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5 years to complete Bakun dam, says Dr M

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THE Bakun hydroelectric project can be completed in five years once a decision is taken by the Government on how big the project will be, Prime Minister Datuk Seri Dr Mahathir Mohamad said.

The Government remains committed to the project but it has yet to decide on the size of its generation capacity, he said after opening Universiti Tenaga Nasional in Serdang yesterday.

He was asked to comment on the status of the project.

Dr Mahathir said the dam is necessary to meet future electricity demand.

"We will need Bakun project..the Government has not given up this project," he said, adding that there may come a time in the future when the country faces "rapid growth in industries but slow growth in power projects".

With economic recovery, the use of electricity has increased by 1,000MW between 1998 and 1999. Currently, nationwide consumption of electricity stands at 9,000MW.

"... because of that we have to seriously think of implementing the Bakun project," he said.

At the same time, there is also a need to attract industries which are heavy users of electricity to Sarawak, he added.

There have been proposals to downsize its generation capacity to 500MW.

The Sarawak Electricity Supply Corp and Tenaga Nasional Bhd have been assigned to study the dam generation capacity.

Earlier reports point to a proposal to convert one of the three diversion tunnels, each measuring 1.4km long and 12 metres in diameter, into an underground powerhouse which can generate 500MW of electricity.

Work on the tunnels are expected to be completed as early as next January.

The next phase is the construction of a 90 metre high copper dam and main dam. The construction is expected to start as soon as the state government finalises its generation capacity.

While there is a proposal to scale down the project, the state government has conveyed its views that the capacity should stay at 2,400MW, as originally planned before the project was shelved due to the economic crisis.

The dam is managed by Sarawak Hydroelectric Corp Sdn Bhd and is wholly owned by the Ministry of Finance Inc.

When asked how the project would be financed, Dr Mahathir said the Government had yet to decide what is the best method. "It may be private, it may be government," he said.

The Prime Minister was also asked about the possibility of an electricity tariff review.

"At some time there must be a revision; (people) are asking for bigger salaries and income," he said, pointing out that it would be unfair to deny companies the returns they deserve as their margins are eroded by higher costs.

However, he said the Government had not received any proposal for a tariff review from Tenaga.

On the tenure of Tenaga chief executive Tan Sri Ahmad Tajuddin Ali which expires on August 31 this year, he declined to speculate, saying:

"As far as I know, there has been no decision on the matter yet."

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