

Legislative Council Finance Committee

Regrading of Assistant Director of Water Supplies posts in Water Supplies Department

Regarding the written enquiries raised by Hon Eddie CHU on 25 November 2017, our responses are set out below.

- (1) The Policy Agenda in October 2017 has announced the target of reducing the per capita fresh water consumption by 10% by 2030 at the earliest, using 2016 as the base year.
- (2) The fresh water consumption of hotel and catering industries accounts for about 16% of the total fresh water consumption in Hong Kong in 2016. The Water Supplies Department (WSD) has conducted water efficiency audits for the hotel and catering industries in respect of their water usage pattern, covering hospitality service, kitchen and dining area operations, swimming pool management, water features and landscape management, and maintenance, etc. According to the results of the above audits, WSD has formulated best practice guidelines for water usage of these two industries for the practitioners' reference.
- (3) WSD is taking forward progressively the establishment of a Water Intelligent Network (WIN) to, by utilising advanced technologies, continuously monitor and analyze the condition of the water distribution networks to facilitate the formulation of appropriate means for

maintaining the healthiness of the networks. We plan to establish a total of about 2 000 District Metering Areas (DMAs) in Hong Kong. As of end October 2017, we have established about 1 100 DMAs and are taking forward the design and establishment works for the remaining about 900 DMAs. WSD is also arranging to procure an intelligent network management computer system for the efficient management and analysis of the data collected from the DMAs.

- (4) We have all along been taking into account the factors stipulated in the Dongjiang (DJ) water supply agreement, viz. changes in relevant price indices in Guangdong (GD) and Hong Kong, changes in exchange rate between the Renminbi (RMB) and Hong Kong Dollar (HKD) and changes in operation costs, in adjusting the water price. Since the cost of DJ water was paid in HKD, the cumulative increase in water price between 2006 and 2016 was 78% in terms of HKD. However, in terms of RMB, the cumulative increase was 48%, with an average annual increment rate of about 3%, which was comparable to the change of relevant price indices of GD and Hong Kong over the same period.

Under the new agreement for the supply of DJ water from 2018 to 2020, the annual increase in water price is 0.3%. Taking account of the above factors, we consider the adjustments in water price reasonable. For details about the new agreement for the supply of DJ water, please refer to LegCo Paper No. CB(1)235/17-18(05) submitted by Development Bureau to the Panel for Development of the Legislative Council in November 2017.

Upon regrading of the posts of the four Assistant Director of Water Supplies, Assistant Director/Development will continue to be responsible for formulating strategies, administering agreement and monitoring the supply of DJ water.

- (5) With regard to the construction of a seawater desalination plant in Tseung Kwan O (TKO) Area 137, WSD completed a feasibility study of implementing seawater desalination technology in Hong Kong in 2007, which confirmed the technical feasibility of seawater desalination using reverse osmosis technology under local conditions for producing potable water complying with the World Health Organisation guidelines for drinking water quality. We subsequently completed a planning and investigation study for the proposed desalination plant in TKO in 2015, which confirmed the technical feasibility including the environmental viability of the project and provided a preliminary design of the plant. The planning and investigation study also confirmed that TKO Area 137 is a suitable location for siting the proposed desalination plant in terms of the quality of nearby seawater and its close proximity to a strategic water supply network. The executive summaries of the studies and other related reports are available in the website of TKO Desalination Plant project (www.tkodesal.hk).

Based on the current design, the brine generated from seawater desalination using reverse osmosis technology will be discharged by a submarine pipeline through specially designed diffusers for rapid dilution in the sea, thereby minimising impact to the surrounding marine environment. Relevant details were included in the report of

Environmental Impact Assessment (EIA) for TKO Desalination Plant project. The Environmental Protection Department (EPD) approved the EIA report in November 2015 and issued the Environmental Permit (EP) in December 2015. Relevant documents including the EIA report and the EP can be downloaded from the above website or directly from the EPD website (http://www.epd.gov.hk/eia/english/alpha/aspd_675.html).

Upon regrading of the posts of the four Assistant Director of Water Supplies, Assistant Director/Development will continue to be responsible for implementing and reviewing the Total Water Management Strategy including developing new water sources from desalination, while Assistant Director/New Works will continue to be responsible for the design and construction of the desalination plant.

**Development Bureau
Water Supplies Department
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