

GOVERNMENT ALLOCATES ELECTRICITY SUBSIDY

We refer to the [PRESS STATEMENT BY YB NIK NAZMI NIK AHMAD, MINISTER OF NATURAL RESOURCES, ENVIRONMENT AND CLIMATE CHANGE \(NRECC\)](#) on 23 June 2023.

The Government on 16 June 2023 agreed to allocate an electricity subsidy of RM5.2 billion in conjunction with the electricity tariff adjustment in Peninsular Malaysia from 1 July to 31 December 31 2023. Under the implementation of the Imbalance Cost Pass-Through (ICPT) mechanism, the electricity tariff adjustment for Peninsular Malaysia consumers from 1 July to 31 December 2023 are as follows. Key highlights include the following:

1. Non-domestic consumers in the low-voltage tariff category (Tariff B and D) will not experience an increase in electricity tariffs, and the ICPT surcharge at a rate of 3.7 sen/kWh will be maintained. Micro, Small and Medium Enterprises (MSMEs) will also not experience any increase in electricity tariffs.
2. Non-domestic consumers, specifically medium-voltage (MV) and high-voltage (HV) users from the industrial and commercial sector, will enjoy a reduction in surcharge rates from 20 sen/kWh to 17 sen/kWh – a monthly decrease in electricity bills ranging from 28% to 35%.
3. The Ministry will encourage energy efficiency practices and the transition to renewable energy use through the installation of solar PV systems as an option for consumers to control their electricity bills.
 - a. The allowable capacity for solar PV systems under the NEM NOVA Programme and SelCo Programme has been increased from 75% to 85%.
 - b. The SelCo Programme is now open for applications and participation by high-voltage (HV) consumers.
 - c. The implementation of the new regulations under the NEM and SelCo programmes will come into effect on 15 July 2023, based on updated guidelines provided by the Energy Commission.
 - d. Tenaga Nasional Berhad (TNB) will also announce several enhancements to encourage the installation of solar PV systems.

Thank you.

MALAYSIAN PLASTICS MANUFACTURERS ASSOCIATION

SUJATA ALBERT

Executive Director

sujata@mpma.org.my