

Press Release
24 April 2023

HK Electric's Latest Response on Power Interruption Incident

In response to recent media enquiries and reports, HK Electric has the following clarifications to make:

- In 2021, HK Electric had no major power interruption incidents that required immediate reporting to the Electrical and Mechanical Services Department. There were 162 power interruption incidents which affected isolated areas during the year, and most of them were caused by external factors affecting our cables, and equipment failures, etc. For incidents involving low-voltage distribution cables, which are mostly in old districts or relatively remote areas and which could not be handled from our control room like those in high-voltage power transmission and distribution systems, engineering personnel have to attend to the scene in person, hence taking a longer time to restore power supply. Under the circumstances, engineers and technicians have to race against time to restore power supply to the affected customers the soonest possible, and there is no question of the Company making use of small-scale power outage incidents to lower the average time for supply restoration as suggested by some while commenting on the incident.
- Customer performance incentives/ penalties scheme, covering the Average Supply Availability Index ("ASAI"), was introduced to the Scheme of Control Agreement (SCA) in 2009. The scheme was further enhanced in 2019 with, among other initiatives, the "Average Grid Supply Restoration Time" ("Average GSRT") metric introduced. The aim is to enhance the level of supply reliability and shorten the time for supply restoration after a power interruption incident occurred, benefitting even the customers at remote districts. The provisions were added mainly to improve the service quality of the power companies to customers.
- We noticed recent comments querying our preliminary findings released last week which reported that an unrecorded spare cable had been energised accidentally. In fact, the relevant cable became a "spare cable"

after a network reconfiguration many years ago. Though the cable had been connected to our system for more than ten years, it was never used in the system for “standby” purpose. It was accidentally energised during the re-commissioning test in this incident. Until the incident, the cable had been in a de-energised state, hence no individual protection device is required. As to why this cable was not featured in our circuit diagram, this is something we aim to find out in our investigation. At the same time, we are doing a comprehensive review of our supply system targeting to formulate a series of improvement measures to prevent similar incidents from occurring in future.

- HK Electric has suspended the relevant work-related authorisation of the engineering staff involved in the power interruption incident. The related staff are also subject to a detailed investigation.

The Company will submit a detailed report to the Government in 4 weeks as required. We sincerely apologise again for the inconvenience caused to customers.

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