

1 China

Sanhe Thermal Power Plant Project (I) (II)



Sanhe Power Plant constructed via the project

Outline of Loan Agreement

Loan Amount / Disbursed Amount	24,600 million yen / 22,999 million yen
Loan Agreement	January 1995 / November 1995
Terms & Conditions	Interest rate 2.3% / 2.6% p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	February 2002 / December 2002

Project Outline

The construction of a coal-fired thermal power plant in Sanhe City, Hebei Province where located 37.5 km east of Beijing, to alleviate the power shortfalls in the Beijing-Tianjin-Tangshan (BTT) area.

Results and Evaluation

Through the project, two 350MW thermal power plants were constructed, which began commercial operation in June 2000 (generator 1) and in October 2000(generator 2). The actual generated power was 3,630 GWh in 2001, and 3,140 GWh in 2002 (actual results up to October), achieving upwards of 80% of the target levels, and the availability factors were also over 80%. Moreover, stable operation has been achieved entering its third year in 2002, and as of November 2002, it has recorded continuously stable operation for upwards of 500 hours. Although installed capacity at Sanhe Power Plants represents only around 4% of total installed capacity for all power plants in BTT area, the electricity supplies have been on the up, and the plant is considered to have made a substantial contribution to meeting growth in power demand in recent year.

At the Sanhe Power Plant, maintenance and generation conditions has been favorable. Since 2001, as a result of operational stability and hike in selling price, sales revenue had increased and cost reductions had been realized, financial indicators have improved from the year 2000 to 2001.