

PRESS RELEASE

Senoko Power Announces Fuel Diversification Strategy

Singapore, 2 October 2002 – Senoko Power today announced plans to have two sources of natural gas supply by the third quarter of 2003. These sources will be used to strength the reliability of fuel supply and for Senoko's repowering project that is currently underway. When in place, Senoko will become the only power generating company in the region that has two sources of natural gas supply.

An End-User Agreement has been signed to provide the second source of supply from Sumatra, Indonesia. Currently, Petronas Gas of Malaysia is the sole supplier of natural gas to Senoko Power. In addition to natural gas supply, Senoko Power uses a diverse range of fuels, including bunker fuel oil and diesel. All generating plants are capable of using liquid fuel as backup when there is a power failure.

Fuel diversification strategy is a pro-active measure taken by Senoko Power to increase the dependability of its power generators. The use of different fuels ensures that Senoko Power is still able to continue delivering the critical reserve electricity to the grid after an interruption to supply of fuel.

Mr Lau Khoon Chor, President and Chief Executive Officer of Senoko Power Limited commented, "Having dual sources of natural gas supplies will no doubt enhance the position of Senoko as a front-runner in business technology innovation, to ensure that it continues to be a reliable power generating company in Singapore. Learning from the recent blackout on 5 August this year, it is important to ensure that there is adequate supply of electricity and diversity of fuel source to support the nation's needs at all times. We are glad that none of the Senoko generating plants was affected by the gas supply disruption on that day."

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Repowering Project

In April 1999, Senoko Power (then known as PowerSenoko) embarked on a project to repower the Stage I plants to improve their efficiency, as these plants, commissioned in 1975 were reaching the end of their useful lives. When completed in 2005, the company's power generation capacity will increase from 2670 MW to 3390 MW.

Currently, Senoko Power's combined installed capacity of 2,670 megawatts (MW), comprises 1,250 MW of thermal plants, 1,210 MW of combined cycle plants (CCPs) and 210 MW of fast-loading gas turbines. Senoko Power Station and Pasir Panjang Gas Turbine Station are owned and operated by Senoko Power.

The repowering project involves the conversion of an old, relatively less efficient conventional thermal plant of 120 MW into an efficient and environmentally-friendly 360 MW combined cycle plant (CCP). To date, one of the three repowered units has been put to commercial operation.

Upon completion, Senoko Power will be the first energy company in the region to accomplish the repowering project.

At present, Senoko Power remains the only power generating company that is ISO-certified for all its power plant operations.

POWER-GEN Asia 2002

During this year's POWER-GEN Asia conference, Senoko Power will be showcasing its repowering model at its booth, D18. The conference is held at Suntec Convention Hall, Level 4 from 2 – 4 October.

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Senoko Power is the largest power generation company in Singapore, providing the electricity needs for 25% of the nation. Established in 1976, Senoko has since achieved numerous accolades. In 2002, Senoko Energy Supply Pte Ltd, a subsidiary of Senoko Power became the first energy retail company to be certified ISO 9001:2000. Senoko was also the first power generation company in Singapore accredited ISO 9002:1994 for operation & maintenance of combined cycle plants in 1998, the first power generation company awarded Certified On-The-Job Training Centre by Institute of Technical Education in 1997 and the first power generation company to launch the first combined cycle plant in Singapore in 1997.

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Issued on behalf of Senoko Power by Huntington Communications.

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