

Now, Rafizi wants to debate Rahman on 1MDB and IPPs
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PKR vice-president says electricity tariffs have risen since 1MDB got involved in the independent power production industry.

PETALING JAYA: Rafizi Ramli has challenged Umno minister Abdul Rahman Dahlan to a debate over the performance of former 1MDB energy subsidiary Edra Power Holdings Sdn Bhd in a bid to defend his call for investors to boycott the initial public offering (IPO) by the company.

The PKR vice-president today took Rahman, who is BN strategic communications (BNSC) director, to task for claiming that Edra under 1MDB had enabled the sovereign wealth fund to reform the independent power plant (IPP) industry.

He said Rahman should not fear debating the matter if he truly believed that 1MDB had contributed significantly in helping Malaysians through its involvement in the industry and that the investment potential in Edra was good.

“I believe many parties with experience in organising debates, like Sinar Harian, can hold the event quickly,” the Pandan MP said, calling for it to be streamed live on social media and mainstream broadcast networks.

Rahman yesterday said Rafizi was out of line in asking Malaysian funds not to participate in the proposed listing of Edra.

He said after 1MDB entered the IPP business, the government had called for the first ever open tender on power purchase agreements (PPA) in September 2012.

“1MDB consistently put in the lowest bid for every new or renewed PPA, thus helping to push down the PPA price for all other bidders,” Rahman had said.

He also said savings arising from the fairer PPA rates to Tenaga Nasional Berhad (TNB) and Petronas gas subsidies were estimated to be RM200 billion over the next 20 years.

On July 4, Rafizi had said institutional investors such as the Employees Provident Fund (EPF), Tabung Haji and Retirement Fund Incorporated (KWAP) should stay away from the IPO to avoid having public funds ensnared for a second time in the 1MDB scandal.

1MDB sold Edra to China General Nuclear Power Corporation (CGNPC), an independent power producer, for RM9.83 billion in 2015 as part of a “rationalisation effort” to reduce the debts of the sovereign wealth fund.

In his statement today, Rafizi asked why electricity tariffs in the country had not dropped if 1MDB, through Edra, had caused the PPAs to be fairer, leading to lower electricity generation and supply costs.

“Instead, electricity tariffs have risen since 1MDB got involved in the IPP industry,” he said.

He claimed that the lower gas subsidy borne by Petronas was not due to 1MDB’s contributions, as claimed by Rahman, but was because the price of crude oil in the global market had fallen from 2012 to 2017.

“The whole world knows that electricity rates have remained high in Malaysia and have never been reduced,” Rafizi said.

“The whole world also knows the total gas subsidy borne by Petronas has reduced sharply in tandem with the fall in crude oil prices and not because of the ‘contributions’ of 1MDB.”

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