

Electricity tariffs to rise by up to 20%
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It's a double whammy - apart from announcing a MCPX hefty fuel hike today, Prime Minister Abdullah Ahmad Badawi also revealed an increase in electricity tariffs effective July 1.

The tariff rise - by up to 20 percent - will affect about 41 percent of the households in the country, said the premier during a press conference in his office in Putrajaya this evening.

new electricity tariffs 040608According to Abdullah, for households that use less than 400 kilowatt units per month, the following rates apply - the first 200 units will remain at 21.8 sen per unit.

The following 200 units will be 34.5 sen per unit, up from 28.9 sen - an increase of 19.4 percent.

Users who use more than 400 units will have to pay higher rates.

The first 500 units are now priced at 30 sen per unit with gradual increases all the way until 900 units.

Usage above 900 units is capped at 46 sen per unit.

Meanwhile, electricity tariffs for commercial and industrial users will rise 26 percent.

National energy supplier Tenaga Nasional will be holding a press conference at noon tomorrow to further explain the rise in tariffs.

Taxing power and palm oil producers

Meanwhile, the independent power producers who have contributed to the price increases of gas will have to pay a levy under the Windfall Profit Levy Act 1998.

Also included in the tax scheme are palm oil producers, who have enjoyed higher profits as a result of the rise in oil prices.

In place of the current cooking oil subsidy scheme (COSS), which will be withdrawn effective July 1, palm oil producers will also have to pay a levy under the Windfall Profit Levy Act 1998.

abdullah ahmad badawi govt announce new petrol price increase 040608 02For East Malaysia producers, 7.5 percent will be levied on each ton of crude oil palm produced above RM2,000.

For West Malaysia producers, 15 percent will be levied on each crude palm oil ton above RM2,000.

However, the price of cooking oil is expected to be maintained despite the abolishment of COSS as the new levies collected will be used to subsidise the price of cooking oil.

The levy for East Malaysia is lower as the producers there already pay a tax (7.5 percent in Sabah and 5 percent in Sarawak).

Abdullah had earlier announced that petrol price will go up by 78 sen at midnight - a 40.6 percent jump from RM1.92 per litre to RM2.70.

The price of diesel will increase by a whopping 63.3 percent - from RM1.58 per litre to RM2.58.

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