CLP 中 中電

A Sustainable Solution for Hong Kong

The South Soko Liquefied Natural Gas (LNG) Project

CB(1)2184/06-07(01)

for Panel on Environmental Affairs
The Legislative Council

by CLP Power / CAPCO
20 Jul 2007

The Importance of Natural Gas for Hong Kong

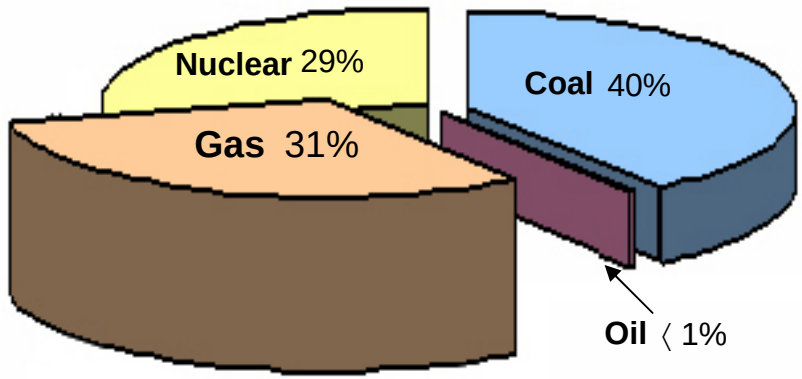
Energy Supply Reliability

- Natural gas contributes:
  - 25% of Hong Kong's electricity supply
  - Electricity needs of about 2 million people

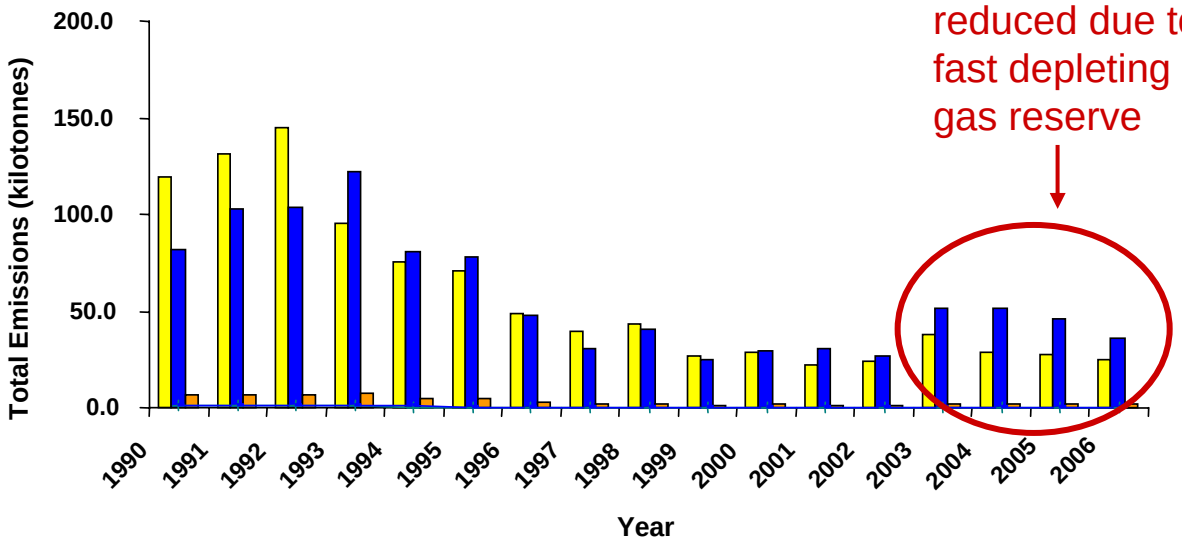
Improving Air Quality

- More natural gas is needed to meet HK Government's 2010 emissions reduction targets

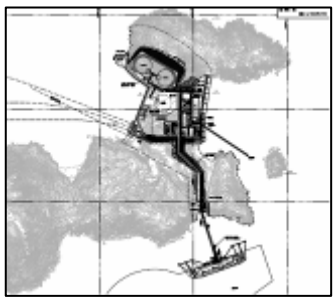
CLP's Fuel Types (2006)



Total CAPCO Emissions 1990 - 2006



Comprehensive planning since 2003 aiming to bring LNG to Hong Kong as early as possible



Engineering & design well advanced

Gas supply discussions advanced

Overseas experience captured

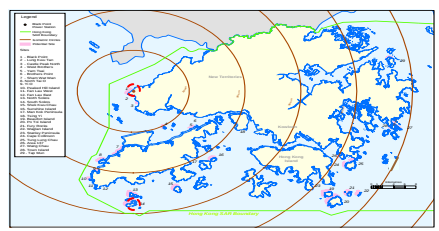
LNG shipping progressed

Extensive stakeholders engagement throughout

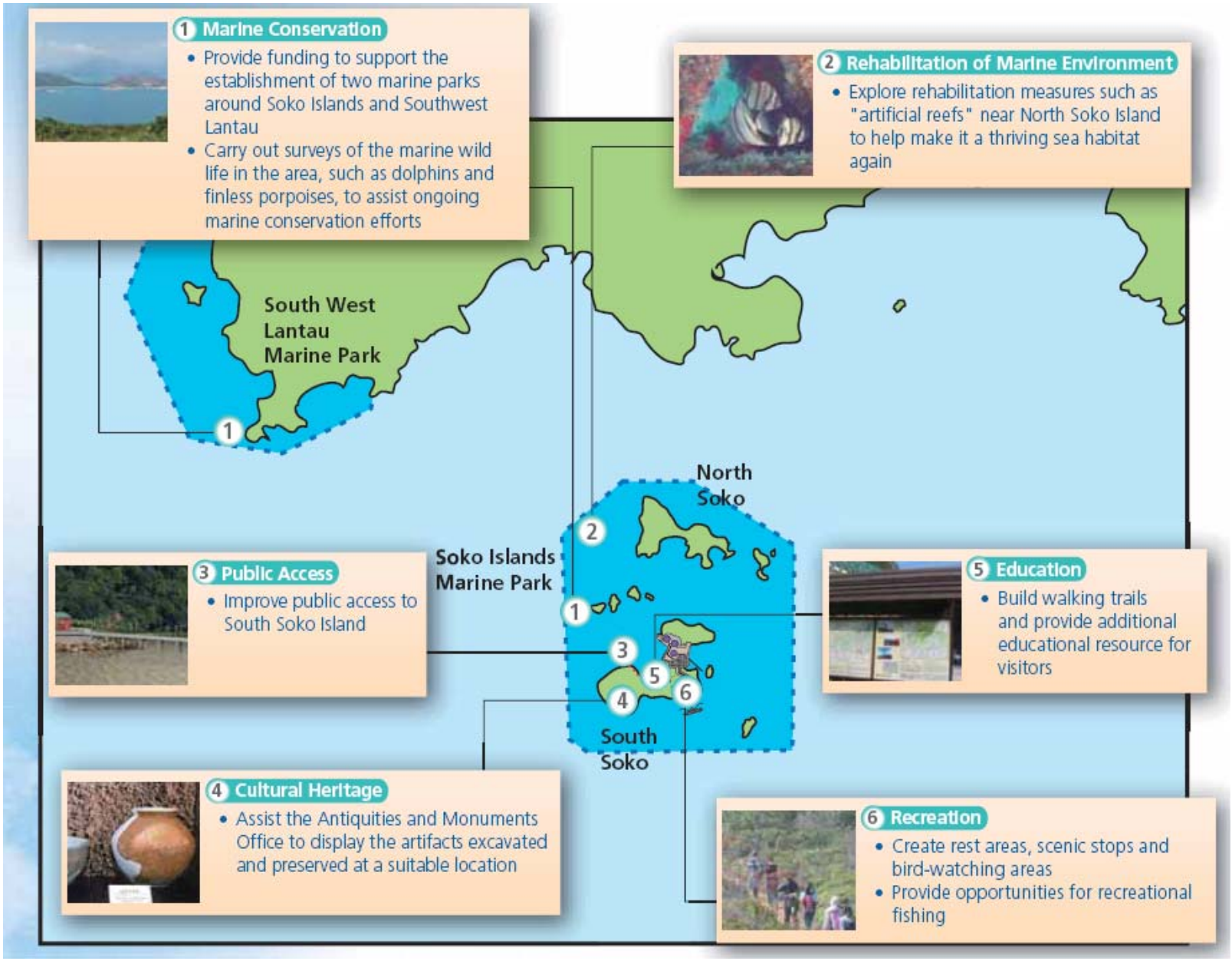
Environmental impact studied 2005-2006

Environmental permit awarded Apr 2007

Alternative sites studied (2003-2004)



South Soko Enhancement Plan



LNG Terminals Can and Do Co-exist with Conservation Areas

- A well-tested arrangement in developed countries throughout the world

- 7 LNG terminals in the world co-exist with conservation zones

  Examples:

  - Cove Point LNG Terminal in Maryland, USA

  - 2 terminals in Europe

  - 3 existing and 1 proposed terminal in Japan's Seto Naikai National Park

CLP has explored the concept with international marine mammal experts and concluded that the concept is feasible in Hong Kong