

minimum demand. The Ministry of Electric Power projects capacity by the year 2000 to be 300GW to be achieved by adding 17,000-20,000 MW per year. Even then, China will be well short of the estimated 1200 GW needed to reach the level of medium-developed societies (average capacity per head of one KW and a yearly consumption per head of 5000 KWH). The shortfall in electric power is a major blockage in China's industrial and social development.

Thermal Power Generation will be a main focus for the PRC, because of the lower investment costs and the shorter period required for construction. During the Seventh Five-Year Plan, China began to manufacture and install 600 MW units. In the Eighth Five-Year Plan, the 600 MW unit will become the backbone of thermal projects, although several projects requiring 300 MW boilers, turbines and generators will be purchased. From 1990 to 2000, more than twenty, large-size projects are planned. By year 2000, total generating capacity for thermal will be 163,000 MW. The new plants will be located at coal mine mouths, near harbours and at centres of communications, such as Inner Mongolia, Shanxi, Anhui, Jiangsu and Guizhou Provinces, as well as load centres on the coastal areas such as Tianjin. In recent years, China has opened build, operate and transfer (B.O.T.) opportunities to foreign firms wishing to invest in thermal power generation.

China estimates that it has 380,000 MW of exploitable hydroelectric capacity, of which only 10 percent has been developed. Hydropower projects to be constructed before the year 2000 include the 17,680 MW Three Gorges project in Hubei Province and several medium size projects in Sichuan, Guangxi, Fujian Provinces. For these and other hydro projects, China must purchase turbines, generators, electrical components, and control systems from foreign manufacturers. With decentralization of authority and financing, many opportunities exist at provincial level for smaller scale hydro projects.

China has several regional and provincial power