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## Renewable Energy Fund charge lifted for green initiatives

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**PUTRAJAYA:** The government will exempt the 1.6% Renewable Energy Fund charge on electricity tariffs under renewable energy programmes effective Aug 1.

This was disclosed by the Energy Transition and Water Transformation Ministry yesterday.

The exemption covers the Green Electricity Tariff initiative, Corporate Renewable Energy Supply Scheme and Community Renewable Energy Aggregation Mechanism.

The ministry said the measure aligned with the government's goal to accelerate the development and integration of renewable energy into the national electricity supply.

"With this exemption and related enhancements, the ministry hopes to incentivise users, particularly corporations and industries, to continue supporting the national energy transition agenda towards achieving a 70% renewable energy mix in electricity supply by 2050," the ministry said yesterday, Bernama reported.

The move was also expected to spur more positive growth in the renewable energy industry.

The ministry said the 1.6% charge on electricity tariffs, introduced in 2011, was to fund the growth of renewable energy through the Feed-in Tariff (FiT) mechanism implemented by the Sustainable Energy Development Authority.

"Since the introduction of the FiT mechanism, the distributed renewable energy capacity in the national power supply system, particularly from solar sources, has grown significantly, from just 5 megawatts (MW) in 2011 to 5,100 MW," the ministry said.

FiT also boosted electricity generation from biogas, biomass and small hydropower sources, which now collectively contribute 855 MW to the national supply.

The ministry said following the implementation of the new electricity tariff structure on July 1, the government reviewed existing renewable energy programmes and resolved to further promote renewable energy among electricity users.