

立法會
Legislative Council

LC Paper No. CB(1)1999/06-07
(These minutes have been seen
by the Administration)

Ref : CB1/SS/5/06/1

Subcommittee on
Sewage Services (Sewage Charge) (Amendment) Regulation 2007,
Sewage Services (Trade Effluent Surcharge) (Amendment) Regulation 2007
and Technical Memorandum on Procedures and Methods for Sampling and
Analysis of Trade Effluents

Minutes of the third meeting
held on Friday, 27 April 2007, at 8:30 am
in the Chamber of the Legislative Council Building

Members present : Hon Audrey EU Yuet-mee, SC, JP (Chairman)
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J.,JP
Hon SIN Chung-kai, JP
Hon WONG Yung-kan, JP
Hon Howard YOUNG, SBS, JP
Hon Emily LAU Wai-hing, JP
Hon CHOY So-yuk, JP
Hon Tommy CHEUNG Yu-yan, JP
Hon WONG Kwok-hing, MH
Hon LEE Wing-tat
Hon Andrew LEUNG Kwan-yuen, SBS, JP
Hon WONG Ting-kwong, BBS
Hon TAM Heung-man

Member absent : Hon Miriam LAU Kin-ye, GBS, JP

Public officers attending : Mr Raymond FAN
Deputy Director of Environmental Protection (2)

Dr Malcolm James BROOM
Assistant Director (Water Policy)
Environmental Protection Department

Mr KO Wing-hon, JP
Assistant Director / Sewage Services
Drainage Services Department

Mr CHUI Wing-wah
Chief Engineer / Harbour Area Treatment Scheme
Drainage Services Department

Ms Camy WAN
Senior Treasury Accountant
Drainage Services Department

Miss Clara LEUNG
Government Counsel
Department of Justice

**Attendance by :
Invitation**

Maunsell Consultants Asia Ltd

Mr Alex KWAN
Project Director

Mr Alan KWOK
Project Manager

Prof Howard HUANG
Disinfection Specialist

Association of Engineering Professionals in Society Ltd

Ir YIM Kin-ping
Senior Vice-Chairman

The Association for Hong Kong Catering Services
Management Ltd

Mr YEUNG Wai-sing
Chairman

Association of Restaurant Managers Ltd

Mr LO Ho-wan
Vice Chairman

Civic Party

Mr Simon SO

The Conservancy Association

Mr Peter LI
Campaign Manager

Factory Canteen Chamber of Commerce

Mr YU Tai-fuk
Administrative Manager

Federal Restaurants Group Ltd

Mr TONY TAM
Managing Director

Miss Judy CHUNG
Director and Executive Manager

Green Power

Dr Eric TSANG
Chairperson

Hong Kong Catering Industry Association

Mr WOO Chu
Vice Chairman

Clerk in attendance : Miss Polly YEUNG
Chief Council Secretary (1)5

Staff in attendance : Mr Timothy TSO
Assistant Legal Adviser 2

Ms Rosalind MA
Senior Council Secretary (1)8

Mr Justin TAM
Council Secretary (1)3

Ms Sharon CHAN
Legislative Assistant (1)8

Action

I Meeting with the Administration and deputations

Meeting with deputations

Submission from attending deputations

(LC Paper No. CB(1)1459/06-07(01) — Submission from Association of Engineering Professionals in Society Ltd

LC Paper No. CB(1)1459/06-07(02) — Joint submission from the Conservancy Association and WWF Hong Kong

LC Paper No. CB(1)1459/06-07(03) — Submission from Green Power

LC Paper No. CB(1)1449/06-07(01) — Submission from Hong Kong Catering Industry Association)

Submissions from individuals not attending the meeting

(LC Paper No. CB(1)1459/06-07(04) — Submission from Professor Leonard CHENG
Department of Economics, School of Business and Management, Hong Kong University of Science and Technology

LC Paper No. CB(1)1459/06-07(05) — Submission from Dr Albert KOENIG
Department of Civil Engineering,
The University of Hong Kong

Meeting with the Administration

(LC Paper No. CB(1)1449/06-07(02) — List of follow-up actions to be taken by the Administration for the meeting on 24 April 2007 prepared by the Secretariat

LC Paper No. CB(1)1449/06-07(03) — Administration's response to issues raised at the meetings on 19 and 24

April 2007 (Part)

- LC Paper No. CB(1)1435/06-07(01) — List of follow-up actions to be taken by the Administration for the meeting on 19 April 2007 prepared by the Secretariat
- LC Paper No. CB(1)1435/06-07(02) — Administration's response dated 23 April 2007 to issues raised at the meeting on 19 April 2007)

Relevant legislation

- (LC Paper No. CB(1)1392/06-07(01) — Marked-up copy of Sewage Services (Sewage Charge) Regulation and Schedule 1 (Cap. 463 sub. leg.) as amended by L.N. 45 of 2007
- LC Paper No. CB(1)1392/06-07(02) — Marked-up copy of Sewage Services (Trade Effluent Surcharge) Regulation as amended by L.N. 46 of 2007
- L.N. 45 of 2007 — Sewage Services (Sewage Charge) (Amendment) Regulation 2007
- L.N. 46 of 2007 — Sewage Services (Trade Effluent Surcharge) (Amendment) Regulation 2007
- S.S.No.5 to Gazette No. 12/2007 — Technical Memorandum on Procedures and Methods for Sampling and Analysis of Trade Effluents
- EP(CR)9/35/16 — The Legislative Council Brief issued by the Environmental Protection Department)

The Subcommittee deliberated (Index of proceedings attached at **Appendix**).

Views expressed by deputations

2. Members noted the major views expressed by deputations representing different groups, as follows:

Green groups

- (a) To encourage sewage reduction, the Administration should apply the polluter-pays principle to the provision of sewage services.
- (b) To alleviate the environmental impact of sewage discharge, the Administration should arrange early implementation of Harbour Area Treatment Scheme (HATS) Stage 2A and Stage 2B, including expediting the works under Stage 2A and/or implementing Stage 2A and Stage 2B in one phase.

Restaurant trade

- (a) There was strong opposition to the proposed Sewage Charge (SC) increment scheme before the completion of the review of the Trade Effluent Surcharge (TES) rates.
- (b) The Administration should conduct a comprehensive review of the TES Scheme with a view to implementing early revision of TES rate for the restaurant trade.

Engineering sector

- (a) Supported the phased-approach for implementation of HATS Stage2 but urged the Administration to show its firm commitment to implement Stage 2B through stating the exact timing for the works as well as taking necessary steps to ensure the availability of land for the biological treatment plant under Stage 2B.
- (b) The proposed disinfection technology i.e. chlorination/dechlorination had struck a balance between pollutant removal efficiency and environmental impact.
- (c) The recovery of operating cost for sewage services in accordance with the polluter-pays principle and the proposed SC increment scheme were acceptable.

Political group (Civic Party)

- (a) The Administration should not peg the implementation of HATS Stage 2 to the proposed SC increments. The Administration should implement Stage 2A immediately and give a firm commitment to

implement Stage 2B.

- (b) The Administration should review the need, feasibility and cost-effectiveness of chlorination/dechlorination having regard to concerns of professional bodies and green groups.

Follow-up actions to be taken by the Administration

3. To facilitate members' assessment of the use of chlorination/dechlorination for disinfection, the Administration was requested to provide the following information on overseas experience in the use of disinfection technologies, which was collected in its earlier consultancy study:

- (a) The use of different disinfection technologies, including the percentage of disinfection done through each technology if more than one were being employed by a sewage treatment work (STW); and
- (b) The cities included in the study where chlorination/dechlorination was used for disinfection. For STWs which had fully or partly replaced chlorination/dechlorination by alternative technology such as UV-irradiation, to provide information on the process and timing of such replacements.

4. Members expressed concern about the timing for the introduction of secondary treatment in Hong Kong and noted the comments of Dr Albert KOENIG, member of the former International Review Panel, in his written submission (LC Paper No. CB(1)1459/06-07(05)). In this connection, the Administration was requested to provide a written response to Dr KOENIG's comments.

5. To address members' concern about the propriety and timeliness of the approval sought for the incremental increases in SC fee levels over a 10-year period to recover 80% of the operating costs of a number of sewage services projects yet to be commissioned (41 projects including HATS Stage 2A according to the information provided by the Administration in Annex C to LC Paper No. CB(1)1435/06-07(02)), the Administration was requested to provide the following estimations:

- (a) The estimated increases in SC if the Administration sought to recover 80% (instead of 54%) of the operating costs of existing, commissioned sewage services projects over the immediate, medium and long-term; and
- (b) The estimated scale for adjustments in SC rates, should 80% of the operating costs for each and every sewage services project be recovered only after its commissioning, instead of by increments over a 10-year period from 1 July 2007 to 2016-17.

(Post-meeting note: The Administration's responses to paragraphs 3 and 5 were issued to members vide LC Paper Nos. CB(1)1488/06-07(03) and CB(1)1488/06-07(04) on 2 May 2007. The Administration's response to paragraph 4 was issued to members vide LC Paper No. CB(1)1519/06-07(02) on 4 May 2007.)

II Any other business

Date of subsequent meetings

6. Members noted that the fourth and fifth meetings of the Subcommittee would be held on 30 April 2007 and 3 May 2007 respectively.
7. There being no other business, the meeting ended at 10:47 am.

Council Business Division 1
Legislative Council Secretariat
26 June 2007

**Proceedings of the
Subcommittee on Sewage Services (Sewage Charge) (Amendment) Regulation 2007,
Sewage Services (Trade Effluent Surcharge) (Amendment) Regulation 2007 and
Technical Memorandum on Procedures and Methods for Sampling and Analysis of
Trade Effluents**

**Third meeting on Friday, 27 April 2007, at 8:30 am
in the Chamber of the Legislative Council Building**

Time Marker	Speaker	Subject(s)	Action Required
000000 – 000423	Chairman Mr Howard YOUNG	(a) Introductory and welcoming remarks. (b) Mr Howard YOUNG's remark that the Federation of Hong Kong Industries would like to provide some views on the proposal but was unable to attend this meeting.	
000424 – 002958	Chairman 1. Association of Engineering Professionals in Society Ltd (AEPS) 2. The Association for Hong Kong Catering Services Management Ltd 3. Association of Restaurant Managers Ltd 4. Civic Party (CP) 5. The Conservancy Association 6. Factory Canteen Chamber of Commerce 7. Federal Restaurants Group Ltd 8. Green Power 9. Hong Kong Catering Industry Association (HKCIA)	Presentation of views by deputations.	
002959 – 004204	Chairman Administration Maunsell Consultants	Briefing by the Administration's Consultant on the need for and the effects of chlorination /	

Time Marker	Speaker	Subject(s)	Action Required
	Asia Ltd (Consultant)	dechlorination under Harbour Area Treatment Scheme (HATS) Stage 2A and Stage 2B.	
004205 – 005116	Mr Tommy CHEUNG Chairman	<p>(a) Mr Tommy CHEUNG's request that the Administration should give a brief response to the views of the deputations, in particular the concern of the restaurant trade on the Trade Effluent Surcharge (TES) rates.</p> <p>(b) The Administration's response that:</p> <ul style="list-style-type: none"> • TES rates applicable to 30 trades would be reviewed upon completion of the effluent surveys for all the TES trades by the end of 2007. • The recovery of operating cost for sewage services under the polluter-pays principle was generally supported by the community. The proposed SC increments was gradual and modest, and would raise the operating costs of the restaurant trade by only 0.018 percentage points a year. • The Administration's advice that the trades supported the proposed TES reassessment mechanism. • Preparatory work done by the Administration for HATS Stage 2B to identify and make available the site for the biological treatment plant. 	

Time Marker	Speaker	Subject(s)	Action Required
005117 – 005441	Mr Howard YOUNG HKCIA	HKCIA's view in reply to Mr Howard YOUNG that the charging and prevailing rates of TES was unfair to the restaurant trade. Extension of the validity period to 3 years might mitigate the cost of reassessment.	
005442 – 010102	Ms Emily LAU Chairman AEPS CP Administration	<p>(a) Ms Emily LAU sought the views of the deputations on:</p> <ul style="list-style-type: none"> • Use of chlorination /dechlorination for disinfection. • Adopting a phased-approach for the implementation of HATS Stage 2. <p>(b) AEPS's view that while the Administration should expedite the implementation of secondary treatment for sewage, it was prudent to take forward Stage 2A first given the complicated issues involved in the design of Stage 2B. Nevertheless, the Administration should accord priority to resolving land issues for Stage 2B and demonstrate its commitment by providing a definite implementation timetable.</p> <p>(c) CP's view that secondary treatment should be implemented as soon as possible to improve the water quality.</p> <p>The Administration's response that chemically-enhanced primary treatment (CEPT) with disinfection under Stage 2A could achieve pollutant removal efficiency equivalent to 80% of the biological treatment process.</p>	

Time Marker	Speaker	Subject(s)	Action Required
010103 – 010927	Ir Dr Raymond HO Administration Consultant	<p>(a) Ir Dr Raymond HO's query about the time required and the uncertainties involved in securing the site for Stage 2B and his concern about the disinfection practices in overseas cities, including the use of biological aerated filters (BAF) as recommended by the former International Review Panel (IRP).</p> <p>(b) The Consultant's response that the results of a survey on the disinfection practices in 24 coastal cities showed that chlorination/dechlorination was the most commonly used technology in particular for large scale sewage treatment works (STWs). The Administration's explanation that other technologies such as BAF was more complicated and would require higher construction and operating costs.</p>	<p>The Administration to provide information as requested in paragraph 3(b) of the minutes.</p>
010928 – 011554	Mr Tommy CHEUNG Administration Chairman	<p>(a) Mr Tommy CHEUNG's enquiry on whether the Administration would make downward adjustment of SC fee levels in the event that the cost recovery rate exceeded the target of 80% at any time during the 10-year period.</p> <p>(b) The Administrations' explanation that the proposed SC increments would increase the sewage cost recovery rate from 54% to 80% in 10 years' time in a modest and gradual manner. The Administration would monitor the cost recovery rate for sewage services and report to the Panel on Environmental</p>	

Time Marker	Speaker	Subject(s)	Action Required
		<p>Affairs. Consideration would be given to adjusting the SC fee levels only in the event of substantial deviations from the original estimations.</p> <p>(c) Mr Tommy CHEUNG's further concern about a mechanism for downward adjustment of the SC fee levels in the 10-year period.</p>	
011555 – 012300	Miss CHOY So-yuk Consultant Administration	<p>(a) Miss CHOY So-yuk's view that reference should be made to the latest disinfection technologies adopted in STWs set up in the past three years. She called on the Administration to implement secondary treatment under Stage 2B without delay as this was also the standard adopted for sewage treatment in Mainland cities.</p> <p>(b) The Consultant's response that the survey on disinfection practices had examined the latest technologies used in STWs set up in the past decade and those to be upgraded in the next five years.</p> <p>(c) The Administration's explanation that it was examining the planning, interface and development issues related to the co-use of the earmarked site on Stonecutters Island. The Administration would keep an open mind to the technologies to be used for Stage 2B and would be prepared to consider new technologies available at the time of the review in 2010-2011.</p>	

Time Marker	Speaker	Subject(s)	Action Required
012301 – 013118	Mr LEE Wing-tat Administration Chairman Consultant	<p>(a) Mr LEE Wing-tat requested the Administration to respond to Dr Albert KOENIG's comment that the proposed sewage treatment over the next 10 years was not in line with the national standards of China.</p> <p>(b) The Administration' response that the level of sewage treatment required in Mainland cities depended on the designated functional uses and hence the different grades of the receiving water bodies. In effect, the level of treatment would depend very much on where the effluent would be discharged.</p> <p>(c) The Consultant's explanation that the level of sewage treatment should always be site-specific.</p>	The Administration to provide information as requested in paragraph 4 of the minutes.
013119 – 013753	Mr WONG Kwok-hing Administration	<p>(a) Mr WONG Kwok-hing's grave concern about the high bacterial level at the Tsuen Wan beaches and the need for disinfection under HATS Stage 2.</p> <p>(b) The Administration's explanation on its plan to advance part of the disinfection facilities under Stage 2A for commissioning in 2009 in order to improve the water quality and enable re-opening of the four Tsuen Wan beaches which had to be closed after HATS Stage 1 was commissioned.</p>	
013754 – 014948	Mr Andrew LEUNG Administration Chairman	<p>(a) Mr Andrew LEUNG's concern about the following:</p> <ul style="list-style-type: none"> • Environmental impact of 	

Time Marker	Speaker	Subject(s)	Action Required
		<p>chlorination/ dechlorination.</p> <ul style="list-style-type: none"> • SC fee levels should not be increased before commissioning of new sewage services projects. <p>(b) Response of the Consultant and the Administration that the cost-efficiency of UV-irradiation would be lower than chlorination/dechlorination in the disinfection of effluent subject to primary or CEPT treatment.</p> <p>(c) The Administration's advice that the Government had been subsidizing the recurrent costs of existing sewage services projects. Throughout the 10-year period of SC increments, operating costs of major projects would not be recovered in advance of the commissioning of the projects concerned.</p>	
014949 – 015923	Chairman Administration Mr Tommy CHEUNG	<p>(a) Query shared by the Chairman and Mr Tommy CHEUNG about the propriety and timeliness of the proposed SC increments before the commissioning of the sewage services projects in the pipeline.</p> <p>(b) The Administration's explanation that under the polluter-pays principle, the Administration had proposed the SC increments to increase the recovery rate of operating costs for sewage service from 54% to 80% over a 10-year period.</p>	The Administration to provide information as requested in paragraph 5 of the minutes.

Time Marker	Speaker	Subject(s)	Action Required
		<p>Implementation of increases in SC fee levels as and when major sewage services projects were commissioned would result in sharp fluctuations in the fee levels.</p> <p>(c) Mr Tommy CHEUNG's concern about the impact of the proposed SC increments on the restaurant trade and his comment that the proposed extension of the TES reassessment validity period could only mitigate the cost burden of some 10% of the operators who had applied for reassessment.</p>	
015924 – 020604	<p>Ir Dr Raymond HO Consultant Miss CHOY So-yuk Administration</p>	<p>(a) Ir Dr Raymond HO's concern about the disinfection technologies examined in the survey of overseas coastal cities.</p> <p>(b) The Consultant's advice that various disinfection technologies employed by STWs overseas had been examined in the survey.</p> <p>(c) Miss CHOY So-yuk's concern that the scope of the Environmental Impact Assessment (EIA) study was limited to disinfection technologies but not the level of sewage treatment.</p> <p>(d) The Administration's response that the EIA study was conducted in response to the request of the Public Accounts Committee to advance the commissioning of the disinfection facilities of HATS Stage 2A. The Administration had no</p>	<p>The Administration to provide information as requested in paragraph 3(a) of the minutes.</p>

Time Marker	Speaker	Subject(s)	Action Required
		<p>intention to exclude any option for disinfection in the study.</p> <p>(e) The Administration reaffirmed its commitment to implementing secondary treatment.</p>	
020605 – 020943	Ms Emily LAU Consultant	<p>(a) Ms Emily LAU's view that it was equitable that the recurrent costs of sewage services projects be recovered after their commissioning. She also urged for early implementation of secondary treatment to enable the use of UV-irradiation instead of the continued use of chlorination/dechlorination for disinfection.</p> <p>(b) The Consultant's information that major STWs overseas had also adopted a phased-approach in the implementation of secondary sewage treatment.</p> <p>(c) Chlorination/dechlorination was used for disinfection by these STWs in the interim.</p>	The Administration to provide information as requested in paragraph 3(b) of the minutes.
020944 – 021110	Mr WONG Kwok-hing Administration	<p>(a) Mr WONG Kwok-hing's concern about the timetable for re-opening of the beaches in Tsuen Wan.</p> <p>(b) The Administration's reiteration that the advanced disinfection facilities under Stage 2A would enable the re-opening of four beaches in Tsuen Wan in 2009. To tackle local pollution sources of the area, sewerage programmes were being undertaken at Sham Tseng and Ting Kau for completion</p>	

Time Marker	Speaker	Subject(s)	Action Required
		in 2010.	
021111 – 021509	Chairman Administration	(a) Provision of further information as requested by members at this meeting and previous meetings. (b) Dates of subsequent meetings	

Council Business Division 1
Legislative Council Secretariat
26 June 2007