



Press Release

KEPCO and GE Sign \$320 Million Contract to Build an HVDC Energy Highway to Power South Korea's Seoul City

- *Strategic mega deal contract to bring 4 GW power to Seoul's metropolitan area*
- *The new High Voltage Direct Current (HVDC) system will reinforce the South Korean electrical network, increasing the grid's stability and reliability*
- *The project is expected to be completed by end of 2021*

Seoul, Korea; February 1, 2018: GE Power (NYSE: GE) has been awarded a \$320 million contract through its joint venture, KAPES, by Korea Electric Power Corporation (KEPCO) to provide equipment and expertise to deliver a 4 GW HVDC transmission link from the power complex located East of South Korea, to Seoul's metropolitan area that represents around 40% of global Korean energy demand¹.

With 51.3 million people², South Korea has experienced nearly a 35% growth³ in energy demand in the last decade alone. The country faces the ambitious challenge of providing efficient energy to its densely populated areas. This new HVDC project will increase the stability and reliability of the Korean electrical transmission grid by adding new routes for power supply.

GE together with KAPES will design and supply the overall HVDC system, a 500 kV HVDC Bipole with two converter stations, including valves, cooling system, converter transformers, filters, switchyard, and control system. The technology is the optimal answer to resolve Korea's environmental constraints. This HVDC system has a reduced environmental impact compared with traditional alternating current (AC) system.

GE Power has in the past successfully delivered three important HVDC reference projects in Korea. GE provided the original 300 MW HVDC Bipole link for the point-to-point submarine interconnection linking South Korea's Jeju Island across 101 kilometers with the mainland in the late 1990s. In 2009, GE was awarded and delivered a second project to supply the new converter stations for the 400 MW HVDC Bipole scheme. In 2014, through its KAPES joint venture, GE was awarded the 1.5 GW Buk-Dangjin-Godeok HVDC connection to transmit energy from the Dangjin power plant west of South Korea, to the densely populated area of Pyeongtaek (Godeok) and Seoul Metropolitan, about 35km east of Dangjin. The project is currently in progress and will be completed end of 2019. The KAPES joint venture between GE and KEPCO is a long term strategic relationship to co-develop HVDC projects and increase Korean transmission grid capabilities based on GE technology.

Jean-Pierre Faure, President of GE Power's Grid Solutions business in East Asia & Pacific said, "*GE and KEPCO have a 20-year relationship in HVDC reference projects in Korea. This trusted partnership between our companies and the success of the joint venture are built on the successful delivery of numerous contracts and GE's technical expertise in HVDC technologies. This new contract is a continuation of our commitment to contributing to Korea's growing power economy.*"

Sources:

¹ KPX database

² World Bank

³ Index Mundi



Since 1976, GE has contributed to the advancement of the Korean economy and industry by offering leading infrastructure technologies. Working closely with partners and customers, GE has been delivering long-term growth, leveraging Korea's capabilities and our strengths to perform locally and globally. Currently, 1,400 employees are offering the leading infrastructure technologies and various services in the fields of Power, Oil & Gas, Aviation, Healthcare etc. in Korea.

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Notes to Editor

About GE:

GE (NYSE: GE) is the world's Digital Industrial Company, transforming industry with software-defined machines and solutions that are connected, responsive and predictive. GE is organized around a global exchange of knowledge, the "GE Store," through which each business shares and accesses the same technology, markets, structure and intellect. Each invention further fuels innovation and application across our industrial sectors. With people, services, technology and scale, GE delivers better outcomes for customers by speaking the language of industry. www.ge.com

About GE Power:

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