

Annual Work Report of the Energy Advisory Committee for the period from 1 January 2007 to 31 December 2007

I. Terms of Reference of Energy Advisory Committee

The Energy Advisory Committee (EnAC) is a non-statutory committee set up in July 1996 to advise the Government on energy policy, including policy matters concerning energy supply and demand, energy conservation and efficiency, and other related matters referred to it by the Government.

II. Membership of EnAC

EnAC is chaired by a non-official and comprises non-official members representing different sectors of the community and official members from relevant policy bureaux and department. The Chairman and members are appointed by the Secretary for Economic Development and Labour (and by the Secretary for the Environment from 1 July 2007). The membership of EnAC in 2007 is as follows –

Chairman

Mr Edmund Leung Kwong-ho, JP

Members (*in alphabetical order*)

Prof Larry CHOW Chuen-ho

Mr Raymond CHOY Wai-shek, MH, JP

Prof Richard HO Yan-ki

Dr Ronnie HUI Ka-wah, JP

Ms Starry LEE Wai-king

Mr Alvin LEUNG Heung-ying

Mr Brian David LI Man-bun

Prof Bernard Vincent LIM Wan-fung

Mr Kenneth LUN Chi-leung

Dr MAN Chi-sum, JP

Mr NG King-wah

Mr WONG Wai-ho

Mr Stephen YAU How-boa, BBS, MH, JP

Ms Sylvia YAU Siu-fee, JP
Mr Donald YIP Moon-tong

Permanent Secretary for Economic Development and Labour
(Economic Development) *or representative*
(up to 30 June 2007)

Permanent Secretary for the Environment, Transport and Works
(Environment) / Director of Environmental Protection *or*
representative (up to 30 June 2007)

Permanent Secretary for the Environment / Director of
Environmental Protection *or representative* (from 1 July 2007)
Director of Electrical and Mechanical Services *or representative*

Secretary

Principal Assistant Secretary (Economic Development)C,
Economic Development and Labour Bureau (up to 30 June
2007)

Principal Assistant Secretary for the Environment (Energy) 1 (from
1 July 2007)

III. Major Items for Discussion / Information at EnAC Meetings held
during the period from 1 January to 31 December 2007

(1) Meeting on 7 February 2007

Major Items for Discussion / Information –

(a) Application from China Hong Kong Power Development Co.
Ltd. for Supply of Electricity in Sha Tau Kok

The Administration briefed the Committee on the background and development of the application from China Hong Kong Power Development Co. Ltd. for the supply of electricity in Sha Tau Kok. Members discussed the pros and cons for approving the application, and issues involved in liberalizing the electricity market.

(b) The Auto-fuel Retail Market and Competition Policy in Hong Kong

Members expressed their views on the public consultation document entitled [“Promoting Competition – Maintaining Our Economic Drive”](#), with particular reference to the auto-fuel retail market.

(c) Emissions Trading Pilot Scheme for Thermal Power Plants in the Pearl River Delta Region

The Administration briefed the Committee on the objectives and highlights of the voluntary emissions trading pilot scheme for thermal power plants in the Pearl River Delta Region. An informal briefing session on emissions trading was arranged for members on 27 March 2007.

(d) Annual Work Report of the Energy Advisory Committee for the period from 1 January to 31 December 2006

Members discussed the [Annual Work Report of EnAC](#) for the period from 1 January to 31 December 2006. A revised report was subsequently endorsed by the Committee and uploaded on the website of the EnAC.

(2) Meeting on 14 June 2007

Major Items for Discussion / Information –

(a) Proposal from China Hong Kong Power Development Co. Ltd. to Supply Electricity in Sha Tau Kok

The Committee discussed the proposal from China Hong Kong Power Development Co. Ltd. for the supply of electricity in Sha Tau Kok. Members discussed key issues relating to the proposal, including the opening up of electricity market, duplication of distribution network and

arrangements to safeguard consumers' interests.

(b) CLP's 2006 Financial Plan and its Proposed Liquefied Natural Gas (LNG) Receiving Terminal

The Administration briefed the Committee on the progress of the review of CLP's 2006 Financial Plan and its proposed LNG terminal at South Soko Island. The discussion touched on topics including the need for a new LNG terminal, the cost differential between options of building LNG terminals at different locations and the cost differential between coal-fired and gas-fired electricity generation.

(3) Meeting on 21 December 2007

Major Items for Discussion / Information –

(a) Electricity Tariffs for 2008

(i) [Presentation by The Hongkong Electric Company Limited](#)

(ii) [Presentation by CLP Power Hong Kong Limited](#)

The two power companies briefed members on their respective electricity tariff proposals for 2008. The proposals were subsequently presented to the Panel on Economic Development of the Legislative Council on the same day.

Secretariat, Energy Advisory Committee
June 2008