Annual Work Report of the Energy Advisory Committee for the period from 1 January 2010 to 31 December 2010

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 the Environment. The membership of EnAC in 2010 is as follows –

Chairman

Mr Edmund LEUNG Kwong-ho, SBS, JP

Members (in alphabetical order)

Mr Cary CHAN*

Ms Vivien CHAN, BBS, JP

Ms Cecilia Daisy CHEN Sheau-ling, BBS, MH, JP

Mrs Lina CHENG TANG Ho-kuen

Mr Thomas CHENG Kin-hon*

Mr Daniel CHENG Man-chung, MH*

Mr Paul CHONG Kin-lit, MH*

Prof Larry CHOW Chuen-ho*

Mr Raymond CHOY Wai-shek, MH, JP

Prof Richard HO Yan-ki

Dr Ronnie HUI Ka-wah, JP

Ms Janice LAI Wai-man*

Hon Starry LEE Wai-king, JP

Mr Alvin LEUNG Heung-ying

Dr Michael LEUNG Kwok-hi*

Mr Brian David LI Man-bun

Prof Bernard Vincent LIM Wan-fung, JP#

Mr Kenneth LUN Chi-leung

Miss Anita MA Wing-tseung*

Dr MAN Chi-sum, JP
Mr NG King-wah
Professor Raymond SO Wai-man*
Mr WONG Wai-ho
Mr Stephen YAU How-boa, BBS, MH, JP*
Ms Sylvia YAU Siu-fee, JP*
Mr Donald YIP Moon-tong
Mr YU Hon-kwan, JP*

Permanent Secretary for the Environment / Director of Environmental Protection *or representative*Director of Electrical and Mechanical Services *or representative*

Secretary

Principal Assistant Secretary for the Environment (Energy)

- III. <u>Major Items for Discussion / Information at EnAC Meetings held</u> <u>during the period from 1 January to 31 December 2010</u>
- (1) Meeting on 29 March 2010

Major Item for Discussion / Information –

(a) <u>Tariff Adjustment of the Hong Kong and China Gas</u> Company Ltd

The Hong Kong and China Gas Company Limited (Towngas) briefed the Committee on its proposal to raise basic tariff with effect from 1 April 2010. The discussion touched on topics including -

- (i) cost components and structure of Towngas' tariff and its regulation;
- (ii) use of clean fuel; and
- (iii) performance and service of Towngas.

Other business –

^{*} appointed since 15 July 2010

^{*} retired after 14 July 2010

(b) <u>Liquefied Petroleum Gas (LPG) Vehicle Stalling Incident</u>

The Administration briefed the Committee on the development of the LPG vehicle stalling incident.

(2) <u>Meeting on 24 September 2010</u>

Major Items for Discussion / Information –

(a) <u>Public Consultation on Hong Kong's Climate Change</u> <u>Strategy and Action Agenda</u>

The Administration briefed the Committee on the global situation of climate change, Hong Kong's proposed target in reduction of carbon intensity as well as the proposed action agenda. The discussion touched on topics including –

- (i) fuel mix of Hong Kong; and
- (ii) the importance of public education in promoting green living.

(b) <u>Membership of the Energy Efficiency and Conservation</u> Subcommittee

The Committee endorsed the proposed membership of the Energy Efficiency and Conservation Subcommittee and the nomination for Dr Man Chi-sum to serve as the Chairman of the Subcommittee.

(3) Meeting on 28 October 2010

Major Items for Discussion / Information –

(a) Briefing on a proper mix of fossil fuel, hydro and nuclear power for security of supply and cost efficiency

Prof Lee Chack-fan shared with the Committee his views on a proper fuel mix for security of electricity supply and cost efficiency, by comparing three conventional energy sources, namely hydro power, fossil fuels and nuclear power.

(b) <u>Daya Bay Nuclear Power Station Notification Mechanism</u>

The Administration briefed the Committee on the

contingency arrangements and notification mechanism of Daya Bay Nuclear Power Station.

(c) Environmental Radiation Monitoring

The Administration briefed the Committee on the environmental radiation monitoring system set up by the Hong Kong Observatory.

(d) <u>Monitoring of power supply from Daya Bay Nuclear Power Station</u>

The Administration briefed the Committee on how the Government monitors the power generation from Daya Bay Nuclear Power Station and the role of the Government in handling loss or impending loss of power supply, if any, from the nuclear power plant.

(4) <u>Visit to Daya Bay Nuclear Power Station – 19 November 2010</u>

The Committee had an one-day visit at the Daya Bay Nuclear Power Station, and was briefed on the operation of the station as well as its contingency arrangements.

(5) Meeting on 14 December 2010

Major Items for Discussion / Information –

- (a) <u>Electricity Tariff for 2011</u>
- (i) Presentation by the Hongkong Electric Company Limited
- (ii) Presentation by CLP Power Hong Kong Limited and Castle Peak Power Company Limited

The two power companies briefed members on their respective electricity tariff proposals for 2011. The proposals were subsequently presented to the Panel on Economic Development of the Legislative Council on the same day.

(6) Forum on Low Carbon Energy and Climate Change – 23 December 2010

The Committee organized a forum, which served as a platform for exchanging views on how energy policies and measures could help combat climate change. The forum also looked into the opportunities and challenges posed by the national energy development plan of the Mainland China for Hong Kong.

Secretariat, Energy Advisory Committee April 2011