



香港食品及飲品行業總會

Chamber of Food & Beverage Industry of Hong Kong

5th May 2014

Panel on Economic Development
Legislative Council
Legislative Council Complex
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Hong Kong

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Dear Chairman and Members of Economic Development Panel,

To us, practitioners of Food and Beverage Industry in Hong Kong, reliable electricity at a reasonable cost is crucial to the operation of our businesses and we urge for your consideration on this factor while deciding the right fuel mix for Hong Kong.

We are most concerned about the effect on cost and reliability if Option 1 was chosen. From the consultation paper issued, we see neither the related plan on the amount required for investment of supporting infrastructure, nor its impact on tariff. We need to ensure that there will be sufficient back-up capacity in Hong Kong too in case any supply shortage happens. Also, the actual fuel(s) to be used and emission control means for this grid purchase option are also unknown to us.

Food and Beverage is both a skilled and labour intensive industry with chefs and supporting labour for cleaning, food processing and customer relations, we share the view that it is important to retain skilled engineers as well as maintenance workers as it will be difficult to reverse our decision – we will then need to face the consequence of losing local professionals and possibly lower supply reliability!

For Option 2, we see that it will be similar to the current arrangement except with increased natural gas generation. Our only concern is tariff stability so we would suggest seeking a long term stable supply of natural gas at a reasonable price.

Lastly, we would recommend you to revisit your plan for other options in consideration of the above factors mentioned.

Yours sincerely,

Simon Wong
Chairman of Chamber of Food & Beverage Industry of HK