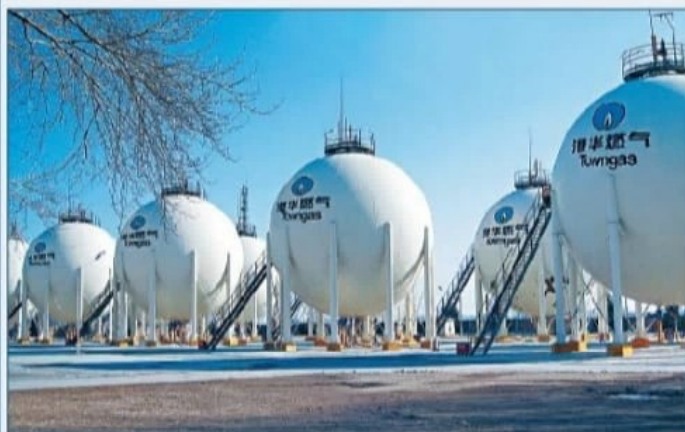


City Talk



GAS GIANT GOES TO TOWN IN MAINLAND PUSH

Towngas is the oldest public utility in Hong Kong.

In 1864, a gas generation plant in Whitty Street, Western, started producing coal gas by blowing hot air over coal. It lit up the gas streetlights along Queen's Road.

Today, there are still four gas lights at Duddell Street, near Ice House Street, to showcase the heritage as part of our historical nostalgia.

Over the past two centuries, Towngas has succeeded in outcompeting suppliers of liquefied petroleum gas, kerosene and other fuels to bring combustible gas to industrial, commercial and residential consumers for cooking, heating, dehumidification and other applications.

By the early 1970s, rapid growth in Hong Kong, coupled with new gas production technologies, helped Towngas expand its gas generating plant in Ma Tau Kok, using naphtha instead of coal, eliminating pollution and significantly improving efficiency.

In the 1980s, a high-pressure gas plant was built in Tai Po that also utilizes the clean naphtha reforming process.

By the mid-2000s, availability of natural gas supplies from Shenzhen through a 34-kilometer pipeline enabled a large portion of the feedstock to be transformed, further increasing environmental friendliness and cost-effectiveness to manufacture the gas and helping to keep supply at competitive prices.

Traditionally, the bulk of the supply was stored in gas holders.

Some of us will remember these giant tanks, shaped like circus tents, in Ma Tau Kok and in Aberdeen, among other areas.

From the 1980s, improved technology in pipe materials allowed a much higher pressure in the main supply piping.

The gas is now compressed to a maximum of 35 bar and stored in the high-pressure pipeline, greatly increasing the storage capacity to over 20 times, thus dispensing with the need for gas holders as storage devices, saving on



Nuts and bolts

Edmund Leung

maintenance costs and releasing valuable land resources.

Majority ownership of Towngas gradually changed hands from Wheelock Marden in the 1950s to Henderson in the 1980s, while expansion of Towngas' business continued at a fast pace.

From 1994, Towngas started supplying gas in Guangdong, but soon found that the potential for large growth was along the Yangtze River basin.

Again, with the availability of piped gas, it was a golden opportunity to modernize the supply system in the mainland, meanwhile taking the opportunity to bring convenience, safety and economy levels to a high international standard.

Towngas now supplies gas to some 23 provinces/directly administrated municipalities/autonomous regions in the mainland, and its business there, together with other retail businesses, exceeds its main business here of gas supply.

Such engineering achievements also breed commercial success.

Towngas' performance as a publicly listed company has been pleasing, and its chief, Alfred Chan Wing-kin, has placed among the top 100 CEOs in *Harvard Business Review's* lists for at least five consecutive years, ranking No 28 in 2019.

It is gratifying to see a Hong Kong public utility, starting off with a humble history two centuries ago as a gas lighting energy supplier, expanding into the mainland with tremendous success, and performing its public duties in environment, sustainability and governance in an outstanding manner.

We should be proud to share that glory, as this is not the only public utility that earns such high fame.

Veteran engineer Edmund Leung Kwong-ho casts an expert eye over Hong Kong's iconic infrastructure