‘Power tariff hike necessary’

Najib: It has made TNB more reliable

KUALA LUMPUR: The rise in electricity tariffs early this year was necessary to prevent Tenaga Nasional Bhd (TNB) from becoming subsidy dependent on the Government, Prime Minister Datuk Seri Najib Razak said.

"If the Government did not increase the electricity tariffs, we would end up using a huge chunk of the public’s money to subsidise it, making the Government unable to channel the money to other beneficial projects," he said during his speech at TNB’s multipurpose sports complex here yesterday.

Noting that 85% of the tariff cost was passed to the people, Najib said the decision, although tough, was made in their best interest.

It was reported that the Government had in January revised the electricity tariff in peninsular Malaysia by 14.89% and Sabah by 16.9%.

"No one likes any increase in prices of utilities and criticism of that has been borne by the Government."

“However if the move had not been made, TNB would not become the reliable organisation it is today," Najib said.

He said it was fundamental that TNB continued to ensure uninterrupted electricity supply and provide competitive prices to boost investors’ confidence.

“TNB’s role is important here to ensure that it becomes not only a regional player but a global champion as well. This is done by taking care of the workers’ welfare and by executing the 1TNB transformation plan,” he said.

During the event, Najib, along with Energy, Green Technology and Water Minister Datuk Seri Dr Maximus Ongkili, his deputy Datuk Seri Mahadzir Khalid, TNB chairman Tan Sri Leo Mogge and TNB chief executive officer Datuk Seri Azman Mohd launched the 1TNB’s transformation plan.

The transformation plan which began in September last year aims to expand TNB’s services to the international market.