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TNB may seek help over gas supply situation

BANGI, Sat. - Tenaga Nasional Bhd will seek the Government's advice, if necessary, on the "serious" shortage of gas supply and its implications on power generation, its chairman, Datuk Dr Jamaluddin Jarjis, said today.

He said the current source of energy was skewed with 80 per cent supplied by gas, 10 per cent from coal and 10 per cent from hydropower when it should be the other way around.

"We understand that Petronas is having problems with the supply from Thailand. It is our hope that it can get alternative sources or gas fields," he said.

Speaking after the Universiti Tenaga Nasional (Uniten) convocation ceremony, he said if the situation became worse, TNB would have to get the Government's help as generating power from other sources was very costly.

However, he gave an assurance that there would always be adequate electricity supply as gas-fired plants could also run on other fuels like coal.

Asked if this would mean increased electricity tariffs, he said:

"We have not reached that point. We hope that Petronas will find a way and we know there have been talks with Indonesia."

But if costs grew higher, he said, there would be no choice but to meet the Government on ways to reduce costs or pay a different rate for gas prices.

On the use of coal and hydropower, he said burning coal had an environmental impact while building hydro-electric dams took a long time.

"However, compared to nuclear power, a source like coal is obviously a lesser evil. Gas is best as it takes less time to build the plant, but it is a non-renewable resource," he said.

The coal-fired power plant in Manjung, Perak, with a 700 megawatt capacity would be ready by the end of the year, he said.

He said the development of such power plants was important to reduce dependence on gas.

Asked about his term as TNB chairman which expires on Aug 31, Jamaluddin said the question should be directed to Prime Minister Datuk Seri Dr Mahathir Mohamad.

"The TNB board will have a meeting on Monday where many issues will be discussed. We will then be making an announcement to the Kuala Lumpur Stock Exchange, and after that we will give a statement."

At the event today, 1,343 Uniten students graduated with degrees in Business Administration in Marketing, Mechanical Engineering and Business Administration in Entrepreneur Development.

Jamaluddin said the university was also aiming to become a centre for research as well as socially responsible. This included training and supporting Tenaga staff and families, and "special marketing" to attract more Orang Asli students.