# Annual Work Report of the Energy Advisory Committee for the period from 1 January to 31 December 2015

#### 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 bureau and department. The Chairman and members are appointed by the Secretary for the Environment. The membership of EnAC in 2015 was as follows –

#### Chairman

Prof Raymond SO Wai-man, J.P.

## **Members** (in alphabetical order)

Mr Cary CHAN

Ms Clara CHAN Yuen-shan

Mr Thomas CHENG Kin-hon, M.H.

Mr Daniel CHENG Man-chung, M.H., J.P.

Ms Vena CHENG Wei-yan

Mr Victor CHEUNG Chi-kong

Ms Susanna CHIU Lai-kuen, M.H.

Mr Paul CHONG Kin-lit, M.H.

Mr Andrew FUNG Hau-chung, J.P.

Mr JAT Sew-tong, S.B.S., S.C., J.P.

Mr Jimmy KWOK Chun-wah, B.B.S., M.H., J.P.

Ms Janice LAI Wai-man

Mr Christopher LAW Kin-chung, J.P.

Mr Alfred LEE Tak-kong, M.H.

Dr Michael LEUNG Kwok-hi

Dr Guy LOOK

Dr LUK Bing-lam

Mr Kalmond MA Kai-chi

Dr Billy MAK Sui-choi Ms Yvonne SHING Mo-han, J.P. Mr Stanley WONG Yuen-fai, S.B.S., J.P. Mr YU Hon-kwan, M.H., J.P. Dr William YU Yuen-ping

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 (Electricity Reviews)

- III. <u>Major Activities of the EnAC during the period from 1 January to</u> 31 December 2015
- (1) Meeting on 2 February 2015
  - (a) <u>Information and Consultation Agreement with the Hong Kong and China Gas Company Limited</u>

The Hong Kong and China Gas Company Limited (Towngas) briefed the Committee on the extension of the Information and Consultation Agreement signed between the Government and Towngas for a period of three years with effect from 3 April 2015. Members were briefed on the various aspects of operation and performance of Towngas.

(b) <u>Update on the Review of the Future Development of the Electricity Market and its Regulatory Framework</u>

Members were briefed on the considerations in conducting the review of the future development of the electricity market and its regulatory framework and discussed the key issues including the power companies' performance, the regulatory tool and the future fuel mix.

# (2) Meeting on 1 April 2015

# <u>Public Consultation on Future Development of the Electricity Market</u>

Members were briefed on the three-month public consultation on the Future Development of the Electricity Market, including the key issues set out in the consultation document. The consultation document also set out the Government's plan to implement the fuel mix for electricity generation in 2020. Members' views on the various issues raised were solicited.

## (3) Meeting on 1 September 2015

## Mid-year Update by the two power companies

The two power companies, viz. CLP Power Hong Kong Limited (CLP) and The Hongkong Electric Company, Limited (HEC), provided Members with updates on their operation, including their interim results, latest sales volume, fuel price trends, future outlook and challenges and heard Members' views and suggestions.

# (4) Meeting on 15 December 2015

Electricity Tariff for 2016

# (a) <u>Presentation by HEC</u>

# (b) Presentation by CLP

Members discussed the two power companies' tariff proposals for 2016, which would be presented to the LegCo Panel on Economic Development on the same day. CLP and HEC proposed a 0.9% and 1.1% reduction in their average net tariff for 2016 respectively.

# IV. <u>Major Activities of the Energy Efficiency and Conservation</u> <u>Sub-committee during the period from 1 January to 31 December</u> 2015

The Energy Efficiency and Conservation Sub-committee (EE&C) was set up under the EnAC to consider proposals to promote energy efficiency and conservation in Hong Kong, having regard to their technical merits, potential effectiveness and environmental, economic and social implications.

## Meeting on 16 March 2015

## (a) Energy Saving

Members were briefed on the Government's policies and measures on energy saving, and invited to offer comments on how energy saving could be further promoted.

# (b) Review of grading standards and product coverage under the Mandatory Energy Efficiency Labelling Scheme

Members were briefed on the background of the Mandatory Energy Efficiency Labelling Scheme, and the upgrading of energy efficiency standards for refrigerating appliances, washing machines (with a washing capacity at or under 7kg) and air conditioners.

# Meeting on 2 November 2015

# (a) <u>Energy Saving Plan for Hong Kong's Built Environment</u> 2015~2025+

Members were briefed on the content of the Energy Saving Plan, including the new target of reducing energy efficiency by 40% by 2025.

# (b) <u>Product coverage extension of Mandatory Energy Efficiency</u> <u>Labelling Scheme</u>

Members were briefed on the proposal for extending the scope of the scheme to cover five more types of electrical appliances, i.e. televisions, washing machines (with a washing capacity of 7kg - 10kg), room air conditioners (heat pump), electric

storage water heaters and induction cookers.

# (c) Buildings Energy Efficiency

Members were briefed on the review of the Code of Practice for Energy Efficiency of Building Services Installation and Code of Practice for Building Energy Audit Energy Audit Code.

Secretariat, Energy Advisory Committee January 2016