

Notes of the 13th Business Liaison Group Meeting With the Hotel Trade

Date: 16 April 2012 (Monday)
Time: 3:00 p.m.
Venue: Conference Room 1, G/F, Central Government Offices, 2 Tim Mei Avenue, Admiralty
Convenor: Mr CHAN Wah-chan Head, Business Facilitation Division,
Economic Analysis and Business Facilitation Unit

Trade Representatives

The Federation of Hong Kong Hotel Owners (FHKHO)

Mr Michael LI	Executive Director
Ms Fanny CHAN	Association Manager
Mr Francis FUNG	Executive Committee Member
Mr Teddy FUNG	Vice President of Engineering, Regal Hotels International

Hong Kong Hotels Association (HKHA)

Mr Nicholas YIM	Executive Committee Member
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Acesite Knutsford Hotel

Mr Philip HU	General Manager
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Oriental Lander International Hotel

Mr K C LAI	Managing Director
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Caritas Hospitality Services

Mr Tony CHAN	Lodge Manager
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The Salvation Army Booth Lodge

Envoy Daniel HUI	Property Director
Mr Sidney O' YOUNG	General Manager

YMCA of Hong Kong

Mr Peter YU	Director of Facilities
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Government Representatives

Home Affairs Department (HAD)

Mr T C YU	Chief Officer (Licensing Authority)
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Drainage Services Department (DSD)

Mr Tony SO	Assistant Director / Sewage Services
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Mr Thomas WONG Chemist/Sewage Services 3

Water Supplies Department (WSD)

Mr HO Ying Chung Senior Engineer/Customer Services (Customer Contact)

Food and Environmental Hygiene Department (FEHD)

Mr Eric CHEUNG Superintendent (Licensing)

Hong Kong Police Force (Police)

Mr Eddy SIT Chief Inspector of Police (Licensing 1) (Licensing Office)

Ms LUI Wai Yee Senior Inspector of Police (Licensing 2)

Electrical and Mechanical Services Department (EMSD)

Mr Ken YEUNG Senior Engineer/ Energy Efficiency B5

Mr Dominic LAU Senior Engineer/ Energy Efficiency B7

Economic Analysis and Business Facilitation Unit (EABFU)

Mr Derek CHAN Chief Management Services Officer (Secretary)

Miss Jenny YEUNG Business Facilitation Officer

In attendance

Mr Joseph WONG Member, Task Force on Business Liaison Groups

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The **Convenor** welcomed all to the meeting, particularly Mr Joseph WONG, Member of the Task Force on BLGs of the Business Facilitation Advisory Committee, who attended the BLG meeting with the hotel trade for the first time as an observer.

Confirmation of the notes of the last meeting

2. The notes of the last meeting were confirmed without amendments. (<http://www.gov.hk/tc/theme/bf/communication/blg/hotels.htm>)

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Briefing on new regulatory initiatives

Buildings Energy Efficiency Ordinance (Cap.610)

3. **Mr Dominic LAU** gave a presentation on the "*Buildings Energy Efficiency Ordinance*" with the presentation slides at **Annex 1**.

4. In response to **Mr Michael LI**'s enquiry, **Mr Ken YEUNG** confirmed that the views collected from different stake-holding groups during the consultation period had been taken into consideration during the formulation of the Ordinance. Hotels were no longer classified as "commercial buildings" but as a separate type of prescribed building under the Ordinance.

5. **Mr LI** enquired whether the area where café, shops and restaurants were located within a hotel building would be taken as "a portion of a composite building that is for commercial use", which according to Schedule 4 of the Ordinance, energy audit would be required. **Mr YEUNG** clarified that according to the original legislative intent, a typical example of "a portion of a composite building that is for commercial use" would be a shopping mall under residential storeys. He added that the EMSD was drafting some technical guidelines where more technical guidance in respect of the said issue might be provided as appropriate for the trade's reference. He also welcomed discussion with the trade should there be any doubt over any specific cases.

6. **Mr LI** said that the FHKHO had sent a letter to the Environment Bureau regarding the above and some other enquiries. In response to **Mr LI**'s request, **Mr YEUNG** would convey the trade's view to the Environment Bureau.

EMSD

7. **Mr Teddy FUNG** opined that it would be very difficult for the trade to comply with the requirement on lighting power density in places where more lighting power density was required by hotel guests for functions such as product displays and exhibitions. **Mr YEUNG** told the trade that in response to concerns received from the trade during the formulation of the Ordinance, decorative lighting and illumination of an exhibit or product on display were exempted from compliance with the Ordinance. Besides, a higher lighting power density was allowed for spaces with higher headroom. Should there be any further compliance difficulties, the relevant responsible persons could apply for exemption from compliance with the Ordinance for individual building services installation by writing to the Director of Electrical and Mechanical Services with justifications. **Mr LI** said that the

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trade should be consulted before any proposed amendments were made to the Ordinance in the future.

8. **Mr Nicholas YIM** enquired whether recreational clubs could be classified as "hotel and guesthouse" under Schedule 1 of the Ordinance. **Mr YEUNG** advised that pursuant to the interpretation of the Ordinance, "hotel and guesthouse" should be buildings licensed under the Hotel and Guesthouse Accommodation Ordinance (Cap. 349). As such, recreational clubs which were usually not licensed under Cap. 349 should normally be classified as commercial buildings under the Ordinance. The trade were always welcomed to contact EMSD should they encounter any difficulties in compliance.

(Post-meeting note: The current version of the Building Energy Code (BEC) was the 2012 Edition. Pursuant to the Ordinance, the statutory requirement for compliance with the BEC applied to all major retrofitting works completed on or after the full operation date of the Ordinance (i.e. 21 September 2012), irrespective of the commencement date of the works. In other words, even the major retrofitting works commenced before 21 September 2012, the relevant responsible person should duly plan his/her works in order to comply with the new BEC 2012 Edition if the works were expected to be completed on or after 21 September 2012. If the responsible person of the major retrofitting works had difficulties to comply with certain requirements of the BEC 2012 Edition, he/she might apply, with justification, to the Director of Electrical and Mechanical Services for exemption from those particular requirements pursuant to Section 20 of the Ordinance. The application form for exemption (Form EE-EX) is available at EMSD's website: <http://www.emsd.gov.hk/>.)

Matters arising from last meeting

Additional licensing condition for massage establishment licence

9. **Mr Eddy SIT** reported that the Police had explored the feasibility of introducing an additional licensing condition that required the licensee to inform the corporation concerned before cancelling or transferring the massage establishment licence. Legal advice sought on this arrangement suggested that it might not be reasonable to impose a condition restricting or regulating the resignation of a licensee. To explore other ways to address the trade's concern, the Police had also considered notifying the massage establishment owner upon receipt of a cancellation of the relevant licence

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submitted by a licensee. Further legal advice sought revealed that according to Sections 6(3) and 8(1)(b) of the Massage Establishment Ordinance (Cap. 266), the licensee was responsible for the operation and supervision of the massage establishment under his/her licence, and he/she would adequately and personally supervise the massage establishment. Police was advised that it should deal only with the licensee on licensing matters and had no duty to inform someone else, in order to protect his/her financial interest, of a licensee's intention to cease to be a licensee. It was a matter for the other parties to take steps to ensure that the licensee gave them the notice which they wanted. To address the trade's concern, the Police would consider introducing the "reserve licensee" to massage establishment licence once such mechanism was successfully implemented in the Liquor Licence regime.

10. **Mr LI** said that the trade welcomed extending the idea of "reserve licensee" to massage establishment licence. He opined that the Massage Establishment Ordinance (Cap. 266) was enacted long ago and it should be reviewed from time to time. Moreover, the hotel operators would like to see the introduction of "reserve licensee" for liquor licence in the earliest possible time because the liquor licence was also important to hotel operations.

Installation of cooking unit with built-in exhaust system

11. **Mr Eric CHEUNG** advised that one of the FEHD's requirements was the provision of a metal hood connected to an air-duct and an extraction system over cooking stoves in the kitchen and food room. The exhaust must be arranged to pass through a grease filter before discharging into the open air. This was to ensure that the fumes, steam and hot air generated from the cooking activities could be effectively extracted without causing nuisance to the customers and the public. In response to the request from a trade member for exemption from installation of a metal hood and an air-duct over a special electric cooking unit in an open food counter adjoining the seating accommodation in a hotel restaurant, FEHD had studied the catalogues and operation manual of the cooking unit and paid a site visit on 22 March 2012 to assess its operation. The built-in exhaust/air cleaning system of the electric cooking unit was found effective in extracting and cleaning the fumes, steam, hot air and smell generated from the cooking unit. On this ground, the FEHD had granted exemption from installation of a metal hood and an air-duct over the said electric cooking unit on 13 April 2012. Should there be any alteration in the layout plan of the licensed food premises as a result of the installation of the said electric cooking unit in the food counter or the establishment of a food counter with the use of such electric cooking unit, the operator should submit an application for alteration of the layout plan to the FEHD which would seek the comments of other relevant

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departments such as the Fire Services Department on the proposed layout plan. **Mr CHEUNG** added that FEHD welcomed the trade to put forward proposals of cooking units with built-in exhaust systems with similar mode of operation for consideration on a case-by-case basis. The Department would adopt a business-facilitating approach in addressing the requests of the trade.

12. **Mr LI** appreciated FEHD's pragmatic and business-friendly approach in considering the trade's proposal. **The Convenor** remarked that the above case would have good reference value for other hotel operators and relevant food business sectors.

Revised mechanism for determining trade effluent surcharge (TES) for hotels holding water accounts of mixed usage

13. **Mr Tony SO** reported that after taking into account the comments and suggestions of the trade representatives of the BLG and the FHKHO, the guideline on the revised mechanism was finalized on 21 February 2012 (see **Annex 2**). The draft application procedure associated with the guideline was sent to the trade for their comments/views before the BLG meeting. **Mr Thomas WONG** advised that since DSD was exploring means to incorporate the sub-meter readings in the current computer billing system, as an interim measure, hotels with sub-meters for their TES trades (e.g. restaurants) should keep the monthly sub-meter reading records and submit these records to the DSD yearly for TES levies.

14. Both **Mr LI** and **Mr FUNG** suggested revising point 1(iii)(b) of the draft application procedure as the hotels concerned could provide their own proof of the accuracy of the sub-meters for the consideration of DSD and WSD as an alternative to obtaining a calibration certificate for the sub-meters from an external body. **Mr SO** clarified that the trade should provide calibration certificate on the sub-meters by an external body and when there were difficulties for the trade to comply with this requirement, they could submit their proposals on the alternative method for DSD's consideration. He agreed to make necessary revision to the draft application procedure.

(Post meeting note: The draft application procedure was revised on 18 April 2012 and a copy of the finalised version is at **Annex 3**.)

15. **Mr LI** said that the finalized guideline was endorsed in the Executive Committee Meeting of the FHKHO on 21 March 2012. He would reflect the hotel operators' concerns to the DSD should they encounter

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any difficulties in the application process at the implementation stage.

New item for discussion

Accessibility of HAD case officers by the licence applicants

16. **The Secretary** said that this item was raised by a hotel operator. **Mr T C YU** advised that sometimes the case officers were not accessible by phone as they were conducting site inspections. To improve their accessibility, the HAD had already reminded them to check voice messages when they were back to the office and gave reply to the trade as soon as possible. The HAD would monitor the situation and provide internal guideline on it for case officers.

17. **Mr LI** said that he had not received any similar complaints from members of the FHKHO. Being the representative of the FHKHO in dealing with the HAD, he found the HAD officers helpful in resolving the trade's problems.

Any other business

Business compliance costs of renewal applications for hotel licence

18. **Mr LI** told the meeting that under the current regulatory regime, the trade could apply for hotel licence of different validity period, ranging from 12 to 84 months. For hotels with licence of validity period exceeding 36 months, they were required to submit an "authorized person's certificate" to the HAD annually. The compliance cost of this requirement was very high, though the licence fee per year was lower as compared with licence of shorter validity period.

19. **Mr FUNG** added that some new HAD case officers were not aware of the background and the licensing requirements of some hotels which were subject to the "Policy Guidelines on Existing Hotels" promulgated in 1993 (scheduled hotels). They inspected scheduled hotels based on the latest licensing requirements during their renewal inspections. As such, the administrative burden for scheduled hotels was increased because they needed to retrieve old documents and provide necessary information to the HAD to support that they were in compliance with the licensing requirements

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for scheduled hotels. **Mr LI** suggested HAD to provide the case officers with clear documentation on the detailed licensing requirements for specific scheduled hotels according to the Policy Guidelines. **Mr YU** responded that he would remind the case officers to take into account the background and the specific licensing requirements and related information contained in the file records of these scheduled hotels when processing the licence renewal applications.

20. The **Convenor** said that the EABFU had recently developed a Business Compliance Cost (BCC) framework for government departments/bureaux to assess the compliance costs and administrative burden of existing regulations or new regulatory proposals in a consistent and structured manner. Input from relevant trades was necessary in using this framework. The **Convenor** suggested and **Messrs TC YU and Michael LI** agreed that the HAD, the hotel trade and the BLG secretariat should collaborate to explore using the BCC framework to identify any room for reducing the administrative burden and compliance costs of hotels in renewal applications for hotel licence without compromising the public interests.

**HAD/
Trade/
EABFU**

Date of next meeting

21. **The Secretary** would inform the trade of the next BLG meeting date in due course.

22. There being no other business, the meeting adjourned at 4:30 p.m.

Economic Analysis and Business Facilitation Unit

May 2012

Briefing on Buildings Energy Efficiency Ordinance (Cap. 610)

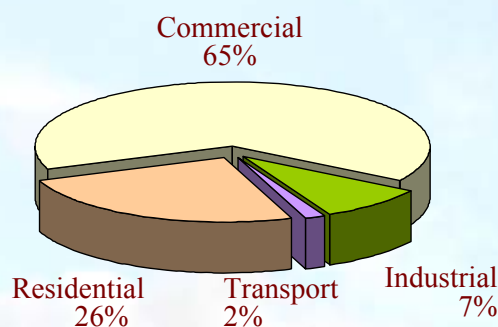
Energy Efficiency Office
EMSD, the Government of HKSAR

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Enhancement of Energy Efficiency in Buildings



Energy Consumption by Sectors in 2009



Hong Kong Energy End-use
Data 2011

- Total annual electricity consumption of HK in 2009: about 41.5 billion kWh (equivalent to the consumption by 9 millions of families annually)
- About 90% of the electricity consumed by buildings
- Enhancement of buildings energy efficiency will be an effective means to reduce energy consumption

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The Hong Kong Energy Efficiency Registration Scheme for Buildings

- ◆ Launched since 1998 to promote the voluntary compliance with BEC to enhance building energy efficiency
- ◆ Up to Mar 2012, more than 1,350 buildings have been registered
- ◆ Registered buildings included commercial, industrial and residential buildings
- ◆ Participation rate of the private sector is very low (only around 30% of the registered buildings)

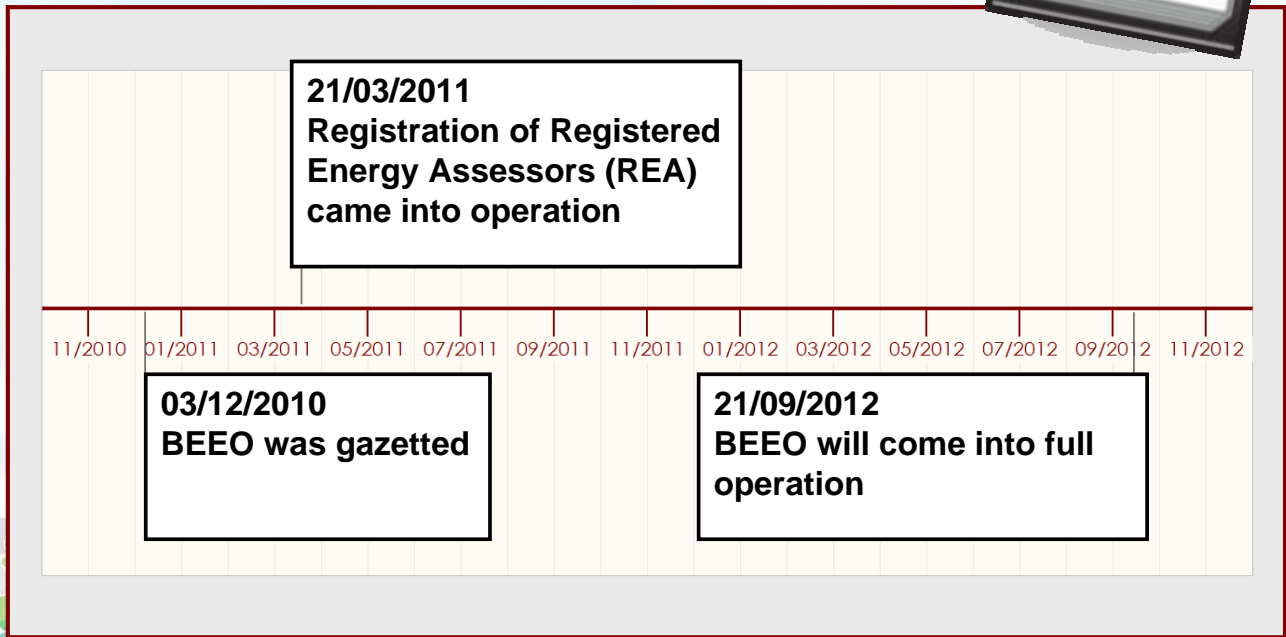


Mandatory Implementation of Building Energy Code (BEC)

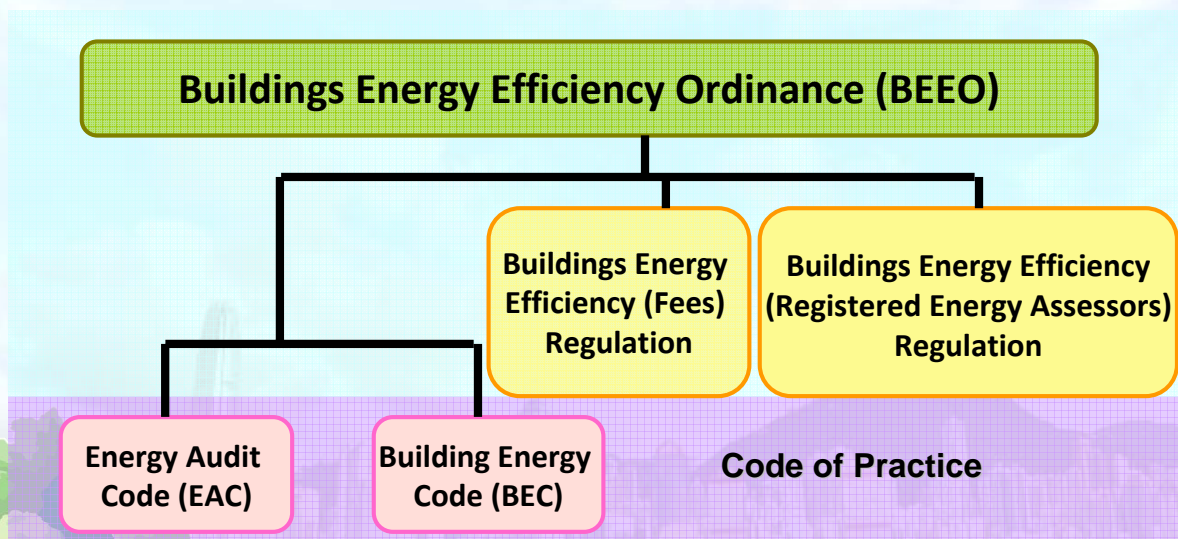
- As voluntary compliance with a higher energy efficiency standard appears not to be forthcoming in Hong Kong and amidst the growing environmental concerns, we consider it an opportune time to pursue mandatory implantation of the BECs to accompany market driven changes
- In order to combat climate change, mandatory implementation of minimum energy efficiency standard in buildings by legislation has been widely adopted by overseas and Mainland China
- The mandatory BEC is formulated with the existing voluntary BEC 2007 Edition as the blueprint



Milestone of the Buildings Energy Efficiency Ordinance (BEEO)



Structure of Legislative Framework



Coverage – Prescribed Buildings (Schedule 1 of BEEO)

1. Commercial building (e.g. office building, shopping mall, etc.)
2. A portion of a composite building that is not for residential or industrial use (e.g. shops in a residential building, etc.)
3. Hotel & guesthouse
4. Common area of a residential building (e.g. car park, clubhouse, corridor, staircase, etc.)
5. Common area of a portion of a composite building that is for residential or industrial use
6. Common area of an industrial building
7. Educational building (e.g. school, university, etc.)
8. Community building (e.g. community center, elderly home, youth centre, etc.)
9. Municipal services building (e.g. market, library, etc.)
10. Medical building (e.g. hospital, rehabilitation centre, etc.)
11. Government building (e.g. government office building, police station, fire station, etc.)
12. Passenger terminal building of an airport
13. Railway station

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Control Regimes

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Control Regimes

- ◆ Mainly control the design but not the daily operation and settings of the concerned building services installations
- ◆ Need to comply with the minimum energy efficiency standards for all the concerned 4 types of building services installations namely lighting, air-conditioning, electrical, and lift and escalator installation



- ◆ Not affecting the application of occupation permits nor any other licensing requirements
- ◆ No restriction on import and sale of any equipment in Hong Kong



Control Regimes (cont'd)

- **Newly constructed buildings** will be required to comply with the minimum energy efficiency standards and requirements as specified in BEC under BEEO
- **Existing buildings** will be required to comply with BEC only when major retrofitting works are carried out
- **Commercial buildings and commercial portions of composite buildings** will be required to carry out energy audits in accordance with the technical requirements as specified in EAC under BEEO



Control Regimes (cont'd)

Different regulatory mechanisms for “**newly constructed building after the commencement of the legislation**” and “**existing building before the commencement of the legislation**”

Newly constructed building after the commencement of the legislation –

Buildings having obtained the consent to the commencement of building works for superstructure construction from Building Authority after the legislation comes into full operation (i.e. 21 Sep 2012)

Existing building before the commencement of the legislation –

Buildings that have obtained the consent on or before the legislation comes into full operation (i.e. 21 Sep 2012)

*Remarks: The above two terms are for publicity purpose only and do not appear in BEEO.

Control Regimes (cont'd)

- ◆ The control regimes for **existing building** are different from **newly constructed building**:
 - Only regulating major retrofitting works prescribed in BEEO
 - No retrospective effect on existing installations

Newly Constructed Building

Newly
Constructed
Building

➤ Only applicable to newly constructed building

- The developer of a building, at the design stage and upon completion of the building, is required to submit declarations to EMSD to apply for a **Certificate of Compliance Registration (COCR)**
- The declaration is to declare that all the building services installations provided by the developer comply with the Building Energy Code (BEC) 2012 Edition
- The developer is required to engage a Registered Energy Assessor (REA) to certify his/her declaration before submission to EMSD
- Then, EMSD will issue a COCR after verifying the developer's submission
- COCR valid for 10 years only - subsequently, the owner is required to engage a REA to make similar certification every 10 years and submit application to EMSD for renewal of COCR

Newly Constructed Building (Part 2 & 3 of BEEO)

Newly constructed buildings	Central BS installations	Other BS installations serving an individual unit	
		with internal floor area < 500 m ²	with internal floor area ≥ 500 m ²
Need to comply with BEC always?	✓ (occupation approval stage)	✓	
Need to obtain a COCR from EMSD?	✓*	✓* (only for installations provided by developers)	
Need to obtain a FOC from REA ?	✓ (10-year renewal)	✗ (10-year renewal)	
	✓ (within 2 months after completion of major retrofitting works)	✗	✓ (within 2 months after completion of for major retrofitting works)

*stage 1 declaration within 2 months after issue of "consent to commencement";
stage 2 declaration within 4 months after issue of OP



Responsible persons (who holds or are in possession or control of the building or units, such as owners, tenants, occupiers, etc.)



Owners



Developers

Major Retrofitting Works

Major Retrofitting Works

➤ Major retrofitting works for units or common areas in both newly constructed and existing buildings

- The responsible person (e.g. owner, tenant, occupiers, etc) of a unit or common area, upon completion of “major retrofitting works”, is required to engage a REA to certify that the retrofitted building services installations comply with BEC 2012 Edition
- The responsible person is then required to obtain a **Form of Compliance (FOC)** issued by REA
- Further endorsement on FOC by EMSD and renewal of FOC is not required
- The REA is also required to submit the copy of FOC to EMSD and the property management company for record (sample checking may be conducted by EMSD)

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Existing Building (Part 3 of BEEO)

Existing buildings	Central BS installations	Other BS installations serving individual unit	
		with internal floor area < 500 m ²	with internal floor area ≥ 500 m ²
Need to comply with the BEC always?	✓ (for major retrofitting works only)	✗	✓ (for major retrofitting works only)
Need to obtain a FOC from REA?	✓# (within 2 months after completion of major retrofitting works)	✗	✓# (within 2 months after completion of major retrofitting works)

#REA to copy the FOC to EMSD and property management company (if no such company, to the owner)



Owners



Responsible persons (who holds or are in possession or control of the building or units, such as owners, tenants, occupiers, etc.)

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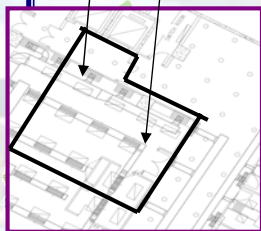


Major Retrofitting Works (Schedule 3 of BEEO)

Works Area

Addition/replacement of a BS installation specified in BEC at the following conditions –

- total floor area covered by the works (i.e. works area) $\geq 500 \text{ m}^2$ in a unit or a common area; and
- if the works are conducted as a same series of works in phases or at different places in a unit or a common area, total floor area covered by these works (i.e. works area) **within 12 months** aggregating to $\geq 500 \text{ m}^2$



Central BS installation

Addition/replacement of a **main component** of a central BS installation, incl. –

OR



a complete electrical circuit at rating $\geq 400\text{A}$;
or



a unitary air-conditioner or a chiller at rating $\geq 350\text{kW}$ (cooling or heating);
or



motor drive + mechanical drive of a lift, escalator or passenger conveyor



Energy Audit



➤ Only applicable to central BS installations of commercial buildings and commercial portions of composite buildings

- The owner of a building is required to engage a REA to conduct **Energy Audit** every 10 years
- The owner is required to obtain an Energy Audit Form and an energy audit report from the REA
- The REA is required to submit a copy of Energy Audit Form and the energy audit report to EMSD for record
- The owner is required to exhibit the valid Energy Audit Form in a conspicuous position at the main entrance of the building



Schedule of Energy Audit

- **Newly constructed building**

(Section 22(2) of BEEO)

- ◆ 1st energy audit within 10 yrs after the issue of the 1st COCR

- **Existing building**

(Schedule 5 of BEEO)

- ◆ 1st round of energy audits will be completed in phases within 4 years
- ◆ The newer the building (according to the issue date of the occupation permit issued by Buildings Department), the earlier the energy audit should be carried out

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Overview of Building Energy Code

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Key Energy Efficiency Requirements in BEC

Lighting Installation

- Max Allowable Lighting Power Density
- Lighting Control



Electrical Installation

- Motor Efficiency
- Power Distribution Loss
- Power Quality
- Energy Metering



Air-conditioning Installation

- COP
- Air Distribution System Fan Power
- Piping System Frictional Loss
- Thermal Insulation
- Energy Efficiency System Control
- Energy Metering



Lift and escalator installation

- Electrical Power
- Power Quality
- Energy Metering
- Lift Decoration Load
- Idling



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Registered Energy Assessors



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Qualifications of Registered Energy Assessors

- **Registered Professional Engineer** under Engineers Registration Ordinance (Cap. 409) – electrical, mechanical, building services or environmental discipline

- at least 2 years post qualification practical experience
- has the knowledge for the performance of the duties and functions under BEEO

Or

- **Corporate member of HKIE** in electrical, mechanical, building services or environmental discipline or equivalent qualification

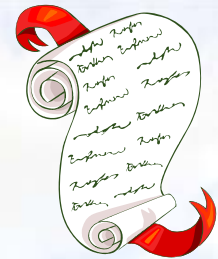
- at least 3 years post qualification practical experience
- has the knowledge for the performance of the duties and functions under BEEO



Registers



Registers (Sections 11 & 31 of BEEO)



EMSD to maintain the following registers –

- ◆ Buildings issued with COCR
- ◆ Registered Energy Assessors



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Benefits brought by BEEO

- After BEEO has come into full operation on 21 September 2012, the key building services installations (such as lighting and air-conditioning installations etc.) are required to comply with the energy efficiency design standards stipulated in BEC
- Therefore, building energy efficiency can be enhanced, leading to:
 - Reduction of carbon emissions
 - Saving in electricity bill



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Advantages of using energy efficient equipments

- Use T5 / T8 fluorescent lamps

- Replacing conventional T10 / T12 lamps with T8 / T5 lamps can save electricity consumption by 10%.



T12 lamp

T10 lamp

T8 lamp

T5 lamp



Advantages of using energy efficient equipments (cont'd)

- Use Grade 1 energy label room air conditioner

- Consider there are two room air conditioners which have the same cooling capacity of 2.6 kW (1 HP) but are of Grade 1 and Grade 3 energy label, respectively
- Assume the two air conditioners operate for 1,200 hours every summer
- A Grade 1 room air conditioner can save up to \$200 in electricity cost when compared to a Grade 3 model
- Every little helps. If all existing room air conditioners are replaced with Grade 1 ones, electricity consumption of room air-conditioners can be greatly reduced, thereby saving more electricity cost



Energy Efficiency Office

能源效益事務處

Enquiry : 37576156

Email : mbec@emsd.gov.hk

Address : 3 Kai Shing Street, Kowloon

Website : <http://www.emsd.gov.hk>



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Determination of Trade Effluent Surcharge (TES) on water accounts of mixed usage

1. If a water account is serving both TES and non-TES chargeable trades, the hotel operator will be advised to take up separate water meters for those TES chargeable trades with the Water Supplies Department (WSD).
2. If the installation of separate government water meter for the TES chargeable trade is impracticable, a submission should be forwarded by the customer to the Drainage Services Department (DSD) to justify the claim. The submission should state the difficulties in installing the separate government water meters and supported with schematic diagrams showing relevant plumbing details, and some photographs for illustration where necessary.
3. If the installation of separate water meters is deemed not feasible, self-installed sub-meter records might be considered by DSD as a reference to determine the appropriate TES chargeable portion, provided that the sub-meters to be installed or already installed are:
 - (i) measuring the proper water consumption of those TES trades; and
 - (ii) certified to be accurate,and the monthly sub-meter readings shall be kept by the customer and submitted to the DSD regularly for TES levies. DSD is exploring means to incorporate the sub-meter readings in the current computer billing system and would advise the trade on the appropriate method of reporting the sub-meter readings at a later stage.
4. As an alternative to obtaining a calibration certificate for the sub-meters from an external body, the hotels concerned could provide their own proof of the accuracy of the sub-meters for the consideration of DSD and WSD.
5. For hotels with existing sub-meters, the plumbing design would need to be submitted for verification. For hotels without sub-meters, proposals and implementation programmes would be required to be submitted to the DSD for acceptance.
6. If the sub-meters of a hotel holding a water account of mixed usage satisfy the said conditions, the previous percentage, if available, could be temporarily adopted for assessing TES for the new bills pending for sufficient sub-meter readings to be collected and used for back adjustment of the previous bills accordingly.
7. DSD would inform all the hotels holding water accounts of mixed usage of the above arrangement.
8. For hotels with extreme difficulties in the installation of sub-meters, DSD would liaise with them for a proper solution on a case-by-case basis and, if necessary, with the presence of the representatives from the Federation.
9. DSD would explore with the Buildings Department to see whether advice could be given during the building plan approval stage to applicants for new hotel developments on the need to install separate water meters for the TES chargeable trades (such as restaurant outlets).

Drainage Services Department

(revised and issued on 21 February 2012)

Application Procedures

1. **Application procedures**

- (i) If the installation of separate government water meter for the TES chargeable trade is deemed impracticable, a submission should be forwarded by the customer to the Drainage Services Department (DSD) to justify the claim. The submission should state the difficulties in installing the separate government water meters and supported with schematic diagrams showing relevant plumbing details, and some photographs for illustration where necessary.
- (ii) If the installation of separate water meters is confirmed to be infeasible, a submission should be forwarded by the customer to the DSD to prove that the sub-meters to be installed or already installed are measuring the proper water consumption of those TES trades and certified to be accurate. Note: Items 1(i) and 1(ii) could be submitted at the same time and only one copy of document is needed to be submitted to the DSD.
- (iii) The submission mentioned in Item 1(ii) above (applicable to both hotels with sub-meters and hotels without sub-meters at present) should include:
 - (a) simplified vertical diagram(s) showing relevant plumbing details of the fresh water supply, which should include the locations of the TES chargeable trade(s) (i.e., kitchen & bakery), the government meter(s) as well as the self-installed sub-meter(s) (hot, cold and return, if applicable); and
 - (b) calibration certificates for the sub-meters from an external body. As an alternative, the hotels could provide their own proof of the accuracy of the sub-meters for the consideration of DSD and the Water Supplies Department (WSD).
- (iv) Site visit would be arranged and conducted, if necessary, by the DSD or WSD, or both.

2. **Contact point of DSD**

- (i) All applications should be sent to:
 - The Director of Drainage Services**
 - Drainage Services Department**
 - Sewage Services Branch**
 - Customer Services section,**
 - G/F Western Magistracy**
 - 2A Pok Fu Lam Road**
 - Hong Kong**

- (ii) For general telephone enquiries:
Customer Services/Sewage Services Branch, DSD (Tel.: 2834 9432)
- (iii) For technical telephone enquiries:
1st contact person:
Mr. Thomas WONG Yun-cheong, Chemist/Sewage Services 3
(Tel.: 2159 3472, email address: thomaswong@dsd.gov.hk)
2nd contact person:
Mr. LAI Hing-choi, Senior Chemist/Sewage Services
(Tel.: 2159 3468, email address: hclai@dsd.gov.hk)

3. The appropriate method of reporting the sub-meter readings

DSD is exploring means to incorporate the sub-meter readings in the current computer billing system. In the meantime, the customer should keep the monthly sub-meter readings record and submit these records to the DSD yearly for TES levies. For hotels with existing sub-meters, the customer may submit the sub-meter readings in the past 12 months to DSD for determining the TES levies once the submission referred to in Item 1(ii) above is approved. The above interim arrangement will be reviewed from time to time. Once the new billing procedure is in hand, DSD would advise the trade on the appropriate method of reporting the sub-meter readings.

Drainage Services Department

(revised and issued on 18 April 2012)