

Headline	Surcharge on renewable energy will not impact all consumers		
MediaTitle	The Edge Financial Daily		
Date	04 Dec 2013	Language	English
Circulation	15,000	Readership	50,000
Section	Home Business	Page No	8
ArticleSize	145 cm ²	Journalist	Levina Lim
PR Value	RM 5,019		



Surcharge on renewable energy will not impact all consumers

by **Levina Lim**

THE surcharge revision to 1.6% from 1.0% on the electricity bill for the Renewable Energy (RE) Fund for distribution licensees such as Tenaga Nasional Bhd (TNB) will not affect all consumers.

“Not all electricity consumers are obliged to contribute to the RE Fund.

“While the RE Fund is critical to ensure the sustainable growth of renewable energy, the government is mindful of protecting consumers with 300 kilowatt-hour (kWh) and less of electricity usage (equivalent to RM77) who will be exempted from such contributions,” said the chairman of Sustainable Energy Development Authority (Seda) Malaysia, Datuk Dr Yee Moh Chai in a statement yesterday.

The government announced on Monday that it has allowed TNB to increase electricity tariffs in Pen-

insular Malaysia by about 15%, or 4.99 sen per kWh, from the current average rate of 33.54 sen per kWh to 38.53 sen per kWh.

The new rates will take effect from Jan 1, 2014, when the government will reduce the gas subsidy provided to power producers.

To enhance the promotion of green energy in the country, the government has also decided to

revise the collection from consumers for the RE Fund from 1% to 1.6% effective Jan 1, 2014. The 1.6% collection will be payable by all electricity consumers, except for domestic consumers who use less than 300 kWh per month.

As such, according to Seda, only 29% and 38% respectively of the total domestic electricity consumers in Peninsular Malaysia and Sabah will be affected by the electricity surcharge revision.

The RE Fund was implemented on Dec 1, 2011, under Section 23 of the Renewable Energy Act 2011 to facilitate the implementation of the Feed-in Tarriff (FiT) mechanism which enables electricity generated from renewable sources to be paid a premium tariff.

Yee added that this is the first time the surcharge will be introduced in Sabah.

“This is the first time the 1.6% surcharge on the electricity bill is introduced in Sabah — currently, only RE projects in Sabah that were previously under the Small Renewable Energy Power programme and had achieved commercial operation by Dec 1, 2011, were able to take part in the FiT mechanism,” she said.

“However, the FiT is not available for Sarawak which has its own ordinances and legislation governing the state’s electricity supply,” Yee added.