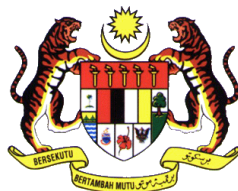


THE NEW ENERGY POLICY

National Energy Security 2012
Sime Darby Convention Centre
28 February 2011



Outline of Presentation

1 Malaysia Energy Resources

2 Energy Policies



3 New Energy Policy, 2010

4 Progress Under 10th Malaysia Plan

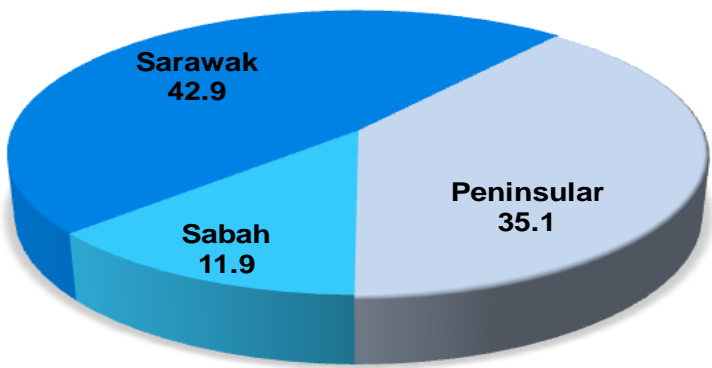
5 Way Forward

6 Vision for the Future

Malaysia's Energy Resources

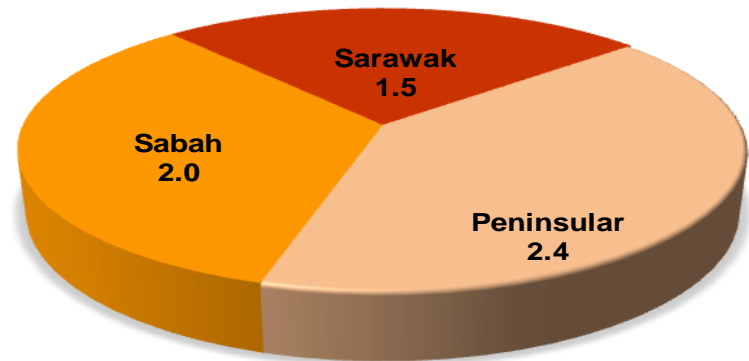
	<i>Reserve</i>	<i>Production 2010</i>	<i>Reserve Life</i>
 Gas	15.00 Billion boe (89.9 TSCF)	974.0 kboe/day	39 years
 Oil	5.9 (Billion bbl)	657.2 kboe/day	25 years

Gas Reserves



Total : 89.9 Trillion cubic feet
As at 1 January 2011

Oil Reserves



Total : 5.9 Billion barrels
As at 1 January 2011

Malaysia's Energy Resources



Coal

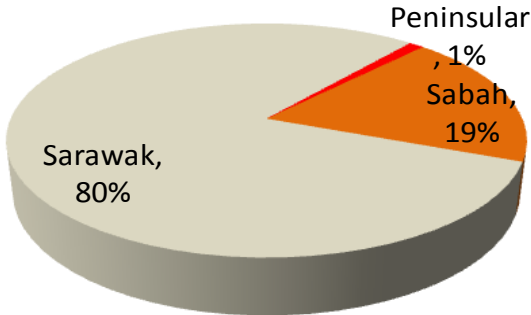
Reserve

**1.938
Trillion tonnes**

Production

**2010
2.38 million
tonnes**

Coal Reserves



Total : 1.938 Trillion tonnes
As at 1 January 2011



Installed
Hydro

Installed Capacity

**Major: 2,091 MW
Mini: 22 MW**

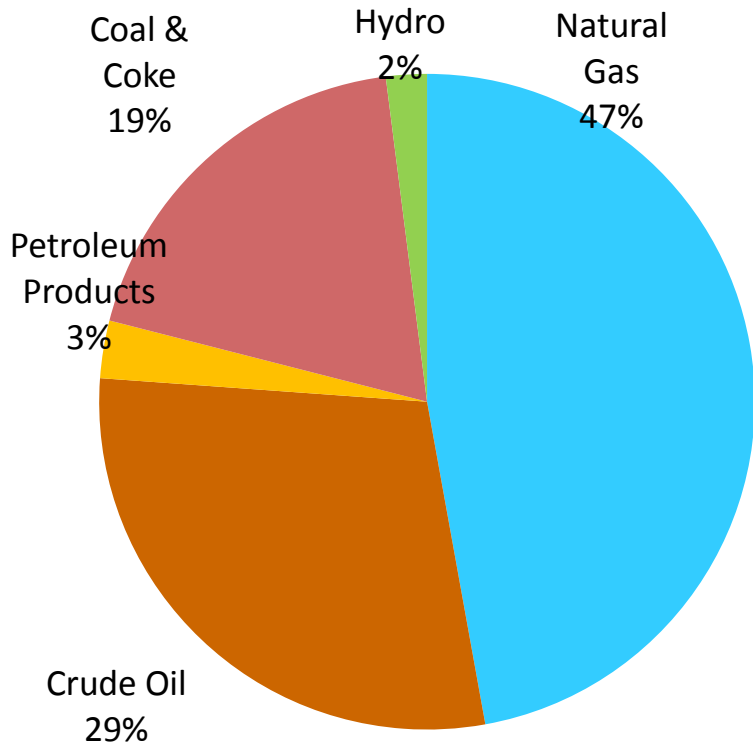


Installed
RE

**Public: 120.1 MW
Private: 644.63 MW**

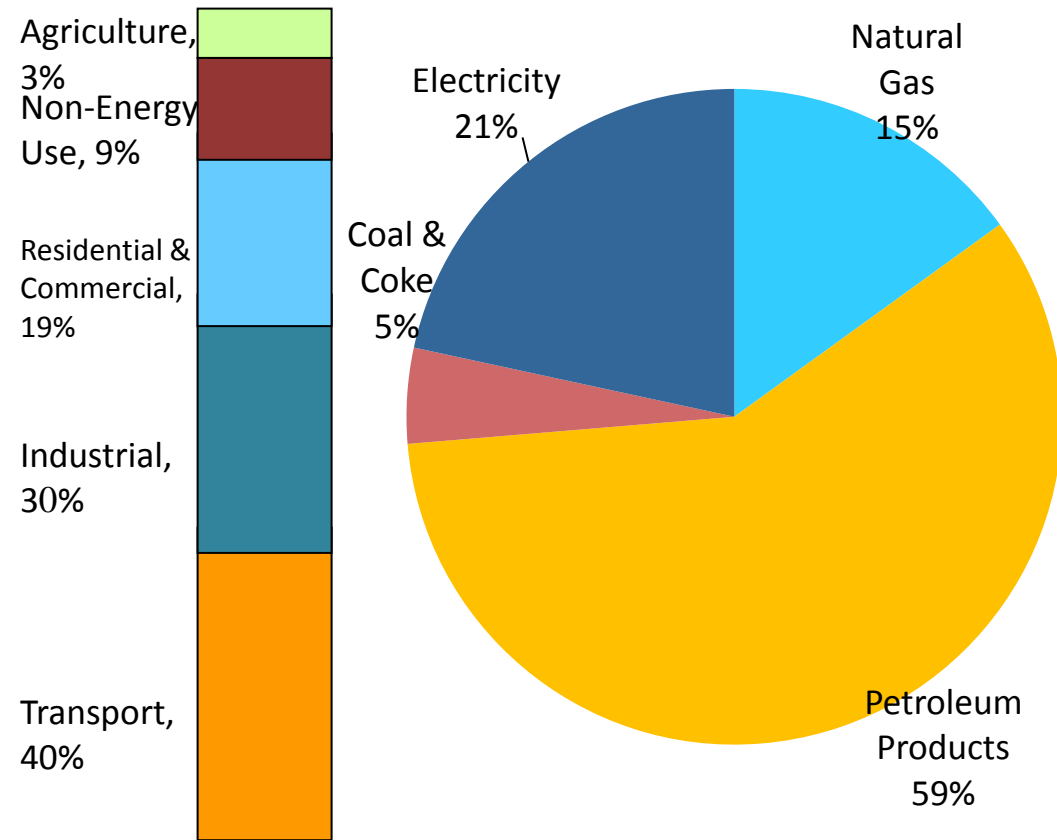
Current Energy Situation, 2010

Primary Energy Supply

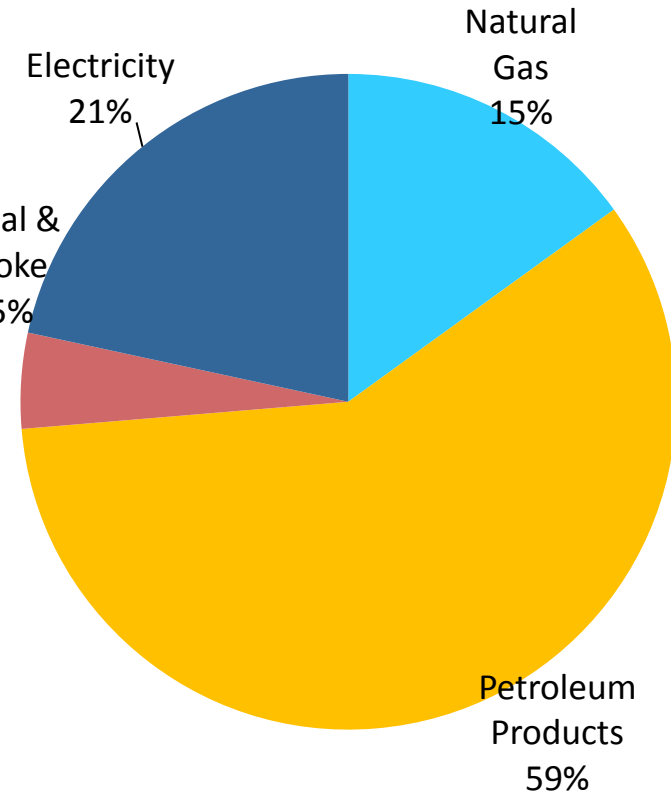


Total : 78,320 ktoe

Final Energy Demand

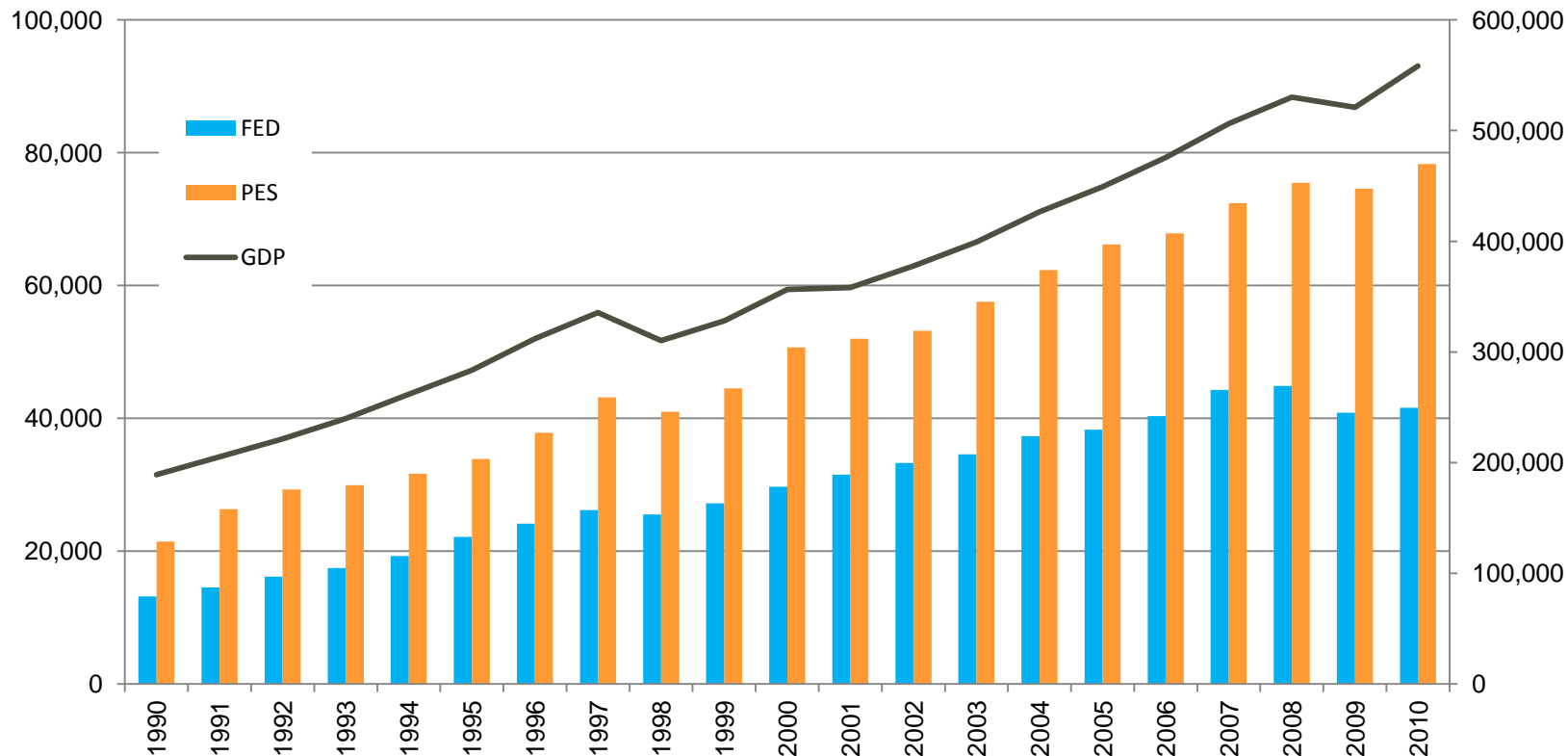


Total : 41,610 ktoe



Trends Of GDP and Energy, 1990 - 2010

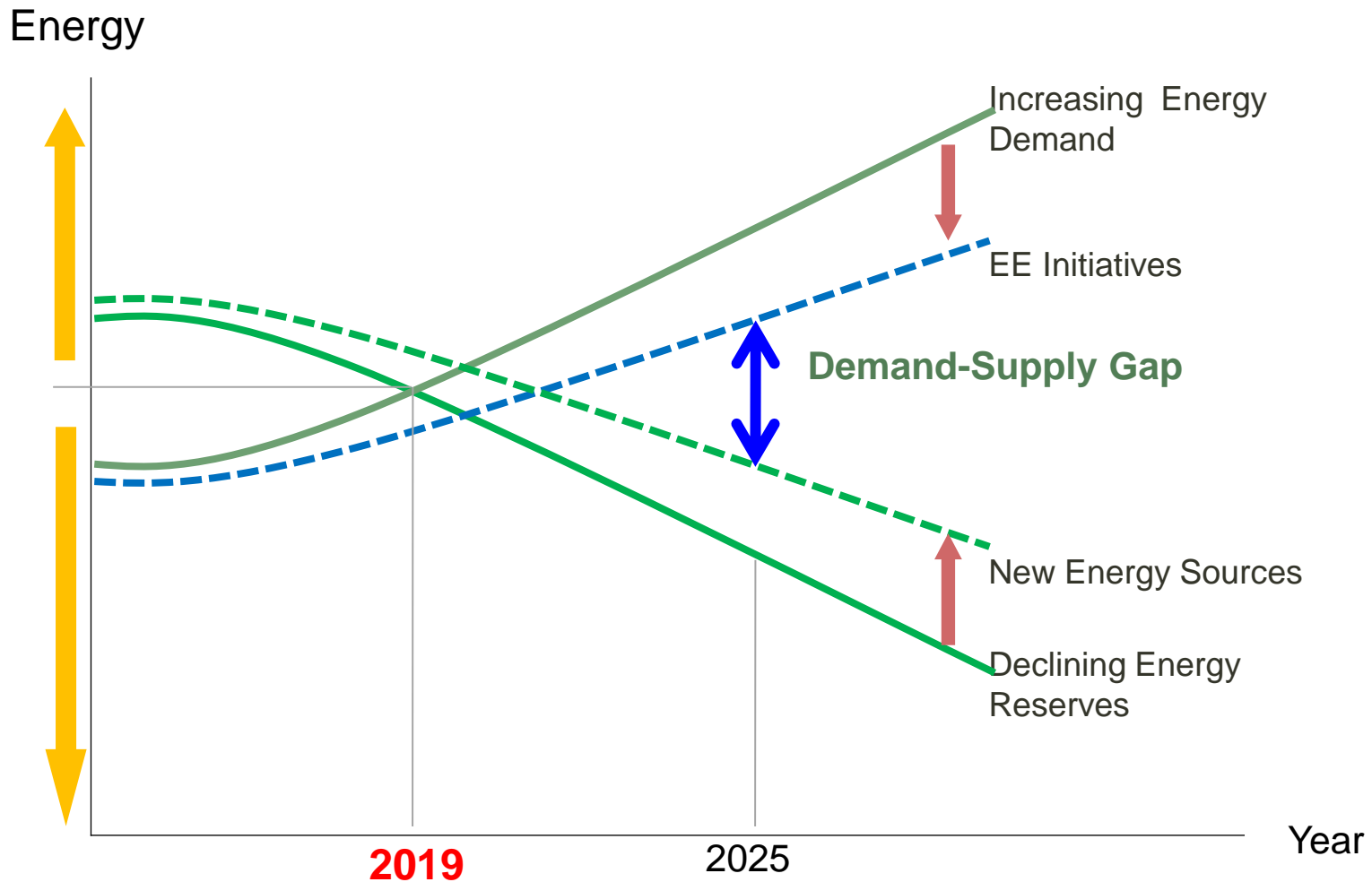
Trends in GDP, Primary Energy Supply and Final Energy Demand



FED - Final Energy Demand (ktoe)
 PES - Primary Energy Supply (ktoe)
 GDP - Gross Domestic Product (RM million)

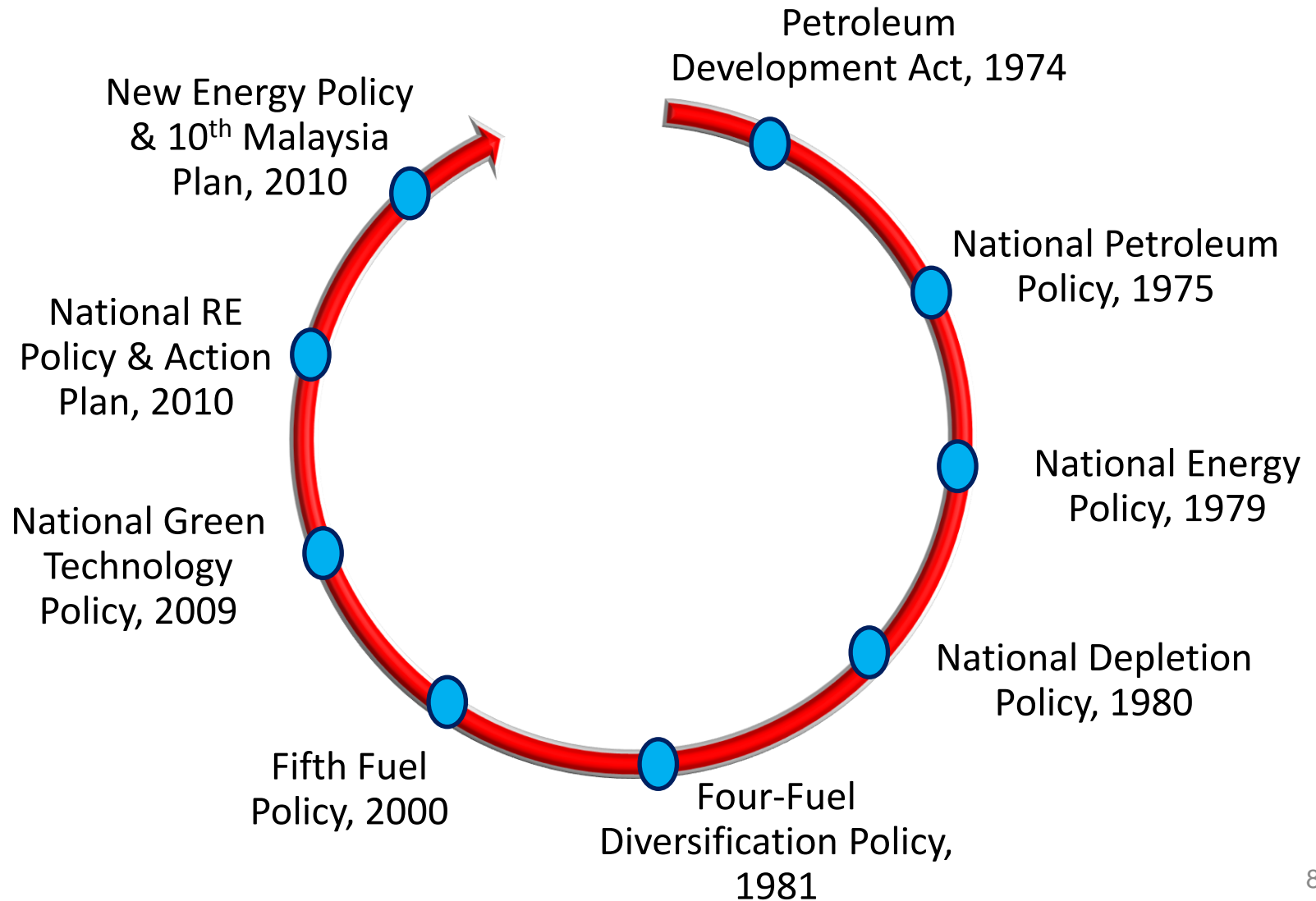
Source: National Energy Balance, KeTTA

Energy Demand-Supply Balance



- Energy demand is projected to increase from 2,000 PJ in 2009 to 4,013 PJ in 2030
- Average rate of 3.6% p.a.
- Malaysia is projected to be a net energy importer by 2019

Energy Policies



The New Energy Policy addresses
**economic efficiency, security of supply &
social and environmental objectives**

5 PILLARS

1

Energy Pricing

- Resource Allocation
- Economic Development path
- EE & RE Uptake

2

Energy Supply

- Diversify Supply
- Alternative Sources
- New Entrants

3

Energy Efficiency

- Market Competitive
- Low-carbon Economy

4

Governance

- Integrated
- Regulatory consistency
- Market disciplines

5

Change Management

- Integrated
- Sequenced
- Gradual
- Social Assistance

Progress Under 10th Malaysia Plan

1

Energy Pricing

Adoption of market-based energy pricing

June
2011

Gas Price Revision

Gas prices set by Government to increase by RM3/mmbtu every 6 month

Achieve Market Price by 2016



Dec
2011

Itemised Billing

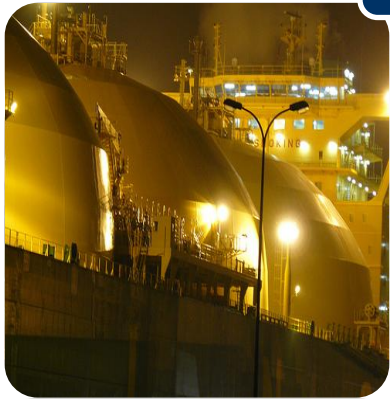
Itemising subsidy amount in consumer utility bills



Initiatives to Secure and Manage Reliable Energy Supply

Oil & Gas Sector

LNG Regasification Terminals (RGT)



2012 RGT in Malacca (~ 500 mmscfd)

2015 RGT in Sabah (~100 mmscfd)

2016 RGT in Tanjung Pengerang, Johor (~500 mmscfd)

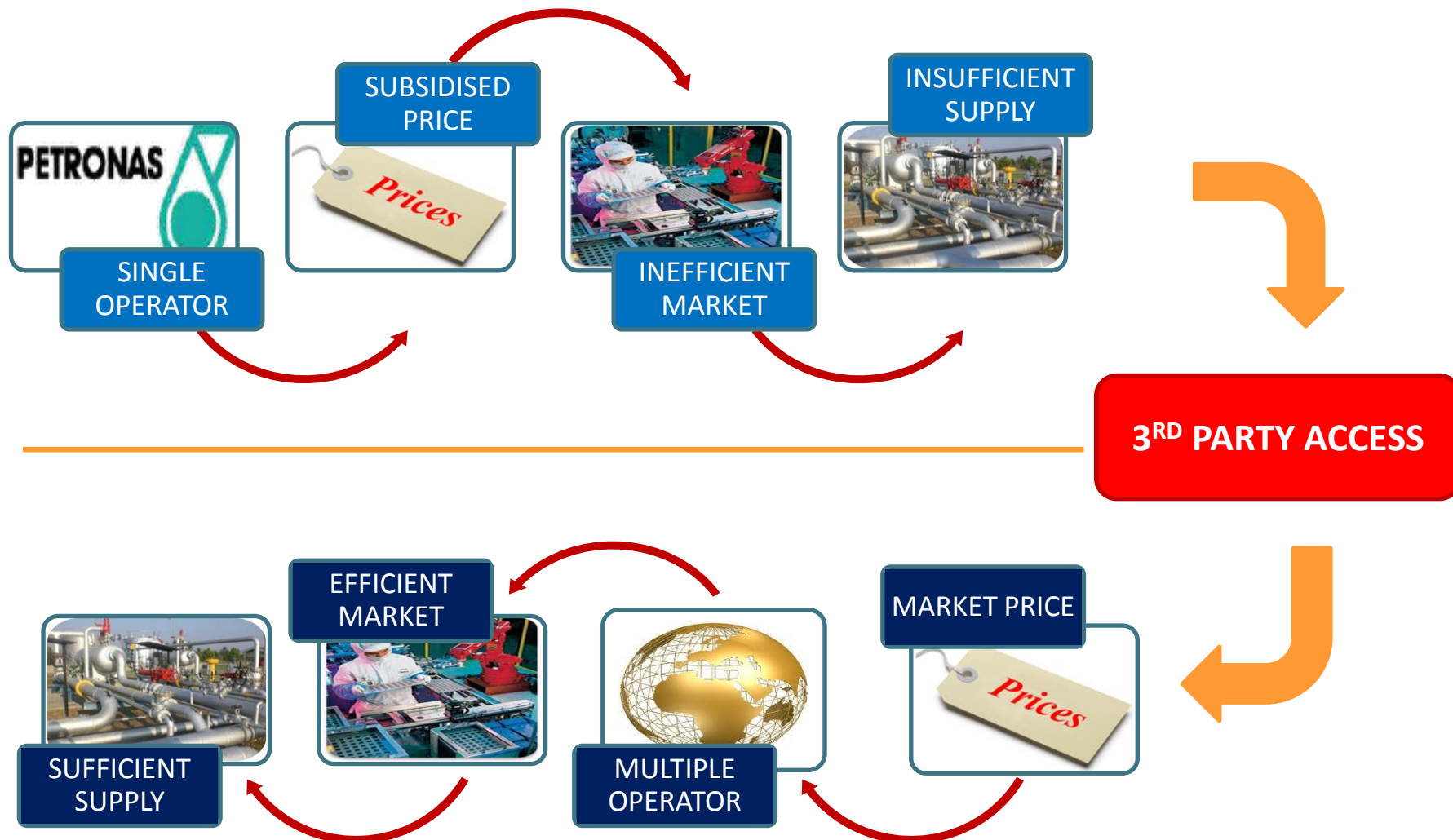
20XX RGT ??

Refinery and Petrochemical Development

2016 RAPID in Johor



Third Party Access for Gas Sector



Electricity Sector

Power Generation Plants

- 2013 300MW Kimanis Gas Power Plant
- 2013 100MW SPR Gas Power Plant (Kimanis)
- 2015 1000MW Coal Power Plant (Janamanjung)
- 2016 1000MW Coal Power Plant (Tg. Bin)
- 2017 622MW Hydro Plant

Other Initiatives

Feed-in-Tariff for RE Sources
Studies on alternative energy sources



Measures to encourage efficient use of energy

- **SAVE**
 - **EE Lab**
 - **EE Act**
- RM40million was disbursed for *Sustainability Achieve Via Energy Efficiency (SAVE)* Programme to SEDA
 - A total of RM 45 million was allocated to SIRIM for EE Testing Lab
 - RM15.21 million has been disbursed
 - KeTTHA is undertaking the task in drawing the EE Masterplan and Act



Improved governance of energy sector to raise productivity & efficiency

New Entities

- **MPRC**
- **MNPC**
- **MyPower**
- **SEDA**

Various entities established to address separate element of the energy industry

- Malaysia Electricity Supply Industry (MESI)
- Renewable Energy & Feed-in-Tariff
- Alternative energy sources etc.

Stronger Governance

Enhancement/Amendments of Acts

- Gas Supply Act 1993

Labs & Workshops conducted to address mechanism for effective coordination between entities



Efforts to raise productivity & efficiency

Enhancement

- Gradual & phased implementation
- Assess appropriate timeline for market price of all energy sources
- “Market price” that reflect efficient cost of supply, incentive for investment & transparency
- Address the issue
 - “Aging” infrastructure
 - Energy efficient vehicle
 - Social safety net



Vision for the Future



Efficient use of energy

Diversified & responsive energy supply

Efficient resource allocation

High value economic development

