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Dr Wee: Electricity bills are higher

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Reports by ALLISON LAI, KHOO GEK SAN, NAN HIDAYAT NAN AZMIE and RSN MURALI

Dr Wee: Electricity bills are higher

Tariff changes have actually affected consumers, says MCA president

MELAKA: Electricity bills have gone up despite the government's assurance that 85% of consumers are unaffected by tariff changes, says Datuk Seri Dr Wee Ka Siong.

The MCA president said businesses were also facing higher electricity costs, with some small businesses reporting increases of between 30% and 40%, which could eventually be passed on to consumers through higher prices.

He cited a business whose monthly electricity bill had risen from about RM500,000 to RM800,000.

"When a business' costs increase, what happens when it sells its products? It will factor those additional costs into the prices.

"Ultimately, the people will bear the cost," he said during a ceramah at the Machap Baru new village on Monday night.

Dr Wee said the impact of higher electricity costs was not limited to small businesses, with shopping centres and factories also experiencing increases of about 30%.

"With businesses having little room to absorb the additional costs, they will eventually have to pass them on to consumers through higher prices," he added.

The restructured electricity tariff system in Peninsular Malaysia took effect on July 1 last year, with the average base tariff set at 45.4sen per kilowatt-hour (kWh).

It replaced the previous six-monthly Imbalance Cost Pass-Through (ICPT) mechanism with the monthly Automatic Fuel Adjustment (AFA), which reflects changes in fuel and generation costs and can result in either a rebate or surcharge.

> "When a business' costs increase, what happens when it sells its products?"
>
> Datuk Seri Dr Wee Ka Siong

For November, the AFA rate was a surcharge of 3.6sen per kWh.

Domestic consumers using up to 800kWh monthly are temporarily exempted from AFA charges, the RM10 retail charge and the 8% Sales and Service Tax (SST) until Dec 31 this year.

Based on an informal survey, Dr Wee said the situation on the ground appeared to differ from the government's assurance, with all 85 people he approached reporting higher electricity bills.

He urged households to compare their latest Tenaga Nasional Bhd (TNB) bills with those from two years ago, taking into account whether their electricity consumption and household size had remained unchanged.

"For example, if your electricity consumption is the same as two years ago and you still have the same four people living in your household, has your electricity bill gone up?" he said.

Dr Wee also questioned the shift from rebates to surcharges under the AFA mechanism.

He said consumers had initially benefited from rebates of up to about 9sen per kWh, but these were gradually reduced over the following months before turning into surcharges.

The reported figures showed that the rebate peaked at 8.91sen per kWh in November 2025 before narrowing to 0.47sen in April this year. The rate then turned into a surcharge of 1.38sen per kWh in May.

However, not all households are subject to AFA charges.

Domestic consumers using up to 600kWh monthly were initially exempted, with the threshold temporarily raised to 800kWh until Dec 31.

Dr Wee said he had raised concerns over electricity tariffs in Parliament on four occasions, including under the previous adjustment mechanism, when rates rose from 3.7sen to 21sen per kWh.

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