



40/F, Revenue Tower, 5 Gloucester Road, Wan Chai, Hong Kong
香港灣仔告士打道 5 號稅務大樓 40 樓

Advisory Council on the Environment

Comments on the environmental regulation in the future electricity market in Hong Kong

The Advisory Council on the Environment has discussed the Consultation Paper on Future Development of the Electricity Market in Hong Kong – Stage II Consultation. The Council's views relevant to the environmental regulation in the future electricity market in Hong Kong are highlighted below –

- (a) in addition to reliability, safety and efficiency of electricity supply, the Council was concerned about how the future regulatory regime could help improve the environment, in particular air quality, as there was a close relationship between power generation and air quality;
- (b) the Council was very supportive of facilitating the use and further development of renewable energy for electricity generation;
- (c) the Council urged the Government to pursue a long-term sustainable strategy and roadmap for the electricity market through various means, such as demand side management, energy fuel mix, rates of return, enhancement of energy efficiency and public education, to achieve minimal environmental impact;
- (d) the Council was supportive of the principle that the proposed rates of return should be performance-based which could help drive the power companies to minimize environmental impacts caused by electricity generation; and
- (e) the Council was supportive of imposing emission caps on major pollutants when renewing the licences of individual power plants. This would enable Hong Kong to achieve the emission reduction targets as agreed with the Guangdong Provincial Government with a view to improving the regional air quality.