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Bakun project is on but scaled down (HL)

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KUALA LUMPUR, Tues. - Prime Minister Datuk Seri Dr Mahathir Mohamad today reiterated the Government would go ahead with the Bakun hydroelectric project but on a smaller scale, with Tenaga Nasional Bhd taking the leading role.

He said the Government would also be involved and that other interested parties could also participate.

"We are going ahead with the project maybe with some modifications, perhaps smaller power generation. We are taking over from Bakun Hydro Corporation," he told reporters after opening the World Renewable Energy Congress 1999 (WREC '99).

The congress with the theme "Research, Development and Commercialisation of Renewable Energy" is from June 8 to 11.

Asked how much the project would cost, Dr Mahathir said: "I suppose several billions of ringgit because our currency has depreciated but it is still viable."

Asked to give a conservative figure, he said the scope of the project had to be determined first for a better idea of the cost.

"We are thinking of a 500 MW unit but already there is talk that we go for a bigger power plant," Dr Mahathir said.

Asked if Tenaga Nasional was interested, he said: "Oh yes, Tenaga is interested. We need energy now".

He said the Government had been building power plants for some time now because of the recession and its projection was for requirement for electricity to go down.

"Instead, owing to the early recovery of the economy, the demand for electricity has peaked. Higher than before the recession. So it is obvious we need to put up more power plants."

Asked how soon the project would begin, he said hydroelectricity power plants required quite a lot of time to build.

He said there was also a need for the project as there were plans to put aluminium smelter in the area which required cheap energy that could be supplied by hydro power plants.

On whether there would be an undersea cable between Sarawak and Peninsular Malaysia, he said there were second thoughts on this as it would involve half the development cost. As such, the Government planned to site energy intensive industries in Sarawak and Sabah.

He said once the project had been taken over and an agreement signed, interested parties would be invited to take part.

Earlier in his speech, Dr Mahathir said the Eighth Malaysia Plan would identify appropriate implementation strategies for the development and utilisation of renewable energy sources as an important component of the country's total energy mix.

Asked to comment on this later, he said the country had to look at renewable energy because as time passed its technology had improved.

Dr Mahathir, who earlier visited an exhibition held in conjunction with the congress, said he was shown a solar panel that could light up two fluorescent tubes and costs only US\$100 (RM380).

"After that there is no need to spend anymore. Free energy," he said.

Dr Mahathir said another interesting item he saw was a solar panel that could be connected to the electricity grid and electricity could be sold to the grid in the day.

At night electricity could be bought back from the grid and in this way expenses could be reduced.

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