

**Confirmed Minutes of the 188th Meeting of
the Advisory Council on the Environment
held on 15 October 2012 at 2:30 pm**

Present:

Prof Paul LAM, JP (Chairman)
Prof CHAU Kwai-cheong, JP (Deputy Chairman)
Ms Teresa AU
Dr Dorothy CHAN, BBS
Mr Michael JEBSEN, BBS
Mr Edwin LAU, MH
Prof LI Xiang-dong
Ir Dr LO Wai-kwok, BBS, JP, MH
Dr MAN Chi-sum, JP
Prof Joseph LEE
Miss Yolanda NG
Dr Alfred TAM
Mr TSANG Kam-lam, JP
Dr Carrie WILLIS, SBS, JP
Ms Pansy YAU
Dr YAU Wing-kwong, JP
Dr Ray YEP
Prof Ignatius YU
Mr Andrew LAI, JP (Secretary)

Absent with Apologies:

Mr Oscar CHOW
Prof FUNG Tung
Ms Betty HO
Mr Simon WONG, JP

In Attendance:

Ms Anissa WONG, JP	Permanent Secretary for the Environment/Director of Environmental Protection
Mr Y K CHAN	Assistant Director (Conservation), Agriculture, Fisheries and Conservation Department (AFCD)
Mr LING Chi-tak	Assistant Director of Planning/Technical Services, Planning Department (PlanD)

Ms Esther LI	Principal Information Officer, Environmental Protection Department (EPD)
Miss Evelyn LEUNG	Chief Executive Officer (CBD), EPD
Ms Daicie TONG	Executive Manager (CBD), EPD

In Attendance for Item 3:

Mr W C MOK, JP	Assistant Director (Air Policy), EPD
Mr S W PANG	Principal Environmental Protection Officer (Air Policy), EPD

In Attendance for Item 4:

Mr Wilson FUNG	Executive Director, Corporate Development, The Airport Authority Hong Kong (AAHK)
Mr Kevin POOLE	Deputy Director, Projects, AAHK
Mr Peter LEE	General Manager, Environment, AAHK
Mr Tommy LEUNG	General Manager, Projects, AAHK
Ms Stephanie LI	Chief Communication Officer, AAHK
Dr Anne KERR	Environment Director, Mott MacDonald Hong Kong Ltd. (Mott MacDonald)
Mr Eric CHING	Principal Environmental Consultant, Mott MacDonald
Mr Sam TSOI	Director of Consulting, Ove Arup & Partners Hong Kong Ltd. (Arup)
Dr James XIONG	Director, Environmental, URS/Scott Wilson Ltd.
Dr Robin KENNISH	Director, Environmental Resources Management (ERM)

In Attendance for Item 5:

Mr H M WONG	Assistant Director (Environmental Assessment)
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Action

Congratulatory message

The Chairman on behalf of ACE congratulated a Member for being elected the Legislative Council (LegCo) member of the Engineering functional constituency, and hoped that the Member could continue his contributions on environmental protection and conservation issues in the LegCo.

Item 1 : Confirmation of the draft minutes of the 187th meeting held on 16 July 2012

2. The draft minutes were confirmed without amendments.

Item 2 : Matters arising from the minutes of the 187th meeting held on 16 July 2012

3. The Chairman informed Members that the latest progress on the Sha Lo Tung (SLT) EIA report would be discussed under “Any other business”.

4. The Chairman declared an interest for being the Director of the State Key Laboratory in Marine Pollution (SKLMP) based at City University of Hong Kong. He said that SKLMP was awarded a contract by Highways Department (HyD) in end August 2012 regarding a survey of fisheries resources near Brothers Islands for the proposed designation of a marine park. ERM-HK Ltd was commissioned by SKLMP as one of the sub-contractors in the survey. The Chairman said that ERM was the principal consultant of the SLT project. To ensure that there would not be unwarranted questions over the impartiality of ACE when the Council further discussed the project, he would seek Members’ views on whether he should abstain from the meeting and invite the Deputy Chairman to lead the discussion.

Item 3 : Review of the Second Technical Memorandum for Allocation of Emission Allowances for Power Plants
(ACE Paper 9/2012)

5. Mr W C Mok briefed Members on the Government’s proposal to reduce the emission allowances for power plants for the emission years starting from 1 January 2017 by way of issuing a new Technical Memorandum (TM) (i.e. the Third TM) under section 26G of the Air Pollution Control Ordinance (Cap. 311) (APCO). Two TMs were issued in 2008 and 2010 respectively to impose emission caps on power plants. Under the Second TM, the two power companies had to maximize the use of their existing gas-fired generation units thereby raising the local electricity generation from gas to about 50%, and to prioritize the use of coal-fired generation units retrofitted with advanced emission abatement devices. The Third TM would further reduce the emission allowances of sulphur dioxide (SO₂), nitrogen oxides (NO_x) and respirable suspended particulates (RSP) by 17%, 6% and 10% respectively as compared

with the corresponding caps under the Second TM. The Third TM would also be reviewed in two years' time.

6. In response to a Member's enquiry on the basis of deriving emission caps for the Third TM, Mr W C Mok explained that the proposed emission allowances for power plants were determined with due consideration to the best practicable means (BPM) adopted by the two power companies – the Hongkong Electric Co., Ltd. (HEC) and the CLP Power Hong Kong Ltd. (CLP) – to reduce emission of the three specified pollutants. There were three main ways to achieve emission reduction, namely by retrofitting emission control equipment, using cleaner fuel and upkeeping the performance of the emission control devices. Mr Mok said that power companies had already retrofitted their major coal-fired generation units with Flue Gas Desulphurization (FGD) devices for meeting the emission caps in the First TM and there was little room for retrofitting additional devices due to space and technology constraints. To meet the emission caps of the Second TM, the power companies would have to maximize the use of their existing gas-fired generation units and there was not much scope for further increasing the use of natural gas. The tightened emission caps under the Third TM could be achieved when the power companies used more low emission coal and upkept the performance of the emission control devices. The Government had made reference to the best available electricity demand forecast and the emission figures of generation plants of both power companies before coming up with the proposed emission caps. The power companies were given four years to gear themselves up before the emission caps took effect.

7. In answering a Member's enquiry regarding the emission allowances for new electricity works, Mr W C Mok pointed out that the proposed 1% total emission allowance was applicable across the board for new entrants. Mr S W Pang supplemented that the proposed allowance would be sufficient for a new entrant to build a new gas-fired plant with capacity of 300 megawatt (MW) for meeting the projected increase in electricity demand of around 1-2%. If a new entrant took over an existing power plant so as to supply more electricity than the projected demand increase, it could enjoy a transfer of emission allowance for electricity generation. Taking the example of the Black Point Power Station (BPPS) which was a gas-fired generation unit, Mr Pang explained that a brand new unit could be allocated with less emission allowance than the existing units due to the advancement of the emission control technologies and the higher power generation capacity of the BPPS.

8. Mr S W Pang further explained that the emission allowances were allocated to individual power plants according to the BPM that could be taken individually. It would not be appropriate to give extra allowances to new entrants by deducting the emission allowances from existing plants. Under the prevailing statutory provisions, transfer of emission allowances could be made among power plants on their own initiatives. Mr W C Mok supplemented that the latest projected electricity demand had been taken into account when determining the proposed emission caps for the Third TM. The Government would review the emission allowances every two years to ensure timely revision of the caps as appropriate. A Member suggested the Government to consider introducing measures to facilitate new entrants to enter the electricity generation industry for healthy competition.

9. A Member enquired on the expected benefits to be achieved in air quality improvement by implementing the Third TM in 2017. Mr W C Mok replied that by 2017, the emissions from the power plants would have decreased. The two power companies would have to achieve the proposed tightened emission caps with a net reduction of the three specified pollutants ranging from 6% to 17% as compared to those under the Second TM. Decrease in emissions would give rise to a corresponding improvement in the regional air quality.

10. In response to a Member's question on the emission data of the three specified pollutants generated by the power companies and the share contributed by the spinning reserve, Mr W C Mok said that according to the data for 2010 Emission Inventory, emissions from the power sector accounted for 50% of SO₂, 25% of NO_x and 16% of RSP of the territory-wide emissions. The share of emissions of the power sector was expected to decrease in the coming years. Natural gas was considered a cleaner fuel and the power companies were already required to maximize the use of their existing gas-fired generation units under the Second TM and to raise the share from 30% to 50% for local electricity generation. Power companies would have to use more low emission coal under the Third TM to further reduce emission of the three specified pollutants. Regarding spinning reserve, Mr Mok explained that maintaining a certain level of spinning reserve would unlikely cause a significant increase in emission because spinning reserve merely meant the additional electricity loading that a power plant was ready to pick up should there be a demand.

11. A Member asked about on the practicability of banning all coal-fired units for electricity generation. Mr W C Mok said that the power plants were already required to maximize the use of existing gas-fired units under the

Second TM, and to replace coal-fired generation units upon retirement with new gas-fired units for electricity generation. The projected increase in demand of electricity did not justify the building of additional gas-fired units. Ms Anissa Wong explained that power generation in Hong Kong first started with coal-fired units. Since 1997, the power companies were required to set up gas-fired units for all new power plants. It would not be economical if the Government mandated the power companies to shut down coal-fired units while they were still in efficient operations. The power companies had to take into account various control measures, such as increasing the use of cleaner fuel and retrofitting emission control devices when they kept the coal-fired units in running. Mr S W Pang supplemented that a coal-fired unit in general had an operation cycle of around 35 years, and the first coal-fired unit in Hong Kong started generating electricity since early 1980s.

12. Replying to a Member's question on whether the emission quantities for different power stations could be compared, Mr S W Pang explained that a direct comparison of the emission quantities and performance was not practicable due to the variation in the design of the plants. He said that both power companies used coal-fired generation units and had installed the FGD system and retrofitted with similar emission control equipment. The emission allowances proposed under the Third TM were determined with due regard to the BPM of individual power companies.

13. A Member suggested that we should work for a wider use of renewable energy in Hong Kong for improving air quality. Mr W C Mok said that while the Government supported the use, the geographical constraints in the territory made it difficult for us to rely heavily on wind or solar energy for electricity generation. He explained that, unlike the roadside air pollution induced by vehicular traffic which was more localized, emissions by the power sector mainly affected the regional ambient air quality covering Hong Kong and the PRD region. Emission of SO₂ and NO_x would react with volatile organic compounds (VOC) to form ozone and fine particulates, i.e. PM_{2.5} and PM₁₀, which were a major air pollution problem in the PRD region. Mr Mok added that it was difficult to quantify the consequential air quality because the ozone and fine particulates were mainly caused by emissions from regional sources. For improving the overall air quality in the region, it was crucial for Hong Kong to further reduce the local emissions while working closely with the relevant authorities in the PRD region to reduce their emissions.

14. Mr S W Pang further advised that the Government had been taking

measures to promote the use of renewable energy. Under the prevailing Scheme of Control Agreement (SCA), power companies were offered higher rate of return, i.e. 11% for investment for renewable energy facilities as compared with a 9.99% return for other facilities. Both power companies had made progress in using more renewable energy, including the proposals on the development of offshore wind farms with a capacity of 100 MW by HEC and 200 MW by CLP.

15. A Member asked about the quality of coal for electricity generation. Mr W C Mok explained that the existing coal-fired generation units of the two power companies were not designed to burn low emission coal, whose heat content was low. As such, these generation units would have to use more coal for generating the same amount of electricity. In view of capacity constraints of coal-handling equipment, the generation units would face reduced generation capacity when using low emission coal (i.e. the de-rating problem). To avoid undermining its capability to meet local electricity demand, power plants would have to stagger the use of low emission coal with those of higher heat content (e.g. using low emission coal during non-peak hours). The supply of low emission coal was rather limited as this unique type of coal was only found in Indonesia. Mr Mok stressed that the emission allowances allocation for individual power stations had been worked out based on the BPM considerations as required under the law.

16. In response to a Member's concern on the strategic direction of fuel mix for the local power sector, Mr W C Mok said that the Government would continue working closely with the power companies on revamping the fuel mix while monitoring closely the latest technological developments in electricity generation to reduce emissions of the energy sector. Comments from ACE and LegCo would be taken into consideration in the process.

17. In reply to a Member's question on controlling the sulphur content of coal used in individual coal-fired generation units, Mr S W Pang explained that sulphur content of coal had all along been limited to below 1%, which was the international standard for low sulphur coal. At present, the power companies were already using low sulphur coal with an average of 0.3% sulphur content.

18. With regard to a Member's enquiries on the mechanism to set emission allowances and the exchange of air quality information with the PRD region, Mr W C Mok explained that emissions from different power plants could not be directly compared on a per electricity-generated basis because of the variation in

their fuel mix and the design of their generation units. It was more appropriate to set the emission allowances in absolute terms in consideration of what could be achieved under their respective BPM. On the exchange of air quality information with the PRD region, Mr Mok informed that the Mainland authorities were compiling their emission inventory, and the Government would liaise and exchange data with them.

19. A Member supported the proposed emission caps and asked if there would be implications on the electricity tariff. Mr W C Mok replied that the Third TM would not involve new capital investment by power companies as compared with the Second TM. Neither would there be major changes in the fuel mix while the actual fuel costs were subject to international market price. He assured that tariff assessments would be made in accordance with the prevailing regulatory mechanism under the SCA.

20. Regarding a Member's enquiry about the possible emissions level if all electricity generation was based on natural gas, Mr W C Mok said that he could provide the information after the meeting.

[Post-meeting notes: If all local electricity was to be generated by natural gas in 2017, the emissions from the power sector would be reduced to around 2 700 tonnes for SO₂, 12 100 tonnes for NO_x and 280 tonnes of RSP.]

21. The Chairman said that the proposed emission caps set for the Third TM were realistic and achievable by the power companies. He concluded that Members were supportive of the Government's proposal in the Third TM to further reduce emissions from the power sector.

Item 4 : Planned Expansion of Hong Kong International Airport into a Three-Runway System and Update on Environmental Impact Assessment Study and Stakeholder Engagement
(ACE Paper 10/2012)

22. The Chairman welcomed Mr Wilson Fung of The Airport Authority Hong Kong (AAHK) and his team members and consultants to the meeting. Mr Wilson Fung briefed Members on the planned expansion of the Hong Kong International Airport (HKIA) into a three-runway system. He informed that AAHK had examined the long-term needs of HKIA over a 20-year planning horizon and prepared a HKIA Master Plan which was reviewed and updated every five years. The forecasted traffic demand growth released in the HKIA

Master Plan 2030 presented two options as the future strategic development direction, namely Option 1 – to maintain the airport’s two-runway system; and Option 2 – to expand into a three-runway system. Questionnaire feedback from the public consultation conducted between June and September 2011 showed public support for expansion into a three-runway system. Having obtained the in-principle approval from the Government, AAHK proceeded with the EIA process by submitting a project profile under the statutory EIA Ordinance (EIAO) in May 2012 and further information in June 2012. The EIA Study Brief was issued in August 2012.

23. Mr Kevin Poole gave a brief introduction of the new runway project. Having regard to the diversity and complexity of the proposed expansion, the spectrum of issues to be covered in the EIA study was wide and would include assessments on air quality, water quality, noise, marine ecology, fisheries, and landscape and visual impact etc.. Specialist sub-consultants on air quality, aircraft noise and Chinese White Dolphins (CWDs) had been engaged to support the EIA Lead Consultant on the parts of the study which were more unique to the airport environment. AAHK had also engaged an EIA Review Consultant to perform peer review during the entire EIA study process. AAHK aimed to complete the EIA process in two years. When undertaking the EIA process, AAHK had organized a wide range of stakeholders’ activities and outreaching programmes, e.g. setting up of EIA Technical Briefing Groups (TBGs) (on Air Quality, Noise, Marine Ecology and Fisheries, and Chinese White Dolphins) and Community Liaison Groups (CLGs) to exchange views on various key environmental subjects, while keeping the groups abreast of the latest progress of the EIA study.

24. Mr Kevin Poole gave the following information to address the public’s concerns on the proposed three-runway system –

- (i) It would adopt the new Air Quality Objectives (AQOs) promulgated in January 2012 when preparing the EIA study, and the cumulative impacts from air emissions from proximity infrastructure projects would be assessed. Mitigation measures would be formulated to alleviate adverse air quality impacts. Potential health impacts of non-criteria toxic air pollutants (TAP) from aircraft emissions and associated airport operations would be examined, and reference be made to human health criteria from recognized international organizations, e.g. World Health Organization, as well as concentration limits on TAP and be agreed with EPD.

- (ii) Potential noise impacts to be examined would include noise from aircrafts (including human health impact), road traffic, marine traffic, fixed plants and noise during both the construction and operational phases of the project. As there were no statutory noise limits for corresponding health-related effects, AAHK would make reference to relevant local/overseas studies on exposure-effect relationship and be agreed with EPD.
- (iii) For water quality impact linked with marine ecology impact with specific consideration on CWDs, AAHK confirmed that a new marine engineering technique namely “Deep Cement Mixing” would be adopted for land formation in place of conventional dredging. This included a portion over the capped contaminated mud pits to the north of the existing Airport island. The new technique would inject cement into the mud beneath the seabed so as to form “cement-mud” mixed columns under the seabed and thereby would not cause adverse effects to marine ecology and the habitats of the neighbouring waters, including CWDs.

25. A Member was concerned that green groups had declined invitation to join the TBGs arranged by AAHK. She suggested AAHK to seek out a champion or champions within the green groups to gauge their views and cooperation on the project. Consideration might also be given to provide financial support or sponsorship for these groups to study or engage research on issues of their specific interest/concern. This could facilitate mutual communication and understanding and thereby enhance greater creditability of the EIA study to be produced as the contributing green groups could take ownership in the process.

26. In response to the question from a Member on including new infrastructure in the proximity in the third runway EIA, AAHK and the consultant confirmed that they would conduct cumulative impact study on these infrastructure, e.g. the Hong Kong-Zhuhai-Macau Bridge (HZMB) project when proceeding with the EIA study. Subject to consent of individual members, the membership list of the TBGs would be uploaded onto the dedicated website for public knowledge and greater transparency.

27. A Member requested AAHK to assess the air quality and health impacts arising from the additional induced land and marine traffic resulting from the planned third runway. There would be additional goods and passenger traffic going to and from the city area as well as the container ports.

He expressed concern on the cumulative impacts to the whole territory and the health impact to the sensitive receivers along the routes. He also urged AAHK to conduct an assessment on social and environmental costs on the runway project.

28. AAHK replied that it was fully appreciative of the concerns of different sectors in the community. It would conduct an air quality impact assessment to examine the cumulative air quality impacts including those associated with land and marine traffic resulting from the planned third runway, whereas health impact assessment would also be carried out according to the EIA study brief on non-criteria TAP from aircraft emissions and associated airport operations. As there was no recognized benchmark for the conduct of a social and environmental impact (S&EI) assessment, AAHK had engaged an expert to advise on which world standard and methodology could be adopted that would best suit the assessment for the three-runway system project. The Authority was working on the scope of study of the S&EI assessment, and would undertake such an assessment as soon as practicable. However, as the S&EI assessment required inputs from the EIA study, it could not be completed before the latter. In response, a Member said that the World Health Organization (WHO) announced in mid 2012 that exhausts from diesel engines were a definite known risk to certain types of cancer. He stressed the need for AAHK to conduct a health impact assessment for the project that will include an assessment on the related increased land and marine traffic to and from the airport island arising from the increased flights, apart from assessing aircraft noise and emissions.

29. AAHK also assured that together with its business partners, it was committed to reducing intensity of carbon emissions of the airport operations by 25% by 2015. The performance targets had also been uploaded on the website for public monitoring. Further, AAHK had joined the Airport Carbon Accreditation Scheme which was an internationally recognized scheme on carbon management certification standard for airports. Under the Scheme, efforts of HKIA in managing and reducing carbon footprints would be independently verified and be placed at different levels of award according to the targets achieved.

30. In reply to a Member's question regarding the projected increase in aviation traffic, AAHK stated that the study on the demand for air travel as envisioned in HKIA Master Plan 2030 did not solely focus on the situation of Hong Kong but was made with regard to the whole PRD region where there

were four other airports. It was expected that growth in the demand for air travel within the region would far outstrip the capacity of all the planned aviation infrastructural projects in the region combined. The planned expansion of the third runway was to capture and meet the tremendous growth in aviation demand in the region. A tripartite working group of the civil aviation authorities in the Mainland, Hong Kong and Macau had been set up to rationalize the use of air space so as to accommodate the rising demand of aviation of the entire region. Civil Aviation Department had confirmed with AAHK that the planned third runway would not be constrained by the air space management of the region. As regards air traffic projection, AAHK conducted a long-term review once every five years, which was supplemented by an annual five-year forecast, to ensure that the traffic forecast was on track with the planned airport capacity. The review-and-forecast regime was a rolling exercise. The Authority had also engaged the International Air Transport Association (IATA) as its consulting arm in the traffic demand study. IATA had the best available information on global aviation market and aviation practices and was best placed to give valuable advice to AAHK during the EIA process. AAHK further advised that given the geographical constraints, expansion of HKIA under the current proposed model appeared to have reached its optimal size of operations. Scope for further expansion/development should be very limited.

31. A Member enquired on the possibility of further opening up air space in the PRD region. He echoed another Member's concern that the EIA study should include the S&EI assessment off-site HKIA in consideration of the tremendous expansion in passenger flow which was forecasted to be a ten-fold increase over the current passenger volume. He also urged for a green design, green management and energy-saving modeling for the airport operations.

32. AAHK informed that air space management had never been the constraint posing operational problems for HKIA. Rather, runway capacity was the bottleneck as the current 63 flight movements per hour for the two runways were close to their maximum capacity of accommodating 68 movements an hour. The purpose of building the third runway was not simply to cater for air traffic expansion. The planned expansion was made in consideration of Hong Kong's thriving economic activities in terms of tourism, trade and industry as well as logistics businesses. The airport expansion must also be supported by corresponding developments in terms of land uses, infrastructure and related planning. As regards green design, AAHK assured that the mid-field concourse to be built would embrace the concept and reflect

the green credentials/objectives of the Authority.

33. Answering the enquiry from a Member on the air quality standards to be adopted, AAHK confirmed that the new AQOs would be adopted in the EIA study. As a follow-up, the Member suggested that AAHK should closely liaise with EPD and consider all known relevant projects in working out the cumulative impact assessments in the EIA study. In response, AAHK said that it would take into account all planned and committed proximity infrastructure projects in the study. It would continue maintaining its wide-ranging engagement activities with different stakeholder groups to gauge public comments on the planned third runway. In fact, over 200 engagement briefings/forums with numerous stakeholder groups had been held since the completion of the public consultation exercise on Master Plan 2030 in September 2011.

34. The Chairman advised that ACE, being a key stakeholder in the EIA regime, would receive a large number of public comments on different EIA reports before the Council met to discuss the reports and tendered comments to the Director of Environmental Protection. He suggested that it would be useful for AAHK to consider organizing public forums after completion of the EIA study. ACE could be invited to attend in the forums so that Members could have a better feel of the community's sentiment on the project and AAHK's response to the concerns so expressed.

35. Replying to the follow-up question from a Member on the time line for a decision on conducting the S&EI assessment, AAHK said that it was working on the scoping of such an assessment. However, as the EIA process was currently underway, any decision on such an assessment had to take into account the findings of the overall EIA study so that there would not be any duplication of efforts. With reference to the Heathrow experience which green groups often quoted in the discussion, AAHK explained that the differences in the outcomes of the two analysis carried out for the Heathrow Airport Expansion project were largely attributed to the difference in economic forecast, whereas the contribution of environmental and social factors were relatively small.

36. A Member observed that public consultation should be a continued process as opinions in the community could change within a short span of time. AAHK should be more innovative in drawing up its contact list of stakeholder groups, and should cast its network wider to trawl in wider community participation. He supported the Chairman's suggestion to open up AAHK's

public forums to ACE. In response, AAHK advised that it had set up Facebook and Twitter, etc. to reach out to the younger generation. In parallel, contacts with the traditional groups, such as fisherman groups had also been established. Invitations and speaking engagements to some 200 secondary schools and universities had also been arranged. All these activities aimed to keep the public abreast of the development of the planned three-runway system.

37. A Member expressed concern over the impact on marine ecology in general and that for the habitats of CWDs in particular. He suggested that AAHK might have to look outside Hong Kong waters for mitigation and avoidance measures. He also asked if AAHK could use different methodologies to present alternative predications and the worst case scenario. This would facilitate ACE to give a more objective discussion as to which the predicted outcome would be environmentally more acceptable. He proposed if experts from the International Union for Conservation of Nature (IUCN) could be engaged to look into the CWD issue. With inputs from IUCN, the EIA study could be taken as more comprehensive, professional and creditable, and thereby could gain better trust of the community. AAHK thanked for Members' comments and assured that TBGs had included members with relevant expertise. Continued exploration and improvement would be made in this direction.

38. The Chairman suggested that AAHK should be ready to present the data on the runway alignment options and the airport layout options, including those which had been screened out in its preliminary assessment process. From past experience, some members of the public might express preference of an alternative option which had not been taken up in the study. It would be a waste of time and efforts if AAHK had to repeat the EIA process from the scratch again. AAHK should stand ready to answer and justify its chosen option. He appealed to AAHK that upon the completion of the EIA report, it should consider holding public forums and briefings, and to engage ACE in these activities to entail the EIA process in running a smoother course.

39. The Chairman concluded that Members had taken note of the EIA process to be adopted by AAHK for the planned expansion of the three-runway system at HKIA. ACE was keen to see that AAHK would conduct the EIA study in a comprehensive, systematic and objective manner for the benefit of the Hong Kong community. He asked AAHK to consider carefully Members' initial views and suggestions expressed at the meeting.

Item 5: Any other business

EIA report on “Pilot Project for Public-Private Partnership Conservation Scheme at Sha Lo Tung Valley, Tai Po”

40. The Chairman recapped that the Council considered the EIA report on “Pilot Project for Public-Private Partnership Conservation Scheme at Sha Lo Tung Valley, Tai Po” at the last meeting and tendered a list of comments and concerns on the study to EPD in early August 2012. EPD had requested the project proponent to provide further information in accordance with section (8) of the Environmental Impact Assessment Ordinance (EIAO). EPD was still awaiting the further information from the project proponent. Two Members enquired if a time limit could be set for the proponent to provide the further information. The Chairman informed the meeting that EPD had advised that there was no such time frame set under the EIAO. The project proponent could take the time needed to prepare the information so requested. EPD would inform the Council once the proponent submitted the further information under the statutory EIA process. The Council suggested that the proponent be reminded that ACE was still awaiting the additional information before the Council further discussed the SLT EIA.

Secretariat

41. A Member registered his reservation on the SLT project in view of the sensitivity of the fauna and flora habitats there from the biotope perspective.

Letter from World Wide Fund, Hong Kong (WWF HK) dated 9 October 2012

42. In response to the issues raised in the letter from WWF HK dated 9 October 2012, Mr H M Wong pointed out that the decline of the CWD population could not be attributed to the HZMB project. He explained that the reported decline in CWDs referred to the period from 2001 to 2011 while out of the three HZMB related projects, only the Boundary Crossing Facilities (HKBCF) had commenced construction since March 2012. As for the death of a calf found near east Sha Chau in July 2012, the Independent Environmental Checker had advised that it should not be related to the HKBCF construction as the water quality findings around the construction areas were in order. The postmortem carried out by AFCD also had no conclusion on the cause of the calf’s death. For the Environmental Monitoring and Audit Manual (EM&A) reports, Mr Wong explained that HyD inadvertently had missed the submission schedule for posting the six monthly EM&A reports from March 2012 to August 2012 for the HKBCF project on the designated website by 4 to 12 days. EPD

had reminded HyD to post the EM&A reports on time and would liaise with the department to ensure that all future submissions would be on schedule. The situation would be further improved as HyD would upload the statistical data on the website first while the EM&A reports were under preparation.

43. The Chairman concluded that Members had taken note of the efforts made with regard to the various concerns raised by WWF HK. WWF HK would be informed of the findings accordingly. He suggested that the Government should also take closer monitoring of the HZMB-related projects and their impacts on the CWD population.

Secretariat

Natural Gas Price in the United States

44. In response to a press report provided by a Member regarding the drop of liquefied natural gas (LNG) price in the United States (US), Ms Anissa Wong clarified that there was no direct relationship of the gas price in the US and that in Hong Kong. She explained that power companies in Hong Kong had entered into longer-term gas contracts to secure sustained supply for power generation, and that fluctuation in LNG prices in the spot market was not relevant. In general, gas prices and supply varied in different geographical areas mainly because of constraints in gas transportation. She further advised that with fast depletion of the existing gas source under a supply contract concluded many years ago, one of the local power companies was looking for alternative piped gas supply. Under the SCA, the Government would continue to closely monitor the trend of international fuel prices to ensure the reasonableness of the power companies' contract fuel costs.

Expert advice for future projects put under EIA process

45. In response to two Members' enquiries on the need for ACE to seek expert advice to help Members assess projects which could be highly technical, Ms Anissa Wong advised Members that, given the established set of assessment criteria under the EIAO, ACE might run into the risk of having different sets of assessment criteria if they were to discuss separate advice from EPD and from independent experts in the process. She suggested that it would be more prudent for the Council to invite expertise views from professionals, scientists and stakeholder groups during the engagement process, and to seek further information from EPD and the relevant departments. The Chairman supported this approach and said that it was more appropriate for ACE to continue counting on the expert technical advice from the EIA authority during the EIA

process. Members were encouraged to take part in the technical sessions and/or public forums organized by the project proponents to better understand the concerned EIA reports and the issues under debate.

Item 6 : Date of next meeting

46. The next meeting was tentatively scheduled for 12 November 2012.

(Post-meeting note: The meeting was replaced by a visit to EcoPark, Tuen Mun)

ACE Secretariat

October 2012