

## BP AND CHINA HUADIAN CORPORATION SIGN MULTIBILLION DOLLAR LNG DEAL

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BP and China Huadian Corporation (Huadian) today signed a sale and purchase agreement for BP to sell Huadian up to 1 million tonnes of liquefied natural gas (LNG) per year worth up to \$10 billion over the next 20 years.

The agreement was one of several signed in London during this week’s State Visit to the UK by the President of The People’s Republic of China, Mr Xi Jinping and signed in the presence of President Xi and UK Prime Minister David Cameron.

“This marks another long-term LNG supply deal between BP and Chinese buyers and it will play an important role in enhancing China’s energy diversification and supporting its economic growth,” said Bob Dudley, BP Group Chief Executive. “Not only does it strengthen China’s connections to BP and the UK as global trading partners, it also supports China’s commitment to improving its air quality and reducing its emissions through the use of lower carbon fuels.”

The agreement with Huadian was one of a number of new agreements with Chinese firms, adding several billion dollars in future trade to the BP’s already significant business with China and underscoring the important and growing trade links between the UK and China.

**“The deal will add several billion dollars in future trade to BP’s business in China”**

“BP has been committed to doing business in China for more than 40 years and we’re pleased to enter into an agreement that supports continued diversification and growth of the Chinese economy,” Dudley said. “This agreement also strengthens the connectivity of global gas markets, which is important for countries seeking more diverse and secure energy supplies.”

Huadian is one of the five largest state-owned power generation companies in China and the country’s largest gas-fired power generator.

“This agreement is not only in line with the common objectives of our companies, but it also matches the energy policies of China and the UK,” said Li Qingkui, Chairman of Huadian. “Lower carbon power generation is part of Huadian’s mission to bring greater value to the economy and society while growing ‘Green Huadian’ into a world-class energy group. We look forward to further cooperation with BP in the near future and actively contributing to energy security and a cleaner energy future.”

“We expect China’s energy production to rise 47 percent and its consumption to grow 60 percent by 2035, making it the world’s largest energy importer,” said Edward Yang President of BP China. “This agreement with Huadian further demonstrates BP’s long term commitment to helping China diversify its energy supply and improve air quality. We are pleased to serve as China’s trusted energy partner, now and in the future.”

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