

**Response to comments raised by utility undertakers
during the 2nd round consultation in late 1996**

Abbreviated Organization Names :

HKCG: The Hong Kong and China Gas Co., Ltd.
CLP: China Light & Power Co., Ltd.
HKTy: Hongkong Tramways Ltd.
WCL: Wharf Cable Ltd.
NT&T: New T&T Hong Kong Ltd.

HCL: Hutchison Telecommunication Ltd.
NWT: New World Telephone
HKTC: Hong Kong Telecommunication Ltd.
HEC: The Hongkong Electric Co., Ltd.
HyD: Highways Department

No.	Comment	Utility Undertaker raising the Comment	Administration's response
1	There is no incentive for the contractor to complete the work earlier if he is asked to pay for the duration he applied.	CLP, NT&T, HKCG, NWT	The proposal will discourage the applicant from applying for an unnecessarily long duration for an EP. Further, if the Permittee cannot complete the works on time, he will have to pay another sum for applying EP extension. It follows that the proposal does introduce incentive for the Permittee to avoid delay and to plan more carefully before applying. Proper advance planning of road opening will enhance co-ordination with other road opening works.

2	It appears that HyD is building a requirement into their UMS that works in different streets must be under different EPs disregarding the length of trench in each street. This requirement will induce unnecessary increase in number of EPs.	CLP, NT&T, WCL, NWT, HKTy, HKCG	Government has explained to utility undertakers in other occasions that the original proposal of demanding one EP for one street would be relaxed.
3	The commencement date is usually out of the utility undertakers' control due to Police's or TD's additional traffic requirements.	CLP, HKCG, HKTy, NT&T, WCL, NWT, HCL	<p>Although Government departments (e.g. Police, TD etc.) may impose control requirements which would affect the commencement dates, the construction programmes and progress are essentially under control of the Permittee if the works are properly planned taking into account their impact on traffic or the environment. The utility undertakers, when denoting the proposed commencement date in their applications, should take into account the lead time required for seeking traffic advice etc.</p> <p>In case at the commencement date, the site is still being occupied by another permittee, the Authority may grant extension free of charge to compensate for the delay in delivery of the site by the Authority.</p> <p>The daily fee will be calculated starting from the proposed commencement date instead of the EP issue date.</p>

4	Utilities are usually required to temporarily suspend their work due to various uncontrollable reasons. Hence the daily charge should only apply to the actual period of work.	HKCG, HKTy, NT&T, WCL	Site inspection by the Authority is still required even if the utility works are suspended. The daily charges calculated on the basis of the EP period do reflect the costs genuinely incurred by the Authority.
5	Charging the utilities for diversion work done for the Government is extremely unfair since the work is done solely for the Government authorities.	HKCG, NT&T, NWT, HCL	To demand utility undertakers to bear all necessary costs for utility diversions requested by Government is the requirement under the various statutory provisions.
6	The fees remain more or less the same despite that the EP system has been simplified. There must be some cost savings by only issuing half the amount of paperwork.	CLP, HKTy	Eliminating the originally proposed Licence will not reduce the cost since the build up of the originally proposed fees are based on the assumption that the Licence will be issued at the same time with the EP such that no additional administrative effort will be required.
7	The proposed EP condition regarding unattended site may sometimes be unfair to the Permittee. CLP quoted the case that if they had three permits for one section of cable, no work might be carried out in one or two of the permit areas for some time although the overall project was being worked on every day.	CLP, WCL	In order to reduce disruption to the public, the permit areas with no work being carried out should be temporarily covered up with appropriate plating for the passage of the traffic. As such the Permittee could avoid violation of the proposed EP condition if he has taken proper actions.

8	Clearer definition on “unattended site” is required. Will a site under the concrete curing process be regarded as unattended?	CLP, HKTy	For the purpose of the road opening control exercise, “unattended site” shall be defined as “an excavation left open without being actively worked on during any working day and without proper plating over for temporary use by the public”. When a site is under the concrete curing process it should not be regarded as unattended, but a notice board explaining reasons of the apparent unattendance should be displayed on site to avoid misunderstanding.
9	A breakdown of the proposed charges should be provided to utility undertakers	CLP, HKTy, NT&T, WCL, HKCG, HCL	A breakdown is attached.
10	The rates of charges are very much on the high side and should be reviewed and reduced significantly.	HEC	The proposed fees are based on the true costs which are necessarily incurred in administering the EP system.
11	The daily charge should not be applied to the extended period of an EP	HKTy	Inspection on the site is also required for the extended period of an EP, the daily charge is therefore applicable to the extended period of an EP as well.
12	Penalties will also be charged for extensions of EPs	NT&T	The fees are to recover the costs incurred by the Government, bearing no implication of a penalty.

13	It is important for us to understand the constitution of the proposed prosecution team, how it operates and on what base it exercises its authority.	WCL	The proposed prosecution team will consist of both professional and inspectorate staff. When a site covered by an EP is suspected to have involved non-compliance with EP conditions, the team will monitor the site and, if necessary, collect evidence for instituting prosecution in accordance with the Land (Miscellaneous Provisions) Ordinance.
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