

LC Paper No. CB(1) 2229/02-03

(These minutes have been seen by the Administration)

Ref : CB1/PL/EA/1

Panel on Environmental Affairs

Minutes of meeting held on Monday, 23 June 2003, at 3:30 pm in Conference Room A of the Legislative Council Building

Members present	:	Hon CHOY So-yuk (Chairman) Hon Cyd HO Sau-lan (Deputy Chairman) Dr Hon David CHU Yu-lin, JP Ir Dr Hon Raymond HO Chung-tai, JP Hon Martin LEE Chu-ming, SC, JP Hon SIN Chung-kai Hon WONG Yung-kan Hon WONG Yung-kan Hon LAU Kong-wah Hon Miriam LAU Kin-yee, JP Hon Emily LAU Wai-hing, JP Dr Hon Emily LAU Wai-hing, JP Dr Hon LAW Chi-kwong, JP Hon Henry WU King-cheong, BBS, JP Dr Hon LO Wing-lok Hon LAU Ping-cheung Hon Audrey EU Yuet-mee, SC, JP			
Member attending	:	Hon Albert CHAN Wai-yip			
Public officers attending	:	For item IV			
		Environment, Transport and Works Bureau			
		Mr Thomas CHOW Deputy Secretary (Environment and Transport) E2			
		Mr C W TSE Principal Assistant Secretary (Environment and Transport) E3			

Ms Annie CHOI Principal Assistant Secretary (Environment and Transport) E2

Environmental Protection Department

Mr Conrad LAM Principal Environmental Protection Officer (Territory West)

For item V

Civil Engineering Department

Mr T K TSAO Director

Mr Y S CHOW Deputy Director/Special Duties

Mr W S PANG Senior Engineer/Special Duties (Works)

Environment, Transport and Works Bureau

Mr TSUI Wai Principal Assistant Secretary (Works)

Environmental Protection Department

Mr Arthur CHU Principal Environmental Protection Officer (Urban West & Islands)

Maunsell Consultants Asia Limited

Mr C T WONG Chief Resident Engineer

- Clerk in attendance : Miss Becky YU Chief Assistant Secretary (1)1
- **Staff in attendance :** Mrs Mary TANG Senior Assistant Secretary (1)2

Miss Mandy POON Legislative Assistant 4

I.	Confirmation of minutes and endorsement of the report of the Panel for submission to the Legislative Council						
	(LC Paper No. CB(1) 1968/02-03	C Paper No. $CB(1)$ 1968/02-03 — Minutes of					
			the Panel on Planning, Lands and				
			Works held on 14 May 2003				
	LC Paper No. CB(1) 1998/02-03	Minutes of the meeting held on					
			26 May 2003				
	LC Paper No. CB(1) 1999/02-03		Draft report of the Panel for				
			submission to the Legislative				

1. The minutes of the joint meeting with Panel on Planning, Lands and Works held on 14 May 2003 and minutes of the regular Panel meeting held on 26 May 2003 were confirmed.

Council)

2. <u>Members</u> endorsed the draft report of the Panel on Environmental Affairs for the current session and authorized the Chairman to revise the report to cover discussion at this and further meetings before it was presented to the Council on 2 July 2003.

II. Information paper issued since last meeting

- 3. <u>Members</u> noted that the following papers were issued since the last meeting -
 - LC Paper No. CB(1) 1795/02-03 ____ A letter from the Administration advising the latest progress on installation of a waste cocombustion power generation the Green Island facility by Cement Co and setting up of free collection points for oil refuse from vessels
 - LC Paper No. CB(1) 1956/02-03(01) Low-level radioactive waste storage facility

III. Items for discussion at the next meeting

(LC Paper No. CB(1) 2000/02-03(01) —	List of follow-up actions				
LC Paper No. CB(1) 2000/02-03(02) —	List	of	outstanding	items	for
	discussion)				

4. <u>Members</u> agreed that the special meeting on 16 July 2003 and the regular meeting on 28 July 2003 should be combined and re-scheduled to be held on 22 July 2003 from 2:30 pm to 6:30 pm to discuss the following items -

- (a) Territory-wide implementation of water-cooled air-conditioning systems;
- (b) Management of marine parks; and
- (c) A proposal to require installation of vapour recovery system at petrol filling stations.

IV. Impact of the Integrated Co-combustion Cement Production Facility on the environment and the recycling industry

(LC Paper No. CB(1) 2000/02-03(03) -	Submission from the Greenpeace			
	(Chinese version only)			
LC Paper No. CB(1) 1795/02-03 —	Paper provided by the			
	Administration			
LC Paper No. CB(1) 2000/02-03(04) —	Paper provided by the			
	Administration			
LC Paper No. CB(1) 2033/02-03(01) —	Administration's response to			
	CB(1) 2000/02-03(03)			
LC Paper No. CB(1) 2033/02-03(02) —	Submission from the Hong Kong			
	Women Workers' Association			
	(Chinese version only))			

5. At the invitation of the Chairman, the <u>Deputy Secretary for the Environment</u>, <u>Transport and Works (Environment and Transport)E2</u> (DSETW(ET)(E2)) took the opportunity to clarify that the Integrated Co-combustion Cement Production Facility (ICCPF) was not a Government proposal nor a part of Government's research on the long-term waste management strategy. It was a joint research project on optimum energy usage and waste minimization carried out by the Hong Kong University of Science and Technology and Green Island Cement Company Limited (GIC). He then explained the current status of ICCPF and its impact on the environment and the recycling industry by highlighting the salient points in the information paper.

6. Ms Cyd HO sought elaboration on the objective of the project and whether the Administration would proceed with large-scale waste incineration using "state of the art" technology if the project was found to be successful. She expressed concern that resources would not be made available for waste recycling if the incineration option was adopted. DSETW(ET)E2 advised that the purpose of the project was to test the concept of co-combustion during which energy and solid residues would be recovered from incinerating municipal solid waste for the purpose of cement production, and the compliance of the pilot plant with international emission standards. While the maximum combustion capacity of the pilot plant was 50 tonnes per day, the project proponent's plan was to incinerate only about 40 tonnes of waste each day. The waste was mainly municipal waste that would otherwise go to landfills and the amount was very small as compared to some 9 000 tonnes of municipal waste generated in Hong Kong per day. According to GIC's proposal, the cumulative operating period of the pilot plant would be about 16 weeks. Application for extension would be required for operation beyond the prescribed period. On long-term waste management,

<u>DSETW(ET)E2</u> stressed that the Administration had an open mind on the technologies to be adopted, and that it was very committed to promoting waste reduction and recycling in Hong Kong. Waste separation at source remained the best way to facilitate recycling. Meanwhile, the Administration was examining the various options in the context of the long-term waste management strategy.

7. The <u>Chairman</u> asked if the Administration had set out guidelines governing the operation of ICCPF and whether contingency plans were available to deal with emergency situations. <u>DSETW(ET)(E2)</u> explained that in processing GIC's licence application, the Environment Protection Department (EPD) was required under the Air Pollution Control Ordinance (Cap.311) (APCO) to take into account -

- (a) capability of the applicant to provide and maintain the best practicable means for the prevention of the emission from his premises of any air pollutant;
- (b) attainment and maintenance of any relevant air quality objective; and
- (c) whether the emission of noxious or offensive emissions would be, or be likely to be, prejudicial to health.

Details of monitoring requirements, including emission standards, sample locations and inspection schedules, would be set out in the licence. The licence holder would be required to submit regular reports on air emissions to EPD which would monitor the performance of the pilot plant through the use of telemetry systems. EPD would also conduct regular and surprise on-site checks on the plant. In the event that emission exceeded the prescribed standards, actions ranging from suspending the operation of the plant to revoking the licence could be taken against the licence holder in accordance with the provisions of APCO.

8. The <u>Chairman</u> opined that the measures referred to might not be effective in preventing the emission of pollutants, particularly dioxin. Consideration should be given to banning the incineration of plastic materials. <u>DSETW(ET)(E2)</u> said that the telemetry systems provided instant monitoring results so that immediate action could be taken by EPD when emission exceeded the prescribed standards. He added that not all plastic materials would generate dioxin upon combustion. As dioxin was formed when certain materials were combusted at a temperature of 200°C to 400°C and destroyed at a temperature of 800°C, emission of dioxin could be kept within acceptable levels if the temperature of the incineration process was suitably adjusted. <u>Mr Albert CHAN</u> requested to put on record that judging from past experience, he did not have confidence in the monitoring mechanism adopted by the Administration.

9. <u>Ms Emily LAU</u> queried why the Administration's paper had made specific reference to the impact of ICCPF on job opportunities rather than the environment. <u>DSETW(ET)E2</u> explained that the information given was in response to the concern raised by some members that the operation of ICCPF might jeopardize their job

prospects. The Administration was indeed concerned about the environmental impact of ICCPF and thus would be very prudent in processing the licence application from GIC to ensure compliance of ICCPF with the prescribed emission standards in respect of a wide range of air pollutants and dioxin.

Noting that the public inspection period for GIC's licence application would 10. expire on 26 June 2003, Ms LAU enquired about the number of objections received so far and whether there was sufficient time for EPD to consider these objections. DSETW(ET)E2 said that since the publication of GIC's submission on 27 May 2003, over 70 objections had been received. While some of the objections were related to the impact of ICCPF on job opportunities, most of them were from the environmental point of view. As EPD may make a decision no earlier than 40 days after the publication of the public inspection notice, it would have ample time to consider to Where necessary, EPD would contact the objectors for more these objections. information to facilitate consideration of their objection. As regards the appeal mechanism, <u>DSETW(ET)E2</u> advised that an appeal board comprising members from the legal, academic and commercial sectors had been set up under APCO to consider appeals from project proponents. On the other hand, objectors might seek judicial review against EPD's decision since there was no appeal channel for member of the public under the APCO.

11. <u>Mr LAW Chi-kwong</u> said that Members of the Democratic Party were opposed to waste incineration. He further questioned if the use of lime or calcium oxide in the GIC's proposed co-combustion process could neutralize the chlorides formed during combustion, thereby preventing the generation of dioxin. The <u>Principal Assistant Secretary (Environment and Transport)E3</u> (PAS/ETW(ET)E3) said that under GIC's proposal, the hydrogen chloride generated from the incineration of waste in the primary combustion chamber would be neutralized by the addition of calcium oxide, resulting in the formation of calcium chloride and water in the secondary combustion chamber. Given that the licence application for ICCPG was still under process, <u>DSETW(ET)E2</u> considered it not appropriate to comment on its emission performance at the present stage. The Administration would take into account the objections raised before making a decision on the licence application.

V. Decommissioning of Cheoy Lee Shipyard at Penny's Bay

(LC Paper No. PWSC109/01-02		Background	bı	rief	on
		Decommission	ing of	Cheoy	Lee
		Shipyard at Per	ny's B	ay	
LC Paper No. CB(1) 2000/02-03(05)	—	Paper prov	vided	by	the
		Administration			
LC Paper No. CB(1) 2033/02-03(03)	—	Submission fr	om the	China	State
		Construction I	Engrg.	(Hong K	(Long)
		Ltd (Chinese version only))			

12. The <u>Director of Civil Engineering</u> (DCE) explained the details of the incidents associated with decommissioning of Cheoy Lee Shipyard (CLS) at Penny's Bay and the monitoring mechanism and precautionary measures to cater for contingency by

highlighting the salient points in the information paper.

13. Mr Albert CHAN said that the subject should be discussed jointly with the Panel on Planning, Lands and Works as it involved issues of land contamination and compensation. Referring to the background to the decommissioning of CLS set out in LC Paper No. PWSC 109/01-02, he enquired about the progress in identifying the possible legal avenues through which the Government could recover the decontamination cost from the owners of CLS, who received huge sums of compensation for voluntary surrender of the site to the Government for the construction of Hong Kong Disneyland. The Chairman explained that the purpose of the current meeting was to discuss the environmental impact arising from the transportation of the contaminated soil to To Kau Wan. Issues relating to liability for land contamination should best be followed at a joint meeting with the Panel on Economic Services. DCE said that according to the legal advice of the Department of Justice, it was not appropriate at the present stage to discuss the issue of liability for contaminating since litigation against the owners of CLS was being contemplated by Government. As to Mr CHAN's further enquiry about the action being taken to recover the decontamination cost for the past two years, DCE said that he was not in a position to comment on this as the Department of Civil Engineering was not involved in the litigation process. Mr CHAN requested to put on record that Government should seek a fair remedy from owners of CLS for contaminating the site as soon as practicable.

14. Referring to the letter from the Friends of the Earth to the Director of Audit tabled at the meeting complaining about the misuse of public money on the decommissioning of CLS, the cost of which had surged from \$22 million to \$450 million as a result of the need for decontamination, <u>Ms Emily LAU</u> agreed with Mr Albert CHAN that a joint meeting of relevant Panels should be convened to follow up the liability of contamination of the CLS site. <u>Mr LAU Ping-cheung</u> also enquired whether there was existing legislation to deal with the problem of land contamination and if not, whether new legislation would be introduced and which department should be taking the lead in this respect. The <u>Chairman</u> agreed that a joint meeting with the Panel on Economic Services and the Panel on Planning, Lands and Works be held to discuss the liability arising from decommissioning of the CLS site as well as issues relating to land contamination.

15. Noting from the paper that the Administration had put in place an effective Environmental Monitoring and Audit programme on the decommissioning project, the <u>Chairman</u> and <u>Ms Emily LAU</u> questioned how incidents relating to transport of contaminated soil as revealed in the press reports could have happened. <u>DCE</u> stressed that all the reported incidents were minor in nature and were rectified speedily and in most cases immediately on the spot. By way of illustration, the incident concerning a truck not passing through wheel washing bay at the CLS exit had been spotted and rectified before the truck left the site. On the complaint that one of the truck drivers had not observed the speed limit of 16 kilometre (km) per hour, <u>DCE</u> said that the speed limit along the road was mostly 30 km per hour except for a short section of the road adjacent to the Mass Transit Railway tracks which was lowered to 16 km per hour for road safety purposes. The driver might have inadvertently exceeded the speed limit for a short duration of time. As regards the problem of an escort car having no

flashing light, this had been subsequently rectified through the replacement of the blown light bulb. Regarding the allegation of improper sealing of contaminated soil transported by trucks, <u>DCE</u> affirmed that except for non-dioxin contaminated soil, all dioxin-contaminated soil was well sealed for transport. He assured members that the Environmental Team and the Independent Environmental Checker would closely monitor the project to ensure full compliance with all environmental standards and speedy rectification of any malpractice.

16. Ir Dr Raymond HO asked if the Environmental Permit (EP) for the decommissioning of CLS had set out the requirement for contingency plans such as the frequency for conducting emergency drills. The Chief Resident Engineer/Maunsell Consultants Asia Limited answered in the affirmative. In fact, there were two separate contingency plans, one for the transportation of contaminated soil from the CLS site to the treatment plant at To Kau Wan and another for the transportation of the organic residue after treatment to the Chemical Waste Treatment Centre at Tsing Yi. The contingency plans involved the setting up of an emergency control centre at the contractors' office which was fully equipped as a communication centre to handle emergency situations. An emergency team comprising project managers, resident engineers, safety officers and healthcare professionals was required to report to the centre in case of emergencies. Mock emergency drills were conducted by the team for preparation against leakage incidents. At present, the transportation of contaminated soil from the CLS site to the treatment plant at To Kau Wan had been completed. In response to Ir Dr HO's further question, DCE affirmed that the assistant resident engineers engaged in the decommissioning project were all from the environmental The Environmental Team leader and the Independent Environmental discipline. Checker employed for the project had at least seven years' experience in environmental At members' request, the Administration undertook to provide the engineering. establishment of the Environmental Team engaged in the monitoring work.

17. In concluding, the <u>Chairman</u> cautioned that the Administration should not underestimate the severity of leakage incidents which might lead to serious consequences. She said that members were very concerned about the safety in the transport of contaminated substances and every effort should be made to prevent malpractice.

VI. Any other business

18. There being no other business, the meeting ended at 4:35 pm.

Council Business Division 1 Legislative Council Secretariat 16 July 2003