

PRESS RELEASE

S.A. 2026/09/15_23 (HQ)

ADDRESSING ELECTRICITY BILL CONCERNS: AFA MECHANISM ENSURES TRANSPARENCY AND FAIR COST-SHARING SINCE JULY 2025

Tenaga Nasional Berhad (TNB) notes concern raised by certain segments of customers regarding electricity bills, particularly on the Automatic Fuel Adjustment (AFA) component. TNB understands the pressures of the cost of living and would like to provide an explanation on how the AFA mechanism works, as well as the measures implemented to protect customers.

AFA was introduced on 1 July 2025 following the restructuring of the electricity tariff, replacing the Imbalance Cost Pass-Through (ICPT) mechanism. As such, AFA is not a new charge and does not generate profits for TNB. AFA functions as a two-way mechanism to adjust for changes in fuel costs and foreign exchange rates.

Domestic Customers Using 600kWh and Below Fully Protected

Domestic customers with monthly electricity consumption of 600kWh and below are fully exempted from AFA charges, whether in the form of a rebate or surcharge. In addition, customers within this usage range are also exempted from the 8% service tax and Retail Charge.

Under the new tariff structure, this group of customers also pays approximately 2% to 14% less compared with the previous tariff, depending on their level of consumption.

Two-Way Mechanism: Sharing Benefits and Costs

When global fuel costs are lower, customers benefit through rebates, with the savings passed directly to their electricity bills. Since the implementation of the new electricity tariff, customers have received AFA rebates for nine consecutive months, from August 2025 to April 2026.

When global fuel costs are higher, the difference in costs is adjusted through a surcharge. The surcharge was only introduced in May 2026, when generation costs increased following the crisis in West Asia.

Total Rebates Exceed Surcharges

Since the introduction of AFA, customers have overall received greater benefits, with a total of RM3.1 billion in AFA rebates compared with RM0.8 billion in AFA surcharges.

In addition, the Government has channelled an additional RM435 million through the Electricity Industry Fund (KWIE) to cushion the impact of the AFA surcharge on customers.

September 2026 AFA Rate and Its Impact on Bills

The AFA rate for September 2026 is +3.67 sen/kWh. This information is updated and published monthly on www.mytnb.com.my/tariff following confirmation from the Energy Commission.

TNB would like to clarify that AFA does not result in a sudden increase in electricity bills.

Factors such as festive seasons, school holidays and working from home can influence household electricity consumption patterns, which in turn affect monthly electricity bills.

Four Practical Steps to Reduce Your Electricity Bill

TNB is committed to helping customers manage their electricity consumption, starting with these four easy steps:

1. Monitor your consumption – Use the myTNB app to monitor your electricity consumption on a monthly and daily (for smart meter users) basis.
2. Practice energy efficiency – Set your air conditioner between 24°C – 26°C and use timers. Choose electrical appliances with a 4- or 5-star rating.
3. Switch to Time of Use (TOU) – Use electricity during off-peak hours, from 10:00pm to 2:00pm (Monday to Friday) and throughout the day on Saturdays, Sundays and Public Holidays, to enjoy lower tariff rates.
4. Invest in rooftop solar – Under the Solar ATAP and SuRIA Home initiatives, customers are eligible for rebates of up to RM3,000 for a 5kWac system, with a payback period of around 8 years.

TNB Committed to Supporting You

TNB remains committed to ensuring that every electricity bill paid by customers reflects the actual cost of electricity.

TNB would also like to emphasise that AFA is not a one-way mechanism. When costs decline, customers benefit from rebates, while when costs increase, the difference is shared. At the same time, domestic customers with monthly consumption of 600kWh and below remain protected.

For any enquiries regarding AFA or further information about your electricity bill, our customer service team is ready to assist you. Please refer to www.mytnb.com.my/tariff or contact us through:

1. 1300-88-5454: operating from 8:00am to 7:00pm on weekdays, and from 8:00am to 5:00pm on weekends and public holidays.
2. Private Message (PM) to TNB Careline Facebook
3. Direct Message (DM) to X @Tenaga_Nasional
4. E-mail to CareLine@mytnb.my

About Tenaga Nasional Berhad (TNB)

Tenaga Nasional Berhad (www.tnb.com.my) is a leading Malaysian utility company in Asia with an international presence in the United Kingdom (UK), Ireland, Australia, Turkiye, Saudi

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Arabia, Kuwait, Pakistan, and Cambodia. Within the renewable energy space, TNB has a total gross portfolio of 3.5 Gigawatts (GW) in Peninsular Malaysia (including 2.5GW of large hydro) and 1.3GW across the UK, Ireland, Australia, and Turkiye, comprising mainly solar, wind, and hydro energy generation assets. In addition to being the nation's primary electricity generation enterprise, TNB also transmits and distributes electricity across Peninsular Malaysia, Sabah, and the Federal Territory of Labuan. As of 30 June 2026, TNB supplies electricity to over 11 million customers.

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