

# Medco Power eyes Indonesia's first nuclear power project

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A subsidiary of PT Medco Energi International Group, the country's largest publicly traded oil company, is interested in participating in the construction of Indonesia's first nuclear power plant, which will be built in Gunung Muria, Central Java, the company's executive says.

An assistant for Medco Energi CEO Erwin S. Sadirsan said Monday that the company's subsidiary Medco Power would allocate up to US\$3 billion in investment to take part in the nuclear project.

He said Medco Power was conducting a feasibility study on the construction of the nuclear project, including in the selection of the technology to be used at the plant, which has faced strong resistance not only from local people but also from non-governmental organizations.

"We have studied nuclear technology in several countries, such as Japan, South Korea and the U.S., which are known for their nuclear power operation," Erwin said.

Medco recently signed a memorandum of understanding with South Korea-based power company KHNP on nuclear project cooperation. It

is not clear yet, however, if the cooperation is aimed at establishing a partnership for the Gunung Muria power plant.

Under its blueprint for the development of nuclear energy, the nuclear power project will be put to tender next year. The construction is expected to begin in 2010 so that it will be able to start commercial production in 2016.

Under the plan, the nuclear power plant will have a capacity of 4,000 megawatts, or about 2 percent of the total power demand in the country in 2016.

National Nuclear Energy Agency of Indonesia spokesperson Ferhat Aziz confirmed

to *The Jakarta Post* recently that Medco had showed interest in the nuclear project.

Medco and the South Korean company might team up to build the nuclear power plant, "but for this, they have to win the tender," Ferhat said.

A government-backed committee for the nuclear power development project is in discussions to determine the ownership scheme to be applied in the country's first nuclear power plant.

A source who is familiar with the project but refused to be identified, said that Medco was expecting between 15 percent and 20 percent interest on the project.

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