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## 'New power tariff to depend on commission's next review'

**KUALA LUMPUR:** New electricity tariff will depend on the next review by the Energy Commission while coal and gas prices through the Imbalance Cost Pass-Through (ICPT) mechanism will likely be maintained, said Tenaga Nasional Bhd (TNB) chief executive officer Amir Hamzah Azizan.

"The tariff is affected by fuel prices. Ultimately, the movement of the tariff will depend on where the coal and gas prices are. Some trending of coal prices is seen but gas prices are still adjusting towards market price.

"So, there are two opposing forces at this point of time, and hopefully in the next review, the commission will take both into account and we will see what happens then.

"We believe that we will still maintain the ICPT as we see it as a fair mechanism that can induce investments back into the business," he said.

Amir said the sustainable ecosystem made possible via the Incentive-Based Regulation (IBR) framework and the ICPT mechanism implemented in the last four years had resulted in Malaysia having one of the most reliable energy networks in the region, on par with other advanced countries.

The national utility company said preparatory works were already underway to gear the company for the IBR's Third Regulatory Period (RP3)(2021-2023) and upon receiving the endorsement from its management team and approval from its board members.

The company expects the RP3 proposal to be submitted to the commission by December.

In December last year, the government gave approval for TNB to continue implementing the ICPT mechanism in the first half of this year.