

Electricity Department Yields Excellent Return

The highest net revenue during the past five years of operation, as well as the greatest net return on capital outlay is shown by the Municipal Electricity Department in its report for 1924. The report is incorporated in Part II of the annual report and budget of the Shanghai Municipal Council, which was made public yesterday.

Capital outlay of the department on December 31st last stood at Tls. 30,476,329 as compared with Tls. 29,599,163 in 1923 and Tls. 14,057,819 in 1920. Revenue during the past year, from sales of electricity, rent of motors, etc., was Tls. 9,227,027; gross profit, after allowing for depreciation, Tls. 3,164,337, and net profit, after provision for interest on loans and other net revenue expenditure, Tls. 1,464,162. Return on capital outlay actually in use was at the rate of 10.64 percent. In 1923, the return on capital outlay was 10.39 percent.

The excellent showing of the department was made in the face of acute trade depression brought on by the interprovincial war. Sales of electricity during

the year increased from 272,265,861 to 307,307,401 kilowatt-hours, representing a gain of 12.87 percent.

1925 ESTIMATES

The estimated net profit for the year 1925 is Tls. 1,015,200, considerably lower than for 1924, owing to the fact that reductions in the charges for lighting and heating became effective the first of this year.

"Since 1916", the departmental report states, "the general municipal funds have benefited to the extent of Tls. 4,660,000 consequent upon profits of the working of the department which have been handed to the Council during that time, the contribution for the year under review being Tls. 900,000."

During the year, there was a net increase, after allowing for disconnections, of 4,276 premises connected to the mains, bringing the total to 44,205 at the end of December. There were 36,519 consumers being supplied at the end of the year, compared with

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32,921 at the end of 1923, an increase of 3,598.

The report points out that excellent results have been achieved in the improvement of efficiency of generation. Average fuel consumption at the Riverside station is some 1.3 percent less than average fuel consumption at stations of similar capacity in Great Britain, and this is regarded as particularly satisfactory when the adverse factors associated with native labor and relatively poor fuel are taken into consideration. The overall thermal efficiency of the Riverside station was 16.2 percent, as compared with 14.25 percent the previous year.

ELECTRICITY POPULAR

Shanghai is year by year showing an increasing tendency to use electricity for heating and cooking, the report says. The department's resources in the matter of hired radiators were again taxed to the utmost despite liberal increases in stock. The installation of cookers shows an increase of 71.6 kilowatts. It is expected that the reductions in the domestic rate, made on January 1st, will materially increase the use of electricity in the home.

Estimates for 1925 show an anticipated total revenue of Tls. 7,789,300, made up of Tls. 8,727,800 to be derived from sale of electricity, and Tls. 61,500 from rental of motors, meters, etc. Total expenditures for the year are estimated at Tls. 7,774,100 leaving a net balance of Tls. 15,200.