LOCAL VESSELS ADVISORY COMMITTEE

Minutes of the 11th Meeting

Date : 22 February 2012 (Wednesday)
Time : 10:30 a.m.
Place : Conference Room A, 24/F, Harbour Building

Present

Chairman:	Mr. H. M. TUNG	Deputy Director, Marine Department (MD)
Members:	Mr. LO Ngok-yang, Ken	Representing Ship Building and Repairing Industry
	Mr. CHEUNG Dor-ma	Representing Naval Architects
	Ms. Vivian HO	Representing Marine Insurance Industry
	Mr. LUK Pak-hung	Representing Seafarers' Training
	Mr. LAI Hoi-ping	Representing Seafarers' Associations
	Mr. WONG Miu-sang	Representing Cargo Vessels' Operations
	Mr. KWOK Tak-kee	Representing Launch & Excursion Vessels' Operations
	Mr. CHAK Kwok-leung	Representing Ferry Vessels' Operations
	Mr. Ambrose LO	Representing Pleasure Boating Operations
	Mr. ZENG Ji-wei	Representing River Trade Cargo Operations
	Mr. Joseph LI	Representing Hong Kong Police Force
	Mr. W. F. LEUNG	GM/LVS, MD
	Mr. C. S. CHAN	GM/Ops, MD
Secretary:	Ms. Alison WONG	EO(C&G), MD

In Attendance

Mr. KEUNG Siu-fai	Hong Kong & Kowloon Floating Fisherman Welfare Promotion Association
Mr. WONG Yiu-kan	Hong Kong Cargo-Vessel Traders' Association Ltd.
Dr. HO Chi-shing, David	Hong Kong Ferry (Holdings) Co Ltd.
Mr. PANG Wah-kan	Hong Kong Fishermen's Association
Mr. LEE Shing-hing	Sai Kung Ferry Traders Association
Ms. CHING Ngon-lai	Small Craft Workers Union
Capt. WU Ka-shun	Hong Kong Shipping Staff Association
Mr. CHAN Wo-pak	Hong Kong Apleichau Machinery Traders Association
Mr. WEN Tsz-kit, Bondy	Hong Kong & Kowloon Motor Boats & Tug Boats Association Ltd.

Mr. K. W. FUNG	SMO/P&D(1)(Ag.), MD
Mr. W. C. HUI	MO/DG, MD

Absent with Apologies

Mr. LANG Aimin	Representing Ship Survey Work
Hon. WONG Yung-kan, S.B.S, J.P.	Representing Fishing Industry

Presentation of Powerpoint:

Mr. Frank F. H. LAU	General Manager (Projects), The Hongkong Electric Co. Ltd. (HEC)
Mr. Y. L. KWAN	Chief Mechanical Engineer, HEC
Mr. Norman L. M. CHAN	Senior Mechanical Engineer, HEC
Mr. Richard COLWILL	Managing Director, BMT Asia Pacific Ltd.
Mr. Wilson KWAN	Senior Marine Engineer, BMT Asia Pacific Ltd.
Mr. Jonathan HSU	Consultant, BMT Asia Pacific Ltd.

Presentation of Papers

No. 2/2012	Mr. W. C. MOK	Assistant Director (Air Policy), EPD
	Mr. S. W. PANG	Principal Environmental Protection Officer, EPD
	Mr. Tony Y. T. LEE	Senior Environmental Protection Officer, EPD
	Ms. Phoebe LUI	Environmental Protection Officer, EPD
No. 3/2012	Mrs. Sorais LEE	Head, Kai Tak Office, CEDD
	Ms. F. F. YING	Chief Engineer, CEDD
	Ms. Julie O	Senior Engineer, CEDD

I. Opening Remarks

1. The Chairman welcomed all to the meeting.

2. The Chairman then extended welcome to the following attendees:

New members

- Mr. W. F. LEUNG, GM/LVS of MD
- Mr. C. S. CHAN, GM/Ops of MD
- Mr. CHEUNG Dor-ma

- Mr. Joseph LI

Attendees for discussing the Offshore Wind Farm in Hong Kong

- Mr. Frank F. H. LAU
- Mr. Y. L. KWAN
- Mr. Norman L. M. CHAN
- Mr. Richard COLWILL
- Mr. Wilson KWAN
- Mr. Jonathan HSU

Attendees who would present the LVAC Papers at the meeting

- Mr. W. C. MOK
- Mr. S. W. PANG
- Mr. Tony Y. T. LEE
- Ms. Phoebe LUI
- Mrs. Sorais LEE
- Ms. F. F. YING
- Ms. Julie O

II. Confirmation of Minutes of Previous Meeting

3. The minutes of the 10th meeting held on 29.8.2011, which had been revised as per the amendments proposed by the Civil Engineering and Developing Department (CEDD), had been re-circulated to members for endorsement. The minutes were confirmed without further amendments.

III. Matters Arising from Previous Minutes

LVAC Paper No. 4/2011 – Offshore Wind Farm in Hong Kong

4. The Chairman said that members had raised various concerns at the last meeting about the wind farm project, such as the risk management and contingency measures. In view of this, the Hong Kong Electric Co. Ltd. (HEC) and the marine specialist, BMT Asia Pacific attended the meeting again to conduct a presentation on issues related to the marine traffic management, potential hazards and the emergency response framework, etc. to address members' concerns.

5. Mr. Wilson KWAN recapped the background and the profile of the wind farm project. He then briefed members on issues such as the marine traffic in the vicinity of the proposed site, the key operational marine risks, high level control and response

plan as well as the response measures, and the implementation schedule of the mitigation methods. Members were invited to give their views and comments on the operational review and plan of the proposed project.

6. Capt. WU Ka-shun asked about the location where the stand-by tugs would be stationed, and the situation under which the tugs would be deployed to assist drifting vessels. As there might be vessels as large as 400m in length dropping anchors near the Lamma South Anchorage during inclement weather, he also concerned about the efficacy of the tug boats when executing the rescue operations. Mr. Wilson KWAN replied that HEC would closely monitor the marine traffic through the 24-hour CCTV and was working out with the Marine Department the feasibility of sharing use the marine traffic data captured by the radar, AIS and VHF communications, etc. Once a vessel was detected drifting from the anchorage towards the direction of the wind farm site, the tug boat standing by in the area off Kat Tsai Wan, the bay just opposite the HEC Lamma Power Station, would immediately proceed to the scene to assist the vessel, as best able. Mr. Frank F. H. LAU supplemented that HEC would consider going into a long-term contract with a tug supplier for the provision of stand-by tug services. It was believed that the tug supplier would have adequate experience in dealing with vessels of different sizes and would be capable to prevent them from drifting into the wind farm site.

7. Mr. KWOK Tak-kee and Mr. LAI Hoi-ping pointed out that wind speed during the passage of a typhoon might exceed 130 kilometers per hour and gales were expected from the east or the north-east, accompanying rough waves as high as 2 meters. They queried about the time required for the tugs to reach the scene to enforce the rescue operations and their capability to manipulate large vessels, particularly under such a vile weather. Mr. LAI Hoi-ping further urged for the consideration of the safety of the tug boats workers who needed to perform high risk duties in perilous environment. Mr. Richard COLWILL responded that the effectiveness of tug boats deployed to assist drifting vessels would vary in different cases; nonetheless resources would be put in place in order to minimize the risk of vessel capsizing or collision as far as practicable. Mr. Wilson KWAN reiterated that tug boat would stand by in western Lamma during typhoon and be sent out for action well before a drifting vessel was headed towards the wind farm.

8. The Chairman suggested HEC should take into account members concerns such as the timeframe required and the number and engine power of the tug boats committed in the rescue operations when negotiating the details of a service contract with the tug operator.

9. Mr. KEUNG Siu-fai opined that the marine traffic and risk assessment report could further be beefed up by quantifying the size of large vessels mooring at the vicinity of the Lamma Island during the passage of a typhoon, and obtaining the information on wind directions and gale levels in the past 50 years from the Hong Kong Observatory. It was also recommendable to calculate the assumed timing for a drifting vessel to reach the wind farm turbines and the time required for a tug boat to catch up with it so that a more real picture could be simulated for members' consideration. He also suggested HEC should consider sponsoring small vessels to install Global Positioning System to minimize the risk of collision in the wind farm site.

[Post meeting note: The consultant advised that predictions on the frequency of vessels in trouble and potential risk of dragging towards the wind farm had been included in the MTIA on the basis of historic incident and wind data. The risk is identified as approximately once in every 300 years.]

10. Mr. K. W. FUNG enquired about the distance from the lowest point of the blades of the turbines to the sea surface. He also asked about the construction schedule of the wind farm and the distribution of the seabed cables. Mr. Frank F. H. LAU replied that the blades were 23 to 25m above sea surface. If all went well, it was expected that the construction of the whole wind farm would be completed by end 2015. There would be cables under the seabed running through all turbines transmitting electricity back to the Lamma Power Station Extension.

11. In response to Dr. HO Chi-shing's enquiry on the law enforcement authority within the wind farm area, Mr. Frank F. H. LAU replied that HEC had yet to decide whether they would obtain the whole coverage of the wind farm site, or just manage the turbines area plus the 50m advisory safety zone. HEC would further liaise with the Lands Department on this issue when the details of the project had been firmed up. Nevertheless, local vessels would be allowed to sail through and fish in the wind farm. In case there be accident in the site, subject to the nature and level of severity, HEC would report the case to the Marine Department for follow up action.

12. Judging from the distribution of turbines in the field, Mr. C. S. CHAN was of the view that large vessels such as OGVs would be unable to sail through the site safely which would require interactions with other traffics at the site. As for the small local vessels sailing through the wind farm, he reminded HEC that it was unclear if the current radar system could properly detect and monitor their movements. For the benefit of safety management of marine traffic in the vicinity, he suggested that

HEC should consider managing the whole lot of the wind farm site.

[Representatives of HEC and the BMT Asia Pacific Ltd. left the meeting at this juncture.]

LVAC Paper No. 2/2012 – Upgrading the Standard for Marine Light Diesel Supplied in Hong Kong

13. Mr. W. C. MOK briefed members on the details of the proposal to upgrade the standard for marine light diesel supplied in Hong Kong by capping the sulphur content at 0.1%. Members were invited to give their views and comments on the proposal.

14. Mr. WONG Miu-sang and Mr. KWOK Tak-kee requested EPD to release the results of the trial of powering non-kaito local ferries with ultra-low sulphur diesel (ULSD) which was completed in 2010 so that the industry could make reference to the technical feasibility and the potential impacts of the fuel switch on the power output of the existing marine engines.

15. Capt. WU Ka-shun echoed Mr. WONG Miu-sang on the concern of the impact of the fuel switch on the engine power as the engines currently used by local vessels were designed for light diesel with 0.5% sulphur content. He denoted that EPD should consider including a tug boat in the trial fleet to test the implication for fuel consumption should a trial be conducted for using 0.1% sulphur diesel. On the other hand, he requested EPD to provide statistics on the prevailing export price of the 0.1% and 0.5% sulphur diesel from the producers so that a meaningful comparison with the current fuel cost could be made.

[Post-meeting note: EPD advised that according to Platts Singapore MOPS quotation in the last 12 months, fuel with sulphur less than 0.1% (using 0.05% S grade as a surrogate) was on average 1.3% more expensive than fuel with 0.5% sulphur.]

16. Mr. W. C. MOK responded that members' concerns on the trial results of ULSD were well noted and the relevant reports would be uploaded to EPD homepage for public access. However, he reiterated that the trial conducted in 2010 was on the use of ULSD, the sulphur content of which was 0.005%, while the sulphur content of the marine fuel in the new proposal was 0.1%. He remarked that switching to 0.1% sulphur diesel, which had a much higher sulphur content than ULSD, would pose no

technical problem to the engines of local vessels, as the two types of diesel had the same energy content (reflected by the net calorific value) and would not affect the compression ratio of the marine engines. He also asked members to check the lubricity requirement and compatibility with 0.1% sulphur diesel with the engine makers. For vessels fitted with Gardner engines, since the engine maker had closed down, members could consult the suppliers of oil pumps and injectors about the same. He appealed to the members for working closely with the government and experts in this field. A task force would be formed to further study in detail overseas experience in and related reports on the technical issues as well as the export price of the proposed light diesel, etc, so that the government and the industry could reach a consensus on the way forward.

[Post-meeting note: EPD had uploaded the report of "Trial of Local Ferries Using Ultra Low Sulphur Diesel" in its website. The English and Chinese versions of the report could be downloaded at:
http://www.epd.gov.hk/epd/english/environmentinhk/air/studyrpts/air_studyrpts.html and
http://www.epd.gov.hk/epd/tc_chi/environmentinhk/air/studyrpts/air_studyrpts.html]

17. Mr. W. F. LEUNG was of the view that the trial results on ULSD should be informative and comprehensive. For example, it should reveal the types of vessel which were not suitable to use ULSD due to the uniqueness of their engine design. On the other hand, for the sake of marine safety, other than obtaining professional opinions and comments from engine makers, he remarked that it would be worthwhile to conduct a trial on the proposed 0.1% sulphur diesel to confirm the technical feasibility and to ascertain the impact of the switch of fuel on the marine engines currently used by local vessels. Mr. W. C. MOK agreed that running a trial on the 0.1% sulphur diesel might be an effective means to assess the technical feasibility.

18. In response to Mr. W. F. LEUNG and Mr. WONG Yiu-kan's concern over the sulphur content of the diesel used in the Pearl River Delta Region, Mr. W. C. MOK pointed out that starting from 1 July 2013, the Mainland would tighten the sulphur content of the diesel fuels for use in engines, machines and other equipment, including marine vessels from 0.2% to 0.035%.

19. Mr. WONG Yiu-kan suggested the government should take into account the meteorological factors when assessing pollution level and air quality, other than solely focusing on the problem of vessel emissions.

20. Dr. HO Chi-shing, David enquired about the legal liability if marine light diesel with a sulphur content exceeding the statutory limit of 0.1% was being used. Mr. W. C. MOK replied that similar to the regulation of diesel used by vehicles, the oil companies would bear criminal liability in such a case.

[Representatives of EPD left the meeting at this juncture.]

LVAC Paper No. 2/2011 – Proposal to Set up an Enhanced Management Mechanism for the Carriage of Dangerous Goods by Locally Licensed Vessels

21. The Chairman said that a briefing session was held on 21 December 2011 to inform the industry and all parties concerned of the finalized details of the notification system. It was planned to implement the system by a voluntary phase from April 2012, to be followed by a mandatory phase from July 2012. The voluntary phase was intended for the dangerous goods operators to familiarize themselves with the system. The industry and all parties concerned would be informed of the implementation details nearer the time.

22. Mr. KEUNG Siu-fai enquired about the conveyance limit of certain dangerous goods such as compressed gases or liquefied petroleum by local vessels. Mr. W. C. HUI replied that he would forward related regulations to Mr. KEUNG after the meeting for his reference.

[Post-meeting note: The related regulations of the exempted quantity of conveying liquefied petroleum/compressed gases by local vessels had been sent to Mr. KEUNG via e-mail on 23 February 2012.]

23. In relation to the recent proposed amendments to the Dangerous Goods (Shipping) Regulations (Cap. 295C), Mr. WONG Yiu-kan would like MD to clarify the definition of "hours of darkness" and whether a permission was required for a type III vessel having on board explosives (Class I DG) to drop anchor at the Western Dangerous Goods Anchorage in the event of storm, as the said Anchorage was located within the boundary of the Victoria Harbour. Mr. W. C. HUI replied that according to Regulation 17(1)(d) of Cap. 295C, the "hours of darkness" referred to the hours between sunset and sunrise. He also pointed out that there was no need to obtain a permission to drop anchor at the Western Dangerous Goods Anchorage in the event of storm, as it was stipulated in Regulation 19 of Cap. 295C that except with the permission of the Director of Marine, a type III vessel having on board explosives (Class I DG) should proceed outside the harbour or proceed to the Western

Dangerous Goods Anchorage. The proposed amendments to the related Regulations of Cap. 295C would have no impact on the prevailing operation practices of the industry.

Sufficiency of shipyards in Hong Kong

24. Mr. W. F. LEUNG reported that the meeting of the Sub-committee on Survey Work of Local Vessels held on 20.9.2011 discussed the conversion of shipyards to build GRP vessels. The meeting was of the opinion that a number of existing local shipyards were capable to build small GRP vessels such as the P4 fishing vessels. However, to build large GRP fishing vessels or other types of GRP vessels, these shipyards needed to substantially increase the yard area, modify the facilities, procure new equipment and train up the skilled workers. The conversion to GRP shipyards might not be realistic in view of the fact that shipyards in Hong Kong were already difficult to operate due to high capital cost of land acquisition, labour wages, shipbuilding materials and shipyard facilities.

LVAC Paper No. 6/2011 – Amendments to the "Code of Practice – Safety Standards for Class IV Vessels"

25. Mr. W. F. LEUNG reported that the Code had been amended to incorporate the current types of valid pleasure vessel operator certificates as well as other certificates issued under the current or the repealed legislation that were recognized to satisfy the vessel operator requirements. The amendments to the Code were gazetted on 11 November 2011 and subsequently implemented on 25 November 2011.

Land use of several typhoon shelters

26. The Chairman reported that the views and comments of members raised at the last meeting on the preservation of the existing use of the Kwun Tong, To Kwa Wan and New Yau Ma Tei typhoon shelters in view of the new development and revitalization projects of the areas had been conveyed to the Development Bureau for consideration.

IV. New Discussion Items

LVAC Paper No. 3/2012 – Connecting Kowloon East – Environmentally Friendly Linkage System

27. A letter from the Hong Kong Cargo-Vessel Traders' Association Ltd. expressing its concerns on the construction of an elevated monorail system in Kowloon East which would run pass the waterfront and the future cruise terminal across Kwun Tong, Kowloon Bay and Kai Tak was tabled at the meeting. In view of this, representatives of CEDD were invited to attend the meeting to discuss the matter with members.

28. Ms. F. F. YING briefed members on the findings of the feasibility study on the environmentally friendly linkage system (EFLS) to enhance connectivity of Kowloon East. Members were invited to give comments on the EFLS proposal as well as the way forward for the EFLS, particularly on the alignment of the EFLS, the provision of the Kwun Tong Transportation Link (KTTL) and the implementation timetable of the EFLS project.

29. Mr. WONG Miu-sang and Mr. KWOK Tak-kee expressed grave concern on the proposed bridge straddling over the portal of the Kwun Tong Typhoon Shelter (KTTS) with a vertical clearance of 21m for vessels passing underneath. They stressed that the height restriction would forbid high-mast dumb barges from taking refuge in the KTTS during the passage of typhoons. As the number of typhoon shelters able to accommodate large-sized local vessels were already far from sufficient, KTTS was starkly pivotal to the safe operations of the local maritime industry as it played an indispensable role in protecting properties and lives in stormy weather. Albeit the substantial quantifiable and non-quantifiable economic benefits brought about by the whole project of revitalizing Kowloon East, they urged CEDD to look for alternatives for the proposed KTTL to safeguard the port operation and the safety of workers of the marine-related industry.

30. Mr. WONG Yiu-kan added that the Hong Kong Cargo-Vessel Traders' Association Ltd. had indeed reflected to CEDD and the Development Bureau that all along there had been a marginal provision of sheltered space in Hong Kong for local vessels. The usage rate of typhoon shelters ready to take in barges with length from 30 to 50m during a storm had reached 100%. Should a height restriction be imposed on vessels using the KTTS in future, certain types of large vessels had to resort to moor in other typhoon shelters in rough weathers, stretching the already stringent resources even more. In particular, other than KTTS, there were no typhoon shelters in east Kowloon and Hong Kong Island that could moor large vessels. On the other hand, Mr. WONG proposed that CEDD could consider adopting an alignment that the EFLS would not run across the entrance of KTTS by taking a route from the end of the Kai Tak runway to the Kwun Tong Town Centre. He enquired whether there

would be savings if the KTTL was no longer required to be built by taking this alternative routing. As for the alternative proposal of elevating the KTTL with a long swirl approach ramp to provide a vertical clearance of about 40-50m, he enquired whether it would involve high construction cost. Despite the fact that the swirl approach ramp would encroach upon the Action Area 2 and thus depriving its redevelopment as a business area, he was of the view that cultural, recreational and other public facilities could be provided in this area instead. To conclude, he sternly requested to preserve the existing use of KTTS. Any alteration to the use of it would have a grim impact on the industry as a whole.

31. Mrs. Sorais LEE stressed that there was no intention to change the existing use of KTTS, only that the vertical clearance of 21m in the current proposal would have influence on some of the large vessels such as the high-mast dumb lighters. Vessels with a height less than 21m could still take refuge at KTTS during the passage of typhoons. As for the alignment of the EFLS, she responded that after assessing several possible alignments in the feasibility study, the proposed routing was considered having the highest daily patronage. Besides, this alignment would provide a more direct linkage among Kai Tak Development, Kowloon Bay and Kwun Tong, generating synergy on the developments in these areas. In other words, the EFLS played an important role in the revitalization of the whole Kowloon East. Having said that, she assured members that CEDD would work closely with the industry and parties concerned to identify solutions for the vessels being affected prior to the implementation of the project. For examples, enlarging the area of To Kwa Wan Typhoon Shelter, modifying other typhoon shelters currently unsuitable for the use of large vessels and identifying suitable locations as new shelter spaces were alternatives that could be considered. She reiterated that the proposal was just at a very preliminary stage and a consensus had yet to be built for the project to go ahead. Public consultations would be continued in the coming months to gather comments and views from the society. She also highlighted that workshops to collect public's views would be arranged in the coming May or June. Representatives of the industry were welcome to participate and give comments in these workshops.

[Post-meeting note: Members had been invited to attend the two Public Engagement Workshops arranged by CEDD on 26.5.2012 and 2.6.2012 respectively.]

32. In response to Mr. Ambrose LO's enquiry on whether there were any plans to organize water sports activities in the vicinity of KTTS, Mrs. Sorais LEE replied that there were proposals from the community which suggest developing the area into marina, water sports centre or venue for international water sports competitions.

However, the government had not yet come up with a final decision on the way forward. She further explained that the present quality of the water body in the area rendered it unsuitable to be used as a venue for water sports activities as the improvement works of the Kai Tak Area and KTTS were still underway. She remarked that the newly set up Preparatory Team of Kowloon East Development Office in the Development Bureau would further study the possible use of the water body.

33. Mr. KEUNG Siu-fai emphasized that the provision of typhoon shelter areas should be planned by MD according to the genuine demand of the marine-related industry to ensure safety of the workers. Any alteration to the use or area of shelter space would adversely affect the operation of the industry. He urged CEDD to consider other construction designs of the KTTL as so to solve the problem. As regards Mr. WAN Tse-kit's suggestion of a folding design for the KTTL, Mrs. Sorais LEE replied that a folding bridge could be common for pedestrian and vehicles but would not be viable with the provision of monorail.

34. Mr. WONG Yiu-kan further reminded that there were marine fuelling station and anchorages for cargo inspection and for vessels carrying dangerous goods in the eastern waters. In a word the marine traffic and activities were very busy in the vicinity. Moreover, he pointed out that the proposed project of Cross Bay Link in Tseung Kwan O would also impose height restriction for the transit of certain local barges. Water sports centre was proposed to be set up in that area, rather than cargo handling or typhoon shelter activities. He appealed to the authorities to take a more macro and comprehensive approach when planning the development of the whole Kowloon Peninsula and try to look after the benefits and needs of different industries.

35. The Chairman concluded that a typhoon shelter was a life-saving facility. Any alteration to the existing use or provision of shelter spaces might also affect the efficiency of port operations. He said that CEDD should take into account members' concerns and comments when considering the way forward of the project.

V. Date of Next Meeting

36. There being no other business, the meeting ended at 1:20 p.m. The date of next meeting would be announced in due course.