立法會 Legislative Council

LC Paper No. CB(2)2573/99-00 (These minutes have been seen by the Administration and cleared with the Chairman)

Ref: CB2/PL/EA+TP

LegCo Panel on Environmental Affairs and LegCo Panel on Transport

Minutes of Joint Meeting held on Friday, 12 May 2000 at 10 am in the Chamber of the Legislative Council Building

Members Present

Panel on Environmental Affairs

Hon Christine LOH (Chairman)

Hon HUI Cheung-ching (Deputy Chairman)

* Ir Dr Hon Raymond HO Chung-tai, JP

Hon Fred LI Wah-ming, JP

Pro Hon NG Ching-fai

Hon Ronald ARCULLI, JP

* Hon CHAN Wing-chan

Hon Mrs Sophie LEUNG LAU Yau-fun, JP

* Hon LAU Kong-wah

(Deputy Chairman of the LegCo Panel on Transport)

Hon Emily LAU Wai-hing, JP

Hon CHOY So-vuk

* Hon Andrew CHENG Kar-foo

Hon LAW Chi-kwong, JP

* Dr Hon TANG Siu-tong, JP

Panel on Transport

+ Hon Mrs Miriam LAU Kin-yee, JP (Chairman)

Hon Edward HO Sing-tin, SBS, JP

Hon LEE Wing-tat

Hon LEE Kai-ming, SBS, JP

Hon CHAN Kam-lam

Hon Andrew WONG Wang-fat, JP Hon LAU Chin-shek, JP

(* Also members of the LegCo Panel on Transport)

(+ Also member of the LegCo Panel on Environmental Affairs)

Members Absent

Panel on Environmental Affairs

Hon Martin LEE Chu-ming, SC, JP

Hon Margaret NG

Hon CHEUNG Man-kwong Dr Hon LEONG Che-hung, JP

Hon WONG Yung-kan

Panel on Transport

Hon Albert HO Chun-yan

Hon Mrs Selina CHOW LIANG Shuk-yee, JP

Hon TAM Yiu-chung, GBS, JP

Hon FUNG Chi-kin

Members Attending Hon James TIEN Pei-chun, JP

Hon NG Leung-sing

Hon James TO Kun-sun Hon LEUNG Yiu-chung

Public Officers: Attending

Items III and IV

Mrs Lily YAM

Secretary for the Environment and Food

Mr Kim SALKELD

Deputy Secretary for the Environment and Food (B)

Mr Thomas CHOW

Deputy Secretary for the Environment and Food (C)

Mr Howard CHAN

Principal Assistant Secretary for the Environment and Food

Mr Rob LAW

Director of Environmental Protection

Mr TSE Chin-wan Assistant Director (Air), Environmental Protection Department

Miss Margaret FONG Deputy Secretary for Transport

Mrs Judy LI WU Kai-lok Assistant Commissioner (Ferry and Paratransit) Transport Department

Mr Thomas THUMB Assistant Commissioner (Transport Planning) Transport Department

Mr FU Tai-pun Chief Engineer/Gas Production & Supply Electrical and Mechanical Services Department

Mr WONG Sek-cheung Senior Engineer/Gas Systems Electrical and Mechanical Services Department

Item V

Mrs Lily YAM Secretary for the Environment and Food

Mr Kim SALKELD

Deputy Secretary for the Environment and Food (B)

Mr Thomas CHOW
Deputy Secretary for the Environment and Food (C)

Mr Howard CHAN
Principal Assistant Secretary for the Environment and Food

Mr Rob LAW
Director of Environmental Protection

Mr TSE Chin-wan Assistant Director (Air), Environmental Protection Department Miss Margaret FONG

Deputy Secretary for Transport

Mrs Judy LI WU Kai-lok

Assistant Commissioner (Ferry and Paratransit)

Transport Department

Mr Thomas THUMB

Assistant Commissioner (Transport Planning)

Transport Department

Clerk in : Mrs Constance LI

Attendance Chief Assistant Secretary (2) 2

Staff in : Mr Andy LAU

Attendance Chief Assistant Secretary (1) 2

Miss Betty MA

Senior Assistant Secretary (2) 1

I. Election of Chairman

Miss Christine LOH was elected Chairman of the joint meeting.

II. Information papers issued

[LegCo Brief Ref : EFB 9/55/01/127(2000) Pt. 3, LC Paper Nos. CB(1)1530/99-00, CB(1)1552/99-00 and CB(2)1909/99-00(01)]

- 2. <u>Members</u> noted the following four information papers provided by the Administration. <u>The Chairman</u> said that members could raise questions on the information papers.
 - (a) Legislative Council Brief issued by the Environmental and Food Bureau on resolution under section 12 of the Fixed Penalty (Criminal Proceedings) Ordinance to increase fixed penalty for smoky vehicles [EFB 9/55/01/127(2000) Pt. 3];
 - (b) Retrofitting Particulate Traps onto Pre-Euro Diesel Light Vehicles [CB(2)1909/99-00(01)];

- (c) Introduction of Emission Tests for Petrol and LPG Vehicles [CB(1)1530/99-00]; and
- (d) Proposed amendment to Air Pollution Control (Vehicle Design Standards) (Emission) Regulation and Air Pollution Control (Motor Vehicle Fuel) Regulation Euro III Emission Standards for New Motor Vehicles and Associated Motor Fuel Requirements [CB(1)1552/99-00].

III. Comprehensive Control of Vehicle Emissions - Progress Report [Paper No. CB(2)1948/99-00(01)]

- 3. At the Chairman's invitation, <u>Deputy Secretary for the Environment and Food (B)</u> (DS(EF)B) briefed the meeting on the Administration's progress report on the various measures to control vehicle emission. He said that the Administration had adopted a three-pronged strategy to improve air quality in Hong Kong for the protection of public health -
 - (a) to encourage vehicles on road to adopt better maintenance standards, use cleaner fuels and retrofit mitigation measures;
 - (b) to accelerate the pace of replacing old vehicles with cleaner vehicles by introducing liquefied petroleum gas (LPG) conversion programme and Euro emission standards for newly registered vehicles; and
 - (c) to explore ways to restrain the demand for road traffic, e.g. introduction of railway development programme.
- 4. <u>DS(EF)B</u> then briefed members on the following measures contemplated by the Administration to improve and control vehicle emissions -
 - (a) encouraging drivers of diesel vehicles to use ultra-low sulphur diesel (ULSD) as soon as possible;
 - (b) introducing incentives for the trial of new fuels or technologies, e.g. vehicles powered by natural gas, and electric motors;
 - (c) providing mitigation measures for existing vehicles on the road, e.g. retrofitting particulate traps for light diesel vehicles after securing funds from the Finance Committee;
 - (d) introducing petrol emission standards at a later stage;

- (e) strengthening the enforcement power of the Customs and Excise Department (C&ED) against use of illegal diesel by amending the Dutiable Commodities Ordinance; and
- (f) imposing higher maintenance standards for vehicles by extending emission tests and roadworthiness inspection to all commercial vehicles from September 2000.

Measures to tackle air pollution problems

Ultra-low sulphur diesel (ULSD)

- 5. Mrs Miriam LAU said that the transport industry welcomed the proposal to introduce ULSD but was disappointed that the trial was restricted to Government vehicles. The industry hoped that the trial of ULSD could be extended to different types of vehicles as early as possible. She also pointed out that according to overseas experience, the effectiveness of ULSD would be maximized when diesel catalyst was used simultaneously. Since the trial result of diesel catalyst would not be available until 2001, the industry was concerned whether the existing pre-Euro vehicles could be retrofitted with suitable diesel catalysts for switching to ULSD. The industry had also indicated concern about the price of ULSD.
- 6. <u>DS(EF)B</u> responded that a differential duty would be introduced so that ULSD could be sold at a competitive price in order to encourage drivers of diesel vehicles to switch to ULSD. The Administration was working out the details of the proposal. The supplier had also advised that there would be sufficient supply of ULSD in three to four months. He said that a number of companies had indicated interest to use ULSD and the trial scheme started with the Government fleet only because the Administration had entered contract with the supplier. The franchised bus companies would be asked to switch to ULSD, and the use of ULSD would be extended to all types of vehicles at a later stage.
- 7. On the effectiveness of diesel catalysts, <u>Assistant Director of Environmental Protection</u> (AD/EPD) said that the use of ULSD together with diesel catalysts could reduce particulate emissions by about 50% as revealed by some tests. Experience in the United Kingdom and Sweden also indicated that use of ULSD could reduce particulate emissions from vehicles by 10% and nitrogen oxides by 5%.

Incentives for cleaner vehicles

8. Mr LAU Kong-wah noted that hybrid vehicles could reduce emissions up to 50% when compared to diesel or petrol vehicles. He asked whether Government would consider introducing duty preferential scheme for hybrid

vehicles to encourage wider use, rather than emphasizing on penalties in controlling vehicle emissions.

9. <u>Secretary for the Environment and Food</u> (SEF) said that an incentive scheme for the use of cleaner vehicles was on the agenda of the Task Force which was set up to monitor the implementation of control measures pledged in the 1999 Policy Address and to consider other air pollution control initiatives. As regards hybrid vehicles, she said that only small hybrid cars were currently available in the local market of Japan. In response to the Chairman, <u>DS(EF)B</u> said that the United States were now studying the viability of introducing large hybrid vehicles. The Administration would keep a close watch on the research findings.

Cleaner alternatives for light vans and light goods vehicles

- 10. Mr LEUNG Yiu-chung said that most owners of light diesel vehicles were in support of the environmental improvement measures and would like to switch to LPG vans. However, some light diesel vehicle owners had difficulties in securing a loan for new LPG vans as their existing diesel vans were negative assets and Government did not offer any financial assistance in this respect. It appeared to him that Government did not have thorough understanding of the difficulties faced by the industry when introducing the control measures.
- 11. <u>DS(EF)B</u> referred members to the measures described in columns C and D in the Administration's progress report [CB(2)1948/99-00(01)]. He said that the Administration had studied the needs of the industry. The policy intention was to assist the industry to make more progress in switching to cleaner vehicles. As there were insufficient LPG filling stations at the moment, efforts were being made to increase the refilling capacity. Mitigation measures such as the use of particulate traps and diesel catalysts were also introduced to reduce particulate emissions as short term measures. Other cleaner alternatives such as ULSD, natural gas and hybrid vehicles were in the pipeline. <u>DS(EF)B</u> added that Government was in fact subsidizing the industry with incentive schemes and by imposing no duty on LPG. The Administration would provide more details on the switch programme for vehicles other than taxis in due course.
- 12. On the difficulties faced by the industry, <u>SEF</u> said that the Administration had carefully considered all relevant factors when introducing the control measures. The Administration had to strike a balance between protecting public health and reducing any adverse impact on the industry.
- 13. Mr Fred LI noted that particulate emissions could only be reduced by 5% if a 5-tonne light goods vehicle used ULSD together with particulate traps and EURO III engines. As the trial scheme of ULSD would only apply to Government vehicles initially, Mr Fred LI considered the progress for air quality

improvement too slow. Mr LI urged the Administration to address the problem of some 73 000 diesel light vans.

- 14. <u>DS(EF)B</u> clarified that the 5% reduction in particulate emissions was in relation to the total vehicle emissions. He pointed out that petrol alternative to diesel light vans was already available in the market and the Administration was discussing with manufacturers on the provision of petrol alternative to larger goods vehicles. Interim measures such as the use of ULSD, particulate traps and EURO III engines for new vehicles would also reduce particulate emissions.
- 15. Mr Fred LI reiterated that the Administration had not tackled the problem of diesel light vehicles. He pointed out that the crux of the problem was that the fuel price and maintenance costs of petrol vehicles were much higher than that for diesel vehicles. Moreover, EURO III engines were not compatible with diesel vehicles. He therefore had doubts on the effectiveness of the alternatives referred to by the Administration.
- 16. <u>DS(EF)B</u> responded that a multi-approach was adopted to control vehicle emissions. He believed that with the introduction of particulate traps, ULSD and diesel catalysts together with better maintenance of vehicles, it would bring about considerable improvements to air quality. Furthermore, the Administration would introduce legislation on mandatory installation of particulate traps and non-compliance could lead to non-renewal of vehicle licences.

Restraint on the number of vehicles and road use

- 17. <u>Miss Emily LAU</u> was disappointed that Government had no specific plan to restrain the number of vehicles and road use. She said that the All Party Clean Air Alliance Working Group had suggested two measures in this respect: to reduce overlapping bus routes through rationalization and to reduce private vehicle flow through the enhanced "park-and-ride" scheme. She urged the Administration to take a proactive attitude in implementing these measures.
- 18. Assistant Commissioner for Transport (Transport Planning) (AC/TD) said that since 1998, the Transport Department (TD) had rationalized some bus routes in congested areas on Hong Kong Island as a means to reduce air pollution, thus reducing the number of stops of buses in these areas by 2 000 per peak hour. Similar arrangements had been made in Kowloon and the New Territories to reduce the number of bus stoppings. A successful trial of the "park-and-ride" scheme had also been carried out in Sheung Shui, and the scheme would be extended to other districts subject to availability of sites near KCRC stations.
- 19. <u>SEF</u> supplemented that the Task Force would evaluate regularly the effectiveness of these improvement measures. She pointed out that reducing road use was more important than controlling the number of vehicles. As air

pollution was mainly caused by emissions of diesel vehicles which were mostly commercial or public vehicles, the Administration would carefully study the impact of restraining road use on the economy. She also appealed for Members' support of the proposal to rationalize bus routes at the district level. She would meet the Chairmen of 18 District Councils on 23 May 2000 to solicit their support for measures to reduce air pollution.

Strengthened enforcement

- 20. Mr LEE Wing-tat expressed concern about the sub-standard diesel brought into Hong Kong from the Mainland by cross-boundary traffic. As the sulphur content of such diesel was 10 times higher than the current standard in Hong Kong, he enquired what measures were being taken to tackle the problem of some 1.8 billion litres of diesel being brought into Hong Kong daily through cross-boundary traffic. He noted that SEF had met with the Mainland authorities to explore the feasibility of adopting uniform air quality and vehicle diesel standards. In this respect, Mr LEE stressed that Hong Kong's standards should not be lowered for the purpose of reaching an early agreement. He also urged the Administration to critically examine the suggestion of the All Party Clean Air Alliance Working Group regarding setting up duty-free diesel filling stations at the border.
- 21. <u>SEF</u> said that there was no intention to lower Hong Kong's standard on the sulphur content in diesel for the purpose of standardization. <u>DS(EF)B</u> advised that presently cross-boundary vehicles were allowed to fill their fuel tank with 300 litre of diesel when entering Hong Kong. It was illegal to bring in greater quantity of diesel or transfer the diesel to another vehicle. Responding to the Chairman's concern about enforcement difficulties, <u>DS(EF)B</u> said that the Administration had recently introduced amendments to the Dutiable Commodities Ordinance to strengthen the enforcement powers of C&ED against the use of illegal diesel. The Bill however did not deal with the amount of fuel permitted for bringing into Hong Kong. This would be followed up by the Task Force. As regards setting up duty-free diesel filling stations at the boundary, <u>SEF</u> said that the Administration would have to study the proposal in greater detail.
- 22. Mr LEE Wing-tat commented that the permissible limit of 300 litre of diesel was already too high considering the impact of the high sulphur content of such diesel on the air quality of Hong Kong. SEF assured members that Government was determined to introduce stringent control over the use of illicit diesel and that the matter would be pursued by the Task Force. She hoped members would support the passage of the Dutiable Commodities (Amendment) Bill 2000.

Proposal to increase fixed penalty on smoky vehicles

- 23. Mr CHAN Wing-chan said that professional drivers expressed concern about the proposal to increase fixed penalty on smoky vehicles. It would be unfair to these drivers if they were required to observe a stringent smoky emission standard in the absence of sufficient complementary measures. Mr CHAN urged the Administration to address the concerns of the transport industry before implementing the increased penalty.
- 24. <u>DS(EF)B</u> advised that the fixed penalty scheme had been in place for many years and that it was the responsibility of vehicle owners to maintain their vehicles properly in order to comply with the smoke and particulate standards. He added that after the introduction of chassis dynamometer smoke test in September 1999 and organisation of training courses for vehicle maintenance technicians, the passing rate of smoke test had improved significantly.
- 25. <u>SEF</u> supplemented that the legislative proposal on smoky vehicles was introduced after lengthy discussion in the Legislative Council (LegCo) and in the community. This proposal was also supported by the All Party Clean Air Alliance Working Group. Recently, there were also numerous complaints about the poor air quality in Hong Kong, calling for early action to control air pollution. Nevertheless, to allow sufficient time for drivers to improve maintenance of their vehicles, the proposed increase of the fixed penalty from \$450 to \$1,000 would only take effect from 1 December 2000.
- 26. Mr James TIEN said that many diesel light vehicles were used for commercial purpose and the owners normally relied on the drivers to inform them of the maintenance problems of the vehicles. Since owners of smoky vehicles would be held liable for the payment of fixed penalty, Mr TIEN suggested that a demerit points system should be introduced for drivers of smoky vehicles. The Administration should also ensure availability of quality maintenance service for vehicles before the increased fixed penalty took effect. DS(EF)B responded that the proposed demerit system for drivers could be studied by the Task Force. He pointed out, however, that the current thinking was to hold the owner of a vehicle responsible for the proper maintenance of his vehicle and the vehicle licence could be cancelled for failing to meet the emission standard. Mr James TIEN remarked that cancellation of vehicle licences was too harsh for vehicle owners.
- 27. Mr James TIEN requested the Administration to seriously consider the proposal put forward by the All Party Clean Air Alliance Working Group that there should be heavier penalty for repeated offenders. The Chairman urged the Administration to provide a response to the proposal before moving the Resolution on increased penalty for smoky vehicles in the Legislative Council on 31 May 2000. Otherwise, Members might consider moving amendments to the Resolution.

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- 28. <u>SEF</u> responded that the possibility of a stepped fixed penalty system was among the package of possible measures under consideration by the Administration.
- 29. <u>Miss CHOY So-yuk</u> expressed concern that some vehicle owners might not be able to have their vehicles properly repaired in time because of inadequate maintenance service to cope with the sudden upsurge in demand. As the increased penalty for smoky vehicles would take effect only two months after Government provided the grant for retrofitting particulate traps in October 2000, <u>Miss CHOY</u> enquired whether there would be exemptions from the fixed penalty scheme during the initial stage.
- 30. <u>DS(EF)B</u> responded that the Administration did not envisage any problems in the maintenance service and he saw no reason why exemption should be granted to vehicles not meeting the emission standard. He further clarified that while retrofitting diesel light vehicles with particulate traps could reduce particulate emissions, excess smoke emissions would only be prevented with proper vehicle maintenance.
- 31. <u>Mr LEE Wing-tat</u> opined that the protection of public health was of paramount importance and the proposal to increase fixed penalty for smoky vehicles should not be further delayed.

Emission test standards

- 32. <u>Mr CHAN Wing-chan</u> said that the industry was confused by the different smoke test standards adopted by the Environmental Protection Department (EPD) and TD. He therefore sought clarification on the current standards.
- 33. <u>AD/EPD</u> said that a uniform standard had been adopted by the enforcement agencies, i.e. the Police, TD and EPD to establish offences in relation to smoky vehicles running on the road. The different standards referred to by the industry was the maintenance standard for checking vehicle smoke emission after a repair. In the latter case, EPD had adopted a more stringent standard than TD, and the two departments were now discussing the adoption of a uniform standard for emission tests.
- 34. <u>The Chairman</u> expressed concern about the slow progress in the standardization of emission tests/standards and she urged the Administration to expedite action in this respect. <u>Mr James TIEN</u> echoed the same view. <u>SEF</u> responded that the Task Force would resolve the issue as soon as possible.

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Recommendations of All Party Clean Air Alliance Working Group

35. Mr Edward HO said that the All Party Clean Air Alliance Working Group

had put forward 16 recommendations to the Administration to improve air quality in Hong Kong. He inquired when the Administration would provide a response to the recommendations. <u>SEF</u> responded that there was a great deal of common ground in the measures proposed by the Administration and by the All Party Clean Air Alliance Working Group. Many of these measures had been incorporated in the comprehensive programme for the control of diesel vehicle emissions. <u>The Administration</u> would provide a response as soon as possible.

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Vehicle maintenance manuals

- 36. <u>Miss CHOY So-yuk</u> enquired about the progress in making vehicle maintenance manuals available to the public. <u>Principal Assistant Secretary for Environment and Food</u> (PAS(EF)) advised that the Motor Traders Association (MTA) had agreed to release the relevant parts of the vehicle service information related to the maintenance of smoky emissions. The Working Group on Vehicle Maintenance Services would discuss the detailed arrangement with the MTA in the next meeting of the Working Group. He stressed that the Administration maintained the position that all relevant vehicle maintenance information should be made available to the public.
- 37. Mrs Miriam LAU expressed disappointment with the slow progress made by the Working Group on Vehicle Maintenance Services (the Working Group) in improving vehicle maintenance. She said that the major problem faced by the vehicle maintenance trade was the lack of relevant information. She also inquired about the timetable for regulating vehicle maintenance standard.
- 38. <u>PAS(EF)</u> said that the Working Group was currently examining both the long term and short term improvement measures. It aimed at putting forward recommendations for the Administration's consideration in about 12 months' time.
- 39. Mrs Miriam LAU queried the rationale for putting forward the proposal to increase fixed penalty for smoky vehicles in the absence of a concrete timetable for releasing the relevant parts of the maintenance manuals. She had the impression that Government was unaware of the importance of complementary measures in controlling vehicle emissions. SEF pointed out that the Administration had provided information and rendered assistance to the vehicle maintenance industry including providing training to maintenance technicians. She said the Administration would continue discussion with the industry to resolve any outstanding issues.

Public health perspective

40. <u>Miss Emily LAU</u> said that reducing air pollution was very important in safeguarding public health. She considered that the Task Force should comprise representatives of the Health and Welfare Bureau (HWB) to provide input from

the public health perspective. <u>The Chairman</u> shared Miss LAU's concern. <u>SEF</u> said that representatives of relevant government bureaux/departments would be invited to attend meetings of the Task Force whenever necessary. <u>The Chairman</u> agreed with Miss Emily LAU that the HWB representative should be an active member of the Task Force, and that HWB should provide the joint Panels with information on the impact of vehicle emissions and poor air quality on public health.

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Supernumerary Deputy Secretary post

41. <u>Miss Emily LAU</u> sought information on the supernumerary Deputy Secretary (DS) post created for implementing air quality improvement measures. <u>SEF</u> responded that a supernumerary DS post had been created for six months initially under delegated authority. However, since the staff members responsible for air pollution matters in EFB were already overloaded, she envisaged that the supernumerary DS post would need to be retained for more than six months, and a proposal would shortly be submitted to the Establishment Subcommittee of the Finance Committee.

IV. Proposed incentive scheme for LPG taxis

[Paper No. CB(2)1948/99-00(02)]

Incentive scheme

- 42. <u>Mr James TIEN</u> remarked that the proposed one-off grant of \$40,000 was insufficient to assist taxi owners to switch to LPG vehicles. <u>Mr CHAN Wing-chan</u> shared similar concern, particularly because some diesel taxis were negative assets.
- 43. <u>Miss Emily LAU</u> referred to paragraph 5 of the information paper [CB(2)1948/99-00(02)] and asked what financial assistance would be provided to those taxi owners who had difficulty in obtaining a loan for the new LPG taxi because their existing diesel taxis were negative assets.
- 44. Mr LAU Kong-wah also asked whether the Administration would consider providing low interest loans to these taxi owners as suggested by All Party Clean Air Alliance Working Group.
- 45. Deputy Secretary for Environment and Food (C) (DS(EF)C) said that it was estimated that the annual operating costs of LPG taxis would be lowered by \$46,000 due to the cheaper fuel cost (about \$108 a day). DS(EF)B added that the number of diesel taxis which were negative assets had been reduced from around 4 000 some 18 months ago to about 2 000 at present. The financial institutions had advised that, in considering new loan applications, the lower operating costs of LPG taxi and the loan repayment ability of the owners would be taken into

account. The Administration therefore believed that a grant of \$40,000 and the lower operating costs for LPG taxi would provide sufficient incentive for drivers to switch to LPG taxis.

LPG refilling capacity

- 46. In response to members' concern about the insufficient refilling capacity for implementing the LPG taxi scheme, <u>SEF</u> said that the Administration had encountered some difficulties in the discussions with oil companies on retrofitting suitable existing petrol filling stations with LPG facilities. Given the limited demand for LPG and the high retrofitting costs, some oil companies had reservation about the viability of adding LPG facilities at their existing stations. On the proposal of providing financial assistance to oil companies to retrofit their stations with LPG facilities, <u>SEF</u> said that the Administration would need to assess the matter very carefully. It was estimated that the provision of duty-free LPG for some 18 000 LPG taxis would already mean an annual revenue loss of \$7 billion, while the proposed grant of \$40,000 for each diesel taxi replaced by an LPG one would cost \$0.72 billion. The need for reaching early agreement with oil companies would have to be balanced against the prudent use of public funds.
- 47. <u>Mr LAU Chin-shek</u> asked about the terms proposed by oil companies and the contingency measures if negotiations failed.
- 48. <u>SEF</u> responded that the Administration was determined to implement the improvement measures. In the event that agreement could not be reached with oil companies within a reasonable timeframe, the Administration would provide additional sites for use as dedicated LPG refilling stations. She hoped the districts concerned would support the location of sites for LPG refilling stations once they had been assessed as meeting the safety requirements. <u>PAS(EF)</u> added that it would not be appropriate to disclose details of the negotiation. Nevertheless, the principle was that no land premium would be charged for dedicated LPG filling stations, and incentive for the converted sites in the form of lease extension at nil premium. He stressed that the Administration was committed to providing a comprehensive LPG filling station network by the end of 2001.

Development of a LPG station network

49. <u>Mr CHAN Wing-chan</u> referred to a press report that three out of the four existing temporary LPG filling stations ran out of stock on the same day. <u>Mr CHAN</u> expressed concern about the measures to ensure adequate refilling capacity and whether the Administration could guarantee the provision of a LPG filling station network in accordance with the schedule set out in paragraph 9 of the Administration's paper.

- 50. PAS(EF) said that the Administration fully understood the difficulties faced by LPG taxi drivers in respect of the inadequate LPG refilling capacity at the moment. He explained that the recent shortage incident was due to the limited storage capacity of LPG tanks in the temporary filling stations. After discussing with the Administration, the oil companies undertook to increase the frequency of refilling the LPG tanks. However, in view of the limited storage capacity, LPG taxi drivers were encouraged to stagger their refilling schedules and avoid the peak hours during shift-change. On the long term measures, PAS(EF) advised that eight new LPG filling stations including three converted sites were now under construction. According to the oil companies concerned, one converted site would probably be ready for use in May 2000, and the other two by August 2000. Five of the new LPG filling stations would be large sites for exclusive use as LPG refilling stations by mid November this year. Administration would closely monitor the progress of these stations. Administration's target was to expand the capacity of the existing network and to provide adequate LPG refilling capacity for the entire taxi fleet by the end of 2001.
- 51. Mrs Miriam LAU queried why 12 instead of 26 LPG stations would be available by the end of 2000 according to the information paper. As 12 LPG stations could only serve 8 000 LPG taxis, she was concerned that the industry could not fully participate in the LPG taxi scheme without sufficient LPG refilling capacity and maintenance workshops. She requested the Administration to provide extra temporary sites or mobile filling stations. Mrs LAU also sought clarification on the basis of calculation of 7 920 vehicle filling capacity in paragraph 8 of the information paper [CB(2)1948/99-00(02)].

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- 52. PAS(EF) responded that the previous forecast of 26 LPG filling stations was derived on the basis of four existing temporary stations, five dedicated LPG stations and 17 stations to be converted from existing filling stations. However, after the award of the five dedicated LPG stations, some oil companies had revised their plans in view of the lower price for dedicated stations. As the Administration was discussing with the relevant oil companies on the conversion plan, the uncommitted converted sites were not included in the LPG filling station network at the moment. PAS(EF) added that additional sites would be tendered as dedicated LPG refilling stations in future if necessary.
- 53. On the provision of mobile LPG refilling sites, <u>Senior Engineer/Gas System</u>, <u>Electrical and Mechanical Services Department</u> (SE/EMSD) advised that the Administration would actively consider any such proposal with regard to the risk assessments.
- 54. Mr Andrew CHENG said the while Tai Po District Council (TPDC) supported the LPG taxi proposal, some TPDC members considered that a comprehensive implementation plan was lacking. He was worried that the Administration might be over-optimistic in the provision of the LPG refilling

stations. Referring to the Administration's paper provided to TPDC that the tenderer would be required to provide an assessment on the safety and transport arrangements for the proposed site, <u>Mr CHENG</u> queried the rationale for such arrangement as safety standards should be set by Government.

55. <u>PAS(EF)</u> said that the Administration was confident about the development programme of LPG refilling stations. As regards the tender procedures for LPG refilling stations, <u>PAS(EF)</u> clarified that EMSD would conduct the preliminary risk assessment and the tenderer would be required to complete further detailed assessment on the safety and transport aspects. The successful tenderer would have to put the LPG filling station into use within 270 days after publication of the tender result.

LPG vehicle maintenance workshops

56. In response to Mrs Miriam LAU, <u>SE/EMSD</u> said that there would be about 17 LPG vehicle maintenance workshops in use by the end of 2000. These included five existing workshops, five applications already approved for modification of existing facilities and seven applications under process. Furthermore, 14 maintenance workshops had been identified to be suitable for conversion though formal applications were awaited. The 17 LPG vehicle maintenance workshops should be able to meet the demand of about 8 000 LPG taxis. <u>SEF</u> added that as LPG vehicles were mostly new vehicles, there would be less demand for vehicle repair in the initial stage.

V. Control of idling vehicles

[Paper No. CB(2)1948/99-00(03)]

- 57. Mr James TIEN expressed support for the proposal to introduce control of idling engines. While there might be operational reasons for idling engines in some cases, he considered that drivers should be discouraged to leave their engines running simply for maintaining air-conditioning while waiting for passengers or during loading and unloading of goods. He urged the Administration to introduce the proposal as early as practicable starting with the Government fleet in the first stage.
- 58. <u>SEF</u> said that the Administration would welcome views and suggestions on measures to control idling engines. She added that drivers of Government vehicles were already required to switch off idling engines.
- 59. <u>DS(EF)C</u> supplemented that EPD had launched educational campaigns to promote the good habit of switching off engines while waiting. The Administration would work out details of the control programme after obtaining views from the industry and the public. The initial views were that no time limit should be set for idling engines, and that careful consideration should be given to

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enforcement, and the need for granting exemption to certain classes of vehicles should be based on operational requirements. The Administration would revert to the Panel on further recommendations.

- 60. <u>AC/TP</u> added that under the current arrangement with bus companies, a bus stationed at the bus terminal should have its engine switched off and the engine might be turned on three minutes before departure.
- 61. In view of the time constraint for further discussion of the subject, <u>the Chairman</u> advised that members could forward their views directly to the Administration after the meeting.
- 62. <u>Members</u> agreed to schedule another joint meeting for 23 May 2000 at 9 am to continue discussion on the comprehensive control of vehicle emissions. <u>Miss Emily LAU</u> suggested and <u>members</u> agreed to invite members of the Panel on Health Services and representatives of HWB to the meeting. <u>Mrs Miriam LAU</u> also suggested including "Retrofitting particulate traps onto Euro I and II vehicles" in the agenda of the next meeting.
- 63. There being no other business, the meeting ended at 12:55 pm.

<u>Legislative Council Secretariat</u> 7 September 2000

Clerk Admin