

**Bills Committee on
Air Pollution Control (Amendment) Bill 2008**

**List of follow-up actions arising from
the discussion at the meetings on 5 June 2008**

Administration's Response

- I. To include in the proposed Committee Stage amendment to the proposed section 26K(2)(d) the requirement for the applicant to exercise all due diligence promptly to minimize the quantity of pollutant being emitted as a result of the occurrence of a special event.**
1. We agree with the Members' views. We will provide the draft CSA, together with others related to the proposed section 26K, to the Members as soon as possible.
- IV. To review the specified timeframes under the proposed section 26M(4) and (6) regarding acquisition of emission credits in respect of an emission year.**
1. After reviewing the specified timeframe under the proposed section 26M(4) and (6), we propose that –
 - (a) an applicant shall make an application for acquisition of emission credits on or before 30 June in the emission year (the proposed section 26M(4)); and
 - (b) the Authority shall as soon as reasonably practicable, and in any event within 180 days, after receiving the application, notify the applicant of his decisions (the proposed section 26M(6)).
 2. We will provide the draft CSA, together with others related to the proposed section 26M, to the Members as soon as possible.
- V. To advise the applicability of section 30A of the Air Pollution Control Ordinance (Cap. 311) to non-compliance with the emission caps, particularly the person who would be liable to imprisonment. To also consider providing a separate penalty clause for non-compliance with the emission caps. Consideration should be given to applying a sliding scale of penalty in accordance with the level of excessive emissions.**
1. In view of the Members' views raised at the Bills Committee meeting on 5 June 2008, we are considering to provide a separate penalty arrangement for non-compliance with the emission caps. We will provide our proposal to the Members as soon as possible.

VI. To advise how the Administration can ensure that a fine for non-compliance with the emission caps by a power company would be borne by its shareholders rather than being passed on to its electricity customers.

1. Pursuant to the Scheme of Control Agreements, we will conduct annual Auditing Review and Tariff Review jointly with the respective power companies as part of our monitoring mechanism. During these exercises, the companies' expenditure will be carefully reviewed to ensure that any payment of fine in case of non-compliance with the emission caps will not be included as operating cost and passed on to their electricity customers.

**Environmental Protection Department
June 2008**