

12 December 2017

中華電力有限公司
CLP Power Hong Kong Limited

CLP Power Announces 2018 Tariff Adjustment

CLP Power Hong Kong Limited (CLP Power) today (12 December) announced that the Average Net Tariff will be adjusted to HK\$1.154 per unit of electricity in 2018.

From 1 January 2018, the Average Basic Tariff will be increased by 2.3 cents per unit to 94.5 cents per unit of electricity, while the Fuel Cost Adjustment will be increased by 1 cent to 22 cents. With the offering of the Rent and Rates Special Rebate, the Average Net Tariff will therefore become HK\$1.154 per unit of electricity, equivalent to an adjustment of 1.9%. CLP Power will continue to offer the Energy Saving Rebate Scheme to help customers with low consumption levels and to encourage energy conservation.

Mr TK Chiang, Managing Director of CLP Power said, “We attach great importance to customers’ concerns about the tariff impact and have taken a prudent approach in cost management in order to keep our tariff at a reasonable level. We lowered our tariff in 2016, froze the tariff in 2017, and we have returned a total of HK\$2 billion in special fuel rebates to customers in 2015 and 2017. In 2018, we are adjusting the average net tariff by a slight increment despite the pressure of continuing inflation and increasing fuel costs.”

In 2012 and 2013, CLP Power had returned to customers the refund received from government in respect of the Rent and Rates appeal, via the Rent and Rates Special Rebates totalling \$1.6 billion. In 2018, CLP Power will make a similar rebate at 1.1 cents per unit according to the estimate of the potential further refund to be received from government in respect of the appeal.

In support of the government’s environmental policy of increasing gas-fired power generation to about 50% of the fuel mix in 2020, CLP Power is constructing a new gas-fired generating unit at Black Point Power Station. The project is on schedule and the unit is expected to go into operation by 2020.

The company is in the meantime seeking out new sources of gas to enhance our supply security. The supply of piped gas from the Wenchang gas field in the South China Sea will be available to Hong Kong by the second half of next year. An Offshore Liquefied Natural Gas Terminal in Hong Kong waters is meanwhile in the final stages of an Environmental Impact Assessment. Subject to government’s approval, it is expected to go into operation in 2020 and will further enhance Hong Kong’s competitiveness in sourcing natural gas.

Mr Chiang said, "CLP Power is actively preparing for the commencement of the new Scheme of Control Agreement. Two of the features we are introducing to encourage community participation in developing renewable energy are Feed-in Tariff and Renewable Energy Certificates. More new energy-saving programmes will also be launched. Our aim is for all sectors of the community to achieve energy saving with the help of these initiatives which aim to address climate change and help turn Hong Kong into a greener and smarter city."

2018 Tariff Table

Tariff Component	2017 Tariff (cents per unit)	Change (cents per unit)	2018 Tariff (cents per unit)
Average Basic Tariff	92.2	+2.3	94.5
Fuel Cost Adjustment	21.0	+1.0	22.0
Rent and Rates Special Rebate	-	-1.1	-1.1
Average Net Tariff	113.2	+2.2 (+1.9%)	115.4

** The tariff adjustment will take effect from 1 January 2018 under the existing Scheme of Control Agreement which will expire on 30 September 2018.*

CLP Power will publish details of the announcement of its new tariff and Rent and Rates Special Rebates on its website (www.clp.com.hk) and in newspaper advertisements. Customers will also receive information directly from CLP Power in the coming weeks.

Supplementary information can be downloaded from the following link:
[Presentation document submitted by CLP Power to Legislative Council Panel on Economic Development Meeting on 12 December 2017](#)

About CLP Power Hong Kong Limited

CLP Power Hong Kong Limited ("CLP Power") is the Hong Kong utility subsidiary wholly owned by CLP Holdings Limited, a company listed on the Hong Kong Stock Exchange and one of the largest investor-owned power businesses in Asia. CLP Power operates a vertically integrated electricity supply business in Hong Kong, and provides a highly reliable supply of electricity and excellent customer services to 6 million people in its supply area.

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