

Construction of Tuas Power's \$2 billion Tembusu Multi-Utilities Plant begins

Singapore, 11 November 2009 – Construction of Tuas Power's \$2 billion Tembusu Multi-Utilities Complex at Jurong Island begins today. The complex includes a cogeneration plant, which will deploy the best of clean coal technology using a Biomass and Clean Coal (BMCC) mix to generate electricity. It will also have a desalination plant and a wastewater treatment facility.

The Tembusu Multi-Utilities Complex will be completed in two phases. By 2012, part of the cogeneration plant will be ready and operational. The rest of the complex will be ready by 2014. Upon completion, the cogeneration plant will be able to generate 160MW of electricity and supply 1000 ton/hour of steam. The plant provides an economically and environmentally sustainable alternative to utility supply, therefore bolstering Singapore's energy security by further diversifying its energy mix. This is a pressing need given the increasing demand for energy globally.

The new cogeneration plant will supply steam, chilled water and electricity, and treat industrial waste for the petrochemical companies that will be setting up factories in the Tembusu area of Jurong Island. Because each unit of electricity is produced at a lower cost, it will translate into cost savings of about 10 per cent of a factory's utilities bill compared to energy generated by a gas-fired plant. The company aims to pass on these cost-savings to Tembusu customers through more competitive rates.

Speaking at the ground-breaking ceremony, Mr Cao Peixi, President of China Huaneng Group and Chairman of Huaneng Power International Inc, said: "Following our acquisition of Tuas Power, Tembusu is another important investment in Singapore for Huaneng. We decided to start building the Tembusu Multi-Utilities Complex at a time when the world economy has yet to recover entirely from the impact of the historical economic downturn. This fully demonstrates our confidence in the Singapore market and its future. We believe that the building of the Tembusu Multi-Utilities Complex will no doubt help to boost the development of the Tembusu industrial area and Jurong Island." "...we also hope that, through our efforts, we will be able to contribute to Singapore's energy diversity and security."

Mr Leo Yip, chairman of the Economic Development Board also noted that the plant would provide support to industries on Jurong Island.

“We welcome the opening of Tuas Power’s Tembusu Multi-Utilities Complex to enhance the range of third party utilities options as well as competitiveness on Jurong Island. With Asia becoming an increasingly important consumer of energy and chemical products, Singapore is well-positioned to be a strategic base for Chinese energy and chemical companies seeking to internationalise and access new markets to drive business opportunities,” said Mr Leo Yip, Chairman, Singapore Economic Development Board.

Ends

Huaneng Power International, Inc. Corporate Profile

Huaneng Power International, Inc. (the “Company”), being a member of China Huaneng Group, is the largest listed independent power producer in Asia. The company mainly engages in the development, construction and operation of large power plants utilizing modern technology and equipment, and using international as well as domestic capital. The Company trades in New York, Hong Kong and Shanghai, the first such power company in China.

Tuas Power Ltd Corporate Profile

Tuas Power Ltd is a key solutions provider of energy and utilities, as well as environmental services in Singapore. The company, a wholly owned subsidiary of Huaneng Power International, Inc., is the third largest power generation company in Singapore. It commands about 24 percent of the Singapore generation market. Tuas Power is also the first in Singapore to develop and maintain large-scale trigeneration plants for petrochemical and pharmaceutical companies through one of its subsidiaries.

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