



**Federal gov't to sell Bakun dam to Sarawak
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The federal government has agreed to sell the Bakun hydroelectric dam in Belaga to the Sarawak government, said Energy, Green Technology and Water Minister Peter Chin Fah Kui.

Chin told *Bernama* the federal government and the Sarawak government had started negotiations to determine the price.

"Sarawak has offered to buy. The federal government said okay.

"Since they want the electricity to remain in Sarawak, we will not continue with the undersea cable project.

"On that basis, they want to buy and we are now talking about the price," he said.

He said the Bakun dam project, under the Ministry of Finance Inc, was ready for flooding.



"The flooding of the dam reservoir, the size of Singapore island, is scheduled to start next month," he said.

The Bakun project, Malaysia's largest hydroelectric dam, is located on the Balui River in the upper Rejang River basin, some 37km upstream from Belaga.

The hydroelectricity project was first mooted in the early 1980s by the federal government to diversify the country's power sources and was first awarded to Ekran Bhd, a company controlled by Ting Pek Khing.

The physical work on the dam started in 1994.

Sarawak Hidro was established to take over the project's development and management in 2000 after the Asian financial crisis of 1997-98 crippled the project.

At end-2002, a Sime Darby-led consortium won a competitive tender to undertake the civil works for the dam for less than RM1.8 billion.

The overall cost of Bakun was officially put at RM7.3 billion, but due to cost overruns, compensation for delays and interests, the final cost is said to have escalated.

In MIRI, Chin told *Bernama* that the negotiation between the federal and Sarawak governments over the sale of Bakun hydroelectric project started months ago.

Negotiation yet to arrive at finalised decision

He said the negotiation proceeded following the decision not to proceed with the undersea cable to supply power from the 2,400 Megawatt (MW) capacity project to peninsular

Malaysia.

The negotiation had yet to arrive at any finalised decision, he said, adding that he could not confirm how long it would go on.

"It will involve a lot of things... like how much can the state afford, before anything can be finalised," he said.

The Bakun dam, the second tallest concrete rock-filled dam in the world, is expected to be completed this December.

About 300MW of hydropower from the first turbine are expected to be generated by the middle of next year. It will have the capacity to generate 2,400MW of power when all eight turbines are in place by 2012.

- Bernama

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