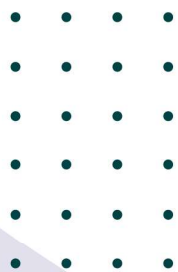


GUIDELINES ON PUBLIC DISTRIBUTION LICENCE APPLICATION



[illegible]



ELECTRICITY SUPPLY ACT 1990 [ACT 447]

GUIDELINES ON PUBLIC DISTRIBUTION LICENCE APPLICATION

GP/ST/NO.65/2026

IN exercise of the powers conferred by section 50C of the Electricity Supply Act 1990 [Act 447], the Commission issues the following guidelines:

Citation and commencement

1. These guidelines may be cited as the **Guidelines on Public Distribution Licence Application**.
2. These Guidelines shall come into operation on the date of its registration.

Purpose

3. These Guidelines specify the requirements that shall be complied by any person who applies for a public distribution licence under section 9 of the Electricity Supply Act 1990 [Act 447].

Dated **15 JULY 2026**

SITI SAFINAH BINTI SALLEH

Chief Executive Officer
Energy Commission

CONTENTS

1. OBJECTIVES.....	1
2. APPLICATION.....	1
3. INTERPRETATION.....	1
4. REGULATORY REQUIREMENTS	3
5. PDL APPLICATION	3
6. SPECIFIC REQUIREMENTS FOR PDL FOR COMMERCIAL-USE BUILDINGS APPLICATION.....	4
7. SPECIFIC REQUIREMENTS FOR PDL FOR DESIGNATED AREA APPLICATION...7	
8. APPLICATION PROCESS.....	9
9. TRANSITION.....	10

1. OBJECTIVES

The objectives of these Guidelines are—

- (a) to establish a clear framework for the application of public distribution licence;
- (b) to outline the requirements and criteria that shall be fulfilled by the applicant who applies for the public distribution licence;
- (c) to ensure that only entities who fulfilled the minimum requirements and criteria are approved to operate the public distribution system; and
- (d) to promote fair, efficient, reliable and safe electricity distribution practices in ensuring the protection of stakeholders' interests.

2. APPLICATION

These Guidelines shall apply to any person who makes an application for a public distribution licence in accordance with section 9 of the Act.

3. INTERPRETATION

- 3.1. In these Guidelines, unless the context requires, the definition of the terms is as follows:

Terms	Definition
Act	means the Electricity Supply Act 1990 [Act 447];
Commission	has the meaning assigned to it under the Act;
commercial mixed development	means the development consisting primarily of commercial activities integrated within a single building or development area;

commercial–use buildings	means building which includes commercial complexes, shopping malls, commercial mixed developments, office towers and industrial buildings;
competent person	has the meaning assigned to it under the Act;
designated area	means a designated development area which includes industrial areas, commercial lots, retail outlets, ports, campuses, mixed developments, or similar developments;
development	means the carrying out of any building, engineering, mining, industrial, or other similar operation in, on, over, or under land, the making of any material change in the use of any land or building or any part thereof, or the subdivision or amalgamation of lands;
domestic	means a private dwelling which is not used in any hotel or boarding house or for the purpose of carrying out any business, trade, profession or service;
integrated mixed development	means the large-scale development consisting of multiple components and land uses integrated within a common master development or strata scheme including domestic, commercial and industrial;
PDL	means the public distribution licence;
public distribution activities	means the distribution of electricity to consumers or occupancies, including but not limited to shopping malls, hotels, commercial complexes, industrial parks, airports, institutional facilities, mixed-use

	and integrated developments, as well as other developments deemed appropriate by the Commission from time to time;
Regulation	means the Electricity Regulations 1994 [P.U.(A) 38/1994];
stakeholders	means any person, entity, authority, licensee, consumer, industry participant, or organization having an interest in, involvement with, or impact from activities within the electricity supply industry.

- 3.2. Unless expressly indicated to the contrary or unless the context otherwise requires, the terms adopted and used in these Guidelines shall bear the same meaning as they are defined in the Act and the subsidiary legislations made under it.

4. REGULATORY REQUIREMENTS

- 4.1 Any person who intends to carry out the public distribution activities may obtain a PDL issued by the Commission in accordance with the Act and subsidiary legislations made under it prior to the commencement of such activities.
- 4.2 These Guidelines shall be read together with the Guidelines on Licence Application under the Electricity Act 1990 [Act 447] [GP/ST/No. 52/2024]

5. PDL APPLICATION

- 5.1. The application for PDL can be made under two (2) categories, namely the PDL for Commercial-use Buildings and PDL for Designated Area.

5.2. The applicant shall comply with the main requirement prior to the submission of licence application as follows:

(a) PDL for Commercial-use Buildings

The applicant is a person who supplies electricity to multiple end-users within a commercial-use building.

(b) PDL for Designated Area

The applicant is a person who supplies electricity to multiple end-users through a privately owned distribution network within a designated area.

6. SPECIFIC REQUIREMENTS FOR PDL FOR COMMERCIAL-USE BUILDINGS APPLICATION

6.1 For the purpose of electricity supply for commercial-use buildings, only one (1) layer of distribution shall be permitted, and the electricity supply is distributed to multiple end-users or tenants within the same building.

6.2 The framework for PDL for Commercial-use Buildings is illustrated in Figure 1 and Figure 2.

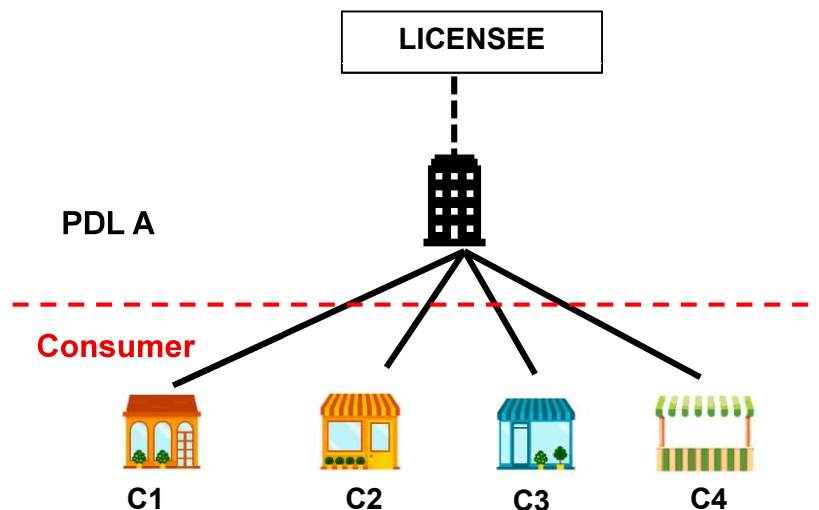


Figure 1: Framework for PDL for Commercial-use Building

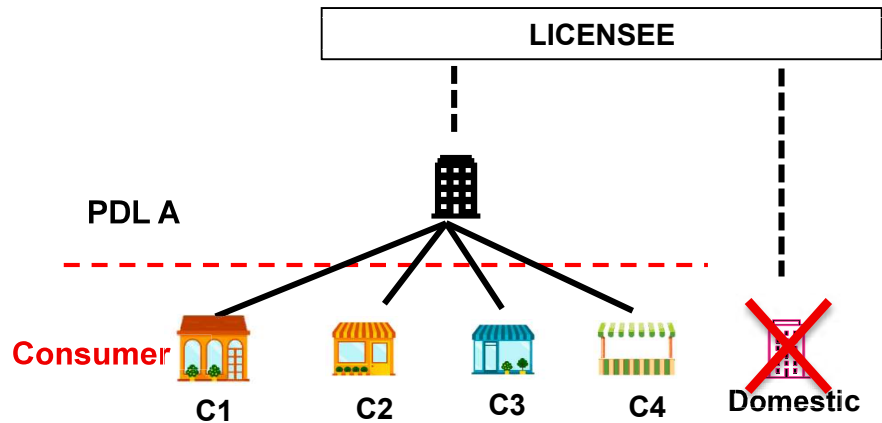


Figure 2: Framework for PDL for Commercial-use Building

- 6.3 The applicant shall not supply electricity to the domestic consumer within the same building. Such domestic consumer shall receive supply of electricity from relevant licensees through separate individual arrangements.
- 6.4 The applicant shall ensure that the total energy consumption of the consumers under a PDL arrangement exceeds twenty (20) percent of the total electricity supply received, measured on a kWh basis.

PDL allowed $\Rightarrow C1+C2+C3+C4 > 20\%$ of total supply PDL A

- 6.5 The applicant shall comply with any additional requirements, rules, and procedures stipulated in the latest Electricity Supply Application Handbook (ESAH) issued by Tenaga Nasional Berhad (TNB) for Peninsular Malaysia and Sabah Electricity (SE) for Federal Territory of Labuan or any similar documents published by relevant licensees.
- 6.6 The applicant shall appoint a dedicated competent person in accordance with the Regulations as illustrated in Figure 3.

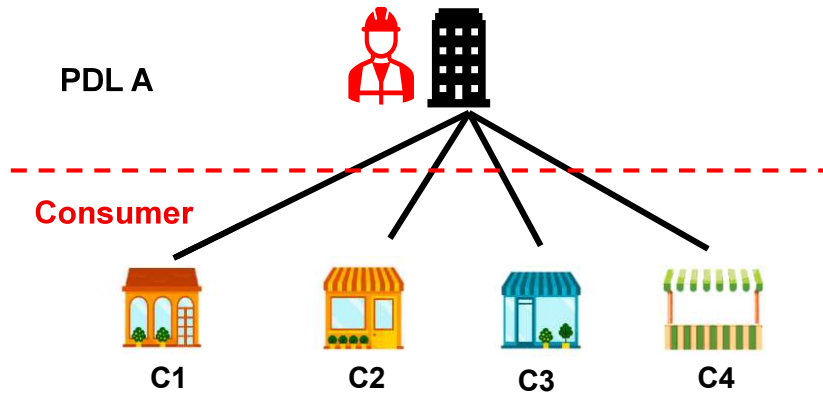


Figure 3: Dedicated competent person

- 6.7 The applicant receives supply under the Bulk Supply Tariff, subject to the requirements imposed by the Commission or relevant licensee.
- 6.8 The applicant shall demonstrate sustainable financial capability and effective operational performance to ensure its ability to operate, maintain and sustain the distribution of electricity supply.
- 6.9 The applicant shall pay a one-off connection charge covering the cost of connecting the installation to the distribution system, as determined by the relevant licensee.
- 6.10 The applicant shall ensure that the tariff imposed to the consumer does not exceed the approved tariff.
- 6.11 Any charges imposed by the applicant to the consumer shall be subjected to section 26 of the Act.

- 6.12 The minimum licence tenure of PDL for Commercial-use Building shall be ten (10) years, subject to compliance with any conditions imposed by the Commission.

7. SPECIFIC REQUIREMENTS FOR PDL FOR DESIGNATED AREA APPLICATION

- 7.1 For the purpose of electricity supply for designated area, the distribution of such supply shall be limited to a maximum of two (2) distribution layers only.
- 7.2 The first-layer consumer, which may also be a public distribution licensee, may consists of industrial facility, office building, hotel, or shopping mall in a single premise or building. The framework for PDL for Designated Area are illustrated in Figure 4.

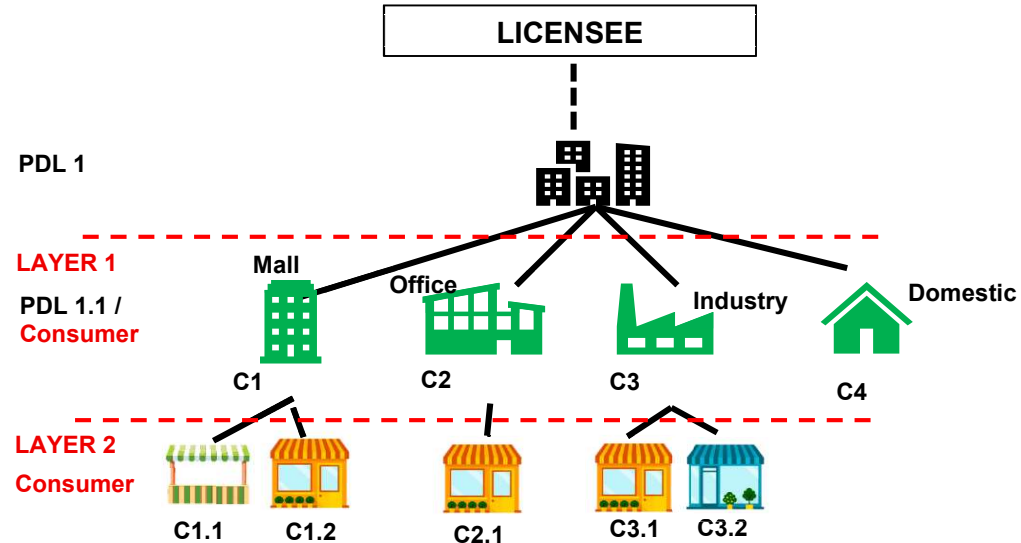


Figure 4: Framework for PDL for Designated Area

- 7.3 In relation to Figure 4, the domestic consumers (C4) within an integrated mixed development shall receive the electricity supply directly from the PDL 1 holder through separate individual metering arrangements and shall not be permitted to obtain or operate as a public distribution licensee.
- 7.4 The applicant shall comply with any additional requirements, rules, and procedures stipulated in the latest Electricity Supply Application Handbook (ESAH) issued by Tenaga Nasional Berhad (TNB) for Peninsular Malaysia and Sabah Electricity (SE) for Federal Territory of Labuan or any similar documents published by relevant licensees.
- 7.5 The applicant shall appoint a dedicated competent person in accordance with the Regulations as illustrated in Figure 5.

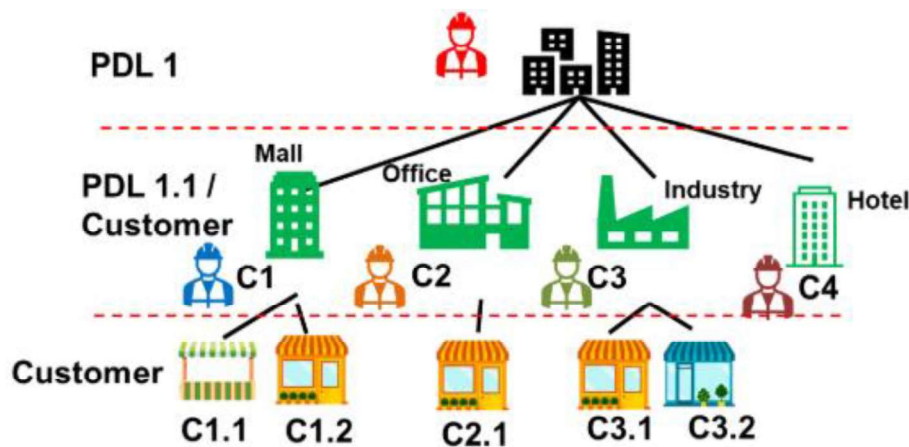


Figure 5: Dedicated competent person

- 7.6 The applicant receives supply under the Bulk Supply Tariff, subject to the requirements imposed by the Commission and relevant licensee.
- 7.7 The applicant shall demonstrate sustainable financial capability and effective operational performance to ensure its ability to operate, maintain and sustain the distribution of electricity supply.

- 7.8 The applicant shall pay a one-off connection charge covering the cost of connecting the installation to the distribution system, as determined by the relevant licensee.
- 7.9 The applicant shall ensure that the tariff imposed to the consumer does not exceed the approved tariff.
- 7.10 Any charges imposed by the applicant to the consumer shall be subjected to section 26 of the Act.
- 7.11 The minimum licence tenure of PDL for Designated Area shall be twenty (20) years, subject to compliance with any conditions imposed by the Commission.

8. APPLICATION PROCESS

- 8.1. The applicant shall submit complete information, supporting documents and technical details as required by the Commission for the purpose of evaluating the proposed public distribution system.
- 8.2. The Commission may, at any time during the evaluation process, require the applicant to provide any additional information or supporting documents relating to the application.
- 8.3. The Commission may grant the PDL subject to the Commission's assessment and satisfaction that the applicant has fulfilled the applicable technical, operational, financial, safety and regulatory requirements.

9. TERMINATION

- 9.1 Any existing public distribution licensee which supplies electricity to any domestic consumer shall, within two (2) years prior to the expiration of the existing PDL, notify the domestic consumer of the termination of such supply.



SURUHANJAYA TENAGA (ENERGY COMMISSION)

NO. 12, JALAN TUN HUSSEIN, PRECINCT 2,
62100 PUTRAJAYA



(603) 8870 8500



www.st.gov.my

Registration Number:
GP/ST/NO.65/2026