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## Malaysia sets up energy exchange, to open 100MW green electricity export to Singapore

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KUALA LUMPUR (April 15): Malaysia has set up its very own energy exchange, Energy Exchange Malaysia (Enegem), for cross-border trading of green electricity, which will commence with a pilot auction to export 100 megawatts (MW) to Singapore using existing infrastructure.

The pilot auction will only be open to entities with an electricity generation and/or retailer licence for the Singapore Electricity Market, according to a statement from the Ministry of Energy Transition and Water Transformation (Petra) on Monday.

Interested bidders are to register with the single buyer to participate in the auction, and if successful, will be notified to proceed with the auction to purchase green electricity.

“Winning bidders shall enter into a renewable energy (RE) supply agreement with [the] single buyer for the sales and purchase of the green electricity,” it added.

Trading transactions through Enegem will be based on the latest Guide for Cross-Border Electricity Sales (CBES) issued by the Energy Commission. A Petra spokesperson said the CBES will be issued on Tuesday.

Parties interested in the auction may register their intent to participate via Petra or the single buyer’s website from Tuesday.

“Petra would like to invite interested and eligible [parties] to participate in the inaugural auction for the purchase of green electricity from Malaysia’s electricity sup-

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BY IZZUL IKRAM  
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ply system to be supplied to Singapore via the Enegem platform,” the ministry said.

“Petra believes that the initiation of auctioning via the Enegem platform will allow Malaysia to further strengthen its cross-border electricity integration framework while paving the way for greater RE development and regional cooperation on cross-border energy trading between Asean countries,” it added.

Malaysia lifted its RE export ban in May last year and in tandem announced that cross-border RE sales would be conducted via the electricity exchange system — the aforementioned Enegem platform.

Last year, the government also made known its plans to carve out an independent single buyer — an entity responsible

for managing the planning and procurement of electricity in Peninsular Malaysia — out of Tenaga Nasional Bhd (TNB) to manage Enegem.

Currently ring-fenced within TNB, the entity will decide which power plant to procure electricity from, being the sole entity that will pool the entire electricity supply to meet demand.

Notably, Petra this month announced the opening up of bidding for the fifth large scale solar (LSS) quota awards totalling 2GW.

However, the ministry has not announced any new solar or conventional power plant projects to specifically cater to the energy exports to the city-state, which has expressed interest for up to 1.2GW in electricity imports by 2027.

Malaysia’s existing RE supply currently caters to other programmes such as the Green Electricity Tariff (GET) programme, which enables customers of TNB to source green electricity generated from renewable sources to reduce their carbon footprint.

Just last week, Petra unveiled GET’s new tiered pricing mechanism set to a quota of 6,600 gigawatt-hour (GWh) for 2024.

The new rates were set at 10 sen per kilowatt-hour (kWh) for domestic and non-domestic low-voltage users, and 20 sen/kWh for non-domestic medium and high-voltage users, compared to 2023’s blanket GET rate of 21.8 sen/kWh.