



Date: September 21, 2005

From: Annelise Connell, Vice Chairman Clear the Air

To: Panel on Transport
Special meeting on
Friday, 16 September 2005 at 3:30 pm

Subject: Transport trade request for increase of fares for diesel fuel costs

1. Reduce fuel use through better driving and maintenance.

- Iain Seymour Hart of the Vocational Training Centre has demonstrated that bad driving can use up to 50% more fuel than good driving.
- Turning off the engine at the terminus also saves fuel.
- Cost effective add on devices that monitor drivers' behavior provide real-time feedback to improve driving and fuel efficiency
- Other add on devices actually make it impossible to follow many bad driving practices such as over acceleration and braking and other fuel wasting bad habits.

Until an applicant has demonstrated that he/she has applied this "basket" of measures in full - under the supervision of competent independent evaluation such as the VTC - there can be no justification to grant a fuel surcharge to any applicant.

2. Return the license to the Government

The licensee can choose to return the license to the Government if he feels he cannot make the business profitable because of supply problems. Applicants do not have a "right" to conduct business at the public expense. If their own poor business decision of operating diesel vehicles in opposition to Government policy has caused them to lose money they can choose to get out of the business. There is an impressive supply of competent operators who have converted to LPG that would be happy to take over the licences. The number of drivers will remain constant, so there can be no concern from the drivers associations.

3. Refusing to convert to LPG vehicles

As of the summer of 2005 only 50% of all the PLBs in Hong Kong have converted to LPG or electric power under the existing incentive scheme. Furthermore, 15% of the new buses purchased have been diesel - deliberately injuring the public health and intentionally taking on the risk of rising fuel prices. This should not be passed on to the public.



4. Option of converting away from diesel

Every minibus route has access to LPG stations.

Furthermore the tests done by the EPD on electric minibuses showed they were completely successful if the operator PLUGGED THE MINIBUS IN OVERNIGHT.

Also, license holders have been given generous subsidies to encourage them to convert to electric or LPB and they have willfully refused to do so.

The public should not have to suffer the brunt of such contempt for public policy and bad business decisions.

5. Environmental cost

Rewarding business with the public's money for going against public policy to reduce pollution has a significant political cost. It discourages voluntary participation and obstructs public policy decisions. We note that there is no discussion of the EPD being involved in the decision, nor an estimate of the cost to the public health by rewarding polluters for their own bad business decisions.

6. Proof of properly maintained vehicles and safe driving records.

Before accepting the statements by the trade, the TD must require applicants provide detailed maintenance records on all vehicles be made available for public inspection. It is the public that will be forced to pay the surcharge, and so we have a right to demand to see the proof of the applicants claim that their vehicles are properly maintained and not wasting fuel. This information must not be kept secret so as to ensure that the Government is not seen to be colluding with the trade.

If they feel the need to keep the records secret then we need not pay a fuel surcharge.

Furthermore, the driving and accident records of all drivers must be made public so that we can ensure that drivers are not wasting fuel by jumping red lights or practicing any other forms of dangerous and polluting behavior.

End of submission



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Frequently Asked Questions

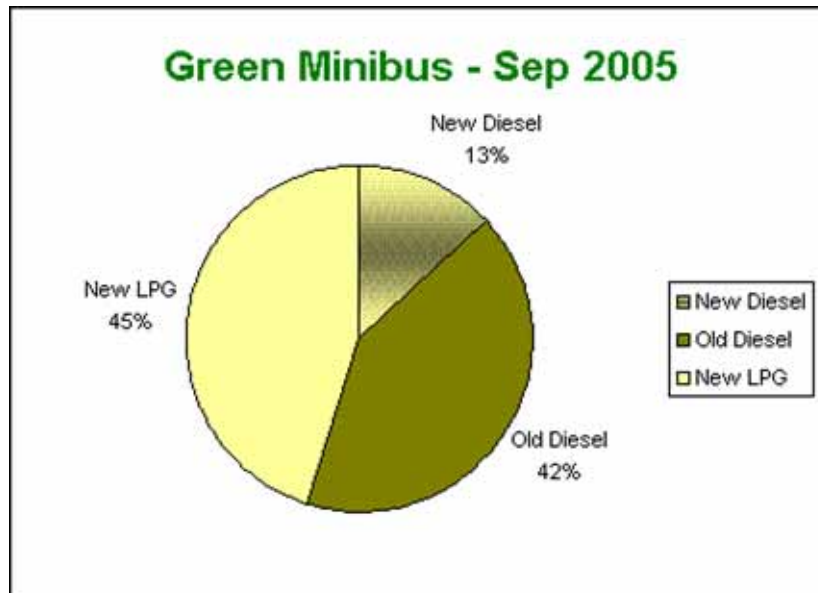
Q. How much has the Government directly paid out to the Green minibus trade to date to encourage them to switch to LPG?

\$72,360,000

Q. How many old Green minibuses were replaced with diesel minibuses?

30% of all new Green Minibuses are diesel.

Q. What is the total distribution of LPG and diesel Green minibuses today?



Q. How much does a new minibus cost?

An LPG Toyota Coaster is about \$360,000

Q. What is the Government's investment in each LPG Green Minibuses

\$60,000 or at least 16% of each LPG minibus was paid by the Government.

Q. How many LPG stations are there:

There are **50** LPG stations. At least 98% of all minibus routes have an LPG filling station nearby.



Q. Were the electric minibus trials successful?

Yes. *When the operator plugged in the minibuses overnight, the electric minibuses worked well.*

Q. How many minibus routes are there (as of Dec 2004)

72 GMB routes on Hong Kong Island,
81 in Kowloon and
199 in the New Territories

Q. How many have applied for a fare adjustment

13 fare increase applications on 51 minibus routes.

Bad Driving and Poor maintenance

Q. How much fuel is wasted by bad driving?

30 – 50% of fuel is wasted by accelerating too quickly, braking too quickly and not driving smoothly.

Q. How much fuel is wasted by too much air-conditioning?

Up to half of all fuel is used for air-con on big buses

Q. How much fuel is wasted and how much pollution by not maintaining engines to manufactures specification?

10% of pollution can be eliminated by a fully maintained engine.

Q. How can you make sure drivers are driving for optimal fuel efficiency?

Put a black box in the vehicle that can give instant feedback to the driver on how to drive differently to optimize fuel use.

End of FAQ