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**ACE Paper 4/2007**  
*For advice*

**Report (Part 2) on the 96<sup>th</sup>  
Environmental Impact Assessment Subcommittee Meeting**

**INTRODUCTION**

On 19 January 2007, the Environmental Impact Assessment (EIA) Subcommittee considered the EIA report on Liquefied Natural Gas (LNG) Receiving Terminal and Associated Facilities (see ACE-EIA Paper 2/2007 at **Annex A**).

**ADVICE SOUGHT**

2. Members are requested to note the views of the Subcommittee and advise whether the EIA report should be endorsed.

**VIEWS OF THE SUBCOMMITTEE**

3. Members noted that the Environmental Protection Department (EPD) had received many public comments during the public inspection period (4,050 were sent to Members for reference before the meeting) and that most of the comments (3,994 out of 4,050) were in the format of a standard letter. The public inspection period would expire on 25 January 2007. EPD would send any public comments received after the Subcommittee meeting to all ACE Members for reference in relation to the ACE meeting on 12 February 2007.

4. Members agreed that it was important to examine the EIA report in the context of the EIA Ordinance. Precedent cases were important as reference by the Subcommittee. EPD advised that the ACE had endorsed EIA reports on designated projects insofar as the environmental acceptability of the projects was concerned. Such endorsement did not imply or cover the approval of the needs of the projects. The ACE had also endorsed EIA reports on designated projects before the needs for the projects were established. In some cases, the projects did not proceed after the EIA reports were approved. There were also precedent cases that the ACE had endorsed EIA reports on

dredging works, installation of pipelines and construction of fuel receiving facilities within the boundaries of existing or potential marine parks.

5. A summary of the issues discussed by the Subcommittee is at **Annex B**. The powerpoint slides referred to by the project proponent during the discussion are at **Annex C**. The Subcommittee agreed to recommend to the Council that the following outstanding issues and concerns (with further information to be provided by the project proponent on some of them) be discussed –

- a) on the need and justifications for the project, some Members considered that the information and explanations given were not strong enough to justify the project. Members noted that the need and justifications for the project were outside the remit of the EIA Ordinance;
- b) on the landscape and visual impacts, some Members were concerned about the landscape impact and compatibility of the proposed LNG terminal and associated facilities on the natural landscape of the Soko Islands. Members noted that the land use compatibility issue was a planning issue which had to be dealt with during the planning process;
- c) on the water quality assessment, Members requested the project proponent to clarify the assessment criteria for the heavy metals in water (with particular reference to Table 6.3 of Section 6 in Part 2 of the EIA report); and
- d) on the ecological impacts, Members requested the project proponent to clarify whether there would be additional noise source generated from the outflow of the water cooling discharge system which might have impacts on the marine mammals.

6. The Subcommittee also made the following comments and suggestions –

- (a) with regard to the submission of the EIA report, the ACE's role was to consider the report within the framework of the EIA Ordinance. The project had to be considered from different policy perspectives, including energy policy, economic considerations, land use and town planning. Whilst noting that the EIA report was the first step of the whole process in this case, Members were aware of high expectations in the community that all these issues should be resolved as early as possible. In considering the EIA report, the EIA Subcommittee or the ACE should comment on the environmental acceptability of the project. Issues falling outside the remit of the EIA Ordinance, including the need and justifications for the project, alternative sources of supply outside Hong Kong and land use interface, had to be dealt with by relevant policy bureaux and boards;

- (b) on the site selection process, Members considered that the project proponent had gone through a proper site selection process;
- (c) on the disposal of contaminated sediments, Members considered that identification of disposal sites for the contaminated sediments had to be properly dealt with under the existing system before the dredging works could proceed; and
- (d) should the Council decide to endorse the EIA report, the following conditions were proposed –
  - (i) to set up an Environmental Monitoring Committee, including representatives of concerned groups, stakeholders, experts and Members of the ACE;
  - (ii) to put in place an Environmental Management System on top of the Environmental Monitoring and Audit Programme submitted by the project proponent; and
  - (iii) to include a concrete environmental enhancement programme in the Environmental Permit.

## **ADDITIONAL INFORMATION FROM PROJECT PROPONENT**

7. The project proponent has provided the following additional information –
- (a) Regarding the assessment criteria for the heavy metals in water under paragraph 5(c) above – a summary of international standards for the assessment of dissolved metals and micro-pollutants in marine water and further elaborations on the assessment criteria in item 3 at **Annex D**;
  - (b) Regarding the noise source generated from the outflow of the water cooling discharge system under paragraph 5(d) above – underwater sound at the intake head will be minimal as water will flow through the intake by means of gravity. The only sound generated through extraction of seawater will be from the pumphouse, which will be located on existing land within the LNG terminal footprint. On this basis, disturbance to marine ecology, such as cetaceans, through underwater sound generated by the seawater intake and outfall system is not expected to occur. Details are elaborated in part 2 of item 1 at **Annex D**;
  - (c) Total residual chlorine and temperature of the cooling water system in part 1 of item 1 at **Annex D**; and

- (d) Seawater intake impacts to fisheries spawning grounds and nursery area in item 2 at **Annex D**.

**EIA Subcommittee Secretariat  
January 2007**