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CLP Participates in the Second West–East Natural Gas Pipeline Project

CLP welcomes the official commencement of the construction of the eastern section of the Second West–East Natural Gas Pipeline in Shenzhen today.

CLP's involvement in this project is an outcome of the Memorandum of Understanding (MOU) signed by HKSAR and Central People's Government in August that secures gas and nuclear power supplies for Hong Kong for the next 20 years.

The Second West–East Natural Gas Pipeline project is expected to be one of the key gas supply sources delivering timely gas supply to Black Point Power Station require to replace the existing dwindling gas reserve in Yacheng to meet the significant demand for clean natural gas around 2012.

"CLP is pleased that we recently signed a framework of agreement with PetroChina and Shenzhen Gas to jointly develop a LNG terminal in Shenzhen of China as part of the Second West–East Natural Gas Pipeline project. We are delighted to see the strong support from our Mainland partners which allow significant and tangible progress in the swift implementation of the MOU," said Mrs Betty Yuen Managing Director of CLP Power at the project commencement ceremony.

Under the agreement, the proposed terminal will be operated and owned by PetroChina with a controlling stake of 51% while CLP and Shenzhen Gas will each own 24.5%. This partnership marks a significant step in securing long term gas supply to Hong Kong.

The Shenzhen LNG terminal, to be jointly developed by PetroChina, Shenzhen Gas and CLP, is an important component of the overall West–East Natural Gas Pipeline project and is crucial for CLP to maintain its supply reliability and meet 2010 emissions targets.

About CLP Power

CLP Power Hong Kong Limited is the largest electric utility in Hong Kong serving the business and domestic community in Kowloon, the New Territories, Lantau and most of the outlying islands. Operating a vertically integrated electricity generation, transmission and distribution business, CLP Power provides a highly reliable supply of electricity and excellent customer services to over 5.5 million people in its supply area.

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