REA Briefing 2025

Legislative Amendment to Buildings Energy Efficiency Ordinance

2 &15 May 2025



Current Buildings Energy Efficiency Ordinance (Cap.610)

Implemented since 2012 and mainly regulate:

13 types of building





to <u>comply energy efficiency standard</u> for building services installations when <u>newly constructed</u> or <u>carrying out major retrofitting works</u>

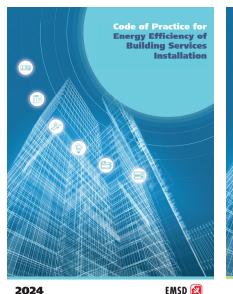
- 1. Commercial building
- Commercial portion of composite building
- 3. Hotel and guesthouse
- 4. Common area of residential building
- Common area of composite building
- Common area of industrial building
- 7. Building occupied principally for education purpose
- 8. Building occupied principally for community services
- 9. Building occupied principally for municipal services
- 10. Building occupied principally for medical services
- 11. Building for Government functions
- 12. Passenger terminal building of airport
- 13. Railway station

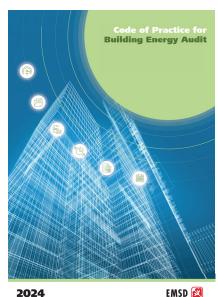
2 types of building



to conduct <u>energy audits</u> for central building services installations at intervals no longer than 10 years

- 1. Commercial building
- 2. Commercial portion of composite building





Proposed amendments to the Ordinance



The Hong Kong Special Administrative Regior of the People's Republic of China

The Chief Executive's 2023 Policy Address

2023.10.25

Proposed to amend the Ordinance and its subsidiary legislation to enhance energy efficiency management regime of Hong Kong:

- Regulate the energy efficiency standards of building services installations for all data centres
- (2) Require more types of building to conduct regular energy audits
- (3) Shorten the interval of energy audits
- (4) Disclose technical data in energy audit reports
- (5) Include professional engineer of energy discipline and professional member of the HKIQEP as one of the eligibilities for registration as "Registered Energy Assessor"

Amendment (1): Regulate the energy efficiency standards of building services installations for all data centres

$13 \rightarrow 15$ types of building



to <u>comply energy efficiency standard</u> for building services installations when <u>newly constructed</u> or <u>carrying out major retrofitting works</u>

- Commercial building
- 2. Commercial portion of composite building
- 3. Hotel and guesthouse
- 4. Common area of residential building
- Common area of composite building
- 6. Common area of industrial building
- 7. Building occupied principally for education purpose
- 8. Building occupied principally for community services
- 9. Building occupied principally for municipal services
- 10. Building occupied principally for medical services
- 11. Building for Government functions
- 12. Passenger terminal building of airport
- 13. Railway station

add:

- 14. Data centre building
- 15. Data centre portion of industrial building

- Data centre has been growing fast in recent years, accounting to over 4% electricity consumption of buildings in Hong Kong
- Data centre building and data centre portion of industrial building are not yet covered by the current Ordinance





Amendment (2): Require more types of building to conduct regular energy audits

$2 \rightarrow 11$ types of building



to conduct regular energy audit for central building services installations

- Commercial building
- 2. Commercial portion of composite building

add:

- 3. Building occupied principally for education purpose
- 4. Building occupied principally for community services
- 5. Building occupied principally for municipal services
- 6. Building occupied principally for medical services
- 7. Building for Government functions
- 8. Passenger terminal building of airport
- 9. Railway station
- 10. Data centre building
- 11. Data centre portion of industrial building

- Averaged energy utilization index have been reduced by 20% for buildings that carried out 2nd energy audits
- More cost-effective to conduct energy audits in large buildings given their higher energy saving potentials
- With the exception of data centres, exempt buildings with gross floor area not exceeding 7 000m² for energy audit
- Electricity consumption of exempted buildings is only 10% of that before exemption, and the total electricity consumption of buildings to be regulated will increase by 1.4 times from around 3.9 billion kWh to date to around 9.5 billion kWh



















Amendment (3): Shorten the intervals of energy audits

Energy Audit Intervals



$10 \rightarrow 5$ years

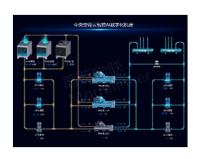














- Five years interval for energy audit is comparable to those in our neighbouring regions (such as Mainland, Singapore and Tokyo Japan)
- Around 1% to 10% electricity saving potential can be generally identified through energy audit
- Cost of energy audit is less than 1% of annual electricity cost of the building with gross floor area exceeding 7 000m²

Amendment (4): Disclose technical data in energy audit reports

Data currently disclosed

(via Energy Audit Form)

- Name and address of building
- Date conducting the energy audit
- Energy utilization index
- Particulars of Registered Energy Assessor conducting the energy audit



required to display Energy Audit Form at entrance of building

Additional data to be disclosed

(via new Data Disclosure Form)

- Energy efficiency data of building services installations:
 - ✓ energy efficiency coefficient
 - √ year of service
 - √ control system
 - ✓ energy saving potential







- Allow public to inspect the energy performance of the buildings
- Encourage the trade to proactively offer energy saving proposals, expedite implementation of energy saving measures and promote green economy

Amendment (5): Expand the qualification requirement for registration as "Registered Energy Assessor"

The Ordinance has set up a statutory profession of "Registered Energy Assessor" for certifying the compliance of building services installations on energy efficiency standard and the conduct of energy audit

Application for registration as "Registered Energy Assessor"

one of the eligible criteria:

Registered Professional Engineer or corporate members of the Hong Kong Institution of Engineers in the <u>electrical</u>, <u>mechanical</u>, <u>environment</u> or <u>building services</u> discipline

Buildings Energy Efficiency Appeal and Disciplinary Board Panel members

appointed by SEE and comprises members of :

Members of Engineers Registration Board and corporate members of the Hong Kong Institution of Engineers in the <u>electrical</u>, <u>mechanical</u>, <u>environment</u> or <u>building services</u> discipline

To include <u>Energy discipline</u> and <u>professional member</u> of the Hong Kong Institute of Qualified Environmental Professionals

- <u>Energy discipline</u> and <u>Hong Kong Institute of Qualified Environmental Professionals</u> had not been set up when the Ordinance came into implementation
- The trade has been suggesting the inclusion to facilitate the implementation of the Ordinance

Consultation and Timetable

Consultation

Consultation paper published in November 2023

Consultation meeting

~300

parties

Business impact assessment

interview

28

parties

Letter/email to invite comment

~7 0

100

parties

Legislative timetable

- Amendment bill gazetted on 21 March 2025
- Now under examination by Legislative Council

<u>Implementation timetable (if approved)</u>



target to fully implement within 2026

