

THE HONGKONG ELECTRIC CO., LTD.

Development Of An Offshore Wind Farm In Hong Kong

STAKEHOLDER LIAISON GROUP

TERMS OF REFERENCE

April 2022



1. **BACKGROUND**

The Hongkong Electric Company, Limited (HK Electric) is proposing the development of an offshore wind farm in the Hong Kong Special Administrative Region (Project). This Project is embarked in support of the government policy to develop wider application of renewable energy in Hong Kong.

The proposed offshore wind farm is located around 4km southwest of Lamma Island (Figure 1). A full Environmental Impact Assessment (EIA) of the Project has been completed confirming the environmental acceptance associated with the construction and operation of the offshore wind farm with the originally planned generating capacity of around 100 MW. The EIA Report (Registered Number EIA-177/2009) has formally been approved by the Environmental Protection Department (EPD) on 14 May 2010. An Environmental Permit (EP-394/2010) of the Project was officially granted to HK Electric under the EIA Ordinance on 8 June 2010.

Due to the significant advancements in the technology of offshore wind turbines, the unit capacity of the wind turbines in the market increases significantly associated with larger rotor diameter and overall wind turbine height. Deploying larger wind turbines will significantly reduce the number of turbines and foundations required, and significantly increase the renewable energy generation from the same project area. Consequently, an Application for Variation of an Environmental Permit (VEP) for the proposed offshore wind farm with larger wind turbines and updated generating capacity of around 150 MW has been submitted to EPD. An Environmental Review Report (ERR) in supporting of the VEP has demonstrated no material change to the environmental impact from the proposed changes and confirmed the compliance with the requirements in the *Technical Memorandum on Environmental Impact Assessment Process* (EIAO-TM). In addition, environmental benefits associated with the reduced number of turbines and foundations have also been demonstrated in the ERR, including less change in flow regime, reduction of impact to marine mammals, sea turtles and fisheries, and reduced wastes generated from construction and maintenance activities of the Project.

Pursuant to Clause 2.4 of Environmental Permit, HK Electric is to set up a Stakeholder Liaison Group (SLG) within 6 months upon issuance of the Environmental Permit. The purpose of setting up this SLG is to establish communications between the project proponent and relevant stakeholders, particularly on the environmental aspects of the Project.

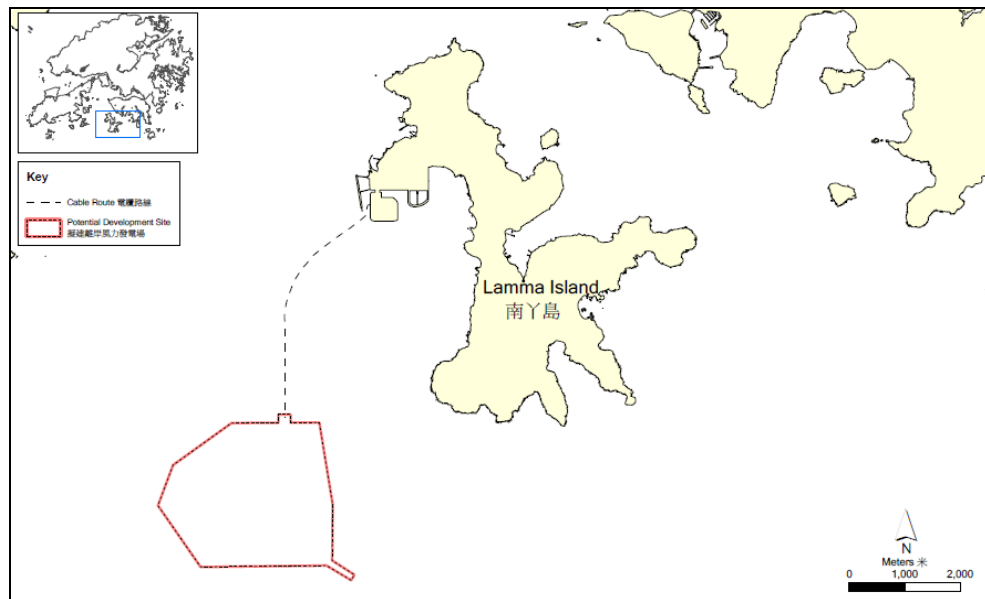


Figure 1 – Location of the Proposed Offshore Wind Farm in Southwest Lamma

2. SLG OBJECTIVE

The objective of this SLG is to provide an advisory forum for stakeholders including those related to fishery sector, environmental groups, academia, persons concerned with energy and sustainable development, and the local communities to advise on the design, construction and operation of the proposed Offshore Wind Farm at Southwest Lamma.

3. SLG ORGANIZATION STRUCTURE

The proposed organization structure of the SLG comprises representatives from the following major stakeholders (Figure 2):-

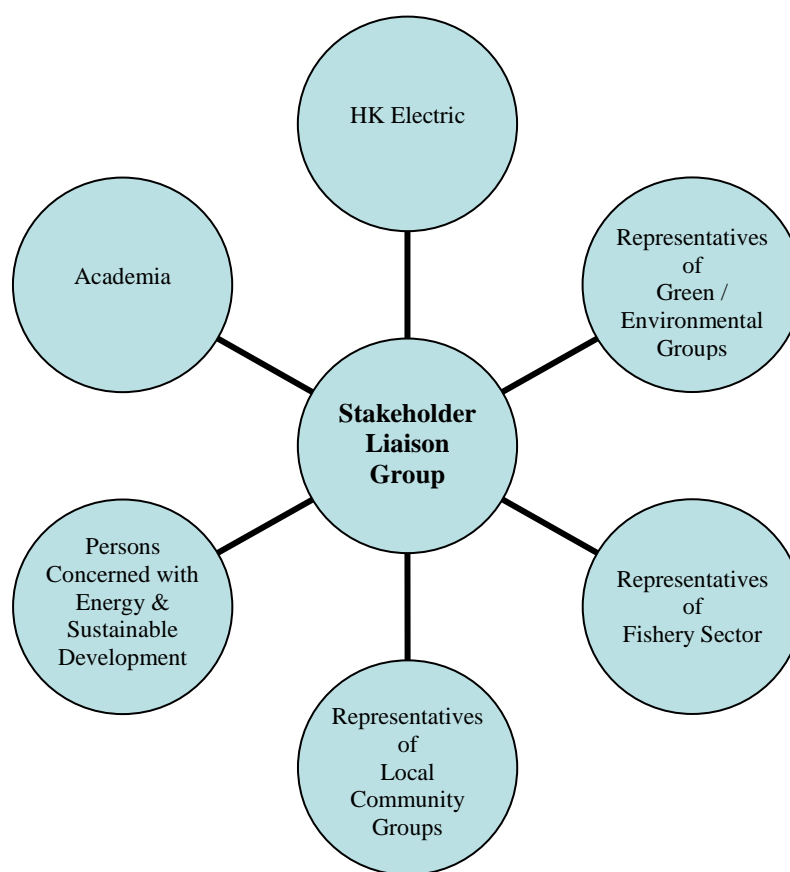


Figure 2 - Organization Structure of SLG

The organization structure of the SLG indicated above is not meant to be exhaustive. Representatives from other relevant stakeholder groups could be invited in future on an as-need basis throughout the course of project implementation stages.

4. SLG MEMBERSHIP

A committee comprising members from HK Electric and external consultants has been set up for reviewing and inviting potential representatives of the SLG. Members will be selected from different functional groups aiming to tap knowledge from the expertise and balance the interests of various stakeholders towards successful development of the Project.

Serving on membership of the SLG is purely on a voluntary basis. Tenure for members serving the SLG will be of 2 years initially.

Membership list for the SLG will be furnished to EPD and the Advisory Council on the Environment (ACE), and views will be taken into account in the membership selection.

5. SLG OPERATION

The following operational guidelines are in place to maintain effective functioning of the SLG:

- a. HK Electric will disseminate relevant materials providing background and update to the Project to SLG members before the SLG meetings.
- b. HK Electric will facilitate the organization and functioning of the SLG. HK Electric will appoint a facilitator and their role will be to provide objective facilitation during each SLG meeting. The facilitator will possess focus group facilitating experience so as to ensure the SLG meeting can be conducted smoothly by balancing views from a diversified group of interest parties while encouraging active participation from the floor.
- c. Members participating in the SLG meetings are expected to offer their views in their field of expertise towards the construction and operation of the Project. HK Electric is expected to solicit these views and to review the validity of recommendations proposed at the SLG meetings.
- d. In encountering different views of the SLG members, the facilitator will play a role in conflict resolution whenever necessary with an aim to strive for reaching a consensus oriented solutions where interests from various parties can be balanced.
- e. The frequency of meetings will be based on the projected amount of information available for dissemination to the SLG about the design, construction and operation of the Project. Generally, there will be two meetings each year.
- f. The agenda of each meeting will be determined by HK Electric. SLG members are encouraged to propose topics for discussion in writing.
- g. All meetings will be held in Cantonese language while documents disseminated for the meetings, if any, will be unilingual either in Chinese or English, depending on nature of the document and the language it was initially prepare in. Agenda and minutes of meetings will be prepared in bilingual languages.
- h. Secretarial supports including preparation of meeting agenda, briefing papers, presentation materials, meeting minutes shall be provided by HK Electric.
- i. External consultants may be invited to join the SLG meetings for providing support on specific issues if deemed necessary.
- j. SLG members shall be obliged to:

TERMS OF REFERENCE

- declare any conflicts of interest in relation to any matter to be discussed at SLG meetings; and
 - keep confidential any restricted and proprietary information received or discussed in the SLG meetings.
- k. All minutes of meetings and relevant documents of the SLG will be placed on HK Electric's website within one month of the dates of the meetings.

To maintain the effective functioning of the group, a living document (separate attachment to the ToR) will be produced and periodically updated by HK Electric to act as the reference guide for the implementation and operation of the SLG.

6. DISSOLUTION OF SLG

The SLG will be dissolved at an agreed time upon discussion with EPD.