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BAKUN DELAY WILL NOT DISRUPT ENERGY PLANNING

KUALA LUMPUR, Sept 5 (Bernama) -- Works minister, Datuk Seri S. Samy Vellu said today the delay in the Bakun hydroelectric project, would not disrupt the country's energy planning.

"The present energy planning has already achieved certain status and some projects currently being implemented, would take care of the delay in that project," he said.

He said the delay in the project, as well as other big projects, was just a matter of "the various projects slowing down."

"Projects are something which you carry out when you have the money, and when you have difficulties, just delay it for a while," he said when approached by reporters after attending the opening of the UMNO General Assembly here today.

Yesterday, Ekran Bhd announced that it has not been able to reach an agreement with the Asea Brown Boveri-Companhia Brasileira de Projectos Obras (ABB-CBPO) consortium on the contract to develop the multi-billion ringgit power project in Sarawak.

With an agreement no longer possible, it has to "make other arrangements for completing the project, its executive chairman Tan Sri Ting Pek Khiing said. This means it has to find another company to undertake the project.

Ting said despite protracted negotiations on the terms for the precise securities to be provided under the RM13.6 billion engineering, procurement and construction (EPC) works contract signed on Oct 2, 1996, no agreement was reached, he had said, adding that the contracts by its own terms has not come into legal force and effect yet.

The project was being undertaken by Bakun Hydroelectric Company (BHEC), with Ekran holding a 32 percent stake in it, the Sarawak government 19 percent, Sarawak Electricity Supply nine percent, Tenaga Nasional Bhd and the Employees Provident Fund (EPF), five percent each and the public 25 percent.

Reports of a dispute over the Bakun contract between Ekran and ABB surfaced in July when Deputy Prime Minister Datuk Seri Anwar Ibrahim confirmed problems existed between the parties over the EPC and due to the dispute, the construction of the dam was behind schedule.

Prime Minister Datuk Seri Dr Mahathir Mohamad had said in July that if Ekran and ABB could not resolve their differences "we will have to break the contract."

The project was supposed to have been completed in 2003, providing power supply to the country to meet increased power demand in line with the nation's rapid growth in economic activities. -- BERNAMA

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