辽法曾 Legislative Council

LC Paper No. CB(1) 638/11-12 (These minutes have been seen by the Administration)

Ref: CB1/PS/3/08/1

Panel on Environmental Affairs

Subcommittee on Improving Air Quality

Minutes of meeting held on Thursday, 24 November 2011, at 8:30 am in Conference Room 2B of the Legislative Council Complex

Members present Hon Audrey EU Yuet-mee, SC, JP (Chairman)

Hon Miriam LAU Kin-yee, GBS, JP

Hon KAM Nai-wai, MH Hon Cyd HO Sau-lan Hon CHAN Kin-por, JP Hon Tanya CHAN

Members attending: Hon WONG Kwok-hing, MH

Hon IP Wai-ming, MH

Members absent Hon LEE Wing-tat

Hon CHAN Hak-kan

Public officers

attending

: For item III

Dr Kitty POON

Under Secretary for the Environment

Mr Carlson K S CHAN

Deputy Director of Environmental Protection (3)

Environmental Protection Department

Mr MOK Wai-chuen

Assistant Director (Air Policy)

Environmental Protection Department

Mr Edmond HO

Principal Environmental Protection Officer (Mobile

Source Control)

Environmental Protection Department

Clerk in attendance: Miss Becky YU

Chief Council Secretary (1)1

Staff in attendance : Mrs Mary TANG

Senior Council Secretary (1)1

Miss Jacqueline CHUNG Council Secretary (1)1

I. Election of Chairman (if required)

Ms Audrey EU, Chairman in office, advised that according to the existing practice, it was for the Subcommittee to decide whether re-election of Chairman was necessary. Ms Cyd Ho opined that re-election was not necessary. Other members did not raise objection to the proposal that Ms Audrey EU should remain as the Chairman of the Subcommittee for the 2011-2012 session.

II. Items for discussion at next meeting

(LC Paper No. CB(1) 394/11-12 (01) — List of issues suggested to be considered)

- 2. <u>Members</u> agreed that the next meeting would be held on Friday, 6 January 2012, at 8:30 am to discuss the subject of "Retrofitting of separate air-conditioning system for vehicles while engines are switched off".
- 3. The Administration was requested to -
 - (a) provide an updated information paper on the progress of measures under the Pearl River Delta Regional Air Quality Management Plan, with particular reference to the post-2010 arrangements for emission reduction in the PRD Region; and
 - (b) advise the time frame for updating the air quality objectives, given that the Chief Executive had explicitly stated in the 2011-2012 Policy Address that these would be updated within his existing term of office.

III. Expanding the liquefied petroleum gas filling network

(LC Paper No. CB(1) 394/11-12(02) — Administration's paper on a proposal to expand the liquefied petroleum gas filling network)

- 4. The Subcommittee deliberated (Index of proceedings attached in **Annex**).
- 5. The <u>Administration</u> was requested to -
 - (a) confirm whether it was the Administration's stance to cease provision of dedicated LPG filling stations. If so, how the Administration could resolve the queuing problem at dedicated LPG filling stations due to the difference in price of LPG between dedicated and non-dedicated LPG filling stations. To bridge the price gap, consideration could be given to waiving the land premium for the proposed 25% filling nozzles for LPG to be provided at non-dedicated LPG filling stations. If not, the Environment Bureau should endeavour to identify more suitable sites for dedicated LPG filling stations in new development areas, such as Hung Shui Kiu and Kwu Tung, in consultation with the Development Bureau;
 - (b) provide a table setting out the distribution and time frame for delivery of some 500 LPG filling nozzles under the proposed plan to expand the LPG filling network;
 - (c) advise the utility rates of LPG filling nozzles at non-dedicated LPG filling stations. To also advise whether the increase in LPG facilities in non-dedicated LPG filling stations would affect other non-LPG vehicle users;
 - (d) ensure seamless transition in re-tendering of old sites of petrol-cum-LPG filling stations upon expiry of the current land leases to ensure continued supply of LPG. Consideration could be given to advancing the tendering exercise. Effort should also be made to minimize any undue disruption to LPG supply during cleansing of oil tanks;
 - (e) ensure sufficient supply of parking spaces for commercial vehicles in the replacement site upon relocation of the car-park at Fung Mat Road if the latter was released for use as a petrol-cum-LPG filling station. Consideration should be given to formulating a policy on provision of parking spaces for commercial vehicles (including

goods vehicles and coaches) to resolve the problem; and

- (f) provide a corrigendum to paragraph 15 of the Administration's paper clarifying that there are different views on the provision of a petrol-cum-LPG filling station near to the Tai Po Industrial Estate.
- 6. To gauge public views on measures to improve liquefied petroleum gas filling services, <u>members</u> agreed to hold a meeting in December 2011 or January 2012 to receive views from interested parties, including the trades and oil companies.

(*Post-meeting note*: With the concurrence of the Chairman, the meeting to receive views from deputations would be held on Tuesday, 17 January 2012, at 8:30 am. Notice of meeting was issued to members vide LC Paper No. CB(1) 455/11-12 on 25 November 2011.)

IV. Any other business

7. There being no other business, the meeting ended at 10:14 am.

Council Business Division 1
<u>Legislative Council Secretariat</u>
15 December 2011

Panel on Environmental Affairs

Subcommittee on Improving Air Quality

Proceedings of the meeting on Thursday, 24 November 2011, at 8:30 am in Conference Room 2B of the Legislative Council Complex

Time marker	Speaker	Subject(s)	Action required		
Agenda Item I - E	Agenda Item I - Election of Chairman (if required)				
000222 - 000314	Ms Audrey EU Ms Cyd HO Mr IP Wai-ming	It was agreed that re-election was not necessary, and that Ms Audrey EU would remain as Chairman of the Subcommittee for the 2011-2012 legislative session.			
Agenda Item II - I	tems for discussion at next	t meeting			
000315 - 000326	Chairman	It was agreed that the next meeting would be held on 6 January 2012 to discuss the subject of "Retrofitting of separate air-conditioning (A/C) system for vehicles while engines are switched off".			
000327 - 001026	Ms Miriam LAU Administration Chairman	 (a) as the Motor Vehicle Idling (Fixed Penalty) Ordinance would come into operation on 15 December 2011, there was a need to ensure the availability of sufficient suitable A/C systems in the market for retrofitting by summer next year; (b) given that various A/C systems were already available in the market, including those developed by the Hong Kong Productivity Council (HKPC) and Hong Kong Polytechnic University, it would be more desirable for the Administration to recommend the most suitable systems for use by the transport trades; and (c) demonstration would be useful to facilitate members' understanding on the impacts of retrofitting of A/C systems on vehicles. 			

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		Administration's response that HKPC had developed an A/C system with government subsidy. Information on the A/C system would be provided in due course. Demonstration could be also arranged if considered necessary.	
001027 - 001549	Chairman	Chairman's enquiries -	The Administration
	Ms Miriam LAU Administration	 (a) the progress of measures under the Pearl River Delta (PRD) Regional Air Quality Management Plan, with particular reference to the post-2010 arrangements for emission reduction in the PRD Region; and (b) the time frame for updating the air quality objectives (AQO), given that the Chief Executive (CE) has explicitly stated in the 2011-2012 Policy Address that these would be updated within his existing term of office. Administration's response - (a) the Hong Kong Government and the Guangdong Provincial Government were conducting a final assessment of the delivery of the 2010 emission reduction targets. The two sides were also actively undertaking a study on the post-2010 arrangements for emission reduction in the PRD Region, which was aimed for completion by the end 2011/early 2012; and (b) it was considering the best way forward to update AQO with a view to putting forward a proposal for discussion by the Panel on Environmental Affairs within the current term of the Government. 	(a) provide an updated information paper on the progress of measures under the PRD Regional Air Quality Management Plan, with particular reference to the post-2010 arrangements for emission reduction in the PRD Region; and (b) advise the time frame for updating the AQO, given that CE had explicitly stated in the 2011-2012 Policy Address that these would be updated within his existing term of office.
001550 - 001904	Mr KAM Nai-wai Chairman Miss Tanya CHAN Administration	Mr KAM Nai-wai's dissatisfaction on the delay in updating AQO by the Administration. To facilitate members' understanding, the	

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		Administration was requested to provide an updated information paper on the progress of review of AQO. Miss Tanya CHAN's views that the papers requested by both the Chairman and Mr KAM Nai-wai should be provided before the next meeting in January 2012.	
Agenda Item III -	 Expanding the liquefied po	 etroleum gas filling network	
001905 - 001952	Chairman	Chairman's remarks that the subject of "A Proposal to Expand the LPG Filling Network" (LC Paper No. CB(1) 394/11-12(02)) was taken up by the Subcommittee because it formed part of the package of measures to improve air quality.	
001953 - 002601	Mr IP Wai-ming Administration	Mr IP Wai-ming's views - (a) the taxi and public light bus (PLB) trades had repeatedly requested for the setting up of more dedicated LPG filling stations; (b) whether it was the Administration's stance to cease provision of dedicated LPG filling stations; and (c) time frame for delivery of the proposed filling stations in Fung Mat Road and Tin Wan. Administration's response - (a) it had been the Administration's policy to rely on non-dedicated LPG filling stations to further expand the LPG filling network for better convenience to drivers of LPG vehicles, and avoidance of traffic congestion caused by LPG vehicles converging to dedicated LPG filling stations for refilling; (b) LPG filling nozzles currently accounted for about 17% of the total number of filling nozzles in all non-dedicated LPG stations.	The Administration to confirm whether it was their stance to cease provision of dedicated LPG filling stations.

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		To improve the overall provision of LPG filling facilities, it was recommended that a minimum requirement for LPG filling facilities at 25% of the nozzles should be stipulated in the tender conditions of new sites and old sites for petrol-cum-LPG stations, subject to fulfillment of the necessary safety requirements. It was expected that the total number of LPG filling nozzles in all petrol-cum-LPG stations would be increased from 444 to some 500 in 2018; and	
		(c) relevant District Councils (DCs) would be consulted on the proposed setting up of petrol-cum-LPG filling stations at the two potential sites. Given that the site at Fung Mat Road was located close to the harbourfront area, the Harbourfront Commission's Task Force on Harbourfront Developments on Hong Kong Island (HKTF) would also be consulted.	
002602 - 003049	Miss Tanya CHAN Administration	 (a) it might not be practicable to request the taxi and PLB trades to stagger their refilling hours; (b) how the Administration could resolve the queuing problem at dedicated LPG filling stations due to the difference in price of LPG between dedicated and non-dedicated LPG filling stations; and (c) need to ensure seamless transition in re-tendering of old sites of petrol-cum-LPG filling stations upon expiry of the current land lease to ensure continued supply of LPG. Consideration could be given to advancing the tendering exercise; and 	The Administration to - (a) advise how to resolve the queuing problem at dedicated LPG filling stations due to the difference in price of LPG between dedicated and non-dedicated LPG filling stations; and (b) ensure seamless transition in re-tendering of old sites of petrol-cum-LPG

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		 (d) effort should be made to minimize any undue disruption to LPG supply during cleansing of oil tanks. Administration's response - (a) there were now a total of 62 LPG filling stations, including 12 dedicated and 50 non-dedicated stations, providing a total of 444 LPG filling nozzles. It was the Administration's intention to expand the LPG filling network to about 500 LPG filling nozzles by 2018; (b) the suggestion of advancing the tendering exercise would be relayed to the Lands Department (LandsD) which was responsible for land issues; and (c) suspension of filling service during maintenance and repair of oil tanks (which took place every 10 years) was inevitable for safety reasons. The Administration would apprise the taxi and PLB trades in advance so that alternative filling arrangements could be made. It would also maintain close liaison with oil companies to ensure timely completion of maintenance of oil tanks. 	filling stations upon expiry of the current land leases to ensure continued supply of LPG. Consideration could be given to advancing the tendering exercise. Effort should also be made to minimize any undue disruption to LPG supply during cleansing of oil tanks.
003050 - 004040	Mr WONG Kwok-hing Chairman	Mr WONG Kwok-hing's views - (a) the taxi and PLB trades were highly dissatisfied with the queuing problem at dedicated LPG filling stations during peak hours as evidenced in the filling stations at Marsh Road in Wan Chai. They asked for more dedicated LPG filling stations due to the difference in price of LPG between dedicated and non-dedicated LPG filling stations; and	

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		(b) need to invite deputations to give views on the proposal. Chairman's concerns about the propriety of inviting deputations to give views on the proposal, particularly on the potential sites for petrol-cum-LPG filling stations, when the relevant DCs had yet to be consulted. Consideration could be given to inviting deputations to express views on the more general issue on measures to improve LPG refilling services.	
004041 - 004131	Mr KAM Nai-wai Chairman	Mr KAM Nai-wai's view that it would be better for deputations to be invited to express their views after the Administration had consulted the relevant DCs on the proposal.	
004132 - 004246	Mr IP Wai-ming Chairman	Mr IP Wai-ming's view that deputations should be invited to express their views without awaiting the outcome of consultation with DCs.	
004247 - 004430	Ms Miriam LAU Chairman	Ms Miriam LAU's view that deputations could be invited to express their views on LPG filling services, while discussion on the potential sites for petrol-cum-LPG filling stations should be left for the relevant DCs.	
004431 - 004617	Mr KAM Nai-wai Chairman Administration	Mr KAM Nai-wai's views - (a) while not objecting to invite deputations to express their views, it was worth noting that the situation might be worsen if DCs refused to support the provision of petro-cum-LPG filling stations at the potential sites; and (b) the crux of the queuing problem was the price gap between dedicated and non-dedicated LPG filling stations.	
		Administration's response that it would endeavour to consult the relevant DCs as soon as practicable. However, a	

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		concrete consultation time-table had yet to be worked out.	
004618 - 004911	Mr WONG Kwok-hing Chairman Ms Cyd HO	Mr WONG Kwok-hing's view that a meeting to meet with deputations should be arranged as early as possible.	
		Ms Cyd Ho's suggestion of holding a meeting in December 2011 to meet with deputations.	
		Chairman's remark that consideration could be given to including the subject at the next meeting on 6 January 2012, or holding a separate meeting in December 2011 or January 2012 to allow sufficient time for discussion.	
004912 - 005512	Mr CHAN Kin-por Administration	Mr CHAN Kin-por's views/enquiries - (a) the policy to rely on non-dedicated LPG filling stations to further expand the LPG filling network was a step in the right direction. However, there was a need to bridge the price gap of LPG between dedicated and non-dedicated LPG filling stations; (b) should provide more economic incentives to encourage drivers to refill LPG outside peak hours so as to optimize the use of available resources; (c) utility rates of LPG filling nozzles at non-dedicated LPG filling stations; and (d) necessary to invite deputations to give views on the measures to improve LPG refilling services. Administration's response - (a) to encourage the replacement of diesel taxis with LPG ones, the Administration had kicked start the formation of a LPG filling network with the setting up of dedicated	The Administration to advise the utility rates of LPG filling nozzles at non-dedicated LPG filling stations.

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		LPG filling stations at strategic locations. As these stations were operated on sites free of land premium, their LPG retail prices were capped by a pricing formula. Non-dedicated LPG filling stations however were operated on full commercial principles;	
		(b) an oil company had offered discounted LPG retail prices to encourage drivers to refill their LPG vehicles outside peak hours but without much success; and	
		(c) at present, about 60-70% of LPG vehicles would refill at dedicated LPG filling stations while the remaining 30-40% at non-dedicated LPG filling stations.	
005513 - 010235	Ms Miriam LAU Chairman Administration	Ms Miriam LAU's concerns - (a) the reference to a suggestion of finding a suitable site for setting up a petrol-cum-LPG filling station near to Tai Po Industrial Estate in paragraph 15 of the Administration's paper might not reflect the truth as she and the taxi trade had only suggested the setting up a new dedicated LPG filling station and not a petrol-cum-LPG station at the said location;	The Administration to consider waiving the land premium for the proposed 25% filling nozzles for LPG to be provided at non-dedicated LPG filling stations.
		(b) the taxi and PLB trades had all along been concerned about the supply, quality and price of LPG. They had also repeatedly requested for the provision of more dedicated LPG filling stations to resolve the queuing problem due to the LPG price difference between dedicated and non-dedicated stations; and	
		(c) to bridge the price gap, consideration could be given to waiving the land premium for the proposed 25% filling nozzles for LPG to be provided at non-dedicated LPG filling stations.	

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		Administration's response - (a) there were diverse views (from both Members and the trades) on the provision of a new petrol-cum-LPG filling station near to the Tai Po Industrial Estate; and (b) different pricing mechanisms were adopted by dedicated and non-dedicated LPG filling stations.	
010236 - 010647	Mr KAM Nai-wai Chairman	Mr KAM Nai-wai's view/request - (a) the Administration failed to resolve the queuing problem at source which was due to the difference in LPG price between dedicated and non-dedicated stations; and (b) the Administration to provide a paper to respond to members' concerns.	
010648 - 011217	Ms Cyd HO Administration Ms Miriam LAU	Ms Cyd Ho's views that the Administration should - (a) provide a corrigendum to paragraph 15 clarifying that there were different views on the provision of a petrol-cum-LPG filling station near to the Tai Po Industrial Estate; and (b) monitor the quality of LPG which remained a major concern of the taxi and PLB trades. Administration's response - (a) since the stalling incidents of LPG vehicle in early 2010, the Electrical Mechanical Services Department (EMSD) had strengthened and would continue their inspections on the quality of LPG at different LPG filling stations; and (b) from 2010 to mid-2011, there was only one non-compliant case, where improper ratio of octane and propane in LPG was found.	The Administration to provide a corrigendum to paragraph 15 of the Administration's paper clarifying that there were different views on the provision of a petrol-cum-LPG filling station near to the Tai Po Industrial Estate.

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011218 - 011719	Chairman Administration	Chairman's views/enquiries - (a) whether the two potential sites for petrol-cum-LPG filling stations would affect harbourfront development; (b) residents and the Central and Western District DC might not support the provision of a petrol-cum-LPG filling station at the proposed site after the relocation of the temporary carpark at Fung Mat Road; and (c) need to ensure sufficient supply of parking spaces for commercial vehicles in the replacement site upon relocation of the carpark at Fung Mat Road if the latter was released for use as a petrol-cum-LPG filling station. Consideration should be given to formulating a policy on provision of parking spaces for commercial vehicles (including goods vehicles and coaches) to resolve the problem. Administration's response - (a) the proposed site at Fung Mat Road was currently used as a temporary fee-paying carpark for commercial vehicles under a short-term tenancy arrangement. According to the Development Bureau (DEVB), the site was not directly facing the harbour but located close to the harbourfront area. Hence, HKTF would be consulted on the proposal; and (b) the proposed site at Tin Wan in Southern District fell outside the scope of harbourfront development, and was currently used as a temporary works area.	The Administration to ensure sufficient supply of parking spaces for commercial vehicles in the replacement site upon relocation of the carpark at Fung Mat Road if the latter was released for use as a petrol-cum-LPG filling station. Consideration should be given to formulating a policy on provision of parking spaces for commercial vehicles (including goods vehicles and coaches) to resolve the problem.

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011720 - 012538	Mr IP Wai-ming Chairman Administration	Mr IP Wai-ming's views/enquiries - (a) the price difference between dedicated and non-dedicated LPG filling stations would affect the operation of the taxi and PLB trades, particularly when the LPG retail price at non-dedicated stations was not subject to any control; (b) views of oil companies should be sought on the minimum requirement for LPG filling facilities at 25% of the nozzles; and (c) whether the increase in LPG facilities in non-dedicated LPG filling stations would affect other non-LPG vehicle users. Administration's response - (a) the oil companies did not object to the proposal but cautioned about the potential impact of the proposal on the provision of filling services to petrol and diesel users; (b) when compared with the current LPG filling facilities at 17% of the nozzles in all petrol-cum-LPG stations, the proposed increase to 25% was not drastic and the impact on petrol and diesel users would be minimal; (c) the minimum requirement for LPG filling facilities at 25% of the nozzles would be subject to fulfillment of the necessary safety requirements and technical feasibility of the sites concerned. Of the 180 petrol filling stations, about 110 were found not suitable for providing LPG filling services due to safety and practicability reasons. Among the remaining 70 petrol filling stations, about 50 of them were already equipped to provide LPG filling services.	The Administration to - (a) provide a table setting out the distribution and time frame for delivery of some 500 LPG filling nozzles under the proposed plan to expand the LPG filling network; and (b) advise whether the increase in LPG facilities in non-dedicated LPG filling stations would affect other non-LPG vehicle users.

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		Chairman's remarks - (a) the Administration to provide a table setting out the distribution and time frame for delivery of some 500 LPG filling nozzles under the proposed plan to expand the LPG filling network; and (b) representatives from LandsD, EMSD, Transport Department and oil companies should be invited to attend the upcoming meeting to discuss measures to improve the LPG refilling services.	
012539 - 013216	Mr WONG Kwok-hing Chairman Administration	 (a) the proposal to expand the LPG filling network as set out in paragraphs 9 to 16 of Administration's paper did not address the repeated requests for dedicated LPG filling stations by the taxi and PLB trades; (b) the Administration should seriously consider waiving the land premium for LPG filling nozzles provided at non-dedicated LPG filling stations; and (c) the Environment Bureau (ENB) should endeavour to identify more suitable sites for dedicated LPG filling stations in new development areas, such as Hung Shui Kiu and Kwu Tung, in consultation with DEVB. Administration's response that ENB would maintain close liaison with DEVB on expansion of the LPG filling network in new development areas. 	ENB should endeavour to identify more suitable sites for dedicated LPG filling stations in new development areas, such as Hung Shui Kiu and Kwu Tung, in consultation with DEVB.
013217 - 013934	Ms Miriam LAU Administration	Ms Miriam LAU's view/request - (a) the proposal failed to address the taxi and PLB trades' concerns on LPG refilling services; and	

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		(b) an equivalent number of parking spaces for goods vehicles and coaches should be provided at the replacement site underneath Connaught Road West flyover at Eastern Street upon relocation of the temporary carpark at Fung Mat Road.	
		Administration's advice that detailed design of the replacement site had yet to be worked out. Relevant DCs, Task Force on Harbourfront Developments on Hong Kong Island and transport trades would be consulted on the proposal, including the replacement site.	
013935 - 014213	Ms Cyd HO	 (a) as the replacement site for parking of goods vehicles and coaches was required for drivers' convenience, they should be invited to give views during the consultation with the Central and Western DC on the provision of a petrol-cum-LPG filling station at Fung Mat Road; and (b) consideration should be given to providing recreational facilities as betterment for the setting up a petrol-cum-LPG filling station at Tin Wan, Southern District. 	
014214 - 014349	Chairman Administration	It was agreed that deputations should be invited to give views on measures to improve liquefied petroleum gas filling services.	

Council Business Division 1 <u>Legislative Council Secretariat</u> 15 December 2011