

**Provision of information by CLP Power Hong Kong Limited in response to
the request of the HKSAR Government
10 December 2013**

Estimated Capital Expenditure during 2013 and the 2014 Development Plan Budget

Categories (HK\$ million)	2013 ¹	2014 Development Plan ²
(A) Power Generation System		
Emission Reduction Project	186	0
Other generation related projects	968	10,703
Sub-total	1,154	10,703
(B) Transmission & Distribution System	5,459	22,562
(C) Customer and Corporate Services Development	171	836
Total (A + B + C)	6,784	34,101
(D) MOU ³ related projects on top of the approved total capital expenditure under the 5-year Development Plan	696	0
Grand Total	7,480	34,101

Notes:

- The figures are forecast subject to final audit.
- This is the budget, covering January 2014 – September 2018, as approved under the 2014 Development Plan by the HKSAR Government.
- Memorandum of Understanding signed on 28 August 2008 between the National Energy Administration and the HKSAR Government on energy cooperation.

Estimated Tariffs during the 2014 Development Plan (DP) Period

	2013	2014	2015	2016	2017	2018
Tariff Component (HK cents/ kWh)	Actual Tariff	DP Forecast/ Annual Tariff Review ¹	DP Forecast ²	DP Forecast ²	DP Forecast ²	DP Forecast ²
(A) Basic Tariff	84.2	88.4	87.2	88.4	90.0	92.1
(B) Fuel Clause Charge ³	22.4	22.4	36.7	45.3	52.6	56.4
(C) Net Tariff ³	106.6 ⁴	110.8	123.9	133.7	142.6	148.5
Tariff Stabilisation Fund ⁵ (HK\$ million)	8	313	391	338	382	380
Fuel Clause Recovery Account ⁵ (HK\$ million)	1,264	1,420	-1,499	-991	-574	3

Notes:

- DP approval and 2014 Tariff Review were done at the same time.
- The tariff rates for 2015-2018 are only projections and the actual tariffs to be charged to consumers each year will be determined in the preceding year, following discussions between Government and CLP during the annual Tariff Reviews, taking into account any variations in the components of the Development Plan & fuel costs.
- These numbers are current projections, dependent on fuel costs which are likely to vary significantly in the future and so are therefore subject to change.
- The Rent & Rates Special Rebate ceased on 16 October 2013 as the interim refunds received from Government in relation to CLP's claim against Government's overcharged rents & rates have been rebated; so at 2013 year end, the Net Tariff is 106.6 HK cents.
- These are the projected year-end balances of the Fuel Clause Recovery Account and the Tariff Stabilisation Fund.