

## **Promoting Clean Air in China**

**The People's Republic of China has the second largest power industry in the world. Coal is the dominant source of primary energy and its increased consumption has resulted in local, regional and global environmental problems. To meet its growing energy needs in an environmentally sustainable manner, the Gansu provincial government has identified promotion of clean and renewable energy as a priority.**

GHD is managing the Asian Development Bank funded Erlongshan Hydropower Project, the first multi-tranche investment project under Gansu Heihe Rural Hydropower Development Investment Program. This is the second contract GHD has been awarded for hydropower development in the Heihe River Basin.

Erlongshan Hydropower Station is located in the valley mid-section of the Heihe River. It is the fourth station in a cascade of potential developments along the Heihe River, with an installation capacity of 50.5 MW. The project will bring reliable, clean and affordable hydropower to rural communities in the poor Yugu Minority Area. It will:

- provide electricity to over 99% of villages in this area
- increase clean and renewable energy from the current 19% to 23% by 2015
- improve air quality
- maintain power to National Standards by 2015
- sustain the economy at an average 6% growth through to 2015

GHD is preparing the progress report and environmental impact assessment for the Clean Development Mechanism Trade, which will result in reducing 313,000 metric tonnes of CO<sub>2</sub> equivalent per annum.

According to the Manager of Heihe Hydropower Development Joint Stock Limited Company (the investor in the project) "The project is being soundly implemented and will be completed in the expected time. The ADB is also very satisfied with this project".

*International Development Assistance Group  
GHD Beijing*

**Project**        **Gansu Heihe Rural Hydropower Development Investment Program**  
**Client:**       **Heihe Hydropower Development Company**  
**Duration:**    **July 2007 – June 2009**  
**Location:**    **Zhangye City, Gansu Province, China**