

EXHIBIT "I"

2817

MEMORANDUM OF UNDERSTANDING

ON THE EMERGENCY POWER PLANTS IN THE BOLIVARIAN REPUBLIC OF VENEZUELA

This Memorandum of Understanding made in Beijing, P.R. China and entered into this 3rd day of FEBRUARY 2010, by and between

PETROLEOS DE VENEZUELA, S.A., a Company duly constituted and existing under the laws of Bolivarian Republic of Venezuela, having its registered office at Avenida Libertador, Edificio Petróleos de Venezuela, Torre Este, La Campiña, Apartado 169, Caracas 1060-A, Venezuela (hereinafter referred to as "PDVSA")

AND

SINOHYDRO CORPORATION LTD, a Company duly constituted and existing under the laws of the People's Republic of China, having its registered office at No.22, Chegongzhuang West Road, Haidian District, Beijing-100048, P.R. China (hereinafter referred to as "Sinohydro")

Hereinafter referred to individually as "Party" and collectively as "Parties".

WHEREAS PDVSA requested Sinohydro to propose for some emergency power plants to mitigate the power shortage crisis facing Venezuela during the Eighth Session of the High Level Mixed Mission China-Venezuela on the 22nd day of December 2009, and

WHEREAS PDVSA is desirous of having power plants on the emergency basis with installed capacity of 900MW in six (6) to nine (9) months, as Phase I, and subsequently increased up to 1500MW within twelve (12) months after the contract is signed and downpayment is received by Sinohydro as Phase II. Eventually the capacity is to be increased up to 2,700MW within another one year as Phase III.

WHEREAS upon the PDVSA's request above, Sinohydro is desirous of procurement, supply, installation and commissioning of these plants and immediately set up the task force with the engineering expertise, formulated and submitted the comprehensive proposal on 22 January 2010 to PDVSA.

NOW THIS DEED WITNESSETH AND IT IS HEREBY AGREED AND DECLARED as follows,

1. PDVSA highly appreciated Sinohydro's hi-efficient work within such a short period and basically accepted Sinohydro's proposal both technically and commercially, which is attached as the inseparable part of this agreement

(hereinafter referred to as "MOU").

2. The Parties agreed to build the power plants on the emergency basis in the following three phases: up to 900MW in six (6) to nine (9) months after signing the contract by the Parties and downpayment is received by Sinohydro as Phase I, and subsequently increased to 1500MW within twelve (12) months as Phase II. Eventually the capacity is to be increased up to 2,700MW within another one year as Phase III.
3. In order to execute these emergency power plants, PDVSA shall within two weeks after signing of this MOU designate the project manager and set up the project special-purpose office, to be Sinohydro's counterpart for an earliest possible conclusion of the Contract and start of the works.
4. PDVSA understands that Sinohydro shall in no ways keep the plants committed in his proposal on hold more than two or three weeks and therefore agree to send his project engineering team to China shortly soon for negotiation of the Contract, action plan with time schedule.
5. The Parties understand that the contracts for Phase II and Phase III shall be subject to approval during negotiation for Phase I contract.
6. English shall be the language used for all purposes in connection with this MOU and its execution, if it concluded.
7. This MOU shall enter into effect on the date of its signature, and remain valid for two (2) years.
8. All disputes arising between the Parties in connection with the interpretation or execution of this MOU shall be settled amicably by the Parties for all occasions.

IN WITNESS thereof THE PARTIES hereto have caused this MOU to be executed by their duly authorized Representatives in conformity with their respective By-Laws, the day and year first above written.

For and on behalf of
PETRÓLEOS DE VENEZUELA, S.A.

Rafael Ramírez Carreño
President

For and on behalf of
SINOHYDRO CORPORATION LTD.

Liu Qitao
President