

Headline	Absorb SESB's RM2 billion debt—Shafie		
MediaTitle	Borneo Post (KK)		
Date	04 Jan 2024	Language	English
Circulation	18,290	Readership	54,870
Section	Home	Page No	3
ArticleSize	262 cm <sup>2</sup>	Journalist	Nancy Lai
PR Value	RM 4,383		



# Absorb SESB's RM2 billion debt — Shafie

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**KOTA KINABALU:** Senallang assemblyman Datuk Seri Mohd Shafie Apdal urged the State Government to negotiate with its federal counterpart on RM2 billion debt Sabah Electricity Sdn Bhd's (SESB) owed to Tenaga Nasional Berhad (TNB).

TNB has more than 80 per cent ownership shares of the utility company. If TNB has billions in profit, why can't they absorb SESB's debt of RM2 billion? If you own more than 50 per cent of the shares, you should be responsible.

"Why should Sabah with less than 20 per cent shares pay for all the debts? I suggest to the State Government to negotiate with its federal counterpart, especially TNB to absorb the existing debts before we take back SESB," the state opposition chief said in his debate speech at the special State Assembly

sitting on Wednesday.

Shafie also said that there are too many Independent Power Producers (IPPs) in Sabah, some are using old technologies.

This, he opined, is a contributing factor to the power disruptions in Sabah especially when the IPPs have to be shut down for servicing.

"Why should we have too many IPPs? In the past the authority (on IPPs) was with the federal government, now the authority is with us, can we review the IPPs, as there are more than 10 in Sabah.

"Check the IPPs thoroughly and see whether there is a need to extend their contract. We must be very thorough as the interest here is the rakyat and the state. Not the IPPs. ECoS (Energy Commission of Sabah) has a strong authority and it must therefore take advantage of it for the benefit of the people and state," Shafie stressed.

Tanjung Aru assemblyman Datuk Junz Wong called on the State Government to renegotiate the gas rates or make a deal with Petronas on a gas off take agreement so that the cost to Sabah is low for the state's own power generation use.

The State Government should then use a corporate fundraising scheme to corporatize SESB and buy out the IPP agreements instead of paying

high rates to let the IPPs make millions in profit at the expense of consumers, he said.

Wong in his debate speech at the special State Assembly

sitting, suggested that the State Government take over IPPs in exchange of federal subsidies.

He also suggested that the State Government gradually take over IPPs when their contract expires while increasing more power plants in renewable sources to be owned directly under SESB to reduce cost efficiency and electricity tariffs.

Wong added that the purpose of taking back SESB is to serve Sabahans better with lower electricity tariffs, not to enrich certain quarters by continuing the wrong policies or at worst abusing the SESB for (their) own benefits. He further told the House that the management in SESB is messy with staff not given year-end bonuses.

"I was told by a reliable source that SESB chairman Datuk Seri Wilfred Madius Tangau's office hired 13 new staff. Why need 13 staff when the previous chairman only has one to two staff as he doesn't have

executive power.

"Who pays for the cost and how much are their salaries? Did they go through SESB normal procedure to be recruited? Has the system been abused as there are many who have waited for months, years or more to be employed as SESB staff.

"If SESB does not make profit, why recruit so many staff? These costs will all result in higher tariffs," he lamented. Wong also claimed that many SESB and Sabah Electricity Board staff and retirees are no longer allowed to receive medical treatment at private hospitals.

"We need a healthy, happy workforce in SESB so is it wise to remove medical benefits from the staff which they all have enjoyed since Berjaya time?"

Wong also told the House that there is a case where an individual was allegedly threatened by an SESB staff for posting comments on social media about the utility

company's CEO.

He claimed that cybertroopers have been hired to reply to any comments on social media about the CEO. SESB, Wong further claimed, is now more like a political party and this new work

culture changes the employees' focus to responding to comments on social media instead of their actual responsibilities which has resulted in the decreased quality of electricity supply.

Meanwhile, Chief Minister Datuk Seri Panglima Hajiji Noor when replying to Wong, said that the Tanjung Aru assemblyman should not criticise government officers in the State Assembly as they are unable to defend themselves.

Wong, he said, should write in to the State Government with his complaints and allegations.

"Don't just simply criticise others," he said, adding that the Tenom Pangi hydro station is expected to resume operations in March this year.



Datuk Seri Mohd Shafie Apdal