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## **NDRC denies uniform power consumption quota**

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According to Mr Cao Changqing head of the National Development and Reform Commission department of price, the monthly power consumption quota for each home will be set by local governments, as the central government will not give a uniform standard.

Mr Cao made the statement in response to previous reports saying that homes may face higher tariffs on monthly power consumption exceeding 87 kilowatt-hours, the average household use in China.

The NDRC announced an average electricity price for non residential use last Thursday and disclosed at the same time that the country plans to introduce a new pricing mechanism for residential users in the future. According to the new structure, households that use more electricity will face higher tariffs.

But Mr Cao claimed that the country will not adopt a uniform standard for the whole country due to different natural conditions, living habits and the prices that households can afford in different regions. He stated that the 87 kilowatt-hours is the average monthly power consumption per household and the statistic was provided by the National Bureau of Statistics of China.

Mr Cao said as for by how much the prices will be raised even for homes that exceed the power consumption quota set by local governments, charges for amount exceeding the quota will be only from several fen to CNY 0.1 per kilowatt hour.

He said that in order to reform electricity prices, establishing a sound pricing mechanism is the most important element, not the price rise.

The announcement also said that the actual quotas will be set by individual local governments according to the practical situation in different regions and the proposal of the price quota set by local governments will still need to be reviewed and approved by the central government.

(Source from Global Times)

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