### 立法會 Legislative Council

LC Paper No. CB(3) 296/11-12

Ref : CB(3)/M/MM

Tel: 3919 3300

Date: 5 January 2012

From: Clerk to the Legislative Council

To : All Members of the Legislative Council

#### **Council meeting of 18 January 2012**

## Motion on "Creating a sustainable and open electricity market"

Hon Audrey EU has given notice to move the attached motion on "Creating a sustainable and open electricity market" at the Council meeting of 18 January 2012. The President has directed that "it be printed in the terms in which it was handed in" on the Agenda of the Council.

(Mrs Justina LAM) for Clerk to the Legislative Council

Encl.

#### (Translation)

# Motion on "Creating a sustainable and open electricity market" to be moved by Hon Audrey EU at the Council meeting of 18 January 2012

#### **Wording of the Motion**

That, given that the Government's signing of the 10-year Scheme of Control Agreements ('SCAs') with the two power companies in 2008 has extended the monopolization of the electricity market by the two power companies and sowed the seed of misfortune that the two power companies can persistently and significantly increase tariffs to 'maximize profits' regardless of public sentiments, for the well-being of the public, this Council urges the Government to:

- (a) require the two power companies to exhaust all room for tariff reduction, so as to lower the rates of tariff increase this year to the lowest levels;
- (b) immediately activate the mechanism for interim reviews, and make public the relevant information and accounts, so as to facilitate public participation;
- (c) launch a review of the two power companies' development plans in accordance with the provisions of SCAs, increase the transparency of the development plans, and require the two power companies to revise their investment plans, revalue their assets, compress costs and rationalize their accounts;
- (d) expeditiously materialize the interconnection between the networks of the two power companies and segregation of the generation sector from the network sector, and introduce third parties to bid for the supply of electricity grids;
- (e) encourage the development of distributed renewable energy power generation facilities and networks, and provide technical support and concessions for connection to electricity grids; and
- (f) adopt all measures to create a low-carbon electricity market which promotes sustainable development and operates with greater competition, openness and fairness, so as to break new grounds in the electricity market.