TENAGALINK

COMMUNICATING TO LARGE POWER CUSTOMERS VOL : 03 / 11 Malaysia KDN : PP8515/01/2011(029280)

LIGHTING UP LIVES

TO THE NATION AND ALL OUR VALUED CUSTOMERS, WE AT TNB, THANK YOU FOR YOUR CONTINUED SUPPORT AND AS WE LOOK AHEAD TOWARDS A BRIGHTER FUTURE, WE INVITE YOU TO ACCOMPANY US ON THIS EXCITING JOURNEY.

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EDITOR'S NOTE

"At Tenaga Nasional Berhad (TNB), we've made a long-term commitment to light up lives."

It is a commitment that is shared by each and every employee at the company and we embrace this responsibility very seriously.

Everyday, millions entrust us to provide them with affordable, reliable, efficient and uninterrupted access to electricity. As a responsible utility company, TNB continually seek ways on how we can further enhance our services.

From powering the nation's administrative strengths to lighting up households and empowering all sectors of the economy, we at TNB are honored that we are able to make a very significant contribution towards nation building.

Drawing on more than 60 years of experience, knowledge, technical expertise and a wealth of resources, we pride ourselves with the fact that electricity is today supplied to more than 99% of the nation. The remaining 1% of course constitutes new developments and growth areas that are awaiting connectivity.

Over the years, TNB has successfully overcome and continues to face a myriad of challenges. The single most influential driving force within the company has of course been the social responsibility we have in ensuring that every Malaysian is entitled and is able to enjoy the benefits of electricity.

Moving forward, TNB envision ourselves playing a bigger role in nation building and we are now aggressively exploring, investing and pursuing new technologies which include greater focus on renewable sources of energy for a more sustainable future.

To all our customers and the nation, we thank you for your continued support and as we look ahead towards a brighter future, we invite you to accompany us on this exciting journey. ■

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In your personal view, how much has TNB evolved and grown over the years?

TNB is 62 this year. It has been six decades of transitions and transformations that saw the company growing and maturing from a pre-Independence colonial utility unit to a well-respected blue chip company it is today. At the crux of the company's mission is its commitment to excellence, which has seen TNB striving continuously to improve and enhance the quality of its products and services as the primary public utility responsible for electricity supply in the country and in its role as an important catalyst for the country's growth and development.

The challenges that confront TNB over the years have been varied and many. However, we have taken tremendous strides and made significant moves in ensuring a sustainable future for the company by enhancing our operational, business and service excellence and by focusing our efforts on ensuring a secure, reliable and cost-effective electricity supply for the country. This is in line with the Government's policy to promote a more efficient allocation and usage of energy resources and ensure the success of the country's green policy.

TNB's strength and sustainability is based on the foundation, infrastructure and technical expertise and specialists it has built and moulded over the years. In going forward, TNB has charted a strategic plan that would further spur its growth, green agenda and global presence. ■

Tan Sri Leo Moggie
Chairman
TNB

Over the last five years we have worked at changing the behaviour of our staff to become more customer-centric. We have also improved our call centres and the way our Pusat Khidmat Pelanggan (Customer Service Centres) handles customers. I am proud that these efforts are beginning to show results. In 2007, our TNB CareLine 15454 won the gold award for best contact centre in Malaysia.

Our top priority is to respond to customers quickly when they complain of breakdowns. We must ensure the customer is happy and continues to support us. I always remind our staff that without our customers we will not be where we are today. ■

Dato' Sri Che Khalib bin Mohamad Noh
President/CEO
TNB

Towards Delivering Superior Service, Optimally And Better

Dato' Ir. Azman Bin Mohd
Executive Director / Chief Operating Officer
TNB

As an electrical engineer, Dato' Ir. Azman bin Mohd, Tenaga Nasional Berhad's Executive Director and Chief Operating Officer, was faced with choice of enlisting in the navy, the air force or joining the National Electricity Board then known as LLN upon graduating in the early eighties.

On the advice of his brother who was a mechanical engineer, he subsequently joined as an assistant manager based in LLN Mentakab.

"Looking back at this experience, even 30 years ago LLN had already established a reputation of being the best place for an electrical engineer. It was also a place where one is able to contribute to the nation. I have served the company for 30 years now and I believe we have successfully maintained this reputation and standing, perhaps enhancing a bit further now that we have evolved to assume a greater commercial role as Tenaga Nasional Berhad," said Dato' Ir. Azman.

"Not only have we managed to maintain a high employer rating but we have also made major in roads financially. We have been quite successful in managing the electricity business in this context and our wish and desire is to continue to uphold and enhance the reputation of this organisation."

What is notable is that over the years, he has also seen level of productivity at TNB increase tremendously. While the number of employees at TNB today are similar to what it was back in the early eighties, the load demand TNB handles today has more than doubled to its current demand of 15,000MW.

Today, in terms of generation, transmission and distribution, TNB has also evolved to become a world class utility company and corporate organisation.

In terms of electricity interruptions or unplanned outages for example, the industry average recorded by TNB in 2010 was at 75 minutes, and this places Malaysia ahead of some of other Asian countries, as well as being on par with the performance of some European countries like the United Kingdom.

Today, in terms of generation, transmission and distribution, TNB has also evolved to become a world class utility company and corporate organisation.

"It is a company that has help others in many ways. A lot has changed in terms of payment methods for consumers."

"Their after sales service is very prompt. I can access the internet for the entire family."

As TNB continues to push forward, the emphasis Dato' Ir. Azman said was now on ensuring that electricity supply not only remains reliable and its production and delivery becoming even more efficient, but in pursuing advanced technologies towards returning greater value to both the organisation and customers.

Implementation of a Smart Grid System

As a utility company TNB is continually looking and adopting the most optimal solution to generate, transmit and distribute electricity. The company has over the years made significant investments in new technologies designed to become more cost effective and to enhance its services and levels of efficiency and one such area being actively pursued is what is known as the Smart Grid system.

"There are so many definitions of Smart Grid, one of which is, the use of communications and modern computing to upgrade the existing power grid so that it can extend more services and value to consumers and at the same time reduce Carbon Dioxide emissions".

"What it essentially provides for is that instead of just receiving, the Smart Grid system can allow consumers to make certain responsible decisions in terms of electricity usage and in doing so, they are able to save money. This in turn results in TNB using less energy and reducing its carbon footprint in terms of generating electricity."

SMART GRID ESSENTIALLY OFFERS THE SAME LEVEL OF RELIABILITY BUT AT A REDUCED COST BY AVOIDING REDUNDANCIES.

Dato' Ir. Azman said some elements of what is today recognised as the Smart Grid System have long been built into TNB's grid, citing examples such as distribution automation and automatic switching capabilities which is able to identify and isolate the location of a fault without human intervention.

"What it (Smart Grid) essentially offers, is the same level of reliability but at a reduced cost. You can have extreme reliability by having several back-ups in the conventional system but you can also have smart grid reliability by avoiding redundancies. This helps to reduce the cost of operations and assets."

What is of paramount importance he added, was the fact that the Smart Grid system increases the level of interactivity with customers, providing customers with information on how much it is costing them to operate certain equipment thus enabling them to make certain considerations and decisions on ways to enhance their operations.

"Customer participation is giving the customer enough information to enable them to regulate their way of consumption, for example in providing them with advanced metering infrastructure, they can precisely know what it would cost them to use a particular equipment during peak and off-peak hours thus influencing how they use electricity."

TNB has already embarked on three pilot projects to evaluate the workings of a Smart Grid system for three different clusters: financial, industrial and commercial, located in Medini in Iskandar Malaysia, Johor, Bayan Lepas in Penang, and Bukit Bintang in Kuala Lumpur respectively.

"These pilot projects will enable us to learn how to effectively implement the Smart Grid system across the country for different types of customers."

Dato' Ir. Azman said the company subsidiary, TNB Research, has also been charged with looking into Smart Grid and other advanced technologies and to provide a road map for its introduction and applications to meet with tomorrow's requirements.

"At this stage, the world is still pioneering Smart Grid technology and as a user, it may not pay to be the early bird as far as Smart Grid technology is concerned due to the numerous technologies being introduced. Once you commit, you may find yourself in a situation where a newer and more advanced technology introduced. On that score, there is also no one solution that fits all. What is optimal in our pilot project in Bukit Bintang for example, may not be optimal for use in Bayan Lepas and therefore there must be enough research into the emerging technologies in Smart Grid and this is where TNB Research is currently playing the lead role".

"We are going to be cautious in implementing Smart Grid as it is still very expensive, compounded by the fact that the technology is still evolving and emerging and has not yet matured".

"Success of any Smart Grid technology of course, will be dependant on the reliability, technical performance level and at what cost compared to the conventional way of getting things done. The present or conventional technology is quite conservative, where performance and reliability is dependant on cost. The challenge of Smart Grid is therefore to deliver the same performance with just a fraction of the cost."

Another Smart Grid application being looked into as Dato' Ir. Azman pointed out, was how electricity generated from renewable energy power plants, often susceptible to intermittent supply, can be effectively and efficiently integrated into the national grid to provide reliable and uninterrupted electricity to consumers.

Greater efficiency in asset management

In generating, transmitting and distributing electricity, TNB by nature is also rich with assets.

“It’s a very asset-intensive industry where our asset today is estimated to be worth about RM75 billion. Today’s utility companies' challenge is how they can or employ a more productive use of their assets and TNB is now embarking very seriously on this initiative,” said Dato’ Ir. Azman.

A new standard that is gathering momentum today and evolving into an ISO standard in terms of asset management is known as PAS 55, pioneered by the British Standards Institution and the Institute of Asset Management in the United Kingdom. This standard comprises the best practices of asset management gathered from all over the world.

By definition, PAS 55 provides guidance for any organisations seeking to demonstrate a high level of professionalism in whole life cycle management of their physical assets. It is today typically relevant to the gas, electricity and water utilities, road, air and rail transport systems, public facilities, process, manufacturing and natural resource industries.

This emerging standard closely scrutinizes the optimal management of physical asset systems and their life cycles to achieve best net, sustained value-for-money in the selection, design/ acquisition, operations, maintenance and renewal/ disposal of physical infrastructure and equipment.

“If in the past different divisions with an organisation looked at asset management in silos or independently, today we have to look at the whole cycle of planning the asset, constructing it, procuring it, operating it, maintaining it, and right to the point of replacing the asset. By studying the whole cycle chain you can actually provide greater alignment and consistency that translates into significant cost reduction".

“The Smart Grid system is just one of several initiatives capable of reducing asset base to provide the same reliability standard and performance. We are not pursuing Smart Grid systems for the sake of it being an intelligent solution, but more importantly because it will help us to efficiently deploy our asset base.”

Dato’ Ir. Azman said for companies like TNB, embracing PAS 55 is also working towards what will be an incentive-based regulatory framework in the future where savings and efficiency gains enjoyed by TNB can be shared and passed on to its customers.

This steers clear of what is today a cost-plus framework, in which tariffs imposed are closely associated with the amount in capital expenditure invested.

“What this essentially means is that utility companies like TNB and those in other countries will have to look very closely at their investment cost and investment strategy. We have to manage our assets more effectively and efficiently.”

“TNB has already started to do this and I believe this will be the next best value creation for TNB over the next five years. Smart Grid is an important driver towards achieving this. What we are determined to achieve at the end of the day is to deliver superior service, optimally, and better.” ■

Embracing PAS 55 is also working towards what will be an incentive-based regulatory framework in the future where savings and efficiency gains enjoyed by TNB can be shared and passed on to its customers.

"Very efficient."

Powering The Nation – A Social And National Responsibility

Haji Hussin Othman, the Vice President of Tenaga Nasional Berhad's Distribution Division clearly remembered an incident when he first joined the company in 1982, where a 66-year-old lady had kept her house lights switched on for three consecutive days.

"That was the first time her house that was located in a remote area received electricity and I remember her telling me that, that was the first time she had experienced such brightness at night… She wanted to experience it as long as she could, given her old age," Hussin recalled.

Today, more than 99% of Malaysia enjoys the benefits of electricity and what prevents TNB from attaining 100% record is rapid development that continues to create new residential and non-residential clusters.

Entrusted with the care of 7.6 million customers, a figure that continues to grow annually, TNB's Distribution Division plays a very important and significant role in not only powering the nation, but carries a huge social and national responsibility on its shoulders.

"The role our Division plays is a very critical one in powering the nation. We must make sure that electricity supply is not only available to the most remote areas, but more importantly, that the supply quality, delivery and efficiency meets with desired global standards as Malaysia progresses towards becoming an industrialised nation," said Hussin. As undoubtedly TNB's biggest Division and also by virtue of being the single largest income earner contributing close to RM30 billion per annum to TNB's annual revenue, the Distribution Division's task can be categorised into two primary areas – network service and customer service.

"One of the most critical areas is to ensure that the delivery system and the availability of electricity supply subscribe to world standards and therefore at TNB, we benchmark our services to that of developed countries. We have already achieved this and internally, we are now aiming at superseding this and to become even better by 2015."

In relation to network service, TNB's Distribution Division allocates an average of RM3.5 billion per year to capital expenditure, 60% of which is devoted to the implementation of new projects while the remaining 40% is channeled towards the upgrading of its system which includes replacement of cables, metering equipment and sub-stations. There are approximately 60,000 sub-stations throughout Peninsular Malaysia.

"Moving ahead, we continue to look towards further enhancing not only our services, but the methodology of our work. This relates to embracing new technology to ensure that the operation of our electrical systems can be done more efficiently and better. By establishing two regional control centres for example, TNB today is able to ensure that the customer benefits from faster restoration in the event of a breakdown as we are able to quickly pin-point the source and deploy manpower more efficiently."

Another area being pursued is the wider installation of compact sub-stations, which is of significant benefit as it does not require large amounts of land, are easier to construct and commission.

Already partially being implemented are also remote meter reading facilities which no longer require TNB to make physical visits to the premises of its customers. Remote meter reading is currently being used for Large Power Customers as the technology is not yet financially viable to be introduced to the masses to include households.

ENTRUSTED WITH THE CARE OF 7.6 MILLION CUSTOMERS, A FIGURE THAT CONTINUES TO GROW ANNUALLY, TNB'S DISTRIBUTION DIVISION PLAYS A VERY IMPORTANT AND SIGNIFICANT ROLE IN NOT ONLY POWERING THE NATION, BUT CARRIES A HUGE SOCIAL AND NATIONAL RESPONSIBILITY ON ITS SHOULDERS.

Haji Hussin Othman
Vice President (Distribution)
TNB

Customer service on the other hand, poses an even bigger challenge to overcome despite initiatives and enhancements being undertaken often appearing intangible or unseen by customers, covering a myriad of areas from handling new applications, service quality to billing requirements.

One initiative currently being undertaken is to enhance the quality of service offered by TNB's front line employees. In addition to already establishing a Call Management Centre (CMC), TNB is now embarking on putting in place One Stop Enquiry Centre or OSEC (1300-88-5454) in order to facilitate customers enquiries via telephone.

With this facility, customers would no longer endure the inconveniences of going to the nearest TNB office to conduct their transactions and to make enquiries, instead, enquiries will just be a telephone call away. While these centres interact directly with end users, the existing CMC will be devoted to tackling enquiries related specifically to power disruptions and faulty street lights.

"People first – this is TNB's commitment to our customers and the nation," Haji Hussin said.

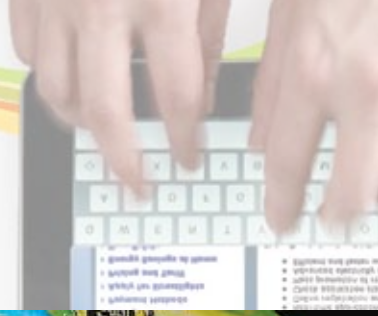
A Frost & Sullivan audit of TNB's service level meanwhile, has awarded it 7.0 merit points (7.5 being the industry high) which places the company on par and in the group of 80% of the world's top rated corporations.

"There is still plenty of room for improvement but what we have achieved thus far is nevertheless something quite significant. The target now moving forward is to achieve the 7.5 mark in 2015."

In his 29 years of service at TNB, Haji Hussin has seen TNB evolve aggressively into not only a progressive organisation but one that is customer-centric, as the company pursues the national agenda.

"At TNB, we the employees are entrusted with the responsibility of providing a service to the people and country, there are not many companies in which one is able to do this, and this is also precisely what has motivated me to remain at TNB." ■

"The number of power breakdown is reducing. A lot of activities can be done now."



TNB Named Best Energy Utility Brand at BrandLaureate 2010-2011 Award

Tenaga Nasional Berhad (TNB) has won the BrandLaureate 2010-2011 Award for the Best Energy Utility Brand - Corporate Branding Category.

The Award was presented by Dr. KK Johan, the President of BrandLaureate in a grand ceremony that took place at the Shangri-La Hotel in Kuala Lumpur, in March 2011. TNB's Chief Operating Officer Dato' Ir. Azman Mohd received the award on behalf of the Company. Also present at the event was Bank Negara Govenor, Tan Sri Dr. Zeti Akhtar Aziz.

The BrandLaureate Award is one of the branding awards recognised by His Majesty The Yang di-Pertuan Agong, Tuanku Mizan Zainal Abidin. The prestigious award was conferred in recognition of branding excellence among the best brand international standard companies, public listed companies and Government-Linked Companies as well as other outstanding corporations in the world. ■

TNB - Sime Darby Plantation-Mitsui & Co. Ltd. Undertakes Study on Renewable Energy

Tenaga Nasional Berhad (TNB) and Sime Darby Plantation, a subsidiary of Sime Darby Berhad has announced that it will collaborate with Mitsui & Co. Ltd. of Japan in conducting a study on the feasibility of generating electricity from factory effluent and oil palm empty fruit bunches in Malaysia.

A signing ceremony was held in April 2011 at the Sime Darby Convention Centre in Kuala Lumpur to formalise the agreement.

Dato' Ir. Azman Mohd, TNB's Chief Operating Officer/Executive Director represented the company at the signing ceremony. Sime Darby Plantation was represented by its Executive Vice President, Frankie Antony Dass while Mr. Tory Ryoso, General Manager, Environment Business Division signed on behalf of Mitsui & Co. Ltd. Present to witness the event was Minister for the Embassy of Japan in Malaysia, Koichi Ito.

Under the agreement, Sime Darby Plantation will select processing plants that produces Palm Oil Mill Effluent (POME) while Mitsui will design and provide technical expertise in trapping bio-gas. TNB on the other hand, is responsible for maintaining electricity connection operations to the national power grid. ■

TNB and EC
Heedful In Providing Best Services to Customers

Dialogue sessions and discussions between the Energy Commission (EC) and TNB to discuss issues relating to service and electricity supply to consumers, bare testimony to the care and concern showed by both parties in resolving concerns faced by consumers.

TNB Vice President (Distribution), Hj Hussin Othman said TNB takes every issue raised by customers very seriously and close cooperation and mutual understanding between TNB and the EC is necessary in handling issues relating to electricity supply and service to consumers.

"Such dialogue sessions are also implemented at the state level, and we in TNB take every issue relating to customer service very seriously. We try our very best to satisfy the customers' needs and strive to solve every complaint or problem raised" said Hj Hussin in his opening remarks to kick off a dialogue session with the EC (Headquarters level) recently at the EC Head Office at Putrajaya.

The dialogue session was attended by senior management teams of TNB Distribution Division and the EC. Among those present from TNB's Distribution Division were Ir Hj Mustafa Din, Senior General Manager (Operations-Region 1), Ir Ismail Mohd Din, Senior General Manager (Asset Management), YM Tengku Haliza Tengku Muhammad, General Manager (Finance), Safwan Atan, General Manager (Human Resource Management & Administration Service), Noraini Shaarani, Assistant General Manager (Service Development and Marketing, Customer Service Department), Selimin Othman, Assistant General Manager (Commercial and Green Technology), and Rahim Md Din, Senior Manager (Reporting & Government/Industry Relations)

The dialogue session was chaired by Ir Hj Md Fauzi Hasan, Chief Executive Officer of the EC. Among the EC senior management present were Ir Hj Azhar Omar, Senior Director (Electricity Supply), Shahrilnazim Shaari, Senior Legal Advisor, Ir Othman Omar, Director (Enforcement and Area Coordination), Hj Abd. Rahim Ibrahim, Director (Electricity Safety) and Head of State Areas.

Ir Fauzi said the spirit of understanding and mutual respect between the two parties is necessary to ensure that both EC and TNB can collectively provide the best to consumers.

He explained that the EC and TNB could not afford to take issues and problems raised by consumers lightly. In fact, both parties should cooperate in charting strategies in an effort to handle issues raised as well as to address existing weaknesses in electricity supply and services to consumers.

Among others, the dialogue session deliberated on issues of services to consumers and those related to electricity supply such the maintenance of *risers* at multi-storey buildings, bi-monthly meter reading, disconnection of electricity supply and theft of electricity.

Also discussed was the issue of feedback/complaints by consumers related to bi-monthly meter reading in the Customer Feedback System. Statistics has however, shown a drop in customer complaints pertaining to the issue.

Upon conclusion of the Putrajaya dialogue, both parties expressed satisfaction with the discussions held and expressed the hope that the spirit of cooperation and understanding in handling issues raised would continue to prevail in the interest of consumers. ■

The Mutually Inclusive Relationship Between EC and TNB

"The relationship between the EC and TNB is akin to a single entity which requires mutual cooperation and assistance," Dato' Roslan Ab Rahman.

A dialogue session was also held with the Perak EC chaired by Dato' Roslan Ab Rahman, Senior General Manager (Operations-Region 2), Distribution Division TNB.

Dato' Roslan said operational issues raised are solved in the course of the day to day operations and that this could only be implemented with the existing communication network. Implementation also needs to take into account the welfare and comfort of consumers which now stands at 7.6 million as well as those of the investors, stakeholders and the Government.

"The relationship between the EC and TNB is akin to a single entity which requires mutual cooperation and assistance", Dato' Roslan added.

Hj Nur Ali Za bin Omar, EC Area Head of the Perak State as joint chairman of the dialogue session in his speech, recorded EC's appreciation to TNB for taking the initiative in organising the dialogue. He hoped such meetings would form a platform for officers at TNB and the EC to interact as well as improve mutual relationships. He clarified that EC plays the role of ensuring electricity safety for consumers as well as that of TNB employees in the course of doing their work.

Also present from TNB at the dialogue, were Dato' Mohd Zahir Md Nagor, State General Manager (Perak), Ir. Ramli Abdullah, State Chief Engineer (Perak); Haji Abdul Aziz Abd Majid, Chief Engineer (Operation, Region 2); Hjh. Nazariah Ibrahim, General Manager (Customer Service & Marketing), Noraini Shaarani, Assistant General Manager (Service Development & Marketing); Hj Amir Mahmod Abdullah, Head (Revenue Enhancement). The EC on the other hand was represented by Hj Shahidan Bahaman (Head of Investigation & Enforcement), Mohd Nawawi Said Abdullah (Electricity Supply); Mariatinawati Yusuf (Legal Advisor, EC Perak) and other state EC officials.

The dialogue session followed with a visit to the Sultan Azlan Shah Power Station in Manjung. TNB and EC representatives were welcomed by Ir. Hj Azman Talib, the Chief Operating Officer of the Sultan Azlan Shah Power Station.

In his closing remarks, Dato' Roslan said the challenge faced by both EC and TNB is to meet the increasing expectation of consumers. Hence both organisations need to play the role of providing the best service to customers.

"I wish to record our appreciation to the cooperation given by the EC to TNB Perak in particular and TNB in general". ■

Dato' Sri Zukri Samat
Managing Director

Bank Islam Malaysia Berhad

BANK ISLAM MALAYSIA BERHAD WAS ESTABLISHED IN 1983 AS THE NATION'S FIRST ISLAMIC BANK. TO DATE, THE BANK HAS A NETWORK OF MORE THAN 100 BRANCHES AND 900 SELF-SERVICE TERMINALS NATIONWIDE.

Today, Bank Islam has become the symbol of Islamic banking in Malaysia and together with its vision of becoming "The Global Leader in Islamic Banking", projects its status as the flag bearer of the country's Islamic financial services industry.

To meet the diversity of the public's financial needs, Bank Islam offers a comprehensive list of more than 50 innovative Shari'ah-based banking products and services which cater to Muslims and non-Muslims, and comparable to those offered by its conventional counterparts.

From the traditional financing, savings and investment types of products exclusively for individual customers, the range of Bank Islam's Shari'ah-based financial products, services and business solutions has significantly expanded to cater to the fast-changing financial needs of customers from all categories including those related to micro financing, wealth management, capital market, treasury and structured products.

From only RM80 million initially, Bank Islam's paid-up capital swelled to RM1.73 billion as at June 2009, which was instrumental in making possible the growth of its assets and the implementation of its expansion programmes.

In recognition of its pioneering role, Bank Islam was awarded the Reader's Digest Platinum Award for being the Most Trusted Brand for Islamic Financial Services for two consecutive years. With the entrusted belief, Bank Islam is on its way in becoming "The Global Leader in Islamic Banking" and continues to remain guided by the excellent pioneering work by its predecessors, Malaysia's ambition to be the international Islamic financial hub, the success of its turnaround efforts and the challenge from its competitors.

For more information on Bank Islam products and services, visit www.bankislam.com.my or call Bank Islam Call Center at 03-2690 0900. ■

Chris Ehmann
General Manager

Hilton Petaling Jaya

The 553-room Hilton Petaling Jaya is located on Jalan Barat and is right in the heart of Petaling Jaya in Selangor. Known to most as just PJ, Petaling Jaya is a self-contained city and commercial hub with many modern shopping complexes, recreational facilities and entertainment centres. It is just 15 minutes away from the capital city of Kuala Lumpur and approximately 45 minutes away from the Kuala Lumpur International Airport (KLIA) in Sepang.

The Hilton Petaling Jaya, opened in 1984, is Hilton's second hotel in Malaysia. The hotel is owned by Tradewinds Hotels & Resorts Sdn. Bhd., a subsidiary of Tradewinds Corporation Berhad, one of the largest hotel owners in the country with 11 hotels in its stable.

Explore the melting pot of cuisine that the hotel's four restaurants and bar have to offer. At the Paya Serai Restaurant, guests are guaranteed the best local and Malay cuisine from its sumptuous buffet spread. For fine oriental cuisine lovers, the Toh Yuen Chinese Restaurant serves modern Cantonese cuisine while the Genji Japanese Restaurant is known for its traditional delights from the land of the rising sun. Uncle Chilli's meanwhile, plays host to a resident band which belts out music and songs ranging from Hip Hop, R & B to the new era of Rap and Rock & Roll.

At the Hilton Petaling Jaya, our guest rooms and suites are appointed with light, fresh décor, high speed Internet access, a writing desk and chair, mini bar, in-room safe, tea/coffee making facility, dual telephone lines with direct dial facility and television with in-house movies and channels to keep guests informed with the latest news and entertained.

For business travellers, Hilton Petaling Jaya also offers 21 function rooms and the Kristal Ballroom with its pre-function foyer that are available for small business meetings and conferences accommodating from 10 to 1000 persons.

For more information, kindly contact the Hilton Petaling Jaya at tel no: 03-7955 9122, fax no: 03-7955 3909, or visit our website at www.hilton.com. ■

Mukhtar Hussain
Deputy Chairman & Chief Executice Officer

HSBC Bank Malaysia Berhad

HSBC's presence in Malaysia dates back to 1884 when the Hongkong and Shanghai Banking Corporation Limited established its first office in the country, on the island of Penang, with privileges to issue currency notes.

HSBC Bank Malaysia Berhad is a wholly-owned subsidiary of the HSBC Group. HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 8,000 offices in 88 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa. With assets of US$2,364 billion at 31 December 2009, HSBC is one of the world's largest banking and financial services organisations. HSBC is marketed worldwide as 'the world's local bank'.

Leveraging on a wide global network, HSBC Bank Malaysia offers an extensive range of products and services for both personal and corporate customers, which have won awards and accolades from customers and independent parties alike. Services provided include personal financial services, commercial banking, global banking and markets and offshore banking.

Islamic banking products and services for both retail and corporate customers are offered by HSBC Bank Malaysia's subsidiary, HSBC Amanah Malaysia Berhad, a full-fledged locally incorporated Islamic bank. Takaful (Islamic insurance) products, developed by HSBC Amanah Takaful (Malaysia) Sdn Bhd, are also distributed by both HSBC Bank Malaysia and HSBC Amanah Malaysia. ■

"They light up our lives and service has improved a lot in terms of supply. Nothing can move without electricity supply."

"Good services but electricity rate is high (tariff). Nothing's changed. Still the same TNB from 20 years back."

REGION 1: CHANNELING INVESTMENTS INTO SUPPORTING THE DEVELOPMENT OF NEW GROWTH AREAS

In 2010, customers in Kuala Lumpur, Putrajaya, Selangor, Negeri Sembilan, Melaka and Johor contributed 66 % to Tenaga Nasional Berhad's total annual sales of RM28 billion. Consumption of electricity in the state of Selangor alone, contributed a staggering of RM7.5 billion.

Home to one of the most densely populated and the nation's most affluent communities, Region 1 which groups four states and the Federal Territories of Kuala Lumpur and Putrajaya, presents TNB with a unique set of challenges.

"Perhaps our biggest challenge is to upkeep and upgrade our infrastructure to ensure we are able to offer the highest quality service and reliability to our customers. TNB continues to invest heavily to ensure the best supply possible to all our customers," said Ir. Mustafa Din, TNB's Distribution Division Senior General Manager (Operations – Region 1).

"The Klang Valley is the biggest concentration area for TNB, involving Kuala Lumpur, Selangor and Putrajaya which are also home to a large affluent population. They therefore, demand the best from us (TNB) and we have to ensure that we deliver the best service possible to these customers. The Klang Valley also forms the bulk of our prime customers in the country and here sits all the important installations, from Government offices, foreign commissions, international service and data centre, industrial, commercial and financial districts."

In terms of the number of customers, Region 1 has the highest number of customers between TNB's two regions in Peninsular Malaysia, accounting for 58.4 % of TNB's 7.6 million customers. Selangor again tops the list accounting for 35% of customers, ahead of Johor and Kuala Lumpur.

The largest contributor to TNB's annual revenue within Region 1 is made up of the commercial sector which constitutes 43% while industrial consumption of electricity brings in 38% of TNB's sales. And while the remaining 17% in sales is contributed by domestic customers or households, this group happens to account for the most number of customers in Region 1 at 82%.

In recent years Ir. Mustafa said, "there is an emerging trend in the development of integrated commercial complexes designed to cater to the various needs of the people were being undertaken on a larger scale as compared to facilities

Ir. Mustafa Din
Senior General Manager (Operations-Region 1)
Distribution Division
TNB

Region 1 which comprises customers in Kuala Lumpur, Putrajaya, Selangor, Negeri Sembilan, Melaka and Johor contributed 66.7% to Tenaga Nasional Berhad's total annual sales of RM28 billion in 2010.

built in the past. These developments are being constructed in the existing developed areas to tap on the potential of existing consumer population. Cables installation work poses the biggest challenge on the already crowded corridor. Redevelopment of inner KL is a case in point where we have to work closely with the Developers and the Authorities to ensure that cables can be laid and stable electricity supply can be made available".

"The ongoing challenge we face is to continuously communicate to all stake-holders and the public that world class electricity infrastructure is the responsibility of everyone and not just TNB alone. Duty of care should be paramount when working close to existing TNB infrastructure, be it in underground and over-head system to ensure they are not encroached upon. Although we are now equal to some European countries in terms of supply reliability, our aim ultimately, is to be amongst the best in the world," said Ir. Mustafa.

Besides Klang Valley, Iskandar Malaysia in Johor is being developed into a new major growth area. Ir. Mustafa said, "It has become TNB's duty to ensure that it is able to meet with the required needs and demands of all new and existing growth centre on a timely manner. Iskandar Malaysia project covers a vast area from Pasir Gudang to Kulai and what makes the undertaking even more challenging is the fact that the current distribution voltages used in the area is different to that in other parts of Malaysia. While other regions in Malaysia currently subscribe to 11kV and 33kV as main distribution voltages, the current voltage in Iskandar Malaysia is using 22kV and 6.6kV."

Other initiatives currently in place, include the upgrading and rehabilitation of some of TNB's older sub-stations in Kuala Lumpur, Selangor and Johor in order to be able to accommodate a higher capacity demand. In Selangor for instance, a total of 27 main distribution stations are to be upgraded over a five-year period.

Also in the pipeline, are projects designed to support the Government's initiative in establishing the Greater KL project which include the Mass Rapid Transit (MRT) project. TNB is well geared to support all these initiatives.

On energy efficiency Ir. Mustafa said, "TNB is always promoting the efficient use of electricity in the light of the diminishing fossil energy resources in the country and in the world which lead to the increase in fuel price in electricity generation. TNB is promoting customers to manage their electricity consumption to be as efficient as possible. The term used is "Demand Side Management", which involves reducing electricity use through activities or programs that promote energy efficiency or electricity conservation, or more efficient management of electricity supply loads. These efforts include promoting high efficiency building practices, promote the purchase of energy-efficient products, encourage customers to shift to non –critical usage of electricity from high-use periods to after 7 p.m or before 10 a.m, organising of programs providing limited utility control of customer equipment such as air conditioners, and promote energy awareness and education. For high voltage customers they can opt for 'peak and off peak tariff', where they can move their peak usage from day to night usage and also use energy thermal storage devices to lower their day time use". It is always wise to be as efficient as possible when using electricity.

On Finance, Ir. Mustafa mentioned that TNB is pursuing to enhance its collection and cash flow, working hard to curtail non-technical losses within the system often caused by irresponsible parties. Reducing pilferages will ultimately boost TNB's bottom line.

On customer service, Ir. Mustafa mentioned that TNB is continuously improving our service counters and the Call Management Centre(CMC). TNB has also introduced the One Stop Enquiry Centre or OSEC (1-800-88-5454) in order to facilitate customer's inquiries via telephone. Customers can also use TNB Web Services for most transactions including supply application (e-Application), billing enquiries (e-Services), lodge complaints and suggestion and even make payments online.

REGION 2: A MYRIAD OF ECONOMIC ACTIVITIES AND UNIQUE CHALLENGES

Dato' Roslan Ab Rahman
Senior General Manager (Operations-Region 2)
Distribution Division
TNB

From Perak to Perlis, and Pahang to Kelantan, Tenaga Nasional Berhad's Region 2 provides the setting for one of the most challenging tasks of powering the nation due to the vast land mass it covers and the myriad of economic activities it serves.

In a region where economic activity is so diverse - catering to high demand customers in the commercial, industrial and tourism industries - a very important pre-requisite for TNB to fulfill is to ensure electricity supply is stable as interruptions will significantly affect the businesses of its customers.

What also distinguishes Region 2 is the fact that the land mass overlooks poses a variety of challenges when it comes to connectivity, covering not only lowlands, but highlands and islands.

"The most critical task in our Region is to ensure electricity stability and reliability to all our customers, both residential and non-residential, in both places of importance and interest," said Dato' Roslan Ab Rahman, TNB's Distribution Division Senior General Manager (Operations-Region 2).

"As a facilitator of growth and economic development, TNB's role has become even increasingly important in supporting the national agenda."

In Perak for instance, the supply of electricity sees TNB playing an important role in developing the horticulture industry where commercial raring of prawns and fish is being aggressively promoted by the Government. Cameron Highlands is the centre of Malaysia's vegetable and flower industry, where more and more commercial planters today have traded conventional ways to rely on high-tech and sophisticated methods in farming to enjoy a better yield of crops.

"Agro-farming today has become very dependant on electricity where industries are resorting to the use of artificial heat and air-conditioning as a means of controlling temperature stability," Dato' Roslan said.

Up North, Penang is the Region's biggest customer in terms of demand for electricity which caters to the large manufacturing sector, driven mainly by electrical and electronics cluster.

"In Penang, the industries are what we classify as high-end customers. They consume a large volume of electricity as their industries are dependant on it," Dato' Roslan said.

Demand for electricity continues to grow very rapidly he added, and with the future opening of the Second Penang Bridge, is expected to create plenty of spin-offs in new growth areas on the island as well as the mainland, in which TNB is now looking into facilitating. Further North in Kedah meanwhile, electricity and the quality of its supply caters to not only a large industrial cluster but also high-tech facilities.

To the east coast of Peninsular Malaysia, the industrial area of Gebeng in Pahang for instance, requires TNB to accommodate to the strict requirements of a very large cluster of petrochemical and polymer industries. Pekan meanwhile, houses a large automotive cluster and plans are currently underway to transform it into a hub for automobile assembly in the country. In Terengganu, TNB also plays a very significant role in ensuring that supply to the nation's largest gas processing facility goes uninterrupted. Coincidentally, TNB's own power plants are dependant on the supply of gas from these facilities.

"The sensitivity and the needs of each of these clusters in terms of electricity supply are very unique."

One of the most challenging tasks Region 2 is faced with, according to Dato' Roslan, particularly in the eastern part of the peninsular, concerns getting electricity supply to the sparse communities located in remote or isolated areas. At times, the location to be "powered up" may be 50 to 60km from the nearest connection point available on the national grid. Ongoing projects to address this for example include collaborating with the Ministry of Regional and Rural Development (MRRD) for the construction and commissioning of solar hybrid systems in remote areas for small villages and for the Orang Asli community.

The same system is also being installed to power communities living on islands off the coast of Terengganu and Pahang. Successful examples of hybrid systems already in use are in Pulau Perhentian in which electricity is generated by the use of solar, wind and diesel power and Pulau Tioman which relies on diesel and mini hydro. Electricity supply to the island of Langkawi meanwhile, is carried from the national grid on the mainland via underwater cable.

While ensuring that electricity supply to the islands for example, is a national and social obligation, it is also part of an even bigger agenda that is in line with promoting tourism in the country as sufficient and stable supply will promote the development of better infrastructure and facilities such as resorts and hotels.

Test drive - Dato' Roslan testing a new vehicle for the breakdown team in Kuantan.

In bringing electricity to the desired locations, the two biggest considerations TNB is confronted with are cost and distance. Connection to the national grid must weigh financial viability against the best possible technical solutions. At times, a location is simply too remote and involves a great distance that it would not be financially feasible to extend supply from the main grid. In such cases, a hybrid or standalone system would be deemed the most appropriate and financially viable.

"Irrespective of the challenges and costs involved, our role is to light up lives and this is our commitment to the rakyat."

Dato' Roslan said TNB also actively engages in regular community outreach programmes where TNB representatives sit together with various levels of community leaders and other local authorities, to engage customers, gather valuable feedback and resolve concerns quickly.

Irrespective of the challenges and costs involved, our role is to light up lives and this is our commitment to the rakyat.

"Whether you are dealing with a single factory that provides you with revenue amounting to RM3 million per month or 20,000 customers that provide you with the same income, we at TNB still provide the same level of service and attention and our philosophy at Region 2 is that we will light you up whether it is a single home, a village, commercial entity located in the lowlands, highlands or islands." ■

ELECTRICITY TARIFF SCHEDULE
(This tariff is effective from 1st June 2011 and supersedes the previous tariff schedule which was effective on 1st March 2009)

Schedule 1
TNB tariff rates are set out as follows:-

Tariff Category	Unit	New Rates
1. Tariff A – Domestic Tariff		
For the first 200kWh (1–200kWh) per month	sen/kWh	21.8
For the next 100kWh (201–300kWh) per month	sen/kWh	33.4
For the next 100kWh (301–400kWh) per month	sen/kWh	40.0
For the next 100kWh (401–500kWh) per month	sen/kWh	40.2
For the next 100kWh (501–600kWh) per month	sen/kWh	41.6
For the next 100kWh (601–700kWh) per month	sen/kWh	42.6
For the next 100kWh (701–800kWh) per month	sen/kWh	43.7
For the next 100kWh (801–900kWh) per month	sen/kWh	45.3
For the next kWh (901kWh onwards) per month	sen/kWh	45.4
The minimum monthly charge is RM3.00		
2. Tariff B - Low Voltage Commercial Tariff		
For overall monthly consumption between 0–200kWh per month:		
For all kWh	sen/kWh	39.3
The minimum monthly charge is RM7.20		
For overall monthly consumption more than 200kWh per month:		
For all kWh (from 1kWh and above)	sen/kWh	43.0
The minimum monthly charge is RM7.20		
3. Tariff C1 – Medium Voltage General Commercial Tariff		
For each kilowatt of maximum demand per month	RM/kW	25.90
For all kWh	sen/kWh	31.2
The minimum monthly charge is RM600.00		
4. Tariff C2 – Medium Voltage Peak/Off-Peak Commercial Tariff		
For each kilowatt of maximum demand per month during the peak period	RM/kW	38.60
For all kWh during the peak period	sen/kWh	31.2
For all kWh during the off-peak period	sen/kWh	19.2
The minimum monthly charge is RM600.00		
5. Tariff D – Low Voltage Industrial Tariff		
For overall monthly consumption between 0–200kWh per month:		
For all kWh	sen/kWh	34.5
The minimum monthly charge is RM7.20		
For overall monthly consumption more than 200kWh per month:		
For all kWh (from 1kWh and above)	sen/kWh	37.7
The minimum monthly charge is RM7.20		
Tariff Ds – Special Industrial Tariff (for consumers who qualify only)		
For all kWh	sen/kWh	35.9
The minimum monthly charge is RM7.20		
6. Tariff E1 – Medium Voltage General Industrial Tariff		
For each kilowatt of maximum demand per month	RM/kW	25.30
For all kWh	sen/kWh	28.8
The minimum monthly charge is RM600.00		
Tariff E1s – Special Industrial Tariff (for consumers who qualify only)		
For each kilowatt of maximum demand per month	RM/kW	19.90
For all kWh	sen/kWh	28.3
The minimum monthly charge is RM600.00		
7. Tariff E2 – Medium Voltage Peak/Off-Peak Industrial Tariff		
For each kilowatt of maximum demand per month during the peak period	RM/kW	31.70
For all kWh during the peak period	sen/kWh	30.4
For all kWh during the off-peak period	sen/kWh	18.7
The minimum monthly charge is RM600.00		

Tariff Category	Unit	New Rates
Tariff E2s – Special Industrial Tariff (for consumers who qualify only)		
For each kilowatt of maximum demand per month during the peak period	RM/kW	27.70
For all kWh during the peak period	sen/kWh	28.3
For all kWh during the off–peak period	sen/kWh	16.1
The minimum monthly charge is RM600.00		
8. Tariff E3 – High Voltage Peak/Off–Peak Industrial Tariff		
For each kilowatt of maximum demand per month during the peak period	RM/kW	30.40
For all kWh during the peak period	sen/kWh	28.8
For all kWh during the off-peak period	sen/kWh	17.3
The minimum monthly charge is RM600.00		
Tariff E3s – Special Industrial Tariff (for consumers who qualify only)		
For each kilowatt of maximum demand per month during the peak period	RM/kW	24.40
For all kWh during the peak period	sen/kWh	26.7
For all kWh during the off-peak period	sen/kWh	14.7
The minimum monthly charge is RM600.00		
9. Tariff F – Low Voltage Mining Tariff		
For all kWh	sen/kWh	32.6
The minimum monthly charge is RM120.00		
10. Tariff F1 – Medium Voltage General Mining Tariff		
For each kilowatt of maximum demand per month	RM/kW	18.10
For all kWh	sen/kWh	26.8
The minimum monthly charge is RM120.00		
11. Tariff F2 – Medium Voltage Peak/Off-Peak Mining Tariff		
For each kilowatt of maximum demand per month during the peak period	RM/kW	25.50
For all kWh during the peak period	sen/kWh	26.8
For all kWh during the off-peak period	sen/kWh	14.7
The minimum monthly charge is RM120.00		
12. Tariff G – Street Lighting Tariff		
For all kWh (including maintenance)	sen/kWh	26.1
For all kWh (excluding maintenance)	sen/kWh	16.4
The minimum monthly charge is RM7.20		
13. Tariff G1 – Neon & Floodlight Tariff		
For all kWh	sen/kWh	17.8
The minimum monthly charge is RM7.20		
14. Tariff H – Low Voltage Specific Agriculture Tariff		
For overall monthly consumption between 0–200kWh per month:		
For all kWh	sen/kWh	36.9
The minimum monthly charge is RM7.20		
For overall monthly consumption more than 200kWh per month:		
For all kWh (from 1kWh and above)	sen/kWh	40.3
The minimum monthly charge is RM7.20		
15. Tariff H1 – Medium Voltage General Specific Agriculture Tariff		
For each kilowatt of maximum demand per month	RM/kW	25.90
For all kWh	sen/kWh	30.0
The minimum monthly charge is RM600.00		
16. Tariff H2 – Medium Voltage Peak/Off-Peak Specific Agriculture Tariff		
For each kilowatt of maximum demand per month during the peak period	RM/kW	34.90
For all kWh during the peak period	sen/kWh	31.2
For all kWh during the off-peak period	sen/kWh	19.2
The minimum monthly charge is RM600.00		

Notes:
1% as Feed–in–Tariff (FiT) for RE Fund will be imposed on consumers' monthly bill (excluding Domestic consumers with monthly consumption of 300kWh and below) effective from 1st December 2011.

TNB REPAIR & MAINTENANCE SDN BHD

TNB Remaco

- TNB Repair and Maintenance Sdn. Bhd. **(TNB REMACO)** is a wholly owned subsidiary of Tenaga Nasional Berhad. It was first established in 1995, primarily to focus on TNB power plants in the field of scheduled repair and maintenance, work shop services for refurbishment of power plant components and testing services in relation to efficiency, availability and reliability requirement of power plants.

- It has established itself as a reliable and committed partner to power plant owners and operators in realizing their objective towards reliable and efficient maintenance services with minimum downtime. Its long-term plans includes exploring into other related energy business and expanding its presence beyond the shores of Malaysia.

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TNB REMACO

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