

**LEGISLATIVE COUNCIL  
PANEL ON ENVIRONMENTAL AFFAIRS**

**Response to Follow-up Action**

**Arising from Discussion at the Meeting on 17 July 2017**

**The follow-up action arising from the discussion at the meeting of 17 July 2017 on the Review of the Sixth Technical Memorandum for Allocation of Emission Allowances for Power Plants is as follow:**

**The Administration has to provide information on how the Administration has assessed whether the changes in the local electricity demand forecasts provided by the two power companies (i.e., Hongkong Electric Company Ltd. and CLP Power Hong Kong Ltd.) over the past few years are reasonable, including the factors and statistics that the Administration has considered, if any.**

**The Administration's response is set out below:**

In forecasting the electricity demand, the power companies would consider a host of factors, including economic growth forecast, population growth forecast, development of industrial and commercial sectors, development of large-scale infrastructure projects and ancillary facilities as well as historical trend of electricity demand, etc.. The power companies would also take into account the electricity demand of different customer categories (such as residential, industrial & commercial and government etc.) and the Government's energy efficiency policies and measures (including the "Energy Saving Plan for Hong Kong's Built Environment 2015~2025+", the full implementation of the Building Energy Efficiency Ordinance (Cap 610), Building Energy Efficiency Funding Schemes, Mandatory Energy Efficiency Labelling Scheme, etc.) in making their overall electricity demand forecasts.

The Government would make reference to various information in assessing the electricity demand forecasts provided by the power companies, including the independent electricity demand forecasts conducted by the independent energy consultant and the Government Economist, in order to review the data provided by the power companies to ensure that their electricity demand forecasts are reasonable. According to our records, the power companies' electricity demand forecasts in recent years are generally in line with the Government's assessment, and there are no significant differences between the power companies' electricity demand forecasts and the actual sales of electricity.

Environment Bureau  
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