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PAAB: Good response to Langat 2 project

> Reps from 65 companies turn up for tender briefing on Package 2A

BY **EE ANN NEE**
sunbiz@thesundaily.com

KUALA LUMPUR: The controversial RM3.7 billion Langat 2 water treatment plant project has finally started to move forward, with 65 companies attending the tender briefing for Package 2A yesterday.

Package 2A is the largest of 24 packages under Langat 2, involving the construction of a 1,130 million litres per day (mld) water treatment plant. Other packages, which are less critical, are for pipeline, reservoir, pump house and water tanks and will be called progressively.

Pengurusan Aset Air Bhd (PAAB) CEO Datuk Ahmad Faizal Abdul Rahman said 15 copies of tender documents were sold at RM10,000 each yesterday, which indicates "good interest" in the project.

"We expect more people will buy the tender documents after the site visit tomorrow (Sept 13)," he told a press conference yesterday.

Tenders close on Nov 20.

The Langat 2 project is estimated to cost RM3.7 billion — RM700 million for land acquisition and RM3 billion for construction.

Ahmad Faizal said Langat 2 is designed based on projection of water demand in Selangor, where the water reserve level is expected to hit a critical low in 2016 and to drop to deficit the following year.

As such, the state would need an additional 1,000 mld by 2016 from the current capacity of 4,400 mld based on an annual 3% increase in water demand.

"The new plant will take 45 months to complete, so we have to start now. If we were to start in 2013, it will only be ready in 2017 and we cannot have a situation where people do not have water for a year. We cannot take such risks," he said, adding that PAAB expects to issue the letter of award for Package 2A in May next year.

Ahmad Faizal clarified that the Selangor state government is not against Langat 2 per se, but wants a water restructuring exercise to be done before giving its approval for the project. He hopes the restructuring issue between the federal and state governments will be

resolved in 10 months.

He said it may become a legal issue, but based on the Attorney-General's advice, PAAB, which comes under the Minister of Finance Inc, will continue to seek the development order for the project from the Selangor government, which is endowed by the Constitution with control over water resources.

The Langat 2 project is part of the Pahang-Selangor Raw Water Transfer Scheme implemented by the Ministry of Energy, Green Technology and Water. It is a major water supply project for Selangor, the federal territories of Kuala Lumpur and Putrajaya, and is envisaged to provide sufficient treated water to the states in the future.

The Langat 2 project is developed by PAAB, which has appointed the consortium of SMHB Sdn Bhd, Ranhill Consulting Sdn Bhd and KTA Tenaga Sdn Bhd to undertake the engineering design of the Langat 2 plant.

The plant is envisaged to be developed in two phases, with the first phase involving the construction of treatment works with a nominal output capacity of 1,130 mld. Construction of Phase 1 is scheduled to be completed in early 2017.