

Headline	Billing format to have extra item		
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TO let consumers get used to the new surcharge, Tenaga Nasional Bhd (TNB) will add an extra item on the monthly electricity bill to reflect the likely extra amount to be imposed.

The monthly bill will soon reflect a breakdown of power supply costs — generation, transmission and distribution — by the time it arrives at the customer's location.

This is part of the pilot project being undertaken under the government's plan to introduce the Incentive-Based Regulation (IBR) tariff framework, commencing next week.

The IBR framework institutes the Fuel-Cost Pass-Through

(FCPT) mechanism, which means consumers will pay extra when the price of raw material used for power generation — like gas and coal — rises. If such prices fall, the consumer stands to benefit, said MyPower chief executive officer Datuk Abdul Razak Abdul Majid.

The FCPT mechanism allows any changes in fuel cost to be channelled to users through tariff rates implemented by the government. What this surcharge amount is to be imposed will be assessed every six months, taking into account the prevailing market prices for coal and gas.

Abdul Razak insisted the gas

subsidies do not "enrich" independent power producers. "The subsidised gas cost is passed through to TNB and ultimately, to consumers.

"Many global studies have shown that continuous provision of subsidised gas or electricity over the long term weakens rather than strengthens the economy."

Monthly Bill	Current monthly bill	Proposed monthly bill
300kWh	RM100.62	no change
400kWh	RM134.16	RM160.00