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ABB hopes to resolve dispute over Bakun next week

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KUALA LUMPUR, Fri. - Admitting that there is a dispute with Ekran Bhd over the construction of the RM15 billion Bakun hydroelectric dam, Asea Brown Boveri-CBPO consortium said today it hopes to resolve this in a meeting next week.

"We hope that amicable solutions can be found to the dispute," Asea Brown Boveri Holdings (Malaysia) Sdn Bhd general manager of corporate communications Mohd Kadri Taib said today.

"I am not at liberty to reveal the contents of the discussions with Ekran ... they are confidential".

ABB and Ekran have, in the past six months been trying to resolve the dispute which centred on the engineering, procurement and construction contract awarded to the former.

The disagreement has caused construction to fall behind schedule.

Yesterday, Prime Minister Datuk Seri Dr Mahathir Mohamad said if Ekran and the consortium failed to resolve differences, the Government might be forced to break the contract.

The meeting was fixed following a deadlock between Bakun Hydroelectric Corp and ABB whose representatives met on July 24.

Ekran chairman Tan Sri Ting Pek Khiing had earlier denied that there was a dispute, saying it was only "some small matters waiting to be sorted out".

However, on Wednesday, Ting admitted that the dispute was over the project's cost overrun which could be claimed by ABB.

Ekran holds the largest equity in Bakun Hydroelectric Corp with 32 per cent, followed by the Sarawak Government (19 per cent) and the Sarawak Electricity Supply Corporation (nine per cent).

Tenaga Nasional Bhd, the Government through Khazanah Nasional Bhd and the Employees' Provident Fund each has a five per cent stake in Bakun Hydroelectric Corp.

The balance of 25 per cent has been allocated to the public (15 per cent) and domestic and foreign institutions (10 per cent).

Ting was not available for comment.

In Kuching, Energy, Telecommunications and Posts Minister Datuk Leo Moggie said the Government will wait for the outcome of the meeting before deciding on the next course of action.

"The Government will leave the two parties alone to resolve the dispute...we practise free enterprise," he told reporters after witnessing the signing of an agreement on Info-Stock services and their subsequent launch, at Kuching Hilton.

600 Information Services has been licensed to operate value-added information services nationwide, and is marketed as a 600 info-service.

With Info-Stock, 600 Information Services has teamed up with the national news agency Bernama to provide access to the Kuala Lumpur Stock Exchange's real-time stock price information.

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