



April 27, 2000
EPDC Co., Ltd.

Detailed design and construction administration for the Indonesian Bili-Bili Hydroelectric project

Electric Power Development Co., Ltd. entered into an agreement with the Indonesian Electricity Authority (PLN) for the implementation of detailed design and administration of construction for the Bili-Bili Hydroelectric Project.

Outline of the project

The project involves the equipment of power generation capabilities (17,700 kW) to the Bili-Bili multipurpose dam situated in the midstream region of the Jeneberang River to supply electric power to Macasar (formerly Ujung Pandang), the provincial capitol of South Sulawesi (with a population of 1.3 million) and its surrounding regions.

Completed in December 1999, the dam is also used as a source for domestic and industrial water supply and for irrigation.

Outline of the agreement with PLN

The agreement concerning this project involves providing consultation pertaining to the detailed design and administration of construction. The proposal for the activity was submitted as a joint venture with EPDC International (at the time -- the company was later merged with EPDC as of September 1, 1999) as the leading firm and CTI Engineering International Co., Ltd. and the Indonesian Kwalsa Hexagon as the participating firms in response to a request for a bid by PLN. After negotiation with the electricity authority, the contract was awarded to the EPDC joint venture.

The project will receive its funding from the Japan Bank for International Cooperation.

Responsibilities of EPDC relating to this project range from the designation of project directors, team leaders, civil works, construction of structures, power generation

equipment, and related facilities.

The Contracted amount is approximately 550 million yen, with the share for the segment implemented by EPDC amounting to about 250 million. The project will be completed by April 2005.

This is the 172nd international cooperation effort of the Company in a total of 55 nations.

<Reference>

[Outline of the Indonesian Electricity Authority -- PLN]

- (1) Name: Indonesian Electricity Authority (PT Perusahaan Umum Listrik Negara; PLN)
- (2) Established: 1964
Reorganized as a state-owned company in 1994 (earning the name National Electricity Corporation of Indonesia). Two power generation subsidiaries were established in October 1995.
- (3) Employees: 56,500 employees (as of the end of 1996, including the power generation subsidiaries)
- (4) Corporate activities:
- 1) Facilities (as of the end of 1995, including the stations maintained by power generation subsidiaries)
Total capacity -- 14.986 million kilowatts
consisting of -- 2.178 million kW by hydroelectric,
2.503 million kW by thermal, and
0.305 million kW by geothermal
 - 2) Total output -- 58,210 million kilowatts (1995)
 - 3) Net system energy demand -- 49,749 million kilowatts (1995)
- (5) Outline of activities: Private electric utilities were gradually integrated under the public ownership policy of Indonesia, and the Indonesian Electricity Authority (PLN) was founded in 1961 to administer the management of regional power utilities.
- (6) Power supply within Indonesia
- 1) Private power generation is extremely expensive in Indonesia
(Utilities: 14.2 million kW, private generation: 4.09 million kW, total 18.29 million kW as of 1994)
 - 2) The door to the power market was opened to Independent Power Providers (IPP) by a presidential

decree in 1992. However, the financial base of the sole purchaser (namely, PLN) experienced a significant deterioration due to the currency devaluation and the drastic decline in demand forced many of the IPP into contract delinquency.

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Note: The data is based on "Energy Conditions Overseas, First Edition" (by Japan Electric Power Information Center, Inc.) and other sources.

End of announcement