

邢台龙海钢铁集团有限公司:

在现场考察和沟通过程中,我方认为项目投资较大,风险高,作为发起方,贵公司应提供相应的措施降低运营风险。例如,修建煤气储气柜,确保煤气流量和压力的稳定,降低非正常停机导致的运行成本增加。

贵方认为该项目本身可以依靠清洁发展机制(CDM)获得的减排收益,不但可以完全抵偿可预见的发电成本增加的风险,也足以通过一年至两年的减排收益,实施煤气气柜的建设。

我方目前接受贵方意见,愿意以入股的方式与贵公司合作开发贵公司的高炉煤气综合利用发电项目。同时建议该项目与内邱县恒安电力有限责任公司、邯郸万兴实业有限责任公司合作,以利用该公司有丰富的电力运行及并网经验。

另外,由于清洁发展机制(CDM)的资金支持是我公司及其它投资人愿意与贵公司合作的必要条件,各投资人应分享CDM的收益。希望贵公司能进一步说明该项目申报CDM的进展并分享相关经验。

建议尽快开展投资细节的谈判,以便尽早成立项目法人公司并安排资金投入。

此致

敬礼



**Xingtai Longhai Steel Group Co., Ltd:**

Our company thinks the project has large investment and high risk in the process of site visit and communication. Your company, project initial proponent, should take the corresponding measures to lower the operational risk, for example, construction of the gas storage, assuring the stability of the gas flow and pressure, which lowering the increment of operational cost due to abnormally halting problem.

Your company thinks the project itself can not only offset the expected risk due to the increment of the power generation cost with the support of CDM, but also can implement the construction of the gas storage through two year's CER revenues.

Our company accepts your company's opinions and is willing to co-work to develop the BFG Comprehensive Utilization for Power Generation Project by the means of equity investment. And it is suggested to co-work with Neiqiu Heng'an Power Generation Co., Ltd and Handan city Wanxing industrial Co., Ltd for their quite good experience on power generation, operation and grid-connection.

The financial support out of CDM is necessary to co-work with your company for our company and other investors, and the CDM revenues must be shared among investors. It is greatly appreciated that the further specification of CDM application process can be made and relevant experience can be shared.

It is suggested to initiate the detailed negotiation as soon as possible so that the capital could be managed to input the project.

**Xingtai Xingli Group Co., Ltd**

15/09/2006