Examination of Estimates of Expenditure 2015-16

Reply Serial No.

ENB238

CONTROLLING OFFICER'S REPLY

(Question Serial No. 6002)

Head: (42) Electrical and Mechanical Services Department

Subhead (No. & title): (-) Not Specified

<u>Programme</u>: (1) Energy Supply; Electrical, Gas and Nuclear Safety

Controlling Officer: Director of Electrical and Mechanical Services (CHAN Fan)

<u>Director of Bureau</u>: Secretary for the Environment

Question:

With regard to the future development of the electricity market and its regulatory framework, please advise us of the work details, expenditure and manpower involved, and the time schedules; and whether the generation costs of the power companies have been studied, and if so, the details, expenditure and manpower involved, and the results.

<u>Asked by</u>: Hon CHAN Ka-lok, Kenneth (Member Question No.171)

Reply:

The current Scheme of Control Agreements (SCAs) run for a term of ten years and will expire in 2018. The Government can exercise an option, according to the provisions of the SCAs, to extend the term for five more years until 2023. The Government has conducted a review of the post-2018 development of the electricity market and regulatory framework, and will soon consult the public accordingly.

The Electrical and Mechanical Services Department provides technical support to the Environment Bureau in respect of the above work. As the officers concerned also take on other duties concurrently, we do not have a breakdown on the manpower and expenditure involved.