

Headline	Hajji shares Shafie's concern on renewable energy transition		
MediaTitle	Daily Express (KK)		
Date	05 Jan 2024	Language	English
Circulation	25,055	Readership	75,165
Section	Nation	Page No	4
ArticleSize	292 cm <sup>2</sup>	Journalist	N/A
PR Value	RM 1,860		



## Hajji shares Shafie's concern on renewable energy transition

Hajji expressed gratitude to every assembly member who participated in the bill debate and promised to keep an eye on every concern brought up.

"I would like to address a few points that Senallang (Datuk Shafie Apdal) brought up, which I believe are rather significant in this matter.

"I share his (Senallang) opinion that we must eventually transition to renewable energy sources as we cannot continue to rely solely on the use of petrol or diesel. To support the development of renewable energy, we have a plan called the Sabah Energy Master Plan and Direction 2040

(SE-RAMP 2040).

"For this reason, Sabah has added a renewable energy component to its electricity generation mix by researching and developing both new and existing renewable energy sources.

"Secondly, use the study that ECoS is now conducting to create a master plan for Sabah's hydropower growth.

"Over 50 per cent of renewable energy capacity is the target percentage that has been set until the year 2030, compared to only 90 per cent currently. With the help of Sabah's abundant and distinctive renewable energy resources—such as

solar, wind, geothermal, and biodiesel—the State can support its ambitions to become carbon neutral by 2050 and develop environmentally sustainable large-scale energy.

"These are the measures we'll take to guarantee that Sabah's population and industry can continue to meet their electricity needs in the future," he said.

He also talked about Imbalance Cost Pass Through (ICPT) in response to Sri Tanjung, saying it is a mechanism approved by the Federal Government and under the incentive-based regulatory framework of the adjustment of electricity tariffs

through the ICPT mechanism.

Hajji said it is according to the decision that has been made by the Government every six months of every year to be released to electricity users.

"This ICPT is intended to overcome changes in whether the increase or decrease in fuel costs and out-of-control electricity generation costs where the increase in cost is released as a surcharge while the decrease in cost is released as rebate.

The regulation period P4, also known as Period Four, was reviewed from July 2023 to December 2023. During this time, there was an unforeseen rise in generating costs that increased generation expenses by RM225.33 million.

"The delay in the implementation of new power plants based on natural gas fuel, the delay in the completion of plants - material energy plants such as large-scale solar and biodiesel plants and mini hydro under the incentive tariff programme or fuel intake by the developers, and damage to the Tenom Pangi hydropower station due to natural disasters where we lost 66MW of capacity are the main causes of the increase in fuel, diesel fuel and Medium Fuel Oil consumption.

"Thus, during P5, or Period 5, which spans six months from January 1 to June 30, 2024, the Federal Council of Ministers has chosen to establish electricity pricing under the ICPT mechanism. As is carried out in Peninsular Malaysia by the Federal government's still-existing energy supply regulatory authority

"The Federal Government has allocated a subsidy of RM161.70 million to commercial and small-scale industrial users, as well as domestic users with a monthly consumption of less than 1,500 units, or approximately RM700, to avoid imposing any ICPT surcharge. This decision was made based on targeted subsidy assistance.

"For the period from January 1 to June 30, 2024, a total of 99 per cent of consumers in Sabah and Labuan would not be subject to any changes to their power tariffs or ICPT surcharges because of the subsidy.

"Large commercial and industrial users, as well as public lighting tariffs that increased to 7.2 cents per unit per kilowatt hour, or roughly 11 to 22 per cent, were required to bear or release the remaining increase in generation costs, which amounted to RM69 million. Thus, users falling under the B40 group are not affected," he said.