

Government Task Force To Review TNB Fuel Shortage
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KUALA LUMPUR, Oct 11 (Bernama) -- The government has set up a task force to review the gas shortage faced by national utility company Tenaga Nasional Bhd (TNB).

President and chief executive officer Datuk Seri Che Khalid Mohd Noh said the Performance Management and Delivery Unit (Pemandu) will lead the task force, together with the Economic Planning Unit (EPU).

"The decision to set up this task force was made yesterday, Pemandu will meet with Petronas, us (TNB) and the other industry players.

"We need a quick decision, because if this matter remains unresolved, the security of supply for the power sector will be more and more at risk. We hope they can come up with a solution before the end of this month," he told reporters on the sidelines of the International Energy Regulatory Forum here today.

TNB was reported recently as facing two main issues on the gas problem -- volume and price.

"I think that (volume) is an issue that needs to be looked into very soon, because without gas, it is very risky for the power sector to move forward.

"If we do not have enough gas then we have to use alternative fuel, and this alternative fuel basically uses distillate, which costs five times more," he said.

"Who will pay for it, Tenaga, Petronas, or the other players? This issue needs to be resolved very quickly, and I think the government appreciates the situation we are in now.

"This task force needs to sit down very soon and try to come up with the formula, how to overcome the volume issue as well as the price issue," he said.

To a question, Che Khalid said there is no indication at present that the electricity tariff will be reduced.

On the ongoing 1000MW coal-fired power plant project in Manjung, Perak, he said TNB will launch a bond by month-end to raise RM5 billion.

"The new coal plant is to cater for future demand, every year our demand keeps on increasing, so we need more capacity," he added.

The plant, based on highly efficient supercritical technology, is expected to be completed in March 2015.

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