

# Government completes review of power plant emission allowances

A Government spokesman said today (February 27) that the review of the Ninth Technical Memorandum for Allocation of Emission Allowances in Respect of Specified Licenses (the Ninth TM) for setting emission caps of specified pollutants for the power companies had been completed.

The relevant technical memorandum was issued under the Air Pollution Control Ordinance. Since 2008, the Government has issued nine technical memoranda to set the total emission allowances for the electricity sector starting from 2010. The latest Ninth TM issued in 2021 caps the annual emissions of sulphur dioxide (SO<sub>2</sub>), nitrogen oxides (NO<sub>x</sub>) and respirable suspended particulates (RSPs) for power plants in 2026 and beyond at 2 852 tons, 11 144 tons and 367 tons, respectively. The emission allowances have dropped significantly by about 70 to 90 per cent as compared with those for 2010 set under the First TM.

A spokesman for the Environment and Ecology Bureau (EEB) said, "In 2023, we reviewed the emission allowances required for the electricity sector for 2028 and beyond, and considered factors including the progress of the two power companies (the Hongkong Electric Company Limited and CLP Power Hong Kong Limited) in the construction of new gas-fired generation units to replace coal-fired generation units that will be retired in the next few years, the emission performance of the existing generation units, the estimated power import from the Daya Bay Nuclear Power Station, the projected local electricity consumption, and the projected electricity intake from various renewable energy sources. The review results show that the circumstances of these considered factors are generally consistent with those when the Ninth TM was formulated. The emission caps set by the Ninth TM for power plants are still applicable for 2028 and beyond. At this stage, there is no need to issue a new technical memorandum.

"In order to comply with the emission allowances stipulated in the relevant technical memoranda, the two power companies will each complete the construction of a new gas-fired generating unit in 2024, with a view to maintaining the proportion of local gas-fired power generation in the overall fuel mix at about 50 per cent in 2026. They will also continue to acquire low-emission coal for electricity generation and maintain the performance of emission control devices to reduce emissions from coal-fired units while maximizing the input of clean energy.

"For any new electricity works, we will allocate emission allowances based on the emission performance of a new gas-fired generation unit adopting the latest technology. The existing mechanism will continue to be applied to cater for the intake of renewable energy and other clean energy. The EEB will review the Ninth TM again by 2025."