

Our Ref.: ..\legco\reply for queries 20120106.doc

10 January 2012

By Fax & Email (Fax no.: 3529 2837)

(Email: byu@legco.govhk)

Miss Becky Yu Panel on Environmental Affairs Subcommittee on Improving Air Quality Legislative Council Hong Kong Special Administrative Region

Dear Miss Yu,

## Re: Panel on Environmental Affairs Subcommittee on Improving Air Quality : Follow-up to meeting on 6 January 2012

Thank you for your letter dated 6 January 2012 (Ref:CB1/PS/3/08) concerning the Automatic Engine Idle-stop and Supplementary Air-conditioning System (*ISAC System*) discussed at the captioned Subcommittee meeting. As requested, we would like to provide additional information as below:

## 1. Estimated cost for repair and maintenance of the ISAC System

The repair and maintenance required of the *ISAC System* concerns in general mainly the Lithium battery pack, which is estimated to have to be replaced in around 5-7 years' time. The estimated cost for replacing the Lithium battery pack is around \$7,000.

## 2. Whether the installation of the ISAC System might render the warranty provided by vehicle dealers ineffective

As the installation of the *ISAC System* would require modification of the vehicle, we consider that there might be a warranty issue with the vehicle dealers during the warranty period of new vehicle. Nevertheless, the *ISAC System* aims primarily at helping existing vehicles to reduce fuel consumption and carbon dioxide emission, of which their warranty from the car dealer may have already expired. In fact, more and more vehicle companies are incorporating auto engine start-stop feature as standard features in new models, hence the warranty is not an issue.

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3. Estimated reduction in cost if the system is installed in a large scale, and threshold of economy of scale.

HKPC's primary role in this project is to develop the technology for the *ISAC System* and HKPC does not engage itself in the mass production of the system. Technology commercialization would be conducted for any licensee(s) to further develop the *ISAC System* for large-scale production. Our estimated cost range between \$20,000-30,000 for the supply of the *ISAC System* in small-batch production (i.e. 200-300 sets/order) is based on the price of some commercially available parts and some of our self-developed components. As for large-scale production, the estimated cost will depend on the cost structure of technology commercialization by the specific licensee(s).

Should you have any queries or need further information, please feel free to contact the undersigned or our Mr. Kenny Wong at telephone 2788 5702 or 2788 5647, or by email <a href="mailto:ipoon@hkpc.org">ipoon@hkpc.org</a> or <a href="mailto:kenny@hkpc.org">kenny@hkpc.org</a> respectively, or fax at 3187 4537. Thank you.

Yours sincerely,

Joseph Poon

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