

Zhenjiang to Pour CNY2bn in Power Grid Construction

ZHENJIANG, October 11, SinoCast -- Zhenjiang Power Supply Company is set to pour over CNY 2 billion in the coming two years in the construction and upgrade of an array of power transmission and transformation projects.

It is part of its efforts to raise the transmission capacity of the power grid in the urban area of Zhenjiang City and southern Jurong City in Jiangsu Province.

In recent years, the company had spent over CNY 1 billion annually on improving the local power grid. It built a 500-kilovolt switching station in Shangdang and put into operation a number of 220KV-and-below lines and stations.

Meanwhile, the power supply load has been climbing from 1580MW of 2006 up to 1867.4MW ended August 1, 2007. Some transform stations were fully or over loaded.

So, in 2008, CNY 1.04 billion will be invested in building eight 110KV and five 35KV grids to add more than 160 kilometers of 35KV-and-above lines and power transformation capacity of 400 MVA. In 2009, another CNY 1 billion will be injected into the building and expansion of four power transmission and transformation projects and the 220KV Zhenjiang grid will be innovated.

Guangdong Hydropower to Found New Branch

GUANGZHOU, October 11, SinoCast -- Guangdong No.2 Hydropower Engineering Company Limited (Guangdong Hydropower and SZSE: 002060), one of the top-ranking power generators in China's mainland, announced this week that it is set to build up a wholly-owned subsidiary called Hainan Xinfengyuan Industry Co., Ltd. with a total investment of CNY 10 million to operate especially the first-phase project of Hainan Oriental Gancheng Wind Power Plant.

The wind power plant initially received investment of CNY 500 million. And Guangdong Hydropower will add additional capital in line with the progress of the project.

Spokesperson for the company says that the establishment of the new unit is to ensure the healthy operation of the wind power plant and the company will give full support to it in the future.

As a traditional hydropower electricity supplier, Guangdong Hydropower now hopes to expand its footprints to other profitable sectors with huge growing potential.

The wind power plant is located in a wind-rich area near Gancheng City, Hainan Province, South China. It is designed with

installed capacity of 49.5 megawatts driven by three 1,500-kilowatt wind power generators.

According to Guangdong Hydropower's schedule, the wind power plant will kick off construction in early 2008 and be put into operation by 2009.

In 2005, sales from hydropower sector and municipal projects accounted for respectively 62.62% and 15.49% of the company's total revenues. Besides hydropower and wind power generation, Guangdong Hydropower also plans to muscle into the city railway construction projects and water treatment sector.

As a publicly traded company, Guangdong Hydropower has been highly upgraded by big banks as China's sizzling national economy crying for more energy and resources.

What is more, the Chinese government is encouraging Chinese power generators to spare no efforts in developing wind power in a bid to save more non-renewable energy such as coal and crude oil. In line with the micro-control policies by the Chinese government, Guangdong Hydropower has been in full sail to shift its focus from hydropower to wind power.

Guangdong Hydropower took itself public on August 10, 2007, with total stock capitalization of 220 million shares and 82 million of outstanding shares. Its offering price is CNY 5.09.

Guangdong Hydropower has been focusing on constructing hydraulic power generation facilities. It also sticks to constructing municipal, real estates, ground foundations, highways and other infrastructure; mechanical and electrical installation and construction design and repair. The company is working on 39 power generation projects, which will involve a total contract volume of CNY 3.82 billion.

(USD 1 = CNY 7.50)