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Aluminium firm gets nod to build power plant

IPOH, Fri. - Prime Minister Datuk Seri Dr Mahathir Mohamad has agreed to allow an aluminium smelting plant, proposed to be sited in Perak, to build a power plant to generate electricity for its consumption.

The aluminium plant project, by Masco Aluminium Sdn Bhd, had been on hold for the past two years as it failed to persuade Tenaga Nasional Berhad to grant it a special power rate.

State Industrial and Entrepreneur Development Committee chairman Datuk Ramly Zahari said Dr Mahathir gave his consent at a special meeting between the State Government and several representatives of Masco Aluminium in Kuala Lumpur yesterday.

He said Dr Mahathir welcomed the setting up of the RM7.5 billion aluminium smelting plant in Perak, which would be the biggest plant in Southeast Asia.

"With Dr Mahathir's consent, this would be the biggest investment for Perak to date.

"It will also boost the State's economic growth and elevate our Gross Domestic Product (GDP)," he said at the State Development Corporation Hari Raya open house at the Silveritage Gallery here today.

Masco Aluminium, a company set up by Charus Development Co, a New York-based joint-venture between China, the United States and Germany, will set up the plant on a 136ha area near the Lumut Maritime Terminal.

The 900 MW coal-fired power station will solely be used to generate electricity for processing aluminium.

The plant will have the capacity of producing an estimated one million metric tonnes of aluminium ingots annually.

Ramly said work on the plant was expected to start in January and it is hoped the company would be able to start producing its first 250,000 metric tonnes of aluminium ingots by June.

Earlier, Masco Aluminium had asked TNB for a special electricity tariff rate of 9.5 sen per unit.

However, the utility giant did not agree as industrial rates are set between 11 and 15 sen per unit.