AUTHOR: No author available SECTION: BUSINESS PAGE: A8 PRINTED SIZE: 151.00cmi; 1/2 REGION: KL MARKET: Malaysia PHOTO: Black/white ASR: MYR 1,208.00 ITEM ID: MY0064286400

25 JUN, 2025



RP4 tariff reform can spur behavioural change, accelerate energy transition



Borneo Post (KK), Malaysia

RP4 tariff reform can spur behavioural change, accelerate energy transition

KUALA LUMPUR: Malaysia's Regulatory Period 4 (RP4) electricity tariff restructuring can serve as a powerful tool to promote behavioural change and accelerate the country's lowcarbon agenda, if paired with smart technologies, targeted financial incentives, and inclusive support mechanisms, an energy expert said.

Associate Dr Professor Mohamad Fani Sulaima of Universiti Teknikal Malaysia Melaka said the recently introduced tariff reform, particularly the Time-of-Use (TOU) mechanism and the Automatic Fuel Adjustment (AFA) regime, must be complemented by broader efforts to make energy efficiency more accessible and actionable for all households.

He said that while initiatives like the 'Insentif Cekap Tenaga' lay a good foundation, their long-term success depends heavily on public awareness affordability, especially for lower-income groups who may face high upfront costs for energy-efficient appliances.

"Integrating zero-interest financing options and engaging local institutions such as state assemblies, municipal councils, and universities can help drive

behavioural change.

"These channels are crucial for building trust and delivering targeted outreach," he said in a written response to Bernama.

On the TOU tariff system, Mohamad Fani said effectiveness hinges on enabling consumers to make real-time decisions through automation and behavioural nudges.

"Smart home technologies, energy management platforms, and mobile alerts that notify tariff changes significantly can improve responsiveness. Rebates for shifting usage to off-peak periods can further encourage smarter energy choices without compromising comfort," he said.

He added that tools like the MyTNB app should be upgraded beyond mere informational use, evolving into interactive energy management platforms offering real-time data, efficiency tips, and peer comparisons to support informed decisions.

Touching on the equity implications of the new tariff, Mohamad Fani said large households - especially those with unavoidable energy needs may be disproportionately impacted by a flat rate structure.

— Bernama*