

LEGISLATIVE COUNCIL PANEL ON TRANSPORT

Proposed Tolls and Other Charges for Tsing Sha Control Area

Purpose

This paper seeks Members' views on the proposed tolls for part of the Tsing Sha Control Area (TSCA), i.e. the section between Sha Tin and Cheung Sha Wan and on the proposed other charges.

Background

2. Route 8 is a strategic road linking Sha Tin and North Lantau. The western section of Route 8 is the Tsing Ma Control Area (TMCA) linking Tsing Yi and North Lantau, which came into operation in 1997. The remaining section of Route 8 between Tsing Yi and Sha Tin is under construction. This section is about 15 km in length, and comprises three road tunnels (Sha Tin Heights Tunnel, Eagle's Nest Tunnel and Nam Wan Tunnel), a cable-stayed bridge across the Rambler Channel (Stonecutters Bridge), four viaducts (Lai Chi Kok Viaduct, Ngong Shuen Chau Viaduct, Nam Wan East Viaduct and Nam Wan West Viaduct), as well as several interchanges and slip roads. The alignment of Route 8 between Tsing Yi and Sha Tin is at **Annex**.

3. The section between Sha Tin and Cheung Sha Wan is scheduled to open in late 2007/early 2008, followed by the Nam Wan Tunnel and viaducts at Tsing Yi in late 2008 and the Stonecutters Bridge in mid-2009. On completion, Route 8 will provide a direct road link between Chek Lap Kok and the Northeast New Territories via Tsing Yi and Cheung Sha Wan. It will also provide additional road capacity to cope with the increasing traffic along the Lion Rock Tunnel (LRT), Tate's Cairn Tunnel (TCT), Shing Mun Tunnels (SMT), Cheung Tsing Highway, Cheung Tsing Tunnel and Tsing Kwai Highway.

4. For effective and efficient traffic control and incident management, the section of Route 8 between Tsing Yi and Sha Tin will form one single control area – the TSCA. The management, operation and maintenance of the TSCA will be outsourced to an operator through open tender. This is similar to the arrangement for the TMCA. The ownership of the whole of Route 8, including both the TMCA and the TSCA, will remain with the Government.

5. The Tsing Sha Control Area Bill, which provides a statutory framework for the operation of the TSCA, was passed by the Legislative Council on 27 June 2007. The Chief Executive in Council will make the Tsing Sha Control Area (Tolls, Fees and Charges) Regulation to prescribe and provide for the payment of tolls, fees and charges in the TSCA. The Secretary for Transport and Housing will make the Tsing Sha Control Area (General) Regulation to provide for the control and regulation of the TSCA.

Proposed Toll Regime

6. Our plan is that the section of the TSCA between Cheung Sha Wan and Tsing Yi will not be tolled as vehicles can leave Route 8 through the slip roads at West Kowloon, and its major alternative routes are toll free. However, the section between Sha Tin and Cheung Sha Wan will be tolled. This is in line with the current practice at other major alternative routes i.e. LRT, SMT and TCT. Similar to other Government toll tunnels, a two-way toll collection arrangement will be adopted at the tolled section of the TSCA. Taxi passengers using the tolled section of the TSCA will need to pay an additional fare at a value equal to the proposed toll level for taxi. This is consistent with existing practice.

7. Our proposal is to set a toll of \$12 for private car/taxi with corresponding levels for other types of vehicles. Details are set out below : -

Vehicle Class	Proposed Toll
Private Car and Taxi	\$12
Motorcycle	\$10
Light Bus	\$18
Single-deck bus	\$24
Double-deck bus	\$30
Light Goods Vehicle	\$12
Medium Goods Vehicle	\$18
Heavy Goods Vehicle	\$24

Key Factors

8. We have taken into consideration a number of key factors in drawing up the proposed toll levels for the TSCA. Details are set out in the following paragraphs.

Cost

9. In line with other tolled roads, we aim to recover from tolls the cost of providing the facility including the cost of the public capital employed. At present, the Government's cost of capital for tolled roads including TSCA is 8.4%, which is expressed as a return on Average Net Fixed Asset (ANFA), the latter being adopted as the capital incurred by Government. As only the section between Shatin and Cheung Sha Wan is proposed to be tolled, we have adopted the capital cost of this section, estimated at \$5.8 billion, rather than the project cost of the entire area of TSCA, estimated at \$17.9 billion in determining the capital base. On this basis, we estimate that under the proposed toll regime, average return on ANFA will be -1.5% in the first 10 years after its commissioning, reaching -0.2% for the first 20 years.

Strategic Position and Tolls of Alternative Routes

10. In determining the proposed toll levels, we have taken into account the convenience that the TSCA will bring to motorists in view of its strategic position in respect of the container terminals and the airport. For example, we estimate that going via TSCA, motorist travelling from Sha Tin to Tsim Sha Tsui will save some 15 minutes as compared with the Lion Rock Tunnel. There will also be fuel cost savings of some \$6 for the same trip.

11. We have also made reference to the tolls of alternative routes. We propose to adopt the differential toll regime of TCT, instead of the flat toll regime adopted by LRT and SMT. The differential toll regime will reflect the degree of road space taken up, plus wear and tear caused by different types of vehicles.

Public Acceptability and Affordability

12. The toll levels of TSCA are generally on a par with TCT and therefore should be affordable and acceptable to the public.

Estimated Traffic Flow

13. Under the proposed toll regime, we estimate that the daily traffic flow at the TSCA will be around 21,000 vehicles upon its commissioning in 2007-08, and will gradually increase to around 40,000 vehicles in 2016-17.

Proposed Fees and Charges

14. Similar to the arrangements for the TMCA and other Government tunnels, fees and charges will be imposed in respect of the TSCA. Following Government's established principle of setting fees and charges on a full cost recovery basis, the proposed levels of fees and charges for the TSCA, which are generally comparable to the existing levels of fees and charges for the TMCA, are set out below : -

	Proposed Level
Surcharge for evasion or underpayment of toll	\$155
Escort fee for escort of any vehicle (for each 30 minutes or part thereof)	\$290
Administration fee for refund of overpayment of toll in cash	\$80
Permit fee for issue of permit	\$115
Fee for removal of a motorcycle, motor tricycle, private car, electrically powered passenger vehicle, taxi, public light bus, private light bus	\$280
Fee for removal of a light goods vehicle, special purpose vehicle – of a permitted gross vehicle weight not exceeding 5.5 tonnes, public single-decked bus, private single-decked bus	\$600
Fee for removal of a medium or heavy goods vehicle, special purpose vehicle – of a permitted gross vehicle weight exceeding 5.5 tonnes, public double-decked bus, private double-decked bus	\$660
Charge for impounding vehicle	\$150
Charge for storage of vehicle after the second day (per day)	\$95

Way Forward

15. We will consult the Chief Executive in Council in the context of making the Tsing Sha Control Area (Tolls, Fees and Charges) Regulation. We will take into account Members' views on the proposals when finalising the submission. The Regulation will then be subject to negative vetting by the Legislative Council.

Advice Sought

16. Members are invited to comment on the proposed toll regime and proposed fees and charges for the TSCA as set out in paragraphs 7 and 14 respectively.

Transport and Housing Bureau
July 2007

