



30 SEP, 2025

Cheaper power tariffs in October as fuel costs fall



The Edge CEO Morning Brief, Malaysia

Cheaper power tariffs in October as fuel costs fall

BY SYAFIQAH SALIM
theedgemalaysia.com

KUALA LUMPUR (Sept 29): Tenaga Nasional Bhd (KL:TENAGA) said the automatic fuel adjustment (AFA) for October has been set at a rebate of 6.5 sen per kWh, compared with 1.10 sen per kWh in September, according to the utility giant's website.

The AFA, introduced by the Energy Commission in July, provides monthly adjustments to electricity tariffs based on preceding fuel costs such as gas and coal used in power plants as well as exchange rates. It replaces the Imbalance Cost Pass-Through (ICPT), which was adjusted every six months.

The change means the electricity tariff will be over 5 sen/kWh cheaper than in September, when the rate was 1.1 sen/kWh.

However, this does not apply to low-consumption domestic consumers who use below 600kWh per month (or about RM216 in a monthly bill), as they are exempted from AFA — whether it is a surcharge or rebate.

AFA also does not apply to consumers that subscribe to green electricity tariff (GET), which certifies that the electricity comes from renewable energy sources.

The AFA movement is capped both upwards and downwards at three sen per kWh every month. Any adjustment bigger than that, such as this October change, requires Cabinet approval.

According to TNB's three-month projection, rebates are expected to remain in place at 5.27 sen/kWh in November, 5.68 sen/kWh in December, and 1.10 sen/kWh in January 2026.