

Headline	Competitive bidding can bring best value to power sector, says TNB		
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Tenaga Nasional Bhd chief executive officer says the utility group agrees with the government's decision to cancel the contracts of four independent power producers. BERNAMA PIC

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Competitive bidding can bring best value to power sector, says TNB

KUALA LUMPUR: Tenaga Nasional Bhd (TNB) believes that competitive bidding for power plant projects will bring the best value to the industry, says its president and chief executive officer Datuk Seri Azman Mohd.

He also agreed with the government's announcement on Thursday to cancel the contracts of four independent power producers (IPPs).

Energy, Green Technology, Science and Climate Change Minister Yeo Bee Yin said the four IPP

contracts were approved through direct negotiations and their fate would be decided by the Cabinet next week.

Azman said TNB supported Yeo's decision not to continue with IPP contract awards but rather conduct an open bidding instead.

"We agree with her view on the transparency of the tender process," he said after meeting the Council of Eminent Persons (CEP), here, yesterday.

Meanwhile, asked if the indus-

try reforms could bring down tariffs, Azman said there was always room for improvement.

"But the driving cost factor is fuel prices, which are beyond TNB's control. Coal and gas prices fluctuate according to global pricing and this needs to be managed and handled.

"This is a challenge not only for Malaysia but (also) globally," he said.

On the meeting with the CEP, Azman said it was very encouraging. **Hazwan Faisal Mohamad**