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Moggie: There is possible delay in Bakun project

KUALA LUMPUR, Wed. - There is already a possibility of delay in the RM13.5 billion Bakun hydro-electric dam project, Energy, Telecommunications and Posts Minister Datuk Leo Moggie said today.

He said the question is whether the delay is going to be long or minimal.

"We hope that the delay will be minimal because it will have implications on our other (power) generation planting-up programmes as far as the peninsula power growth rate is concerned," he said.

However, project proponent Ekran Berhad's executive chairman Tan Sri Ting Pek Khiing said this evening that work at the site was on-going and the project will be completed as scheduled.

Moggie was asked whether there will be a delay in the project, given the pace of the discussions between Ekran and main contractor ABB, and if the government had imposed a deadline for the resolution of the dispute.

Moggie said if the two parties report to the Government that they find it very difficult to resolve the matter, that is the time the Government has to do something, adding that the authorities have some ideas.

He was speaking at a Press conference this afternoon at his ministry after awarding a licence to Tenaga Nasional Generation Sdn Bhd for the generation of power, maintenance and upkeep at Tenaga Nasional Berhad power stations.

Tenaga Nasional Generation is 100 per cent owned by Tenaga Nasional.

Asked if Ekran and ABB had met for a second time after their first meeting on July 24, he said: "I am not aware of any second meeting. As far as we know it is still not resolved."

On talk that Ekran had already started talking to other contractors to take ABB's place, he said it was best to ask the developer.

Asked whether Ekran will scale down its share of the project, Moggie said it was not anticipated.

An Ekran spokesman said earlier this morning that although there has been no public announcement of another meeting, talks are going on between the two parties

In a Press release this evening, Ting said the confidence expressed in Ekran by Prime Minister Datuk Seri Dr Mahathir Mohamad "augurs well" for the Bakun project.

The release said that Dr Mahathir had said yesterday in Kuching that the Government still had confidence in Ekran.

Dr Mahathir also dismissed speculation that the public-listed company headed by Ting had offered to withdraw from the national project.

Ting said he was grateful to the Prime Minister for his confidence in Ekran and added: "Over and above everything else, I want to stress that work at the site is on-going and the project will be completed as scheduled."

The two sides first met on July 24, more than a week after Deputy Prime Minister Datuk Seri Anwar Ibrahim said there was a dispute between the Ekran Bhd and contractor ABB.

Currently, the shareholders of Bakun Hydro-electric Corp are Ekran (32 per cent), the Sarawak Government (19 per cent), Sarawak Electricity Supply Corporation (nine per cent), and five per cent each held by Tenaga Nasional Bhd, Khazanah Nasional Berhad and the Employees' Provident Fund.

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