12 MAY, 2025

Power theft soars 300percent as illegal mining booms

The Star, Malaysia

Power theft soars 300% as illegal mining booms

PETALING JAYA: The global transaction of cryptocurrency has led to a rise in illegal mining, causing a nearly 300% jump in electricity thefts between 2018 and 2024 in Malaysia, reveals Tenaga Nasional Berhad (TNB).

The cases were detected through TNB's joint operations with the Energy Commission, the police, the Malaysian Anti-Corruption Commission and local councils.

"Joint operations and nationwide raids have successfully shut down illegal mining setups, contributing to an increase in detected cases from 610 in 2018 to 2,397 in 2024.

"These enforcement actions have safeguarded the stability of the power grid," TNB said in a statement to *The Star*.

Between January 2020 and December 2024, TNB said the average number of crypto-related electricity theft cases stood at 2,303 per year.

"For the same period, the average number of complaints related to cryptocurrency was 1,699, with an average of 340 per month.

"The number of complaints reflects increasing public awareness of reporting on illicit crypto mining activities," it added.

Under the Electricity Supply Act, anyone who tampers with or alters any electrical installation is liable to a fine of up to RM1mil, imprisonment for up to 10 years, or both.

Offenders could also be charged with theft or mischief under Sections 379 and 427 of the Penal Code.

Among the mechanisms utilised to detect suspicious excessive usage of electricity were through continuous consumption patterns analysis.

"Additionally, we work closely with the relevant authorities and stakeholders to uphold fair and sustainable electricity usage, therefore ensuring reliability for all customers," it added.

To enhance its strategies in combatting illegal crypto mining, TNB had expanded the deployment of its smart meter which could improve detection of electricity theft and enable efficient monitoring.

The smart meter is a device that records the daily electricity usage and communicates this information to TNB via radio-frequency waves for monitoring and billing.

TNB has also proposed stricter legal enforcement under the Electricity Supply Act while employing artificial intelligence and predictive analytics to further improve detection and flagging of suspicious consumption of electricity among users.

There have been a number of reports about cases of illegal electricity connections.

In January, news emerged that about 60 house and shop owners in Perak were saddled with electricity bills ranging from RM30,000 to RM1.2mil due to illegal electricity connections by their tenants who engaged in cryptocurrency mining.

On April 30, police dismantled a syndicate on April 30 for stealing electricity for illegal bitcoin mining in Hulu Terengganu and Marang in Terengganu.

Amid the global digital economy, Malaysia has the potential to be a key hub for blockchain technology and digital assets and use of technologies like tokenisation, stablecoins and cryptocurrencies.

What is crypto mining?

It is the process by which crypto miners use computers, data, codes, and calculations to validate crypto currency transactions and earn cryptocurrency as compensation for their work.

Why does crypto mining use a lot of energy?

It is energy-intensive because it requires massive computational power to solve complex cryptographic problems.

How to protect yourselves from electricity theft or meter tampering

Check with the Energy Commission when someone approaches you to save electricity consumption.

If you believe your meter has been tampered with, immediately report the matter to the Energy Commission and provide all relevant documents and details for further investigation.

Install TNB Smart Meter device, which provides daily records of electricity consumption, to detect any suspicious usage.

Recent cases of electricity theft

April 30 Police dismantled a syndicate stealing electricity for illegal Bitcoin mining in Hulu Terengganu and Marang in Terengganu.

April 22-23 Johor police have busted a syndicate involved in large-scale electricity theft to power illegal Bitcoin mining activities leading to losses amounting to RM1.29mil.

Jan 24 A total of 45 homeowners and business operators from Klang Valley, Johor and Negri Sembilan suffered losses totalling RM8.5mil in electricity charges after their tenants allegedly stole their identities to carry out illegal Bitcoin mining.

Jan 22 More than 60 homeowners and shop lot owners in Perak have had to pay TNB bills ranging from RM30,000 to RM1.2mil due to illegal electricity connections by tenants engaged in cryptocurrency mining activities.

Sources: Tenaga Nasional Berhad and news reports — *The Star graphics*