

**Minutes of the 4th Meeting of the
Energy Conservation Projects Vetting Subcommittee
held on 29 October 2009 at 10:00 a.m.**

Present

Mr. Man Mo-leung	(Chairman)
Prof. Chan Chak-keung	
Mr. Edward Leung	
Mr. Cheung Yan-hong	
Mr. Alan Chow	
Ms Christine Fong	
Mr. Alfred Lee	
Mr. Kendrew Leung	
Ms Betty Cheung	EPD
Miss Eunice Chan	EPD
Mr. Matthew Tsang	EPD
Miss Katharine Choi	ENB
Mr. Kent Fung	ENB
Mr. SM Yu	EMSTF
Mr. Michael Wong	EMSTF
Ms Vivien Mok	(Secretary)

Absent with Apologies

Mr. Reuben Chu	(Vice-chairman)
Mr. Chua Hoi-wai	
Mr. Wong Kam-sing	
Dr. Yau Wing-kwong	

Welcoming Remarks

The Chairman welcomed all Members to the fourth meeting of the Energy Conservation Fund (ECF) Energy Conservation Projects Vetting Subcommittee (ECPVSC) and especially welcomed Miss Eunice Chan, Senior Administrative Officer (Community Relations), who joined the meeting for the first time.

Agenda Item 1: Confirmation of the Minutes of the Last Meeting

2. The draft minutes of the last meeting held on 14 July 2009 were sent to Members on 12 August 2009. The minutes were endorsed without amendments.

Agenda Item 2: Matters Arising from the Minutes of the Last Meeting

I) Pilot Tripartite Scheme on Energy Saving

3. Ms Vivien Mok reported that the Pilot Tripartite Scheme was officially kicked off on 10 September 2009 with 20 Non-government Organizations (NGOs) selected to conduct the energy audit work in their premises/buildings. Field audits had started in mid-October 2009.

(Post-meeting note: The list of NGOs participating in the tripartite scheme was sent to

Members on 29 October 2009.)

II) Contracts to Subsidiary Companies of Management Companies

4. In response to Dr. Yau Wing-kwong's written comments to ECPVSC Paper 8/2009-10, Miss Katharine Choi stated that before the launch of the Buildings Energy Efficiency Schemes (BEEFS), advice from the ICAC had been sought on the vetting, approval and reporting procedures. As set out in the guides to application, applicant organizations were required to abide by the ethical practices and the procurement procedures which were stricter than the respective stipulations in the Building Management Ordinance. The EMSTF would also follow up the tendering procedures and inspect quotations and tendering documents submitted to ensure that subsidiary companies of the management companies were prohibited from soliciting or accepting any advantages in connection with the ECF-funded projects.

5. Mr. Kendrew Leung supplemented that most Owners' Incorporated would also request their management companies to declare interest and to refrain their subsidiaries from participating in the tendering process.

Agenda Item 3: New Applications

I) Applications under the BEEFS (ECPVSC Paper 10/2009-10)

6. Mr. SM Yu briefed Members on Paper 10/2009-10 which aimed to seek their agreement to approve 44 funding applications under the BEEFS, including 17 Energy-cum-carbon Audits (ECA), 24 Energy Efficiency Projects (EEP) costing under \$2 million and 3 EEP exceeding \$2 million. Since the circulation of ECPVSC Paper 9/2009-10 on 25 September 2009, 22 applications had been withdrawn while 4, which were found not eligible, had been rejected.

7. In reply to a question raised by Mr. Alfred Lee on the residual value of T8 lighting, Mr. SM Yu said that T8 lighting had been gradually phased out by T5 tubes and its value was minimal. Ms Christine Fong added that as far as she understood, most replaced T8 tubes would be stocked up for contingency purpose and would not be disposed of.

8. Regarding Project Nos. EEP-0047 and EEP-0048 from the Heng On Estate for replacement of lift controls, Professor Chan Chak-keung asked why the funding requested for individual building was different (i.e. \$1.11 million per building in EEP-0047 and \$0.74 million in EEP-0048). Mr. Michael Wong replied that since the three buildings concerned in EEP-0048 comprised four lifts per building while the four building concerned in EEP-0047 comprised six lifts per building, the funding requested in EEP-0047 was higher.

9. After deliberation, Members approved 24 EEP applications and 17 ECA applications costing under \$2 million with a total sum of \$5,513,540 and recommended 3 EEP applications exceeding \$2 million with a total sum of \$10,342,895 for the ECF Committee's approval.

II) Energy Conservation Projects for NGOs (ECPVSC Paper 11/2009-10)

10. Mr. Matthew Tsang briefed Members on Paper 11/2009-10 on 13 funding applications for the energy conservation projects for NGOs. He especially drew Members' attention to two applications (Project Nos. ECP-0002 and ECP-0010) asking for funding to purchase solar films. A similar request received under the BEEFS had been rejected at the last meeting.

11. The Chairman invited the EMSTF to comment on the performance of solar films again. Mr. SM Yu stated that solar films could block solar heat gain in summer on the one hand but could also reduce radiant heat inside room during cold weather, which might cause more electricity consumption of central heating system in communal areas.

12. Mr. Cheung Yan-hong viewed that owing to global warming, the usage of heating system in Hong Kong would be insignificant. However, the solar film could effectively help reduce solar heat gain and save air-conditioning energy. Mr. Edward Leung remarked that while heat could be trapped between the glazing and the blind/curtain, the use of blind/curtain as an alternative might increase consumption on lighting. Professor Chan Chak-keung also said that the US Department of Energy had recommended painting roofs or pavements white as an effective measure to absorb less solar radiation. If some simple remedial works could help improve energy efficiency, they should be supported.

13. After deliberation, the Chairman concluded that the funding requests for solar films could be approved to improve energy conservation. However, since the price range of different brands of solar films might vary a lot, the EMSTF should provide a funding cap on this item. Miss Katharine Choi would revisit the previous application for solar films from the Aegean Coast Owners' Committee, which was rejected at the last meeting.

14. Regarding a funding request (Project No. ECP-0002) for solar heat shield coating on metal rooftop, Ms Christine Fong enquired if the coating would be cost-effective to use on a metal roof. Mr. Michael Wong said that heat shield coating on rooftop was the simplest method to limit heat transmission but could only last for two to three years. Heat shield membrane could last for longer but could only be applied on rooftop which was even and flat.

15. Upon further discussion, the Chairman concluded that although heat shield coating could not last permanently, this item could be considered as long as it could serve the purpose of energy saving. The Secretariat would check with the applicant the acceptable loading of the rooftop.

16. In response to Mr. Chua Hoi-wai's written comment on Project No. ECP0024 "Light for the Elderly" submitted from the DAB Community Services Limited which was received before the meeting, the Secretariat clarified that the Subcommittee was authorized to approve funding for energy conservation related educational projects up to \$2 million. Hence, the project was recommended for Members' consideration. In fact, a project with similar scope and target, i.e. "Energy Efficiency LED Lighting" Programme submitted from the Ma On Shan Community Service Association, had been approved at the last meeting. Mr. Alan Chow raised concern that the project might set a precedent for other sectors to seek for funding and would open the floodgate. Professor Chan Chak-keung viewed that the project had its own added-value as both promotion of energy saving and assistance to those under-privileged could be achieved. The Chairman also agreed that since one of the objectives of this Subcommittee was to spread the message of energy conservation and to arouse public awareness, the project, which targeted to promote energy saving to the

singleton elderly in Wong Tai Sin, could be supported.

17. After deliberation, Members approved the 13 energy conservation projects submitted from NGOs. The Secretariat would remind applicant organizations that their associated organizations or political party should be prohibited from soliciting or accepting any advantages in connection with the ECF funded projects.

III) ECF Collaboration Scheme with District Councils (ECPVSC Paper 12/2009-10)

18. Ms Vivien Mok briefed Members on Paper 12/2009-10 on a funding application for the energy conservation project with educational elements under the ECF Collaboration Scheme with District Councils. In sum, the project, namely “energy saving @ elderly homes” submitted by the Conservancy Association, had been endorsed by the Yau Tsim Mong District Council. The project aimed to conduct energy-cum-carbon audits and carry out energy improvement works in seven elderly homes in the district.

19. Members viewed that employing a project manager and a project coordinator to manage a one-year project with six-month monitoring period was a bit overstaffing. Subject to shortening the employment period of the project manager concerned to three months, Members approved the funding application of project no. DCP003. The budget would be revised to \$1,173,627 accordingly.

Agenda Item 4: Issues Relating to the Assessment of the BEEFS Applications

I) Acceptance of the Deed of Mutual Covenant (DMC) as a Document Proof for Owners’ Committee Applicant’s Eligibility

20. Mr. SM Yu reported that amongst the applications being processed, more than 130 cases, in which the Owners’ Committee had not been legally registered under the Societies Ordinance, had been held up pending additional information to ascertain their eligibility. In the light of the above, Members’ views were sought for accepting the DMC as a valid documentary proof to confirm their status. After discussion, Members agreed to this proposal.

21. Mr. Kent Fung also highlighted that under the current guidelines of the BEEFS, some applicant organizations expressed that they were not able to open an account to receive the subsidies or had difficulty in opening a separate bank account for projects with a grant of \$150,000 or above. Given that i) similar arrangement had been implemented in other ECF subcommittees; ii) Section 3 of Schedule 7 of the Building Management Ordinance Cap. 344 specified that the manager of a property management company could open an account exclusively for the management of the building; iii) the risk of misuse of fund was relatively low as funding were normally disbursed on a reimbursement basis; and iv) District Offices also accepted payment to an account opened by the management companies on behalf of the building, Members agreed to accept the reimbursement of the funds to the bank holder of the account opened under Section 3 of Schedule 7 of the Building Management Ordinance Cap. 344 as authorized by the Owners’ Corporation, owners’ organization (including owners’ committee) and residents’ organization and agreed to exempt the requirement for opening a separate account for a grant of \$150,000 or above.

II) Rejection of Applicants with Poor/No response in Providing Missing Information Necessary for Assessment

22. Mr. SM Yu reported that a number of cases with poor or no response had been put on hold for four to five months. Members' views were therefore sought for rejecting those cases upon the EMSTF's issuance of two written reminders and a conclusion letter. After discussion, Members agreed that to expedite the vetting procedures, cases should not be processed further if information could not be provided in time.

Agenda Item 5: Manpower Review of the EMSTF's BEEFS Team for the Second and Third Year of the Service Level Agreement Services

23. Miss Katharine Choi reported that since Members' agreement had been sought on the manpower plan of the BEEFS teams for the second and third years of the Service Level Agreement at the last meeting, the related funding application including contingency (\$1 million) and publicity expenses (\$2 million) would be submitted to the ECF Committee for consideration on 10 December 2009.

Agenda Item 6 : Any Other Business

24. Ms Christine Fong enquired about the disposal methods of T8 fluorescent tubes and compact fluorescent lamps. Miss Katharine Choi replied that since these tubes and bulbs contained mercury, they should be collected by licensed contractors and disposed of at the Chemical Waste Treatment Centre in Tsing Yi while the lamp bases could be disposed of at the Waste Electrical and Electronic Equipment Collection Centres.

25. Ms Betty Cheung supplemented that applicants would be reminded to dispose of the replaced equipment properly.

Agenda Item 7: Date of Next Meeting

26. Members noted that the next meeting would normally be held around three months from now. The Secretariat would inform Members of the date of the next meeting in due course.

27. The meeting was adjourned at 12:00 noon.

**Secretariat, ECF Energy Conservation Projects Vetting Sub-committee
December 2009**