

OTHERS IMBALANCE COST PASS-THROUGH TARIFF REBATE

TENAGA NASIONAL BHD

Type	Announcement
Subject	OTHERS
Description	IMBALANCE COST PASS-THROUGH TARIFF REBATE

Tenaga Nasional Berhad (“TNB”) wishes to inform that the Government of Malaysia (“Government”) has announced an Imbalance Cost Pass-Through (“ICPT”) rebate of 1.52 sen/kWh effective from 1 January 2017 until 30 June 2017.

This ICPT rebate amounts to RM766.33 million and is made possible due to lower Liquefied Natural Gas (“LNG”) price, higher performance of coal power plants and a reduction in the use of gas for electricity generation.


The rebate also takes into consideration additional gas cost following the Government’s subsidy rationalisation plan and decision to further increase the piped gas price from the current RM19.70/mmBTU to RM21.20/mmBTU. The new gas price will be effective from 1 January 2017.

This rebate will be applicable to all consumers except Domestic consumers with monthly consumption of 300 kWh and below.

The ICPT is a mechanism approved by the Government and implemented by Suruhanjaya Tenaga (“ST”) since 1 January 2014 as part of a wider regulatory reform called the Incentive Based Regulation (“IBR”). ICPT mechanism allows TNB to reflect changes in fuel and generation costs in consumer’s electricity tariff every six (6) months, subject to Government’s decision and approval.

TNB also wishes to inform that the impact of ICPT implementation is neutral on TNB and will not have any effect to its business operations and financial position.

This announcement is dated 14 December 2016.

 Announcement Info	
Company Name	TENAGA NASIONAL BHD
Stock Name	TENAGA
Date Announced	14 Dec 2016
Category	General Announcement for PLC
Reference Number	GA1-14122016-00084