

Hong Kong, November 19, 2007

Panel on Environmental Affairs
Hong Kong Legislative Council
Jackson Road
Hong Kong

Honorable Chair and Members

Calling for a tender for public infrastructure: LNG terminal capacity required in Hong Kong

As the Hong Kong community is effectively paying for this new public infrastructure facility under our scheme of control, we urge that Hong Kong's demand for LNG terminal capacity is put out to tender in a fair and transparent manner. There is ample regional demand for LNG terminal capacity and various organizations have expressed interest in building capacity. The demand for CLP's power stations alone will be sufficient to entice terminal operators to provide and expand their planned capacity soonest. Moreover, this will ensure greater transparency in the energy market.

The consolidation of LNG terminals is one of national interest

Hong Kong is a city in China and not an independent state and as such is economically, socially and ecologically an integral part of the Pearl River Delta. The demands for cleaner air and our power generation and distribution are already regional matters, and we now have a responsibility to rationalize the number of planned LNG terminals along China's coast.

We put the issue to you by way of a comparison.

Would the Hong Kong community agree for every operator (Heliservices, Shun Tak, GFS, and any newcomer) to build their own dedicated helicopter facilities around Victoria Harbour? Would it be irresponsible to dot heliports, and the related environmental impact, around the entire city because of self interest and 'territorial' arguments? It would be considered a tragic mistake to allow the environmental degradation of the entire harbour-front, rather than limiting ourselves to one noisy spot to be shared by all different operators.

On a larger scale, it would be irresponsible to dot China's national shorelines with LNG terminals for reasons such as the profit guaranteed by Hong Kong's scheme of control.

Why use a pristine island when other less-pristine islands are available

Is it justifiable to destroy the untouched Soko Islands when there are a number of other neighbouring islands available that already have some form of development?

Is the urgency claim being grossly affected by the demands of self interest?

The argument of 'urgency' has been forfeited because operators have had ample notice to install FDG capabilities and reduce emissions, and yet failed to do so.

Yours sincerely

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