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Bakun dam project back on track

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MALAYSIA is certainly living up to its name of being a land of superlatives. Already boasting several structures of the "highest" and "longest" variety, it will soon have another - a concrete-face rockfilled hydro-power dam, the tallest in the world.

Developed to its full potential, the dam will be able to generate up to 2,400 megawatts of electricity, a seemingly impossible feat just three years ago when the nation faced an economic downturn.

The Bakun project, approved in 1993 and initially estimated to cost RM13.5 billion, was among the many projects severely affected.

Ekran Berhad, its former turnkey contractor, discontinued work on the project at the height of the downturn in late 1997.

There were those who felt then that the project was "a big mistake".

But the economy has since recovered and a high growth rate is now expected. And with that, work on the project has resumed.

The Government directed the resumption of tunnelling work for the project in November last year (see story on river diversion work).

Work on this component of the controversial project, undertaken by Korean construction giant Dong Ah Construction Ltd, is proceeding ahead of schedule. "We are ahead by at least two months," Dong Ah's project manager Jung Hyun Ik said when met at the Bakun site recently. The nation's strong economic growth in recent months has prompted the Government to expedite the project.

"The Government has spent millions of ringgit (on Bakun). If we don't continue, we will lose out," Prime Minister Datuk Seri Dr Mahathir Mohamad had said.

However, several issues remain unresolved, one of which was pointed out by Sarawak Deputy Chief Minister Tan Sri Dr George Chan.

"There is no point constructing the dam up to its full capacity if we cannot absorb the energy," he said.

Dr Mahathir, however, has promised that more energy-intensive industries would be located in Bintulu to absorb power generated from the dam.

A study is also being conducted on the possibility of exporting electricity from Bakun to Sabah via a 530km transmission line.

Also under consideration is the sale of excess power to Brunei and Kalimantan. But this is only if the conceptualisation of the Borneo Power Grid project can be realised.

There are those who feel that a smaller dam would be much more viable - one generating 500 megawatts of electricity.

Another suggestion is to retain the height of the dam but to operate only four of the proposed eight generation turbines.

The proposal for a smaller dam is based on the fact that electricity demand in Sabah and Sarawak is not anticipated to surpass 2,400 megawatts.

Based on a 10-year power demand projection in Sarawak and Sabah, the growth rate is between six and 12 per cent annually. This means it will take more than 20 years to fully-utilise the 2,400 megawatts of electricity generated from Bakun.

Tan Chuan Ngan, a local consultant for the Bakun project, said a smaller dam of about 121 metres high would take a shorter time - some four years - to build.

"A full-scale dam with a height of 235 metres will take between six and eight years to complete."

The sheer size of the Bakun dam has also raised other concerns.

A larger dam would mean a higher demand for construction and building materials such as cement and steel.

As such, its critics urged for greater transparency in the implementation of the project.

They want the Government to ensure that the contract for the dam's main components are awarded through public tender.

The Government can call for the project tender as early as July next year. The tendering process and a technical study on the main dam components will take at least one-and-a-half years to complete.

"Construction will probably start at the end of next year," said Tan.

Other issues to be resolved includes the project's equity ratio.

The Sarawak Government is already seeking "a sizeable equity" in the project. "It would be interesting to see how these matters are settled," said an observer.

But regardless of who gets what and by how much, the project has, and will, proceed.

It is crucial in propelling Sarawak's industrial sector to greater heights, and this will directly revolutionise the State economy.

The economy is still largely agro-based and centred on primary resources - notably timber, oil and gas.

This has deprived a large section of the state's working population from earning higher wages.

Besides, the local workforce stands to gain from the training provided by foreign-owned, energy-intensive industries which will forseably be established upon the completion of the project.

For this reason alone, it can be said that the decision to go ahead with the project is economically justifiable.

Even the more than 9,000 displaced tribal residents in Belaga - mostly Kayan and Kenyah - are starting to appreciate the project's benefits.

A new township has been proposed at the Asap Resettlement area.

A 190km tar-sealed Bakun-Bintulu road, scheduled for completion by the end of this year, will also be linked to the resettlement area, shortening the journey from Asap to Bintulu by about five hours.

The Kayan and Kenyah who are now staying in Asap must be provided with decent paying jobs in the oil palm estates or the Bakun dam construction site.

Already, there is news that the local residents working at the plantation there and at the Bakun dam site are not paid well.

The officials and parties who are directly or indirectly involved in this project must pay attention to this issue.

Failure to address it, no matter how minor it may seem, would undermine the country's capability of embarking on a mega hydro-dam project.

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