

10 APR 2001  
MOGGIE-POWER GENERATION/BM  
POWER GENERATION INDUSTRY NOT BADLY HIT

LUMUT, April 10 (Bernama) -- The Ministry of Energy, Communications and Multimedia today gave the assurance that the power generation industry would not be that badly hit by the downturn in the world economies, particularly the US.

Its Minister, Datuk Amar Leo Moggie said that in reality nobody could actually tell whether Malaysia would be affected or not by the anticipated downturn.

"However, the government is prepared, should the downturn take place. Last week, the Prime Minister (Datuk Seri Dr Mahathir Mohamad) had presented several new initiatives to ensure economic stability while facing the onslaught of the anticipated slowdown," he told reporters after witnessing the delivery of the first gas turbine for the Lumut Power Station's Third Block Project in Segari, here today.

The power station is wholly owned by Malakoff Berhad.

Among those at the event today were Malakoff chairman Tan Sri Ibrahim Menudin dan its managing director Ahmad Jauhari Yahya.

The Third Block Project is an addition to the existing two blocks and it would have three gas turbines and one steam turbine and once completed in 2003, would increase the station's power generation capacity.

On the anticipated slowdown in world economies, Moggie said that it has not hit the country badly and the new initiatives were clearly early steps being taken to soften the effects should they take place.

Meanwhile, to ensure quality in the service of power provision, the government would not allow any new party to be involved in the sector until 2005, he said.

Earlier in his speech, he said that the government would continue to encourage power generation from the existing private concerns to reduce administrative and financial expenditure while encouraging competitiveness and productivity in the generation of electricity.

Moggie also said that the government's policies were towards gradually reducing the dependence on oil as the major source for energy.

"The future power generation stations to be built by the private sector or TNB would use gas or coal as the prices of oil are not steady and have gone up very high throughout the world," he said. -- BERNAMA

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