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RM60mil for rural power projects (HL)

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PORT DICKSON, Sat. - Tenaga Nasional Berhad and the five independent power producers have raised RM60 million for the cess fund to finance rural electrification projects and other activities for the growth of the industry.

Energy, Telecommunications and Posts Minister Datuk Leo Moggie said today the figure far exceeded the annual target of RM36 million set earlier by the group.

He said the figure was expected to vary depending on the annual audited turnover of the IPPs and would be managed by a board of trustees chaired by the ministry's secretary-general and comprise representatives from the Economic Planning Unit, Rural Development Ministry, Electricity and Gas Supply Department and all significant contributors.

The cess fund will be used to develop new rural electrification projects under the Rural Electrification Programme, research and development projects for the electricity supply industry and new renewable sources of energy, training and development of human resources in the energy sector.

He said direct sponsorship of university courses was also expected under the fund and 23 scholarships would be given out annually.

Meetings among the ministry, Tenaga and IPPs or Persatuan Penjana Bebas officials had commenced since last December to discuss the IPPs' social obligations following the call by Prime Minister Datuk Seri Dr Mahathir Mohamad that they share the social responsibility with Tenaga.

Moggie said contributions towards the fund would increase next year in lieu of the higher turnover expected in accordance with the rising demand for power at 11 per cent annually.

Port Dickson Power Berhad, Segari Energy Ventures Sdn Bhd, Genting Sanyen Power Sdn Bhd, YTL Power International Berhad, Powertek Berhad and Tenaga would contribute one per cent of their respective turnover revenue to the fund.

Speaking to reporters after launching the cess fund in conjunction with the official opening of the PDP's 440MW gas turbine peaking plant in Tanjong Gemok, here, he said he was especially heartened that, in the short time since receiving their licences to produce power, the IPPs were already working with Tenaga on such major projects.

Also present at the ceremony were Tenaga Nasional executive chairman Datuk Dr Ahmad Tajuddin Ali, MRCB executive chairman Datuk Khalid Ahmad who is also a director of PDP and PDP managing director Lt Cdr (R) Mohd Ismail Che Mat Din.

Earlier, Persatuan Penjana Bebas president Ahmad Jauhari Yahya said the IPPs were happy to respond to the Government's call for corporate bodies to play an active role in youth development programmes for the country to produce physically and mentally resilient youths.

"Through the association, we have also had discussions with the Youth and Sports Ministry to identify and assist in sponsoring sports activities and programmes," he said.

Ahmad Jauhari said the five IPPs had also, volunteered to sponsor selected students at Universiti Tenaga.

"The five IPPs collectively will provide about RM2 million to sponsor 24 students for five years at UTN."

Moggie said the management contract on the privatisation of the Sabah Electricity Board was expected to be ready soon.

He said under the privatisation plan, the Sabah Government would hold between 20 and 30 per cent stake while Tenaga was earmarked to have a 40 per cent stake.

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