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Mahathir-Bakun

GOVT WORKING OUT WAYS TO COMPLETE BAKUN PROJECT

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

The prime minister said the project would be implemented on a smaller 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 Parti Pesaka Bumiputera Bersatu (PBB) at Santubong Resort, about 35km 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.

When asked about the cost of the project, Dr Mahathir 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 for 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 was 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.

With this new situation, the energy needs of peninsular Malaysia would have to be reviewed as it had been initially calculated, taking into account the electricity supply from Bakun, he said.

"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 had 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 down due to the currency crisis.

The project was supposed to generate 2,400 megawatts of electricity daily not only for Sarawak but also 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 JK