NUCLEAR POWER AND HONG KONG

Submission to the Legislative Council Panel on Environmental Affairs Special Meeting on 29 April 2011







THE LEGISLATIVE COUNCIL PANEL ON ENVIRONMENTAL AFFAIRS

SPECIAL MEETING ON IMPACTS OF THE DEVELOPMENT OF NUCLEAR ENERGY FOR LOCAL POWER GENERATION ON HONG KONG, 29 APRIL 2011

BACKGROUND

In response to the invitation of Hon CHAN Hak-kan, Chairman of the Panel on Environmental Affairs of the Legislative Council, The Climate Group would like to provide our views on the implications of the Fukushima catastrophe to Hong Kong, and the energy options available for Hong Kong, as follows.

IMPLICATIONS OF FUKUSHIMA CATASTROPHE TO HONG KONG

- The widespread panics in Hong Kong highlight the lack of understanding on nuclear energy and its associated risks by the public. Currently society is not well informed on the safety measures and performance of nearby nuclear plants, treatment and potential hazards of nuclear wastes, and reactions to different levels of nuclear accidents. The HKSAR Government should work with stakeholders (e.g. power companies, safety committees, Guangdong government) to enhance transparency and public awareness on such issues.
- Public concern on the safety of nuclear energy has soared in Hong Kong (as in other parts of the world) after the Fukushima crisis, and society's views on nuclear energy may have changed. The Government should gather the latest consensus from key stakeholders and the public before setting the roadmap for future nuclear power deployment in Hong Kong.
- As the situation in Fukushima evolves, the global nuclear industry will be transformed in a number of ways, especially in safety aspects¹. This may result in increased costs of future nuclear power (such as due to enhanced infrastructure and stricter operational requirements). The Government should reassess the full costs of nuclear power for informed public decision.

¹ For instance, Germany is considering early retirement of existing nuclear assets; Switzerland has hold plans for new nuclear plants; China has suspended licensing new projects and imposed more stringent safety standards on plants under construction and in operation.



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EVALUATING ENERGY OPTIONS

- The more we invest in energy efficiency (much of which is net zero cost even if sometimes formidable barriers exist) the fewer new power plants, nuclear, coal or otherwise we have to build and pro rate the lower aggregate risk associated with them. Energy efficiency must have a higher priority. The Climate Group had made recommendations on energy efficiency measures in its Response to Hong Kong's Climate Change Strategy and Action Agenda Consultation Document²,
- The Fukushima and Deepwater Horizon disasters highlight the need for more prudent analyses of the risks and costs of different ways of providing energy. By understanding all the costs, large scale renewable energy is likely to be seen to be of much better value than it is currently in terms of providing secure energy as well as addressing health, safety, environmental and global climate concerns.
- When overt or covert **subsidies** are involved it is important that these be **transparent and clearly understood** so the right policy choices can be made.
- A broader energy mix is likely to increase energy security and reduce the risk of major incidents having a huge impact on energy supply. We need to diversify supply and generate as much energy as possible locally.

 Renewable energy in particular can be generated locally and has significantly less safety risks. Its cost of generation is also coming down, making it a much better long term prospect for the planet.
- Land availability is one of the key limitations in Hong Kong regarding the development of large-scale renewable energy projects. Hong Kong could consider establishing renewable energy power plants within Guangdong Province, using similar model for imported nuclear power from Daya Bay.
- A **smart grid** will enable us to use energy more efficiently, bring more renewable energy into the mix and increase security of supply and as such should be an immediate investment priority.

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² The Climate Group, 2010. Response to **Hong Kong's Climate Change Strategy and Action Agenda** Consultation Document http://theclimategroup.org/_assets/files/TCGs-Response-to-HKs-CC-Strategy.pdf





ABOUT THE CLIMATE GROUP

WHO WE ARE

The Climate Group (www.theclimategroup.org) is an independent, not-for-profit organization working internationally with government and business leaders to advance the smart policies, technologies and finance needed to cut global emissions and unlock a clean industrial revolution. Our global coalition of companies, states, regions and cities around the world recognizes the economic and environmental imperatives of taking decisive action now. The Climate Group was founded in 2004 and has operations in Australia, China, Europe, India and North America.

The Climate Group is registered in Hong Kong as The Climate Group (Hong Kong) Limited, Charity Registration Number: 91/9162.

WHAT WE DO

The Climate Group spurs the world's most powerful decision-makers into action. These people have the ability to create the financial mechanisms and policy incentives that are needed to rapidly end our dependency on fossil fuels and create a clean industrial revolution.

OUR PROGRAMS

To achieve a Clean Revolution, we inspire business and government leaders to take concrete action in support of a radical low carbon transformation. To help scale-up clean technologies, we must first overcome the range of challenges that all new technologies face, including: awareness of their potential; acceptance of their 'real world' performance; availability on the market; and the appropriate financial mechanisms and policy support required for them to reach scale. We are working with our Partners to transform global markets for LED street-lighting, electric vehicles, ICT, clean power and sustainable packaging. We've targeted these technologies because they have the greatest potential to make the kind of dramatic cuts in greenhouse gas emissions we need to succeed. And they're ripe and ready for market right now — as long as we can create smart policy incentives and raise the right investment.

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