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MAHATHIR-BAKUN

GOVT WORKING OUT WAYS TO COMPLETE PROJECT TO EKTRAN

KUCHING, Aug 28 (Bernama) -- Datuk Seri Dr Mahathir Mohamad today said that the government, which has paid part of the compensation to Ekran Bhd, the developer of the deferred Bakun Hydro-electric project, is still working out ways to complete the project.

The Prime Minister said the project would be implemented on a lesser scale and would probably be installed with fewer turbines according to the needs.

"These are some of the ideas, We haven't finalised anything yet," he told reporters after opening the 9th triennial general assembly of the Parti Pesaka Bumiputera Bersatu (PBB) at Santubong Resort about 35 kilometres from here.

Last month, the Dewan Rakyat was told that the government had so far given an initial compensation of RM40 million to Ekran, but that the overall compensation was still being worked out.

The accounting firm of Price Waterhouse Coopers has been appointed to look into compensation but it has yet to verify Ekran's expenditure for payment of compensation because of the delay in submitting the relevant documents.

When asked about the cost of the project, he said it would be much reduced as the government had no intention to bring electricity from Bakun to Peninsular Malaysia, which eliminates the need to lay the necessary undersea cables.

He said this would save RM6 billion from the original estimated cost of RM13.6 billion of the project.

The electricity would be used in Sarawak to intensify its energy-intensive industries by taking advantage of the cheap electricity available, he said.

On whether there would be room for future expansion, Dr Mahathir said this was possible through the addition of more turbines.

He said the project would be completed in series depending on the power needs of Sarawak and Sabah, and the capacity of the turbines.

Dr Mahathir said with this new situation, the energy needs of Peninsular Malaysia would have to be reviewed as it had been initially calculated by taking into account the electricity supply from Bakun.

"So if we don't take Bakun into account, then we have to plan again (taking into account) the Independent Power Producers (IPPs)," he said.

The government decided to put the Bakun hydro-electric project on hold early this year along with other major projects in the country to cut public expenditure as the economy slowed due to the currency crisis.

The project was supposed to generate 2,400 megawatts daily of electricity not only to Sarawak but also to Peninsular Malaysia.

On the progress of the proposed permanent campus for Universiti Malaysia Sarawak (Unimas), which had been delayed, Dr Mahathir said: "We are going ahead, it is delayed temporarily because of the economic situation in the country."

--BERNAMA

MAM/OPP MR