

ST STATEMENT
15 OCTOBER 2026

The Energy Commission of Malaysia (ST) Held Briefing on CRESS Acceleration Package to Provide Further Clarity on Enhanced Implementation Framework

PUTRAJAYA, 15 October 2026 – The Energy Commission of Malaysia (Suruhanjaya Tenaga – ST), in collaboration with relevant implementing entities, including Tenaga Nasional Berhad (TNB), the Single Buyer (SB) and the Grid System Operator (GSO), held a briefing on the Corporate Renewable Energy Supply Scheme (CRESS) Acceleration Package (CAP) on 13 October 2026 in Putrajaya. The briefing provided further details on the package the Ministry of Energy Transition and Water Transformation (PETRA) announced on 18 September 2026, including the enhanced System Access Charge (SAC) structure and measures to facilitate project implementation.

The CAP is an incentive designed to spur the development of CRESS by providing enhanced cost certainty to the SAC for renewable energy developers (REDs), while supporting green consumers (GCs) in meeting their sustainability objectives. The uptake has been encouraging, with approximately 3 GW of projects currently in the pipeline, reflecting continued interest in corporate renewable energy procurement and the potential for further growth in Malaysia's renewable energy sector. The key highlights of the briefing are as follows:

1. Fixed SAC Rate to Enhance Project Certainty

Under the CAP, eligible REDs will benefit from a fixed SAC rate of **14 sen/kWh for 10 years** from the Commercial Operation Date (COD). The package is open to

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projects that can achieve COD by 31 December 2028, subject to the stipulated eligibility criteria and conditions. This fixed-rate arrangement is intended to provide greater predictability of system access costs, support project financing and improve project bankability. Participating projects are also subject to a commitment of a minimum contract period of 10 years.

2. Separate CRESS Charge for Green Consumers

As part of the enhanced CRESS mechanism, GCs will be subject to a separate CRESS charge of **4 sen/kWh based on the prevailing Regulatory Period 4 (RP4) tariff**, which is reviewed consistently under the regulated tariff mechanism for all consumers. This charge is driven by electricity consumption by GCs and is separate from project development costs as well as the SAC applicable to REDs, reflecting the respective activities and risks undertaken by each party.

ST would like to highlight that the separation of charges, with a CAP incentive, is guided by the regulatory principles of cost reflectivity, equitable cost allocation, fair distribution of risks and transparency to all participants. It is intended to provide greater clarity on the costs associated with CRESS while maintaining a balanced framework for REDs and consumers.

3. Greater Transparency in Cost Allocation

Participants were briefed on the basis for calculating the SAC and CRESS charge, including the underlying cost components and the allocation of costs between REDs and GCs. The briefing also covered potential savings under the CAP compared to the previous SAC rate structure, which was subject to periodic review and adjustments.

The revised structure reflects the principle that costs and risks should be allocated according to the activities and responsibilities of each party. This approach aims to

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provide greater long-term certainty for developers while supporting consumers' access to renewable energy.

4. Further Enhancements to the CRESS Framework

In addition to the economic enhancements under the CAP, ST is progressing further improvements to the CRESS framework covering technical and operational requirements, contractual arrangements, procedures and application documentation. Supplementary amendments to the CRESS Guidelines to incorporate the CAP, together with the relevant technical and procedural enhancements, are expected to be published by November 2026.

These improvements are intended to provide greater clarity for industry participants, facilitate project implementation and strengthen the overall CRESS framework.

The unveiling of the CAP presents a significant opportunity for GCs to meet their sustainability objectives while enabling REDs to build and expand their capabilities in supporting the nation's energy transition. By providing greater certainty on charges and improving the allocation of costs and risks, the package aims to accelerate renewable energy project development, strengthen industry capabilities and support the continued growth of corporate renewable energy procurement in Malaysia.

ST remains continuously committed to upholding sound regulatory principles, promoting transparency and supporting the sustainable development of the renewable energy industry in line with the nation's energy transition aspirations.

For further information on CRESS and its implementation, please visit the official ST website at <https://www.st.gov.my>.

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