

News

# Ignorance rules

## Energy efficiency remains little understood despite efforts by Government

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Towards

### ENERGY EFFICIENCY

Individuals as well as corporations - and building owners in particular - are generally ignorant about the energy efficiency (EE) and renewable energy schemes that the Government has been promoting for some time now, says an energy efficiency expert.

"There is a lack of seriousness in pursuing energy efficient methods, even among large consumers. They do not even show interest in engaging professionals to help them plan efficient use of energy," said Ooi Tsu Hooi, senior operations and projects manager with facilities management consultancy Cofreth (M) Sdn Bhd.

"We have energy professionals in the country, as well as a body - the Malaysian Association of Energy Services Companies - that have the expertise, but there's a lack of interest in energy saving measures because essentially, electricity tariffs in the country are low."

However, one group of large electricity consumers is gearing towards EE. These are the shopping mall operators and though awareness among them is not high, they do want to save on energy costs, said Richard Chan, president of the Malaysian Association for Shopping and Highrise Centre Management (PPK Malaysia).

"The annual electricity consumption of a shopping

mall makes up a hefty 40 per cent of its total operating cost. This has led to several building and mall owners entering into profit sharing arrangements with energy management firms to help them save energy," he said. "The deal is such that a percentage of the saving on the energy bill is paid out as commission to the EE consultant. I think this is a big plus factor for both parties," Chan added.

In this, Ooi begged to differ. While building owners would generally like the idea of paying a commission on the amount of energy saved over a certain period, he said, this may not fulfill the requirements of an energy manager whose responsibilities are very wide ranging.

"Apart from ensuring energy savings, an energy manager will have to undertake other tasks such as monitoring, reporting, recording, auditing, inspecting, analysing and setting targets for energy conservation - all of which cannot be justified by payment of a commission alone," Ooi said.

"The other concern is that this arrangement can give rise to energy managers exaggerating savings for larger commissions, which may compromise on the comfort, safety and health of users as well as the business needs and operational requirements of a building," he pointed out.

Ooi defined an energy manager as a person who is certified and recognised by the Energy Commission (EC) under its EE regulations as "competent to plan, imple-



**Managing power:** Energy managers have to also audit, analyse and set targets for conservation, says Ooi.



**A big plus:** Energy efficiency measures can help shopping malls save on their hefty electricity bills, says Chan.

ment, monitor and report EE measures for a specified installation or building".

"However, this category of energy managers is not intended to replace mechanical and engineering consultants, architects or engineering professionals as energy managers may not have adequate experience, knowledge, capacity, qualifications or instruments to audit, analyse, design and introduce EE measures of higher complexity," he said.

The EC has drawn up a proposal requiring large consumers of electricity - those using more than six million kilowatt-hours (kWh) of electricity a year - to engage an energy manager to help them implement EE management systems.

Large electricity users will have to take heed of EE now, especially with Energy, Water and Communications Minister Datuk Seri Dr Lim Keng Yaik saying recently that there is pressure on the Government to increase electricity tariffs

"as the cost of generating power has shot up".

Other than hydropower, much of the electricity generated in the country is from fuel-powered plants. Global oil prices breached the US\$70 (RM264) per barrel mark two months ago and remain at that level.

Malaysia's power utility Tenaga Nasional Bhd (TNB) has not raised tariffs since 1997.

TNB reported a 27.4 per cent increase in fuel costs during its financial year ended August 31, 2005. The average price of coal, another fuel used to fire power plants, rose to US\$50 (RM190) per tonne from US\$33 (RM125) per tonne last year.

TNB tariffs currently range from 9.8 sen per kWh for industrial and mining use during off-peak periods to 28.8 sen per kWh for low-voltage commercial use, making the cost charged by the utility corporation among the lowest in the region.