuated or gas supply is suspended due to damage to gas facilities or gas leakage;
5. Other accidents prescribed by Ordinance of the Ministry of Trade, Industry and Energy in which gas facilities have been damaged or gas has leaked.

(4) Upon receipt of notification under paragraph (3), the Korea Gas Safety Corporation may investigate the cause, circumstances, etc. of the relevant accident if deemed necessary to prevent recurrence of accidents and other gas accidents. *<Amended by Act No. 9533, Mar. 25, 2009>*

**Article 42 Deleted.** *<by Act No. 5823, Feb. 8, 1999>*

**Article 42-2 (Use of Any Other Person's Land)**

(1) Where it is necessary for a general urban gas business entity to conduct his/her business, he/she may install gas pipeline facilities on any other person's land to the extent of not interfering with the current method of use. In such cases, the general urban gas business entity shall consult in advance with the owner or occupant of such land about the method of installation, and the period of existence of, gas pipeline facilities.

(2) Where it is significantly impracticable to locate the whereabouts of the owner or occupant of the land on which a general urban gas business entity intends to install gas pipeline facilities, he/she shall make public announcements at least twice on two or more daily newspapers distributed nationwide, and where he/she cannot consult with the owner or occupant of the land because the owner or occupant is still unknown or his/her domicile, residence, place of business, or office is still unknown after 30 days have passed from the date of announcements, he/she may use such land with permission of a Mayor/Do Governor having jurisdiction over the location of the relevant land, notwithstanding the provision of the latter part of paragraph (1).

(3) Where a general urban gas business entity inflicts a loss by installing gas pipeline facilities on any other person's land pursuant to paragraph (2), he/she shall provide just compensation for the person who has sustained the loss, and the Act on Acquisition of and Compensation for Land, etc. for Public Works Projects shall apply mutatis mutandis to matters concerning compensation, such as the calculation of the amount of compensation and the method of compensation.

**Article 43 (Purchasing Insurance)**

(1) Any of the following persons shall purchase insurance in order to compensate for damage to the life, body or property of other persons caused by any accidents from urban gas supplied or used by them, or by any accidents following the construction of gas facilities: *<Amended by Act No. 8852, Feb. 29, 2008; Act No.*

9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013>

1. An urban gas business entity;
  2. A user of specific gas-using facilities prescribed by Ordinance of the Ministry of Trade, Industry and Energy;
  3. A constructor prescribed by Ordinance of the Ministry of Trade, Industry and Energy.
- (2) The type of insurance and procedures for purchasing insurance under paragraph (1) and other necessary matters shall be prescribed by Presidential Decree.
- (3) The Minister of Trade, Industry and Energy may require insurance companies to use some of their profits from insurance under paragraph (1) for supporting persons who perform projects to prevent urban gas accidents every three years within three months from the end of the third business year in consultation with the Financial Services Commission, and necessary matters therefor shall be prescribed by Presidential Decree. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

#### **Article 43-2 (Distribution of Gas Safety Devices)**

- (1) The Minister of Trade, Industry and Energy or Mayors/Do Governors may advise urban gas business entities to distribute gas safety devices, such as fuse cocks and automatic gas shutoff device, and provide necessary support, in order to maintain the safety of gas-using facilities. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>
- (2) A Mayor/Do Governor may advise the users of urban gas to install gas safety devices, such as fuse cocks. <Amended by Act No. 9533, Mar. 25, 2009>

#### **Article 43-3 (Investment for Safety Management)**

The Minister of Trade, Industry and Energy or Mayors/Do Governors may advise urban gas business entities who are found to possess gas supply facilities that are outdated in excessive number or that are likely to cause large-scale urban gas accidents following inspections under Article 17 or evaluations of safety management level, or other urban gas business entities prescribed by Presidential Decree, to make investments necessary for the maintenance and control of gas supply facilities and may provide necessary support for such business entities, in order to improve the safety of gas supply facilities and to prevent accidents. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013; Act No. 12065, Aug. 13, 2013>

#### **Article 43-4 (Hearings)**

Where the Minister of Trade, Industry and Energy, a Mayor/Do Governor, or the head of a Si/Gun/Gu falls under any of the following, he/she shall hold hearings: <Amended by Act No. 12287, Jan. 21, 2014>

1. Where he/she intends to revoke permission or order the suspension of, or restrictions on, business pursuant to Article 9;
2. Deleted; <by Act No. 12926, Dec. 30, 2014>
3. Where he/she intends to revoke registration, or order the closure of a place of business or the complete or partial suspension of business pursuant to Article 10-7.

#### **Article 44 (Fees, etc.)**

(1) Any person who intends to obtain permission for urban gas business or permission for modification thereto under Article 3 (1) through (5) shall pay fees, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013; Act No. 12287, Jan. 21, 2014>

(2) Any of the following persons shall pay fees or educational expenses, as prescribed by the Minister of Trade, Industry and Energy: <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9983, Jan. 27, 2010; Act No. 10959, Jul. 25, 2011; Act No. 11690, Mar. 23, 2013; Act No. 12065, Aug. 13, 2013>

1. Any person that intends to receive supervision on the construction works to install or alter gas supply facilities under Article 15 (1) (including cases applied mutatis mutandis in Article 39-5);
- 1-2. Any person that intends to undergo an interim inspection on works to install or alter gas filling facilities under Article 15 (5);
2. Any person that intends to receive a completion inspection on works to install or alter gas filling facilities or specific gas-using facilities under Article 15 (6);
3. Any person that intends to undergo a regular inspection of gas supply facilities or specific gas-using facilities under Article 17 (1) (including cases applied mutatis mutandis in Article 39-5);
4. Any person that intends to undergo a detailed safety inspection or safety evaluation under Article 17-2 (1);
- 4-2. Any person who intends to undergo an evaluation of safety management level under Article 17-3 (1);
- 4-3. Any person that intends to undergo a quality inspection under Article 25-2 (1);
5. Any person that intends to hear the opinions of the Korea Gas Safety Corporation concerning safety management regulations under Article 26 (1) (including cases applied mutatis mutandis in Article 39-5);
6. Any person that intends to receive safety education under Article 30 (1) (including cases applied mutatis mutandis in Article 39-5);
7. Any person that intends to hear the opinions of the Korea Gas Safety Corporation concerning gas safety impact assessment under Article 30-4 (1).

(3) Expenses incurred by the Information Support Center in performing duties relating to the confirmation of conditions of urban gas pipelines laid underground under Article 30-3 shall be borne by the relevant urban gas business entity, as prescribed and publicly announced by the Minister of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

#### **Article 44-2 (Notification, etc. of Violations)**

(1) Where the Korea Gas Safety Corporation becomes aware of a violation of this Act or an order issued under this Act in the course of investigating an accident under Article 41 (4) or exercising the authority entrusted under Article 45 (2), it shall notify the Minister of Trade, Industry and Energy, the relevant Mayor/Do Governor or the head of the relevant Si/Gun/Gu of such violation with evidentiary data. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(2) Upon receipt of notification under paragraph (1), the Minister of Trade, Industry and Energy, the relevant Mayor/Do Governor or the head of the relevant Si/Gun/Gu shall render a disposition on such violation unless any extenuating circumstance exists. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

#### **Article 45 (Delegation and Entrustment of Authority)**

(1) The Minister of Trade, Industry and Energy or Mayors/Do Governors may delegate any part of his/her authority under this Act to the Mayors/Do Governors or the heads of Sis/Guns/Gus, as prescribed by Presidential Decree. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(2) The following duties among the authority of the Minister of Trade, Industry and Energy, Mayors/Do Governors or the heads of Sis/Guns/Gus under this Act may be entrusted to the Korea Gas Safety Corporation, as prescribed by Presidential Decree: Provided, That duties referred to in subparagraph 5 may be entrusted only where a serious hazard has occurred or it is deemed urgent and inevitable because the occurrence of hazard is imminent: <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013>

1. Receipt of copies of as-built drawings under Article 14 (3);
2. Construction supervision, interim inspections, and completion inspections under the main body of Article 15 (1) (including cases applied mutatis mutandis in Article 39-5) and paragraphs (5) and (6) of the same Article;
3. Regular inspections and non-periodic inspections under the main body of Article 17 (1) (including cases applied mutatis mutandis in Article 39-5);
4. Confirmation as to whether safety management regulations under Article 26 (5) (including cases applied mutatis mutandis in Article 39-5) are observed and evaluations thereof;
5. Orders to take measures to prevent hazards under Article 27 (1);
6. Provision of safety education under Article 30 (1) (including cases applied mutatis mutandis in Article 39-5).

(3) Duties concerning regular inspections of specific gas-using facilities under the main body of Article 17 (1) among the authority of the Mayors/Do Governors or the heads of Sis/Guns/Gus under this Act may be entrusted to the Korea Gas Safety Corporation or an inspection agency designated under Article 35 of the High-Pressure Gas Safety Control Act, as prescribed by Presidential Decree.

#### **Article 45-2 (Legal Fiction as Public Officials for Application of Penalty Provisions)**

The executive officers and employees of the Korea Gas Safety Corporation or an inspection agency that performs the duties entrusted by the Minister of Trade, Industry and Energy, Mayors/Do Governors or the heads of Sis/Guns/Gus under Article 45 (2) and (3) shall be deemed public officials for the application of Articles 129 through 132 of the Criminal Act. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

#### **Article 46 (Relationship to other Acts)**

(1) The High-Pressure Gas Safety Control Act and the Safety Control and Business of Liquefied Petroleum Gas Act shall apply mutatis mutandis to matters not prescribed by this Act with respect to gas supply facilities or gas-using facilities.

(2) Article 10 of the Petroleum and Petroleum Substitute Fuel Business Act shall not apply where urban gas business entities sell urban gas. <Amended by Act No. 9533, Mar. 25, 2009>

#### **Article 47 (Exemption from Application to Urban Gas Filling Business Entities, etc.)**

(1) Articles 11, 11-2, 14, 30-7, and 40-2 shall not apply to urban gas filling business entities. <Amended by Act No. 10959, Jul. 25, 2011; Act No. 12287, Jan. 21, 2014>

(2) Article 40-2 shall not apply to producers of byproduct gas from naphtha or biogas or synthetic natural gas producers. <Newly Inserted by Act No. 12287, Jan. 21, 2014>

#### **Article 48 (Penalty Provisions)**

(1) Any person who obstructs the supply of urban gas by damaging gas-producing facilities or gas pipeline facilities among the gas supply facilities of urban gas business entities or by impairing the function thereof, shall be punished by imprisonment with labor for not less than one year but not more than ten years, or by a fine not exceeding 150 million won.

(2) Any person who obstructs the supply of urban gas by damaging gas filling facilities, facilities for producing byproduct gas from naphtha or biogas, or synthetic natural gas producing facilities, from among gas supply facilities of urban gas business entities, or by impairing the function of such facilities, shall be punished by imprisonment with labor for not more than five years or by a fine not exceeding 50 million won. <Amended by Act No. 12287, Jan. 21, 2014>

(3) Any person who obstructs the supply of urban gas by damaging the gas supply facilities of installers of gas supply facilities other than urban gas business entities, or by impairing the function thereof, shall be punished by imprisonment with labor for not more than ten years or by a fine not exceeding 100 million won.

(4) Any person who obstructs the supply of urban gas by damaging the urban gas pipelines of gas users or by impairing the function thereof, shall be punished by imprisonment with labor for not more than four years or by a fine not exceeding 40 million won. <Newly Inserted by Act No. 12926, Dec. 30, 2014>

(5) Any person who commits a crime under paragraph (1) by negligence in the course of conducting affairs or by gross negligence, shall be punished by imprisonment without labor for not more than seven years or by a fine not exceeding 20 million won.

(6) Any person who commits a crime under paragraph (2) by negligence in the course of conducting affairs or by gross negligence, shall be punished by imprisonment without labor for not more than two years or by a fine not exceeding 20 million won.

(7) Any person who commits a crime under paragraph (3) by negligence in the course of conducting affairs or by gross negligence, shall be punished by imprisonment without labor for not more than three years or by a fine not exceeding ten million won.

(8) Any person who commits a crime referred to in paragraph (4) by negligence in the course of conducting affairs or by gross negligence, shall be punished by imprisonment without labor for not more than one year or by a fine not exceeding ten million won. <Newly Inserted by Act No. 12926, Dec. 30, 2014>

(9) Any person who inflicts an injury upon another person by leaking or exploding gas by committing a crime referred to in paragraphs (5) through (8), shall be punished by imprisonment without labor for not more than ten years or by a fine not exceeding 100 million won, and any person who has caused another person's death shall be punished by imprisonment without labor for not less than one year but not more than ten years or by a fine not exceeding 150 million won. <Amended by Act No. 12926, Dec. 30, 2014>

(10) Any person who obstructs the supply of urban gas by operating gas supply facilities without obtaining approval from urban gas business entities or installers of gas supply facilities other than urban gas business entities, shall be punished by imprisonment with labor for not more than one year or by a fine not exceeding ten million won.

(11) Where a person who engages in urban gas business or in the operation of gas supply facilities other than urban gas business obstructs the supply of urban gas without good cause, he/she shall be punished in the same manner as provided in paragraph (10). <Amended by Act No. 12926, Dec. 30, 2014>

(12) Any person who alters gas supply facilities without approval from urban gas business entities or installers of gas supply facilities other than urban gas business entities, shall be punished by a fine not exceeding five million won.

(13) Any person who attempts to commit a crime referred to in paragraphs (1) through (4) and (10), shall be punished. <Amended by Act No. 12926, Dec. 30, 2014>

#### **Article 49 (Penalty Provisions)**

Any of the following persons shall be punished by imprisonment with labor for not more than three years or by a fine not exceeding 30 million won, or such imprisonment with labor and fine may be imposed concurrently: <Amended by Act No. 9983, Jan. 27, 2010>

1. Any person who has operated the gas wholesale business or general urban gas business without obtaining permission under the fore part of Article 3 (1) or the fore part of Article 3 (2);
2. Any person who has operated urban gas export and import business without registration or registration of modification under Article 10-2 (1).

#### **Article 50 (Penalty Provisions)**

Any of the following persons shall be punished by imprisonment with labor for not more than two years or by a fine not exceeding 20 million won: <Amended by Act No. 9533, Mar. 25, 2009; Act No. 9983, Jan. 27, 2010; Act No. 10959, Jul. 25, 2011; Act No. 12287, Jan. 21, 2014>

1. Any person that modifies permitted matters without obtaining permission for such modification, in violation of the latter part of Article 3 (1) or the latter part of Article 3 (2);
- 1-2. Any person that conducts urban gas filling business without obtaining permission under the former part of Article 3 (3);

- 1-3. Any person that conducts the business of producing byproduct gas from naphtha or biogas, or the business of producing synthetic natural gas without obtaining permission under the former part of Article 3 (4) or the former part of paragraph (5) of the aforesaid Article;
2. Any person that concludes a natural gas import contract, export contract or transportation contract without obtaining approval or approval of modification under Article 10-5 (1);
3. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who performs works to install or alter gas supply facilities without obtaining approval under Article 11 (1) or 39-2 (1);
4. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who uses gas supply facilities that are not determined as appropriate (including temporary use under Article 16 (1)) under Article 15 (2) (including cases applied mutatis mutandis in Article 39-5);
5. Any urban gas filling business entity that uses gas filling facilities or any person that uses specific gas-using facilities without undergoing or after having failed a completion inspection, in violation of Article 15 (6);
- 5-2. Any person that supplies or consumes urban gas not in compliance with the quality standards, or stores, transports or keeps such urban gas for the purpose of supply or consumption, in violation of Article 25 (3);
- 5-3. Any person that fails to undergo a quality inspection under Article 25-2 (1) or refuses, interferes with, or evades a quality inspection under paragraph (2) of the same Act;
6. Any urban gas business entity, gas user, or installer of gas supply facilities other than an urban gas business entity, who fails to comply with an order issued under Article 27 (1) (including cases applied mutatis mutandis in Article 39-5);
7. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who fails to comply with an order issued under the fore part of Article 27 (2) (including cases applied mutatis mutandis in Article 39-5);
8. Any person or installer of gas supply facilities other than an urban gas business entity, who performs excavation works without making a request for verification of the status of urban gas pipelines laid underground under Article 30-3 (1) (including cases applied mutatis mutandis in Article 39-5);
9. Any person that performs excavation works without submitting an assessment document under the fore part of Article 30-4 (1);
10. Any person that performs excavation works without having consultation under the main body of Article 30-5 (1) (including cases applied mutatis mutandis in Article 39-5) or fails to comply with a request for consultation under the main body of Article 30-5 (1) without good cause;
11. An urban gas business entity, implementer of excavation works, or installer of gas supply facilities other than an urban gas business entity, who fails to abide by any terms and conditions of agreement between such urban gas business entity and implementer of excavation works, in violation of Article 30-5 (2) (including cases applied mutatis mutandis in Article 39-5);

12. An urban gas business entity, implementer of excavation works, or installer of gas supply facilities other than an urban gas business entity, who fails to establish a joint monitoring system or conduct regular work-around inspections, in violation of Article 30-5 (3) (including cases applied mutatis mutandis in Article 39-5);

13. Any person that performs excavation works without following the standards under Article 30-6;

14. An urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who fails to prepare and keep drawings of urban gas pipelines, or prepares and keeps false drawings of urban gas pipelines under Article 30-7 (2) (including cases applied mutatis mutandis in Article 39-5);

15. Any person that fails to comply with an adjustment order or an order for consolidation of business under Article 40 (including cases applied mutatis mutandis in Article 39-5).

### **Article 51 (Penalty Provisions)**

Any of the following persons shall be punished by imprisonment with labor for not more than one year or by a fine not exceeding ten million won: Provided, That from among those referred to in subparagraph 1-3, an urban gas filling business entity, a producer of byproduct gas from naphtha or biogas, or a synthetic natural gas producer, shall be punished by a fine not exceeding three million won: <Amended by Act No. 9983, Jan. 27, 2010; Act No. 10498, Mar. 30, 2011; Act No. 12065, Aug. 13, 2013; Act No. 12287, Jan. 21, 2014>

1. Any person who modifies permitted matters without obtaining permission for such modification, in violation of the latter part of Article 3 (3);

1-2. Any person who modifies permitted matters without obtaining permission for such modification, in violation of the latter part of Article 3 (4) or the latter part of paragraph (5) of the aforesaid Article;

1-3. Any person who commences, suspends, or closes his/her business without making a report under Article 8;

1-4. Any person who conducts natural gas shipping business without making a report or a report on alteration under Article 10-2 (3);

2. Any person who disposes of natural gas, in violation of Article 10-6;

3. Any constructor who performs and manages construction works not in compliance with the facility standards and technical standards for each facility under Article 12 (2);

3-2. Any urban gas filling business entity who fails to undergo an interim inspection under Article 15 (5);

4. Any urban gas business entity, user of specific gas-using facilities, or installer of gas supply facilities other than an urban gas business entity, who fails to undergo a regular or non-periodic inspection under Article 17 (1) (including cases applied mutatis mutandis in Article 39-5);

5. Any person who fails to undergo a detailed safety inspection or safety evaluation under Article 17-2 (1);

6. Any person who refuses to supply urban gas or has the supply of urban gas interrupted, in violation of Article 19;

- 6-2. Any urban gas filling business entity who fails to conduct a safety inspection under Article 19-4 (1);
7. Any urban gas business entity who fails to obtain approval of supply regulations under Article 20 (1) or (2);
8. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who fails to maintain gas supply facilities in compliance with facility standards and technical standards for each facility, in violation of Article 26-2 (including cases applied mutatis mutandis in Article 39-5);
9. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who fails to verify the status of gas pipelines laid underground under Article 30-3 (3) (including cases applied mutatis mutandis in Article 39-5);
10. Any excavation worker, urban gas business entity, or installer of gas supply facilities other than an urban gas business entity, who fails to take measures under any subparagraph of Article 30-3 (4) (including cases applied mutatis mutandis in Article 39-5);
11. Any excavation worker who performs excavation works before receiving notice of commencement of the excavation works, in violation of Article 30-3 (5);
12. Any person that performs excavation works not in compliance with the assessment document under Article 30-4 (4);
13. Any person that fails to comply with an order under Article 39-7 (2);
14. Any person that fails to obtain approval or approval of modification under Article 39-8 (1);
15. Any person that fails to keep accounts pursuant to Article 40-2.

**Article 52 Deleted.** <by Act No. 4887, Jan. 5, 1995>

**Article 53 (Penalty Provisions)**

Any of the following persons shall be punished by a fine not exceeding ten million won: Provided, That from among those referred to in subparagraph 5 or 6, an urban gas filling business entity, a producer of byproduct gas from naphtha or biogas, or a synthetic natural gas producer shall be punished by a fine not exceeding five million won: <Amended by Act No. 9983, Jan. 27, 2010; Act No. 12287, Jan. 21, 2014>

1. Any person who fails to comply with an order to modify a gas supply plan under Article 18 (5);
2. A general urban gas business entity who fails to install gas supply facilities according to a work plan for gas supply facilities under the main body of Article 18-3 (2);
3. Any person who fails to comply with an order to apply for approval of modification to supply regulations under Article 20 (7);
4. A safety management agent of gas-using facilities who violates Article 28 (2);
5. An urban gas business entity, a user of specific gas-using facilities, or an installer of gas supply facilities other than an urban gas business entity, who fails to appoint a safety manager under Article 29 (1) (including cases applied mutatis mutandis in Article 39-5);

6. An urban gas business entity, user of specific gas-using facilities, or installer of gas supply facilities other than an urban gas business entity, who violates Article 29 (2) (including cases applied mutatis mutandis in Article 39-5);
7. Any person who fails to comply with an order of modification under Article 39-8 (2);
8. Any person who fails to submit a report or report of modification under Article 39-8 (3) or submits a false report;
9. Any person who fails to submit a report or report of modification under Article 39-8 (4) or submits a false report.

#### **Article 53-2 (Penalty Provisions)**

Any user of specific gas-using facilities that fails to maintain specific gas-using facilities in compliance with facility standards and technical standards for each facility, in violation of Article 26-2, shall be punished by a fine not exceeding five million won.

#### **Article 53-3 (Joint Penalty Provisions)**

If the representative of a corporation or an agent or employee of, or any other person employed by, a corporation or an individual commits an offense under Articles 48 through 51 or Article 53 or 53-2 in connection with the business affairs of the corporation or individual, not only shall such offender be punished, but also the corporation or individual shall be punished by a fine under the relevant provisions: Provided, That the same shall not apply where such corporation or individual has not been negligent in giving due attention and supervision concerning the relevant business affairs to prevent such offense.

*<Amended by Act No. 12065, Aug. 13, 2013>*

#### **Article 54 (Administrative Fines)**

(1) Any of the following persons shall be subject to an administrative fine not exceeding 30 million won:  
*<Amended by Act No. 12065, Aug. 13, 2013; Act No. 12287, Jan. 21, 2014; Act No. 12926, Dec. 30, 2014>*

1. Any person that fails to submit a report or report of modification under Article 10-5 (2), (3), or (5) or submits a false report;
2. Any person that fails to provide prior notification under Article 10-5 (4) or provides false notification;
3. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who performs works to install or alter gas supply facilities without submitting a report or report of modification under Article 11 (2) or 39-2 (2);
4. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who performs works to install or alter gas supply facilities by submitting a false report or report of modification, in violation of Article 11 (2) or 39-2 (2);
5. Any urban gas business entity that fails to submit a report or submits a false report after installing emergency supply facilities under Article 11-2;
- 5-2. Any person that fails to comply with an order to make improvements, etc. of gas supply facilities under Article 17-2 (4);

6. Any general urban gas business entity that violates Article 18 (1);
  7. Any urban gas business entity or direct importer for his/her own consumption that fails to prepare or submit a gas supply plan or gas supply and demand plan under Articles 18 (2) and 39-4;
  - 7-2. Any producer of byproduct gas from naphtha or biogas that fails to prepare or submit a gas supply plan, in violation of Article 18 (3);
  8. Any urban gas business entity that fails to submit a report under Article 18 (4) or submits a false report;
  9. Any general urban gas business entity that fails to implement an order to take measures issued by the Mayor/Do Governor under Article 20 (6);
  10. Any general urban gas business entity that fails to fulfill his/her responsibilities to ensure appropriateness in the measurement of amount of gas supply, in violation of Article 21;
  11. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who fails to submit safety management regulations under Article 26 (1) (including cases applied mutatis mutandis in Article 39-5);
  12. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who fails to implement an order to modify safety management regulations under Article 26 (3) (including cases applied mutatis mutandis in Article 39-5);
  13. Any urban gas business entity, safety management agent of gas-using facilities, and their respective employees, or any installer of gas supply facilities other than an urban gas business entity and his/her employees, who fail to observe safety management regulations under Article 26 (4) (including cases applied mutatis mutandis in Article 39-5) or to prepare or keep implementation records thereof, or prepare false implementation records thereof;
  - 13-2. The implementer of a building work who fails to inform the relevant urban gas business entity of his/her work plan, in violation of Article 28-3 (1);
  14. Any person that violates Article 29 (3) (including cases applied mutatis mutandis in Article 39-5);
  15. Deleted; <by Act No. 12065, Aug. 13, 2013>
  16. Any urban gas business entity, constructor, user of specific gas-using facilities, or installer of gas supply facilities other than an urban gas business entity, who fails to require his/her employees to receive safety education under Article 30 (2) (including cases applied mutatis mutandis in Article 39-5);
  17. Any urban gas business entity, user of specific gas-using facilities, constructor, or installer of gas supply facilities other than an urban gas business entity, who fails to purchase insurance, in violation of Article 43 (1) (including cases applied mutatis mutandis in Article 39-5).
- (2) Any of the following persons shall be subject to an administrative fine not exceeding 20 million won: <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013; Act No. 12926, Dec. 30, 2014>

1. Any successor that fails to submit a report or submits a false report under Article 7 (3);

2. Any constructor that fails to inform an urban gas business entity of the details of construction works, in violation of Article 12 (1);
3. Any urban gas business entity that fails to inform a constructor and a person intending to use urban gas of the results of examination of the details of construction works to be performed, in violation of Article 12 (1);
4. Any constructor that fails to prepare or keep construction records, etc. or prepares false construction records, etc., in violation of Article 14 (1);
5. Any constructor that fails to issue a copy of construction records, etc. to an urban gas business entity, user of specific gas-using facilities, or installer of gas supply facilities other than an urban gas business entity, in violation of Article 14 (2) (including cases applied mutatis mutandis in Article 39-5);
6. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who fails to submit a copy of as-built drawings to the Minister of Trade, Industry and Energy or the head of the relevant Si/Gun/Gu, in violation of Article 14 (3) (including cases applied mutatis mutandis in Article 39-5);
7. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who fails to notify matters concerning responsible supervision or fraudulently notifies matters concerning responsible supervision, in violation of Article 15 (3) (including cases applied mutatis mutandis in Article 39-5);
8. Any urban gas business entity that uses gas supply facilities, in violation of Article 16 (2);
- 8-2. An urban gas business entity or implementer that fails to take safety measures under Article 28-3 (2);
9. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who fails to notify or fraudulently notifies the Korea Gas Safety Corporation of the occurrence of an accident, in violation of Article 41 (3) (including cases applied mutatis mutandis in Article 39-5).

(3) Any of the following persons shall be subject to an administrative fine not exceeding ten million won:

<Amended by Act No. 9983, Jan. 27, 2010; Act No. 12287, Jan. 21, 2014; Act No. 12926, Dec. 30, 2014>

1. Any person that fails to submit a report under Article 10-4 or submits a false report;
2. Any constructor that fails to provide notification under the latter part of Article 11 (3);
- 2-2. Any general urban gas business entity that fails to submit data pursuant to Article 20 (8) or submits false data;
- 2-3. Any person that fails to make supply regulations available, in violation of Article 20-2, or who fails to distribute a copy of supply regulations upon request from gas users for their reference;
3. Any person that fails to submit a report or submits a false report, or refuses, interferes with or evades an inspection under Article 21 (3);
4. Any general urban gas business entity that fails to comply with a correction order under Article 21 (5);

4-2. Any safety management agent of gas-using facilities that fails to submit data referred to in Article 28 (3) or submits false data;

5. Any person that fails to prepare a written agreement or prepares a false written agreement under Article 30-5 (2) (including cases applied mutatis mutandis in Article 39-5).

(4) Any urban gas filling business entity that fails to prepare and keep safety inspection records under Article 19-4 (3) shall be subject to an administrative fine not exceeding five million won. <Newly Inserted by Act No. 12065, Aug. 13, 2013>

(5) Any of the following persons shall be subject to an administrative fine not exceeding three million won: <Amended by Act No. 12065, Aug. 13, 2013>

1. An urban gas filling business entity that fails to advise the improvement of facilities, in violation of Article 19-4 (2);

2. A person who fails to receive safety education, in violation of Article 30 (1) (including cases applied mutatis mutandis in Article 39-5).

(6) Any general urban gas business entity, implementer, or gas user that fails to take safety measures under Article 28-2, shall be subject to an administrative fine not exceeding two million won. <Newly Inserted by Act No. 9533, Mar. 25, 2009; Act No. 9983, Jan. 27, 2010; Act No. 12065, Aug. 13, 2013; Act No. 12926, Dec. 30, 2014>

(7) Administrative fines under paragraphs (1) through (6) shall be imposed and collected by the Minister of Trade, Industry and Energy, Mayors/Do Governors, or the heads of Sis/Guns/Gus, as prescribed by Presidential Decree. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013; Act No. 12065, Aug. 13, 2013>

#### **Article 54 (Administrative Fines)**

(1) Any of the following persons shall be subject to an administrative fine not exceeding 30 million won: <Amended by Act No. 12065, Aug. 13, 2013; Act No. 12287, Jan. 21, 2014; Act No. 12926, Dec. 30, 2014>

1. Any person that fails to submit a report or report of modification under Article 10-5 (2), (3), or (5) or submits a false report;

2. Any person that fails to provide prior notification under Article 10-5 (4) or provides false notification;

2-2. Any person that fails to store natural gas, in violation of Article 10-10; <<Enforcement Date: Aug. 14, 2016>>

3. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who performs works to install or alter gas supply facilities without submitting a report or report of modification under Article 11 (2) or 39-2 (2);

4. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who performs works to install or alter gas supply facilities by submitting a false report or report of modification, in violation of Article 11 (2) or 39-2 (2);

5. Any urban gas business entity that fails to submit a report or submits a false report after installing emergency supply facilities under Article 11-2;
- 5-2. Any person that fails to comply with an order to make improvements, etc. of gas supply facilities under Article 17-2 (4);
6. Any general urban gas business entity that violates Article 18 (1);
7. Any urban gas business entity or direct importer for his/her own consumption that fails to prepare or submit a gas supply plan or gas supply and demand plan under Articles 18 (2) and 39-4;
- 7-2. Any producer of byproduct gas from naphtha or biogas that fails to prepare or submit a gas supply plan, in violation of Article 18 (3);
8. Any urban gas business entity that fails to submit a report under Article 18 (4) or submits a false report;
9. Any general urban gas business entity that fails to implement an order to take measures issued by the Mayor/Do Governor under Article 20 (6);
10. Any general urban gas business entity that fails to fulfill his/her responsibilities to ensure appropriateness in the measurement of amount of gas supply, in violation of Article 21;
11. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who fails to submit safety management regulations under Article 26 (1) (including cases applied mutatis mutandis in Article 39-5);
12. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who fails to implement an order to modify safety management regulations under Article 26 (3) (including cases applied mutatis mutandis in Article 39-5);
13. Any urban gas business entity, safety management agent of gas-using facilities, and their respective employees, or any installer of gas supply facilities other than an urban gas business entity and his/her employees, who fail to observe safety management regulations under Article 26 (4) (including cases applied mutatis mutandis in Article 39-5) or to prepare or keep implementation records thereof, or prepare false implementation records thereof;
- 13-2. The implementer of a building work who fails to inform the relevant urban gas business entity of his/her work plan, in violation of Article 28-3 (1);
14. Any person that violates Article 29 (3) (including cases applied mutatis mutandis in Article 39-5);
15. Deleted; <by Act No. 12065, Aug. 13, 2013>
16. Any urban gas business entity, constructor, user of specific gas-using facilities, or installer of gas supply facilities other than an urban gas business entity, who fails to require his/her employees to receive safety education under Article 30 (2) (including cases applied mutatis mutandis in Article 39-5);
17. Any urban gas business entity, user of specific gas-using facilities, constructor, or installer of gas supply facilities other than an urban gas business entity, who fails to purchase insurance, in violation of Article 43 (1) (including cases applied mutatis mutandis in Article 39-5).

(2) Any of the following persons shall be subject to an administrative fine not exceeding 20 million won:  
<Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 11690, Mar. 23, 2013; Act No. 12926, Dec. 30, 2014>

1. Any successor that fails to submit a report or submits a false report under Article 7 (3);
2. Any constructor that fails to inform an urban gas business entity of the details of construction works, in violation of Article 12 (1);
3. Any urban gas business entity that fails to inform a constructor and a person intending to use urban gas of the results of examination of the details of construction works to be performed, in violation of Article 12 (1);
4. Any constructor that fails to prepare or keep construction records, etc. or prepares false construction records, etc., in violation of Article 14 (1);
5. Any constructor that fails to issue a copy of construction records, etc. to an urban gas business entity, user of specific gas-using facilities, or installer of gas supply facilities other than an urban gas business entity, in violation of Article 14 (2) (including cases applied mutatis mutandis in Article 39-5);
6. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who fails to submit a copy of as-built drawings to the Minister of Trade, Industry and Energy or the head of the relevant Si/Gun/Gu, in violation of Article 14 (3) (including cases applied mutatis mutandis in Article 39-5);
7. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who fails to notify matters concerning responsible supervision or fraudulently notifies matters concerning responsible supervision, in violation of Article 15 (3) (including cases applied mutatis mutandis in Article 39-5);
8. Any urban gas business entity that uses gas supply facilities, in violation of Article 16 (2);
- 8-2. An urban gas business entity or implementer that fails to take safety measures under Article 28-3 (2);
9. Any urban gas business entity or installer of gas supply facilities other than an urban gas business entity, who fails to notify or fraudulently notifies the Korea Gas Safety Corporation of the occurrence of an accident, in violation of Article 41 (3) (including cases applied mutatis mutandis in Article 39-5).

(3) Any of the following persons shall be subject to an administrative fine not exceeding ten million won:  
<Amended by Act No. 9983, Jan. 27, 2010; Act No. 12287, Jan. 21, 2014; Act No. 12926, Dec. 30, 2014>

1. Any person that fails to submit a report under Article 10-4 or submits a false report;
2. Any constructor that fails to provide notification under the latter part of Article 11 (3);
- 2-2. Any general urban gas business entity that fails to submit data pursuant to Article 20 (8) or submits false data;
- 2-3. Any person that fails to make supply regulations available, in violation of Article 20-2, or who fails to distribute a copy of supply regulations upon request from gas users for their reference;

3. Any person that fails to submit a report or submits a false report, or refuses, interferes with or evades an inspection under Article 21 (3);
  4. Any general urban gas business entity that fails to comply with a correction order under Article 21 (5);
  - 4-2. Any safety management agent of gas-using facilities that fails to submit data referred to in Article 28 (3) or submits false data;
  5. Any person that fails to prepare a written agreement or prepares a false written agreement under Article 30-5 (2) (including cases applied mutatis mutandis in Article 39-5).
- (4) Any urban gas filling business entity that fails to prepare and keep safety inspection records under Article 19-4 (3) shall be subject to an administrative fine not exceeding five million won. <Newly Inserted by Act No. 12065, Aug. 13, 2013>
- (5) Any of the following persons shall be subject to an administrative fine not exceeding three million won: <Amended by Act No. 12065, Aug. 13, 2013>
1. An urban gas filling business entity that fails to advise the improvement of facilities, in violation of Article 19-4 (2);
  2. A person who fails to receive safety education, in violation of Article 30 (1) (including cases applied mutatis mutandis in Article 39-5).
- (6) Any general urban gas business entity, implementer, or gas user that fails to take safety measures under Article 28-2, shall be subject to an administrative fine not exceeding two million won. <Newly Inserted by Act No. 9533, Mar. 25, 2009; Act No. 9983, Jan. 27, 2010; Act No. 12065, Aug. 13, 2013; Act No. 12926, Dec. 30, 2014>
- (7) Administrative fines under paragraphs (1) through (6) shall be imposed and collected by the Minister of Trade, Industry and Energy, Mayors/Do Governors, or the heads of Sis/Guns/Gus, as prescribed by Presidential Decree. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 9533, Mar. 25, 2009; Act No. 9983, Jan. 27, 2010; Act No. 11690, Mar. 23, 2013; Act No. 12065, Aug. 13, 2013>

**Articles 55 and 56 Deleted.** <by Act No. 5823, Feb. 8, 1999>

**Article 57 Deleted.** <by Act No. 4887, Jan. 5, 1995>

#### ADDENDA

- (1) (Enforcement Date) This Act shall enter into force on July 1, 1984.
- (2) (Transitional Measurers concerning General Urban Gas Business) Any person who has obtained permission for general gas business under the previous provisions before this Act enters into force shall be deemed to have obtained permission for general urban gas business under Article 3.
- (3) (Transitional Measures concerning Supply Regulations and Safety Management Regulations) Any person who has obtained approval of the supply regulations or the security regulations under the previous provisions before this Act enters into force shall be deemed to have obtained approval of the supply regulations and the safety management regulations under Articles 20 and 26.

(4) (Transitional Measures concerning Penalty Provisions) The previous provisions shall apply to any penalty provision to acts committed before this Act enters into force.

ADDENDA <Act No. 4541, Mar. 6, 1993>

**Article 1 (Enforcement Date)**

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

**Articles 2 through 5 Omitted.**

ADDENDA <Act No. 4887, Jan. 5, 1995>

**Article 1 (Enforcement Date)**

This Act shall enter into force on July 1, 1995.

**Article 2 (General Transitional Measures concerning Authorization and Permission, etc.)**

The permission, authorization, approval, reporting, and other actions which have been performed under the previous provisions before the enforcement of this Act, shall be deemed to have been performed under this Act.

**Article 3 (Transitional Measures concerning Permission for Urban Gas Business by Korea Gas Corporation)**

The Korea Gas Corporation, which shall be deemed to have obtained permission for the urban gas business under Article 18 of the Korea Gas Corporation Act, shall be deemed to have obtained permission for the gas wholesale business from the Minister of Trade, Industry and Energy under the amended provisions of Article 3 (1).

**Article 4 (Transitional Measures concerning Gas Facilities Construction Plans)**

A matter which has become the object of report under the amended provisions of Article 11 (2), from among the matters of the construction plan which have obtained the approval under the previous provisions of Article 11 before the enforcement of this Act, shall be deemed to have been reported under the amended provisions of Article 11 (2).

**Article 5 (Examples of Application for Notification, etc., of Contents of Gas Facilities Construction Work)**

The amended provisions of Article 12 (4) shall apply to construction work which takes place after the enforcement of this Act.

**Article 6 (Transitional Measures concerning Constructor Registration)**

Any person who has become the object of registration under the amended provisions of Article 12-2, from among persons who have registered under the previous provisions of Article 12 (4) before the enforcement of this Act, shall be deemed to have made the registration under the same amended provisions.

**Article 7 (Examples of Application related to Accounts Administration)**

The amended provisions of Article 40-2 shall apply starting from accounts administration for the first portion of the business year which is closed after the enforcement of this Act.

**Article 8 (Transitional Measures concerning Penalty Provisions)**

The previous provisions shall apply to any penalty provision to acts committed before this Act enters into force.

ADDENDA <Act No. 4965, Aug. 4, 1995>

(1) (Enforcement Date) This Act shall enter into force three months after the date of its promulgation.

(2) (Transitional Measures concerning the Safety Management Regulations) An urban gas business entity who has obtained approval of his safety control regulations as provided in Article 26 (1) before the enforcement of this Act, shall obtain approval from the Minister of Trade, Industry and Energy or the Mayor/Do Governor upon changing his safety management regulations to make them fit the amended provisions of Article 26 (2), within 3 months from the enforcement date of this Act.

(3) (Transitional Measures concerning Hazard Prevention Control Regulations) The hazard prevention control regulations which have obtained approval under the previous provisions before the enforcement of this Act shall be deemed to be safety management agent regulations under the amended provisions of Article 28 (4).

(4) (Transitional Measures concerning Penalty Provisions and Administrative Fines) The previous provisions shall apply to any penalty provision and administrative fine to acts committed before this Act enters into force.

ADDENDA <Act No. 5092, Dec. 29, 1995>

**Article 1 (Enforcement Date)**

This Act shall enter into force on January 1, 1997. (Proviso Omitted.)

**Articles 2 through 5 Omitted.**

ADDENDA <Act No. 5230, Dec. 30, 1996>

**Article 1 (Enforcement Date)**

This Act shall enter into force on July 1, 1997. (Proviso Omitted.)

**Articles 2 through 11 Omitted.**

ADDENDA <Act No. 5453, Dec. 13, 1997>

**Article 1 (Enforcement Date)**

This Act shall enter into force on January 1, 1998. (Proviso Omitted.)

**Article 2 Omitted.**

ADDENDA <Act No. 5823, Feb. 8, 1999>

- (1) (Enforcement Date) This Act shall enter into force on July 1, 1999.
- (2) (Applicability to Confirmation, etc. of Gas Pipe-Laying Status) The amended provisions of Articles 30-3 through 30-6 shall apply beginning with the first excavation work started after this Act enters into force.
- (3) (Transitional Measures concerning Disqualifications for Urban Gas Business Entities) Where any urban gas business entity who has obtained permission pursuant to the previous Article 3 as at the time this Act enters into force, falls under any disqualification anew pursuant to the amended provisions of subparagraph 3 or 4 of Article 4, he shall be governed by the previous provisions for two years from the date of the enforcement of this Act.
- (4) (Transitional Measures concerning Approval on Work Plans by Installers of Gas Supply Facilities Other Than Urban Gas Business Entities) An installer of gas supply facilities other than an urban gas business entity, who has installed gas supply facilities prior to the enforcement of this Act shall be deemed to have obtained approval on his/her work plan pursuant to the amended provisions of Article 39-2 (1).
- (5) (Transitional Measures concerning Penalty Provisions) The previous provisions shall apply to any penalty provision to acts committed before this Act enters into force.

ADDENDA <Act No. 6420, Feb. 3, 2001>

- (1) (Enforcement Date) This Act shall enter into force on the date of its promulgation: Provided, That the amended provisions of Articles 14 (3) (including cases applied mutatis mutandis under Article 39-5), 15 (1) (including cases applied mutatis mutandis under Article 39-5) and (5), and 17 (1) (including cases applied mutatis mutandis under Article 39-5), shall enter into force on July 1, 2001.
- (2) (Applicability to Supervision of Installation Works of Gas Supply Facilities) The amended provisions of Article 15 (1) and (3) shall apply beginning with the installation or alteration work for urban gas supply facilities, for which an approval is obtained or a report thereon is made under the amended provisions of Article 11 for the first time after the enforcement of this Act.

ADDENDUM <Act No. 6638, Jan. 26, 2002>

This Act shall enter into force three months after the date of its promulgation.

ADDENDA <Act No. 6886, May 27, 2003>

- (1) (Enforcement Date) This Act shall enter into force three months after the date of its promulgation.
- (2) (Applicability to Joining in Insurance Plans by Operators) Joining in an insurance plan by an operator in the amended provisions of Article 43 (1) shall apply beginning with the construction contract to be concluded after the enforcement of this Act.

ADDENDA <Act No. 6916, May 29, 2003>

### **Article 1 (Enforcement Date)**

This Act shall enter into force six months after the date of its promulgation. (Proviso Omitted.)

### **Articles 2 through 13 Omitted.**

ADDENDA <Act No. 7240, Oct. 22, 2004>

### **Article 1 (Enforcement Date)**

This Act shall enter into force six months after the date of its promulgation. (Proviso Omitted.)

### **Articles 2 through 6 Omitted.**

ADDENDA <Act No. 7282, Dec. 31, 2004>

(1) (Enforcement Date) This Act shall enter into force three months after the date of its promulgation.

(2) (Transitional Measures concerning Agency Business for Urban Gas Business) Where anyone who has conducted agency business for urban gas business as at the time this Act enters into force, intends to continue his business as a safety management agent for gas user facilities, he shall be equipped with the qualifications pursuant to this Act within one year after the enforcement of this Act.

(3) (Transitional Measures concerning Penalty Provisions) The previous provisions shall apply to any penalty provision to acts committed before this Act enters into force.

ADDENDA <Act No. 7306, Dec. 31, 2004>

### **Article 1 (Enforcement Date)**

This Act shall enter into force six months after the date of its promulgation.

### **Articles 2 through 6 Omitted.**

ADDENDA <Act No. 7505, May 26, 2005>

(1) (Enforcement Date) This Act shall enter into force three months after the date of its promulgation.

(2) (Transitional Measures) Any assessment document submitted to a Mayor/Do Governor or any complementary measure to take as administered by a Mayor/Do Governor under the previous provisions before the enforcement of this Act shall be deemed to be an assessment document submitted to the head of a Si/Gun/Gu or a complementary measure to take as administered by the head of a Si/Gun/Gu.

ADDENDA <Act No. 8186, Jan. 3, 2007>

(1) (Enforcement Date) This Act shall enter into force three months after the date of its promulgation: Provided, That the amended provisions of Articles 21 (1) and 54 (1) 7-2 shall enter into force one year after the date of its promulgation.

(2) (Applicability to Sharing of Expenses for Installing Gas Supply Facilities) The amended provisions of Article 19-2 shall apply beginning from the start of the installation work of gas supply facilities or the modification to a contract for gas supply, which starts for the first time after this Act enters into force.

*<Amended by Act No. 9983, Jan. 27, 2010>*

(3) (Transitional Measures concerning Penalty Provisions) The previous penalty provisions shall apply to any penalty provision to acts committed before this Act enters into force.

ADDENDUM *<Act No. 8455, May 17, 2007>*

This Act shall enter into force three months after the date of its promulgation.

ADDENDA *<Act No. 8765, Dec. 21, 2007>*

#### **Article 1 (Enforcement Date)**

This Act shall enter into force on the date of its promulgation: Provided, That the amended provisions of Articles 21 (1) and 54 (1) 8 shall enter into force on January 4, 2008, and the amended provisions of Article 40-2 (3) shall enter into force on January 1, 2009.

#### **Article 2 (Transitional Measures concerning Registration, etc. of Natural Gas Export and Import Business)**

(1) Those who have applied for registration of petroleum export and import business (limited to natural gas export and import business) or have registered such business as prescribed in Article 9 of the Petroleum and Petroleum Substitute Fuel Business Act as at the time this Act enters into force, shall be deemed to have applied for the registration of natural gas export and business or have registered such business as prescribed in the amended provisions of Article 10-2 (1).

(2) Those who have applied for conditional registration or have registered under conditions as prescribed in Article 11 of the Petroleum and Petroleum Substitute Fuel Business Act as at the time this Act enters into force, shall be deemed to have applied for conditional registration or have registered under conditions as prescribed in the amended provisions of Article 10-3.

#### **Article 3 (Transitional Measures concerning Disqualification for Persons Exporting and Importing Natural Gas)**

Where persons exporting and importing natural gas as at the time this Act enters into force, have become disqualification under Article 4 bring applied mutatis mutandis pursuant to the amended provisions of Article 10-2 (3) due to a cause occurred before this Act enters into force, Article 6 of the Petroleum and Petroleum Substitute Fuel Business Act being applied mutatis mutandis pursuant to Article 9 (4) of the same Act shall apply, notwithstanding the amended provisions of Article 10-2 (3) of this Act.

#### **Article 4 (Transitional Measures concerning Administrative Disposition)**

@Articles 13 and 14 of the Petroleum and Petroleum Substitute Fuel Business Act shall apply to administrative disposition (including penalty surcharges) issued against violations by persons exporting and importing natural gas before this Act enters into force.

#### **Article 5 (Transitional Measures concerning Application of Penalty Provisions)**

The previous penalty provisions shall apply to any penalty provisions to acts committed before this Act enters into force: Provided, That in cases of violations by persons exporting and importing natural gas before this Act enters into force, Articles 44 and 45 of the previous Petroleum and Petroleum Substitute Fuel Business Act shall apply.

**Article 6 (Transitional Measures concerning Application of Administrative Fines)**

@Article 49 of the previous Petroleum and Petroleum Substitute Fuel Business Act shall apply to any administrative fine to violations by persons exporting and importing natural gas before this Act enters into force.

**Article 7 Omitted.**

ADDENDA <Act No. 8863, Feb. 29, 2008>

**Article 1 (Enforcement Date)**

This Act shall enter into force on the date of its promulgation.

**Articles 2 through 5 Omitted.**

ADDENDA <Act No. 8852, Feb. 29, 2008>

**Article 1 (Enforcement Date)**

This Act shall enter into force on the date of its promulgation: Provided, That (omitted) the amended parts of Acts promulgated before this Act enters into force but enforcement date of which has not arrived from among Acts amended under Article 6 of Addenda shall enter into force on the date respective Acts enter into force.

**Articles 2 through 7 Omitted.**

ADDENDA <Act No. 8976, Mar. 21, 2008>

**Article 1 (Enforcement Date)**

This Act shall enter into force on the date of its promulgation. (Proviso Omitted)

**Articles 2 through 10 Omitted.**

ADDENDA <Act No. 9021, Mar. 28, 2008>

(1) (Enforcement Date) This Act shall enter into force three months after the date of its promulgation.

(2) (Transitional Measures concerning Existing Gas Supply Facilities) Where persons who have received approval of a work plan for installation or alteration work of gas supply facilities or approval of modification thereto, or have submitted a report or report of modification in accordance with the previous provisions as at the time this Act enters into force, intend to have the amended provisions of Article 11 (5) applied to themselves, they shall submit an application determined by the Minister of Knowledge Economy together with documents under paragraph (6) of the same Article to the Minister of Knowledge Economy or heads of Sis/Guns/Gus within three months after this Act enters into force. In such cases, paragraph (7) of the same

Article shall apply mutatis mutandis.

ADDENDUM <Act No. 9222, Dec 26, 2008>

This Act shall enter into force on the date of its promulgation.

ADDENDUM <Act No. 9533, Mar. 25, 2009>

This Act shall enter into force six months after the date of its promulgation.

ADDENDA <Act No. 9983, Jan. 27, 2010>

(1) (Enforcement Date) This Act shall enter into force six months after the date of its promulgation.

(2) (Transitional Measures concerning Urban Gas Filling Business Entity) An urban gas filling business entity who has already obtained permission to produce high-pressure gas under Article 4 of the High-Pressure Gas Safety Control Act as at the time this Act enters into force, shall be deemed a person who has obtained permission for the urban gas filling business under the amended provisions of Article 3.

(3) (Transitional Measures concerning Administrative Disposition) Articles 9 and 9-2 of the High-Pressure Gas Safety Control Act shall apply to the administrative disposition (including a penalty surcharge) to be taken against an offence by an urban gas filling business entity before this Act enters into force.

(4) (Transitional Measures concerning Application of Penalty Provisions or Administrative Fines) The High-Pressure Gas Safety Control Act shall apply to the penalty provisions or administrative fines against an offence by an urban gas filling business entity before this Act enters into force.

ADDENDA <Act No. 10219, Mar. 31, 2010>

**Article 1 (Enforcement Date)**

This Act shall enter into force on January 1, 2011.

**Articles 2 through 12 Omitted.**

ADDENDUM <Act No. 10498, Mar. 30, 2011>

This Act shall enter into force on the date of its promulgation.

ADDENDA <Act No. 10764, May 30, 2011>

**Article 1 (Enforcement Date)**

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

**Articles 2 through 4 Omitted.**

ADDENDA <Act No. 10959, Jul. 25, 2011>

(1) (Enforcement Date) This Act shall enter into force six months after the date of its promulgation.

(2) (Transitional Measures concerning Penalty Provisions) The previous provisions shall apply to any penalty provision to acts committed before this Act enters into force.

ADDENDA <Act No. 11690, Mar. 23, 2013>

**Article 1 (Enforcement Date)**

(1) This Act shall enter into force on the date of its promulgation.

(2) Omitted.

**Articles 2 through 7 Omitted.**

ADDENDA <Act No. 11794, May 22, 2013>

**Article 1 (Enforcement Date)**

This Act shall enter into force one year after the date of its promulgation.

**Articles 2 through 26 Omitted.**

ADDENDA <Act No. 11998, Aug. 6, 2013>

**Article 1 (Enforcement Date)**

This Act shall enter into force one year after the date of its promulgation.

**Articles 2 and 3 Omitted.**

ADDENDA <Act No. 12065, Aug. 13, 2013>

**Article 1 (Enforcement Date)**

This Act shall enter into force six months after the date of its promulgation: Provided, That the amended provisions of Articles 10-10 and 54 (1) 2-2 shall enter into force three years after the date of their promulgation.

**Article 2 (Applicability to Urban Gas Filling Business Entities' Preparation and Keeping of Safety Inspection Records)**

The amended provision of Article 19-4 (3) shall apply beginning with a safety inspection conducted by an urban gas filling business entity after this Act enters into force.

**Article 3 (Transitional Measures concerning Hearings)**

Where an opportunity to state opinions is given pursuant to the previous provisions as at the time this Act enters into force, hearings shall be deemed to have been held pursuant to the amended provisions of Article 43-4.

**Article 4 (Transitional Measures concerning Penalty Provisions or Administrative Fines)**

(1) The previous provisions shall apply to any penalty provision or administrative fine to acts committed before this Act enters into force.

(2) Notwithstanding paragraph (1), the amended provision of Article 54 (5) shall apply to a person who has failed to receive safety education, in violation of Article 30 (1) (including cases applied mutatis

mutandis in Article 39-5) as at the time this Act enters into force.

ADDENDA <Act No. 12154, Jan. 1, 2014>

**Article 1 (Enforcement Date)**

This Act shall enter into force on the date of its promulgation.

**Article 2 Omitted.**

ADDENDA <Act No. 12287, Jan. 21, 2014>

**Article 1 (Enforcement Date)**

This Act shall enter into force six months after the date of its promulgation: Provided, That the amended provisions of subparagraph 1 of Article 4 and Article 18-2 shall enter into force on the date of their promulgation.

**Article 2 (Applicability to Gas Supply and Demand Plans)**

The amended provision of the latter part of Article 18-2 (1) shall apply beginning with cases where a Mayor/Do Governor submits a gas supply and demand plan to the Minister of Trade, Industry and Energy after the aforesaid amended provision enters into force.

**Article 3 (Transitional Measures concerning Incompetent Persons, etc.)**

Incompetent persons under the adult guardianship referred to in the amended provision of subparagraph 1 of Article 4 shall be deemed to include persons for whom the declaration of incompetency or quasi-incompetency remains effective under Article 2 of the Addenda to the Civil Act (Act No. 10429).

**Article 4 (Transitional Measures concerning Business of Producing Byproduct Gas from Naphtha or Biogas)**

(1) Notwithstanding the amended provision of subparagraph 4-3 of Article 2, it shall be deemed the business of producing byproduct gas from naphtha or biogas under this Act, to supply byproduct gas from naphtha or biogas to persons who are not falling under the amended provisions of subparagraphs of Article 8-3 (1) as at the time this Act enters into force.

(2) If a person who conducts the business of producing byproduct gas from naphtha or biogas as at the time this Act enters into force, intends to conduct the business of producing byproduct gas from naphtha or biogas under this Act, he/she shall obtain permission under the amended provisions of Article 3 within six months from the enforcement date of this Act.

**Article 5 (Transitional Measures concerning Natural Gas Shipping Business)**

If a person who conducts natural gas shipping business under the amended provision of subparagraph 9-2 of Article 2 as at the time this Act enters into force, intends to conduct natural gas shipping business under this Act, he/she shall make a report under the amended provision of Article 10-2 (3) within three months from the enforcement date of this Act.

ADDENDA <Act No. 12926, Dec. 30, 2014>

**Article 1 (Enforcement Date)**

This Act shall enter into force six months after the date of its promulgation.

**Article 2 (Transitional Measures concerning Contracts for Import, etc. of Natural Gas Concluded by Natural Gas Export and Import Business Entities that are Urban Gas Business Entities)**

Where a natural gas export and import business entity that is an urban gas business entity having obtained approval under Article 10-5 (1) before this Act enters into force, intends to modify, after this Act enters into force, any terms and conditions of the approved contract which meets the criteria referred to in the former part of the amended provisions of Article 10-5 (2), it shall file a report on the modification in accordance with the amended provisions of the latter part of Article 10-5 (2).

**Article 3 (Transitional Measures concerning Administrative Fines)**

The previous provisions shall apply to any administrative fine for acts committed before this Act enters into force.

