

1. What will the new tariff be from 1 January 2022?

- CLP's tariff is made up of two major components: The Basic Tariff and the Fuel Cost Adjustment.
- From 1 January 2022, the Average Basic Tariff will remain unchanged at the same level as in 2021.
- Due to a sharp rise in international fuel prices, the Fuel Cost Adjustment will be adjusted upwards by 10.5 cents to a total of 38.6 cents per unit of electricity in January 2022.
- To alleviate the impact on customers, CLP will provide two special rebates totalling 3.4 cents per unit of electricity.
- The Average Net Tariff in 2022 will therefore be 128.9 cents per unit of electricity, equivalent to an upward adjustment of 5.8%.

2. Why is the fuel cost so high in the electricity bill? What measures has CLP taken to alleviate the impact on customers?

- International fuel prices have been surging for more than a year, and have had a profound effect on the tariffs around the world. Hong Kong is not immune to this.
- A total sum of about HK\$2.5 billion drawn from the Tariff Stabilisation Fund, Fuel Clause Recovery Account and Community Energy Saving Fund, along with a Rent and Rates Special Rebate, will be used to introduce a range of measures to ease the burden on customers, which includes:
 - Freezing the Average Basic Tariff. The upward adjustment in the total tariff for 2022 is driven mainly by the increase in fuel costs. CLP makes no profit out of its Fuel Clause Recovery Account. The actual fuel cost is passed through directly to customers.
 - Offering customers a special rebate of 2.1 cents per unit of electricity, together with the Rent and Rates Special Rebate of 1.3 cents per unit of electricity, amounts to a combined rebate of 3.4 cents per unit of electricity.
 - Launching a series of community support programmes, funded by a total sum of about HK\$220 million from the CLP Community Energy Saving Fund, to encourage energy saving, help people in need and stimulate the Hong Kong economy as it rebounds from the pandemic.
- Continue providing the Energy Saving Rebate Scheme for customers with low levels of consumption, encouraging energy conservation.

3. What is the Special Rebate and the Rent and Rates Special Rebate? What is the arrangement for the two rebates?

- The 2022 Special Rebate is drawn from the Tariff Stabilisation Fund, with an aim to lessen the impact of the tariff adjustment on customers.
- The Rent and Rates Special Rebate is the refunds in respect of CLP's claim against government's overcharging of our rent and rates in the past. We follow the principle that all refunds will be returned to customers. From 2012 to October 2013, from 2018 to February 2019, and in 2020 full year, CLP offered a Rent and Rates Special Rebate to customers to return the fund received from the Government resulting from our appeal.
- From January 2022, the rebate will be automatically credited to existing customers' accounts and used to offset electricity charges.

4. What is CLP doing to help people in need?

- CLP allocated HK\$220 million through the CLP Community Energy Saving Fund to launch a series of programmes in 2022 to support people in different parts of society, encourage people to reduce carbon emissions, and add momentum to Hong Kong's economic recovery. The programmes include:
 - Relaunch the CLP Retail and Catering Coupons Programme by distributing a total worth of HK\$100 to each of the nearly 800,000 households, including residential customers with low electricity consumption, elderly customers who qualify for concessionary tariff, and 10,000 tenants of subdivided units. Beneficiaries will be able to use the coupons in more than 2,800 participating retail outlets and restaurants.
 - The CLP Power Connect programme will continue to encourage residential customers to conserve energy, and provide electricity subsidies to disadvantaged households. A one-off extra subsidy on top of normal subsidies will be given to each of the 50,000 eligible households, including elderly people, low-income families, disabled people, and 10,000 tenants of subdivided units, meaning they will each receive a total of HK\$1,000 in electricity subsidies. The programme will also provide subsidies to assist landlords of subdivided units to carry out rewiring works so that individual electricity meters can be installed, improving home safety and tenants' living environment. Separately, CLP will provide energy-efficient electrical appliances to families living in transitional housing to improve energy efficiency at home.
 - The newly launched CLP Save and Cheers Bonus features a series of new initiatives to provide support to people in need, encourage energy saving and reduce emissions. The new initiatives include supporting students' online learning needs by offering e-learning equipment, distributing

nutritious food packages to children from underprivileged families referred by non-governmental organisations, launching education theatre programme to enhance people's knowledge of electricity safety and energy saving, conducting low carbon and green living tours tailored for underprivileged families living in remote areas, and designing online games with a theme of energy conservation, through which CLP customers can deepen their understanding of environmental protection and energy conservation, and earn reward points.

- Continue the CLP Award for Vocational and Professional Education and Training (VPET) Students, offering subsidy to VPET students at Vocational Training Council with financial needs to continue their studies.

5. What is CLP doing to support commercial and industrial sector customers?

- To promote energy saving and carbon reduction among business customers, CLP will continue its Electrical Equipment Upgrade Scheme which encourages companies, particularly small and medium-sized enterprises, to replace or upgrade more energy-efficient lighting and air-conditioning equipment.
- The CLP Retro-Commissioning Charter Programme and the CLP Subsidy Scheme for BEAM Plus will continue to encourage commercial and industrial sector, non-governmental organisations and schools to enhance the energy efficiency of their premises. Meanwhile, the CLP Retail and Catering Coupons Programme also aimed to encourage consumer spending and help the Hong Kong economy regain momentum.