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MAHATHIR-BAKUN

TNB MAY OWN MOST OF BAKUN DAM PROJECT, SAYS DR MAHATHIR

KUALA LUMPUR, May 4 (Bernama) -- Tenaga Nasional Bhd (TNB) would probably own most of the revised Bakun dam hydroelectric project, said Prime Minister Datuk Seri Dr Mahathir Mohamad today.

Speaking at a press conference after visiting the TNB Headquarters in Bangsar here, he said Bakun has a brighter prospect now because with the power problem in the United States, many aluminium smelter companies there were closing down and moving out.

"We may be able to attract some of them," he said.

Dr Mahathir said he hoped TNB would be the first Malaysian company to achieve a profit of RM3 billion per year.

TNB would eventually reach the RM3 billion-mark since electricity demand is mounting while the utility giant itself could be more efficient.

On the proposed new electricity tariff, Dr Mahathir said it was tied to the gas price which was not going up until the end of the year, thus there was no reason why the cost of electricity should go up.

Nevertheless, he said the relationship between gas and electricity tariffs had highlighted too much reliance on gas to generate electricity whereas the country has a four-fuel policy.

"Maybe we will go back to the thermal power plant using coal or diesel. So whenever we have problem, we can always use palm oil," he said.

On another note, Dr Mahathir said the government has had second thoughts on the further privatisation of TNB's assets following the California power failure.

"We had different ideas before, by splitting up distribution and power generation. We have to be careful on how to do these things and we can't follow other peoples' examples because (other) people (also) make mistakes," he added. -- BERNAMA

MAD MKO SHY