



# **CLP Power**

Information Highlights 2022

# **PREFACE**

This information booklet is produced by CLP Power Hong Kong Limited to provide a range of company information to our customers and the wider community to further enhance information transparency and understanding of our electricity business in Hong Kong.

The booklet aims to present the company's annual performance across a number of areas including tariff, supply reliability, safety, environmental management, promotion of renewable energy and energy efficiency and conservation. It also includes a summary of cost data on our operating expenses and financial information. Unless otherwise specified, the information contained in this booklet is based on information available as of 31 December 2022.

In addition to this booklet, our *CLP Information Kit* explains the background of many of our activities and initiatives, which is available on the <u>CLP website</u>.

To understand CLP Group's business performance, please view our *Annual Report* and our *Sustainability Report* on the <u>CLP website</u>.

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# 1. About CLP Power

CLP Power Hong Kong Limited ("CLP Power") is a wholly-owned subsidiary of CLP Holdings Limited. CLP Holdings Limited is a company listed on the Hong Kong Stock Exchange and is one of the largest investor-owned power businesses in Asia.

CLP Power operates a vertically integrated power supply business in Hong Kong, covering electricity generation, transmission and distribution, and marketing and customer services.

The generating plants in Hong Kong are owned by Castle Peak Power Company Limited ("CAPCO"), in which CLP Power has a 70% interest.

CLP Power has been serving Hong Kong for over 120 years and supplies highly reliable electricity to over 80% of Hong Kong's population.

# Overview of Business and Performance in 2022

Hong Kong's economy came under sustained pressure from extended COVID-19-related restrictions, surging global interest rates and fuel cost as well as a challenging macroeconomic environment in 2022. CLP Power introduced measures to ease the financial pressure on customers and the Hong Kong community while continuing to offer a safe and reliable electricity supply.

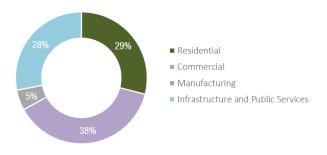
Demand for electricity was marginally lower than 2021, dipping 1.5% to 34,824 GWh, partially because of the much cooler weather in May which reduced consumption by residential customers. The economic slowdown also led to a fall in electricity demand from the commercial and manufacturing sector, particularly among restaurants, property management companies and retail outlets. This decrease was partly offset by the continuing growth in sales to data centres.

An increase in the number of residential accounts saw the customer account total rise to 2.75 million from 2.71 million in 2021.

## |Electricity Sales in 2022

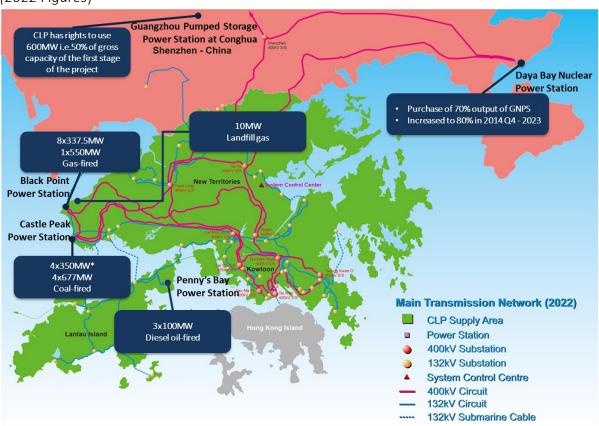
Year-on-Year Change	Increase/ (Decrease)		
	GWh	%	
Residential	(412)	(3.9)	
Commercial	(190)	(1.4)	
Infrastructure and Public Services	121	1.2	
Manufacturing	(50)	(3.0)	

# **Share of Total Sales**



# | Electricity Supply by CLP Power

# (2022 Figures)



<sup>\*</sup>Unit A1 of Castle Peak Power Station, with capacity of 350MW, was put in reserve to run only in emergency situation, after coming to the end of its asset life on 31 May 2022.

Generation	Transmission	Distribution	Retail
9,648MW installed capacity	>16,600km of transmission and high voltage distribution lines	240 primary and >15,400 secondary substations	34,824 GWh supplied to Hong Kong in 2022 and about 2.75 million customer accounts

# 2. Scheme of Control Agreement

## 2.1 Introduction

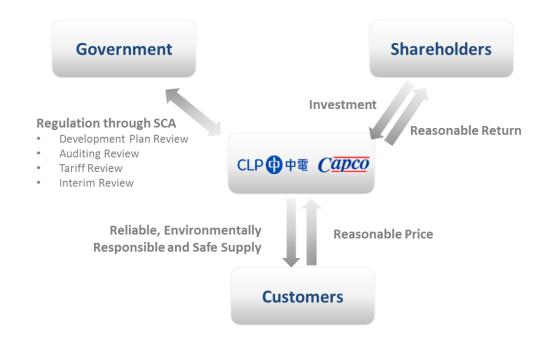
CLP Power's electricity business in Hong Kong is regulated by the Hong Kong SAR Government ("the Government") under the Scheme of Control Agreement ("SCA").

Under this regulatory regime, power companies have the obligation to provide sufficient and reliable electricity supply in their service areas. Customers obtain quality electricity supply at a reasonable price and in an environmentally responsible manner, while the power companies earn a reasonable return in relation to the capital invested.

The SCA also provides an effective and stringent regulatory framework for the Government to monitor power companies' operating and financial performances. Operating performance covers supply reliability, operational efficiency, customer service and energy efficiency. Financial performance covers power companies' electricity-related capital investment, operating expenditure, fuel costs, rate of permitted return and tariff adjustment.

In April 2017, CLP Power and CAPCO ("the Companies") entered into a new SCA with the Government, effective from 1 October 2018 to 31 December 2033.

# 2.2 Regulatory Framework and Processes



The Government closely monitors the performances of the power companies under the SCA through the following reviews: Development Plan Review, Annual Tariff Review, Annual Auditing Review and Interim Review.

# **Development Plan Review**

The Companies submit to the Government a detailed 5-year plan to meet electricity demand for the development of Hong Kong. The plan is to be approved by the Executive Council and covers the required capital expenditure, operating and fuel costs, projected electricity sales and the Basic Tariff rates.

# **Annual Tariff Review**

The Companies submit to the Government a tariff proposal for the coming year before end of October each year. The proposal includes sales and maximum demand forecasts, total capital expenditure, total operating expenditure, cost of fuels and projected Basic Tariff rate etc.

# **Annual Auditing Review**

The Companies submit detailed information to the Government before the end of March each year for auditing and reviewing the financial, technical and environmental performance for the preceding financial year.

# Interim Review

A review is conducted every 5 years over the term of the SCA on SCA-related matters. Changes can be made by mutual agreement between the Companies and Government.

# 2.3 Key Features under SCA

### 2.3.1 Features Related to Tariff

### Basic Tariff

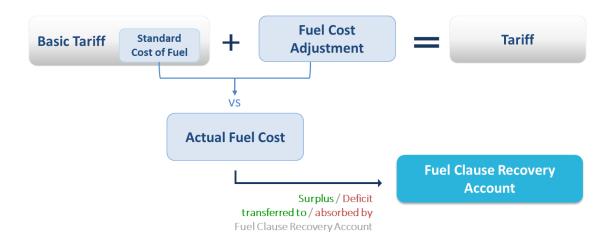
It is set at a level to cover the total costs of electricity supply, including operating cost, standard cost of fuels and SCA return.

# Fuel Cost Adjustment

Fuel Cost Adjustment is either a charge or rebate to cover the difference between the actual cost of fuels spent and the standard cost of fuels collected through the Basic Tariff.

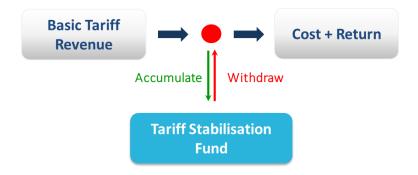
## Fuel Clause Recovery Account

The Account which captures the difference between the actual cost of fuels and the fuel costs recovered through the standard cost of fuels included in Basic Tariff and Fuel Cost Adjustment.



# • Tariff Stabilisation Fund ("TSF")

The TSF aims to ameliorate tariff increases or stabilize tariff levels. If the gross tariff revenue collected exceeds or is less than the total revenue required, the amount will be added to, or deducted from, the TSF.



# • Permitted Rate of Return

Under the SCA, the Companies are permitted to earn a fixed rate of return on the total value of the average net fixed assets for that year. The permitted rate of return under the current SCA is 8%.

# 2.4 Performance Incentives and Penalties Schemes under the SCA

Performance	Measurement for Each	Adjustment to the Permitted Rate of Return			
Category	Year/Period				
	Supply reliability	+0.015%	-0.015%		
Operational and	Operational efficiency	+0.01%	-0.01%		
Customer Services	Customer services	+0.01%	-0.01%		
	Supply restoration	+0.015%	-0.015%		
	Energy saving from audits	+0.1%	/		
	Number of completed energy audits	+0.04%	/		
Energy Efficiency and	Number of buildings under New Eco-Building Fund	+0.02%	/		
Demand Response	Energy saving from New Eco- Building Fund	+0.1%	/		
	Five-year energy saving	+0.1%	/		
	Demand response reduction	+0.025%	/		
	Percentage of electricity generated from Renewable Energy Systems in CLP Power's service areas (excluding systems directly owned by the Government)	+0.05%	/		
	Number of new Renewable Energy Systems connections	+0.0025%	/		
Renewable Energy	Number of new Renewable Energy Systems that generate electricity regularly	+0.0025%	/		
	Number of new Renewable Energy Systems connections which generate electricity regularly in each five-year period	+0.01%	/		
	Sales of renewable energy certificates ("RE Certificates")	See N	Note 1		

<sup>&</sup>quot;Renewable Energy System" means an electricity generation system employing solar, wind, biomass, hydro, tidal, wave, geothermal, energy from waste (including landfill gas or sewage gas) or such other energy sources that are secure and inexhaustible (in the sense that there is no problem of reserve being depleted) as may be mutually agreed by the Companies and the Government.

Note 1: The RE Certificate Sales Incentive Amount for a year is 10% of the total revenue generated from sales of RE Certificates by CLP Power to customers.

# 3. Tariff Information

# 3.1 Tariff Components

Tariffs paid by our customers consist of two main components:

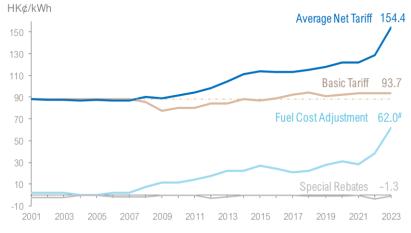
- The Basic Tariff which covers the total costs of electricity supply, including operating cost, standard cost of fuels and SCA return.
- The Fuel Cost Adjustment which is either a charge or rebate to cover any fuel costs above or below the standard cost of fuels already included in the Basic Tariff.

# 3.2 2023 Tariff Adjustments

Components Unit: HK¢/kWh	January 2023	January 2022	Change
Average Basic Tariff	93.7 <sup>×</sup>	93.7	-
Fuel Cost Adjustment#	62.0	38.6	+23.4
Rent and Rates Special Rebate <sup>^</sup>	-1.3	-1.3	-
2022 Special Rebate	-	-2.1	+2.1
Average Net Tariff	154.4*	128.9	+25.5

Y Remained frozen at the same level for the third consecutive year in 2023, with the rise in tariff driven by rapidly rising fuel costs

 $<sup>^{\</sup>mbox{\tiny $\Lambda$}}$  Continue in 2023 while the rent and rates refund lasts



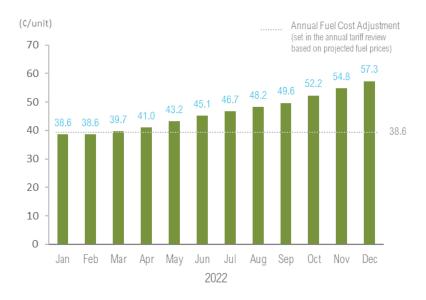
# Figures of Fuel Cost Adjustment shown are the rates announced in the respective annual tariff reviews

<sup>\*</sup> Residential Tariff bills with a bi-monthly consumption of 600 units of electricity or less and Non-residential Tariff bills with a monthly consumption of 500 units of electricity of less will enjoy the 2023 Special Energy Saving Rebate of 9.3 cents per unit of electricity.

# | Monthly Fuel Cost Adjustment

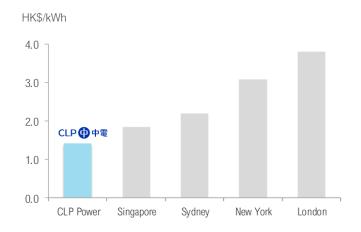
Under the current SCA, the Fuel Cost Adjustment is automatically adjusted on a monthly basis to reflect changes in actual price of fuel used. This arrangement is more transparent and reflects fuel price changes in a more timely manner. The below chart shows the actual monthly fuel cost adjustment in 2022.

More information on monthly Fuel Cost Adjustment can be found on our website.



# 3.3 A Reasonable Tariff

CLP Power's tariff level is reasonable and competitive compared to other key metropolitan cities in the world.



Remarks: Comparison based on monthly domestic consumption of 275kWh Tariff and exchange rate in Jan 2023

# 4. Supply Reliability

A reliable power supply for our customers at home and at work is an important pre-requisite for Hong Kong to maintain its competitiveness and attractiveness for organisations to set up their businesses. Maintaining high reliability is critical for our customers in an economy which is built around service industries that depend on a reliable electricity supply, in a densely populated smart city urban environment which demands an ultra-high level of reliability.

# 4.1 Reliability Performance

CLP Power provides reliable electricity supply in Hong Kong at a world-class reliability of over 99.997%.

# |Supply Reliability Performance Indicators

## **Supply Reliability Performance Indicators**

# System Average Interruption Frequency Index (SAIFI)

The average number of supply interruptions for each customer served. Both planned and unplanned interruptions are included.

• The three-year average SAIFI (2020–2022) was 0.27, meaning customers experienced a power interruption approximately once in four years during this period. This was higher than last year's three-year rolling average of 0.21. It is mainly due to the impact of a cable bridge fire incident in Yuen Long.

# System Average Interruption Duration Index (SAIDI)

The average duration of interruptions each customer may encounter in a given year.

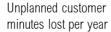
The three-year average SAIDI (2020–2022) was 0.30 hours, including both planned and unplanned interruptions. This was higher than last year's three-year rolling average of 0.23. It is mainly due to the impact of a cable bridge fire incident in Yuen Long.

# Unplanned Customer Minutes Lost (Unplanned CML)

The average duration of unplanned power interruptions per customer in a given year. These outages occur without prior notice, and happen as a result of various factors such as weather events, third-party damage to the network and equipment faults.

- The three-year rolling average (2020–2022) of unplanned CML was about 5.7 minutes, which was higher than the 0.99 minutes recorded last year. It is mainly due to the impact of a cable bridge fire incident in Yuen Long.
- CLP Power maintains a worldclass supply reliability of over 99.997% in Hong Kong, which is higher than other major international cities in the diagram below.

# | Unplanned Customer Minutes Lost (Unplanned CML)





#### Remarks:

\*2020-2022 average for CLP Power was 5.7 minutes; Taking out the impact due to cable bridge fire incident in Yuen Long, the three-year average was 1.0 minute 2019-2021 average for other cities

There are no overhead lines in Singapore

# 4.2 Sufficient Generating Capacity

Reserve capacity is essential to cater for any loss of generating capacity due to planned maintenance and unforeseen outages even at peak load. CLP Power sets the level of reserve margin by making reference to the

maximum electricity demand as one of the most important indicators for planning and operations. This is in line with best practice adopted in the electricity industry all over the world.

# 5. Environmental Performance

# 5.1 Emissions Management

Through a combination of emissions reduction technologies and changes to our fuel mix including the introduction of natural gas, nuclear power, low-emission coal and the addition of sophisticated emissions control facilities, we have achieved significant emissions reduction and successfully met the increasingly stringent emissions caps for our power plants set by the Government.

From 2010 to 2011, we retrofitted by phases the largest four units of the coal-fired Castle Peak Power Station with large-scale desulphurisation and nitrogen oxide reduction facilities which have significantly improved the emissions performance of the station.

From 2015 to 2022, eight gas-fired power generation units at the Black Point Power Station received turbine upgrades, resulting in a reduction in nitrogen oxides emissions.

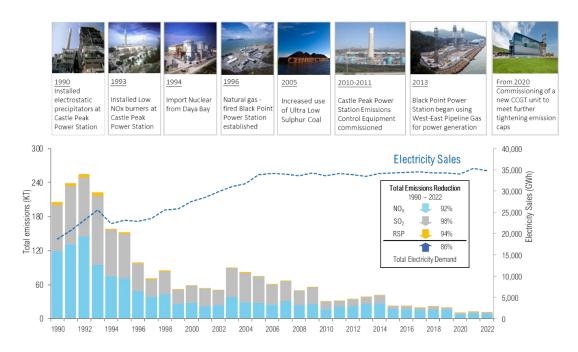
The 550MW Combined Cycle Gas Turbine (CCGT) gas-fired generation unit D1 at Black Point Power Station has been in operation

since mid-2020. It has enabled an increase in the use of natural gas to about 50% of our fuel mix in Hong Kong since 2020, and substantially reduced the proportion of coal power used in generating power. The 10MW West New Territories Landfill Gas Power Generation project which began operations since 2020, has also increased the amount of renewable energy we generate in Hong Kong.

We continued to make progress with the construction of D2, a second CCGT unit at the power station using similarly emission-efficient technologies, is scheduled to enter service in 2024. This will help facilitate the phase out of coal-fired power generation capacity at Castle Peak A Power Station and support the ongoing lower-carbon transition of Hong Kong's electricity supply.

A reduction of more than 90% in SO2, NOx and RSP emissions and 24% in carbon emissions have been achieved since 1990, while electricity demand has grown by over 80% during the same period.

# 5.2 Emissions Performance



# | Emissions Performance of CLP's Power Stations in Hong Kong in 2022

Total Emissions						
Power Station	Carbon Emissions	Air Emissions (kT)				
	(kT)					
	CO <sub>2</sub> e	SO <sub>2</sub>	NOx	Particulates	Particulates	
				(Total)	(Respirable)	
Black Point C	5,318	0.03	1.93	0.09	0.09	
Black Point D	1,167	0.011	0.05	0.019	0.019	
Castle Peak A	159	0.12	0.17	0.009	0.006	
Castle Peak B	6,936	1.15	6.91	0.23	0.15	
Penny's Bay	2.14	0.000013	0.003	0.00006	0.00006	

Emissions Intensity								
Power Station	Carbon Emissions	Air Emissions (kg/kWh, sent-out basis)						
	(kg/kWh, sent-out							
	basis)							
	CO <sub>2</sub> e	SO <sub>2</sub>	Particulates					
				(Total)	(Respirable)			
Black Point C	0.393	0.000002	0.00014	0.00001	0.00001			
Black Point D	0.347	0.000003	0.00002	0.00001	0.00001			
Castle Peak A	2.432	0.00180	0.00260	0.00013	0.00009			
Castle Peak B	1.053	0.00017	0.00105	0.00003	0.00002			
Penny's Bay	1.158	0.00001	0.00169	0.00003	0.00003			

# |CO₂e Emissions Intensity of Electricity Sold by CLP Power Hong Kong

CO <sub>2</sub> e Emissions Intensity of Electricity Sold by	2018	2019	2020	2021	2022
CLP Power Hong Kong <sup>1,2</sup> (kg CO <sub>2</sub> e/ kWh)	0.51	0.50	0.37	0.39	0.39

 $<sup>^{1}</sup>$  CO<sub>2</sub>e emission intensity was calculated by annual total CO<sub>2</sub>e emissions of CAPCO power stations and the total electricity sold to CLP Power Hong Kong's customers before the adjustment of Renewable Energy Certificates.

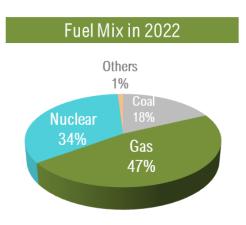
# |5-year Key Operating Statistics

	2018	2019	2020	2021	2022
Installed capacity, MW	8,963	8,988	9,573	9,623	9,648*
System maximum demand - Local, MW <sup>#</sup>	7,036	7,206	7,264	7,477	7,720
Thermal efficiency, % based on units sent out	36.7	37.5	40.8	41.3	40.9
Plant availability, %	86.4	86.4	87.5	84.4	89.1

<sup>\*</sup>Unit A1 of Castle Peak Power Station, with capacity of 350MW, was put in reserve to run only in emergency situations, after coming to the end of its asset life on 31 May 2022. The installed capacity without A1 would otherwise be 9,298MW.

## 5.3 Fuel Mix

It is critical for CLP Power to manage the fuel mix carefully to ensure fuel security, maintain a reliable electricity supply and meet the emissions caps. We will continue to work closely with the Government, our business partners and the community to support the Government's environmental policy for achieving better air quality.



Others include oil, energy from waste and electricity generated under FiT Scheme

 $<sup>^2</sup>$  In accordance with the Greenhouse Gas Protocol, WE Station, which makes use of landfill gas from waste for power generation, is not included in CLP's Scope 1 CO<sub>2</sub> emissions and reported separately in the Asset Performance Statistics. Its non-CO<sub>2</sub> GHG emissions (i.e. CH4 and N<sub>2</sub>O) is included in CLP's Scope 1 CO<sub>2</sub>e emissions.

<sup>#</sup> Without taking into account the effect of the customer programme of demand response pursued to reduce electricity usage, the maximum demand would have been higher at 7,269MW in 2019, 7,369MW in 2020, 7,551MW in 2021 and 7,858MW in 2022.

# 6. Renewable Energy and Energy Efficiency and Conservation

# 6.1 Promotion of Renewable Energy and Energy Efficiency and Conservation

The current SCA marks another milestone towards a greener, smarter and low-carbon environment. In support of the Government's environmental policy to address climate change, a series of new initiatives have been introduced in the current SCA. These include the Feed-in Tariff Scheme and Renewable Energy Certificates to encourage participation from various sectors of the community to support local Renewable Energy (RE) development. Other initiatives include New Eco Building Fund, Community Energy Saving Fund and energy audits to help our customers achieve demand side management, energy saving, and enhancing public education.

# |RE Feed-in Tariff (FiT) Scheme

The FiT Scheme encourages the development of RE by allowing customers to connect RE systems to the grid and sell the electricity generated back to CLP Power at favourable rates. It is applicable to electricity produced by solar and wind power systems with a generating capacity of up to 1MW. Customer embedded RE systems with a generating capacity exceeding 1 MW may also be considered on a case-by-case basis. FiT rates are adjusted based on the review with the Government, whereas new rates will be applied to new applications of RE systems.

## | Renewable Energy Certificates (RECs)

Any residential or commercial and industrial customer with a CLP Power electricity account is eligible to purchase RECs. Each unit of electricity carried in a REC represents electricity produced by local renewable energy sources including solar power, wind power, and waste-to-energy projects, generated or purchased (such as through

the Feed-in Tariff scheme) by CLP Power. Revenue generated from the sale of RECs will contribute towards part of the price of purchasing renewable energy through the FiT Scheme, helping minimise the cost of electricity as a whole.

# |Eco Building Fund

The Eco Building Fund was first set up in 2014 to help residential building owners to carry out energy efficiency improvement works in the communal areas. Under the current SCA, its scope has been extended to cover commercial and industrial buildings as well, and its funding has been increased to subsidise about 400 buildings per year. On top of lighting and air-conditioning systems replacement, the upgraded fund also supports retro-commissioning projects and the use of smart technology.

# |CLP Community Energy Saving Fund

Under the current SCA, 65% of the incentives earned by the Companies by helping customers save energy will be

allocated to the CLP Community Energy Saving Fund. The fund began operations in January 2019 to carry out a territory-wide energy efficiency and conservation campaign, encouraging residential customers to live low-carbon lifestyles, subsidising business customers to replace electrical equipment with more energy efficient models, and at the same time supporting the underprivileged.

## |Energy Audit

CLP Power has been conducting energy audits for business customers since the 1990s. It is a free service helping businesses to save energy and operating costs. Energy system performance analysis is performed at customers' premises to identify Energy Management Opportunities (EMOs) and propose energy saving solutions. Under the current SCA, CLP Power quadruples the number of energy audits it offers to business customers from 150 to 600 a year, with total electricity saved expecting to reach 48GWh each year.

# 6.2 Renewable Energy and Energy Efficiency and Conservation Related Performance

CLP Power is committed to promoting Energy Efficiency and Conservation (EE&C) and the development of RE in Hong Kong. The related performance in the reporting period from 1 January 2021 to 31 December 2021 is summarised below.

## |Energy Audit

In the reporting period, we conducted 622 energy audits for our commercial and industrial customers. The energy savings achieved in the period was over 50 GWh.

# |New Eco Building Fund

Since October 2018, the New Eco Building Fund was launched to subsidise retrofit projects which improve the energy efficiency in the communal areas of residential blocks, commercial buildings, industrial buildings

and composite buildings and their nearby ancillary facilities. In the reporting period, 775 buildings were verified. The energy saving achieved in the period was over 50 GWh.

## |Renewable Energy

Over 6,000 new Renewable Energy Systems were connected to CLP Power's electricity grid during the reporting period. Up to the end of the reporting period, the total renewable energy generation in our supply area was around 160 GWh.

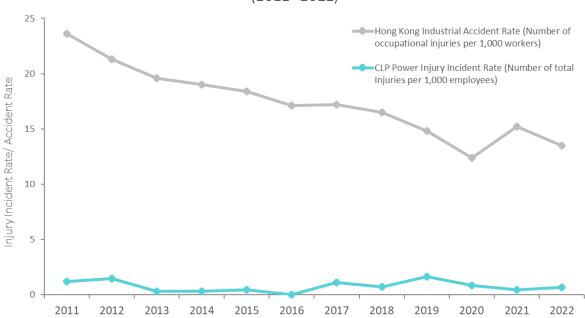
# 7. Safety and Health

Safety is always the Number One priority in CLP Power. Stringent safety guidelines are well in place and strictly enforced by staff and contractors to ensure safety in all work processes and at all facilities.

To ensure a safe working environment for our staff and contractors, we proactively conduct safety inspections and risk assessments to upkeep our safety performance.

# 7.1 Safety Performance





(1) The Hong Kong Industrial Accident Rate is sourced from Legislative Council Panel on Manpower's Paper on Hong Kong's Occupational Safety and Health Performance in 2022 (published in July 2023)

# 8. Customer Excellence

CLP Power is committed to providing our customers with the best quality service and value. We continuously improve both our productivity and efficiency for the benefit of our customers.

We assess our performance regularly and report our achievements to establish a performance pledge on a yearly basis. The table below shows our targets and performance in 2022.

Performance Standards	2022 Targets	2022 Results
Reliability of electricity supply	>99.99%	Target met
Notify customers 3 working days in advance of planned outage	>99%	Target met
Average arrival time for loss of supply inspection	<28 minutes#	Target met
Average supply restoration time after fault outage	<2 hours#	Target met
Provide appointments for installation inspections within 3 working days	96.50%	Target met
Carry out site investigations on consumption enquiries within 3 working days	98%	Target met
Keep appointments to visit customers for supply applications within a 1.5-hour time slot	99.4%	Target met
Connect and supply electricity within the same day after satisfactory installation inspection	99.98%	Target met
Reconnect supply within the same day of payment of outstanding charges	95%	Target met
Answer Emergency Service Hotline by Customer Service Officer within 20 seconds (effective in 2022)	90% of answering time	Target met
Answer Enquires Hotline by Customer Service Officer within 20 seconds (effective in 2022)	80% of answering time	Target met
Average queuing time for customer service enquiries at Customer Service Centres	Within 3.5 minutes	Target met

<sup>#</sup> Excluding incidents occurred during major events which are specified in the Scheme of Control Agreement.

# 9. Financial Performance

# 9.1 Scheme of Control Financial & Operating Statistics

In 2022, the Scheme of Control net return rose 3.9% from 2021 to HK\$9,634 million.

|Scheme of Control Financial and Operational Information (Extract from Annual Report)

**Scheme of Control Statement** 

<u>Five-Year Summary: Scheme of Control Financial & Operating Statistics</u>

## 9.1.1 Scheme of Control Statement

# **CLP Power Hong Kong Limited and Castle Peak Power Company Limited**

	2022 HK\$M	2021 HK\$M
SoC revenue	51,103	45,379
Expenses		
Operating costs	5,027	5,186
Fuel	21,939	15,667
Purchases of nuclear electricity	5,822	5,678
Provision for asset decommissioning	73	111
Depreciation	5,313	5,434
Operating interest	800	857
Taxation	1,924	2,100
	40,898	35,033
Profit after taxation	10,205	10,346
Interest on increase in customers' deposits	4	_
Interest on borrowed capital	1,115	1,018
Adjustment for performance incentives	(448)	(438)
Profit for SoC	10,876	10,926
Transfer to Tariff Stabilisation Fund	(531)	(1,072)
Permitted return	10,345	9,854
Deduct interest on/ Adjustment for		

Increase in customers' deposits as above	4	_
Borrowed capital as above	1,115	1,018
Performance incentives as above	(448)	(438)
Tariff Stabilisation Fund to Rate Reduction Reserve	40	3
	711	583
Net return	9,634	9,271
CESF contribution	(218)	(208)
Net return after CESF contribution	9,416	9,063

# 9.1.2 Tariff Stabilisation Fund and Fuel Clause Recovery Account

Balance as at 31 Dec (HK\$m)	2022	2021
Tariff Stabilisation Fund	2,928	3,109
Fuel Clause Recovery Account	(3,543)	(1,116)

# 9.2 Segregated Annual Cost Data

# 9.2.1 Operating Expenses

Year 2022 (HK\$m)	Generation	Non-Generation <sup>#</sup>
Costs by Segment		
Operating Expenses (Note 1)	4,688	6,525
Fuel	21,939	0
Purchases of nuclear electricity	5,822	0
Total	32,449	6,525

Note 1: includes direct, indirect costs and depreciation

# 9.2.2 Net Fixed Assets Movement

Year 2022 (HK\$m)	Generation	Non-Generation <sup>#</sup>
Opening balance (1/1/2022)	41,546	84,281
Total Capital Expenditure for 2022	6,581	5,992
Closing balance (31/12/2022)	45,503	87,289

<sup>#</sup> Cost data pertaining to Transmission & Distribution and Customer Services