

## PM: Power

# industry will not be fully privatised

KUALA LUMPUR: The Government will not fully privatise the country's power supply industry so as to balance its responsibility in providing affordable and reliable electric supply and the need to increase profits.

Prime Minister Datuk Seri Dr Mahathir Mohamad said that while the Government acknowledged the important role played by the private sector in the industry, it would never take over the responsibility currently borne by Tenaga Nasional Bhd.

Thus, he said, the Government could not accept proposals that Tenaga be left with the role as power distributor while its generating assets be sold off for profit.

"The power crisis faced by California (in the United States) where utilities sold off their generating assets is a lesson for us not to be hasty.

"We don't want to end up increasing power tariffs by 50% like what they have to do because the price of power generated by the private sector can no longer be regulated," he told reporters after a half-day working visit to Tenaga headquarters yesterday.

The Government, he said, would have to be very careful in this matter because it did not want the people to end up paying higher rates for electricity if the power generation was left in the hands of the private sector.

Earlier, during a dialogue with Tenaga staff, Dr Mahathir said the utility company would always retain its important role in the power supply industry because it had extensive experience and was government-controlled.

He said the private sector would only give priority to making profits while Tenaga's main objective, besides making profits, was to ensure ready access to electricity at affordable prices.