

**CONTROLLING OFFICER'S REPLY**

**EEB(E)032**

**(Question Serial No. 2624)**

Head: (42) Electrical and Mechanical Services Department  
Subhead (No. & title): (-) Not specified  
Programme: (3) Energy Efficiency and Conservation, and Alternative Energy  
Controlling Officer: Director of Electrical and Mechanical Services (PANG Yiu-hung)  
Director of Bureau: Secretary for Environment and Ecology

Question:

Under this Programme, provision for 2023-24 is \$643.3 million, which is considerably higher than the revised estimate for 2022-23 by 32.9%. According to the Controlling Officer's explanation, the increase is "mainly due to the increased provision for capital non-works projects and recurrent consequence of the development of the district cooling systems at the Kai Tak Development". In this regard, will the Government inform this Committee of the following:

- (a) The revised estimate in 2022-23 and the provision in 2023-24 for the capital non-works projects;
- (b) The revised estimate in 2022-23 and the provision in 2023-24 for the development of the district cooling systems at the Kai Tak Development; and
- (c) The reasons for the increased provision?

Asked by: Hon LOONG Hon-biu, Louis (LegCo internal reference no.: 23)

Reply:

- (a) and (c) The expenditure on capital non-works projects for 2023-24 mainly includes the expenditure for Subhead 696 "Energy saving projects in government buildings (block vote)" and Subhead 661 "Minor plant, vehicles and equipment (block vote)".

The estimated expenditure for Subhead 696 "Energy saving projects in government buildings (block vote)" is \$120 million, which will be used for acquisition and replacement of plant and equipment for government buildings for the purpose of energy saving. The estimated expenditure is \$38 million (46.3%) higher than the revised estimate for 2022-23, mainly due to the increase in the number of new projects from 56 in the previous year to 100 in 2023-24.

The estimated expenditure for Subhead 661 "Minor plant, vehicles and equipment (block vote)" is \$235.7 million, which will mainly be used for "Solar

Harvest” (installing solar photovoltaic systems at premises of eligible schools and welfare non-governmental organisations (NGOs)); “Green Schools 2.0 – Energy Smart” (installing energy saving installations for eligible schools); “Green Welfare NGOs” (conducting energy audits and installing energy saving installations at premises of eligible welfare NGOs); and conducting retro-commissioning for major government buildings. The estimated expenditure is higher than the revised estimate of \$188.4 million for 2022-23, mainly because some of the premises (such as schools and welfare NGOs) where works were originally scheduled in 2022-23 were closed, suspended from operation or used as anti-epidemic-related facilities under the fifth wave of the COVID-19 epidemic, resulting in unforeseen delay in project implementation. The relevant expenditure will be settled in 2023-24.

- (b) and (c) The estimated expenditure on the district cooling system (DCS) projects at the Kai Tak Development is \$107.5 million in 2023-24, which is \$72.69 million higher than the revised estimate of \$34.81 million in 2022-23. This is mainly due to the commencement of the operation of the additional DCS in the third quarter of 2023, the increased operating expenses resulting from the rising cooling demands of user buildings, and the annual increase in the electricity tariff to be paid to the CLP Power Hong Kong Limited. In addition, the relevant estimated expenditure also covers non-recurrent works including system optimisation and upgrade to improve the overall performance of chillers, thereby enhancing their energy efficiency.

- End -