

Frequently Asked Questions

1) General Questions

1.1	What is “Feed-in Tariff (FiT) Scheme”?
	<p>To encourage the private sector to develop renewable energy (RE), the power generated by RE systems (e.g. solar energy generation systems) can be sold to the power companies at a rate higher than the normal electricity tariff rate under the FiT Scheme. This can help the private sector to recover the costs of investment in the RE systems and power generation.</p> <p>To provide sufficient incentives to potential RE developers, “gross FiT” is adopted whereby FiT is paid for all units of electricity generated by the RE systems. Any units of electricity used at the premises would be charged at the prevailing tariff rates.</p>
1.2	What types of RE technologies that generate electricity can receive FiT?
	<p>At present, FiT will be offered to solar and wind energy generation systems.</p>
1.3	Who is eligible for the FiT Scheme?
	<p>Except for government bodies, all customers of the power companies who plan to install distributed RE systems with a generating capacity of up to 1 Megawatt (MW) at their premises in the respective power company’s supply area are eligible for prescribed FiT rates from that power company based on the units of electricity generated, as long as the distributed RE systems are connected to the grid of the relevant power company.</p> <p>RE systems with a generating capacity exceeding 1 MW will be considered on a case-by-case basis.</p>
1.4	My RE system was installed before the launch of the FiT Scheme. Can I participate in the Scheme?

	You can participate in the FiT Scheme with distributed RE systems commissioned before the launch of the FiT Scheme.
1.5	What are the application procedures and documents required for participating in the FiT Scheme?
	<p>You can refer to the following links for the power companies' FiT Scheme application arrangements.</p> <p>CLP Power Hong Kong Limited (CLP)'s application arrangements: https://www.clp.com.hk/en/residential/low-carbon-living/feed-in-tariff-residential https://www.clp.com.hk/en/business/low-carbon-solutions/renewable-energy/feed-in-tariff-business</p> <p>The Hongkong Electric Co., Limited (HKE)'s application arrangements: https://www.hkelectric.com/en/customer-services/smart-power-services/feed-in-tariff-scheme</p> <p>In general, applicants should:</p> <ul style="list-style-type: none"> (a) be the power companies' customers; (b) submit a copy of identity card (for individuals) or Business Registration Certificate (for organisations) to the power company; (c) submit the design, technical specifications, operation procedure, testing and cost data information of the RE systems to the power company; and (d) indicate understanding of the requirement of complying with all applicable laws, regulations and licenses.
1.6	Under what circumstances will the power companies reject FiT applications or approve a generating capacity which is less than that applied for?
	While introducing the FiT Scheme, the power companies have to maintain the safe and reliable power supply. In general, the power companies will need to discuss with customers on the generating capacity in individual applications under the following

	<p>circumstances:</p> <p>(a) The systems under application are located outside the existing network (e.g. uncultivated land). If a network has to be laid, the network may have to route through undeveloped land and roads, and the works and applications involved will be complicated and time-consuming. Moreover, the addition of a network involves relatively large amount of investments, and must also take into account the maintenance of a safe and reliable power supply;</p> <p>(b) There are only basic power supply facilities (such as overhead electricity lines) in the locations where the systems under application are located and the capacity for supplying electricity of the network concerned cannot support the capacity of the systems under application. Enhancement of the network may also be subject to physical constraints (such as in cases where electrical cables have to be laid on private land, consent of the owner(s) of the site(s) concerned have to be obtained; and there may not be sufficient space to accommodate electrical cables with higher capacity if the underground space concerned has already been fully occupied by the facilities of other public utilities, etc.); and</p> <p>(c) Connecting an RE system with a larger capacity or many smaller RE systems densely within the same area to a power company's network will increase the supply voltage and may even exceed the allowable voltage limit of the existing power supply facilities within the area. This may result in voltage instability, and may ultimately affect the stability of power supply to other customers of the same area.</p>
1.7	Will the power companies charge any fee?
	The power companies will not charge any fee for application and grid connection, except for applications involving alternation, extension, reinforcement or upgrading of power grids.
1.8	Generally, what is the capital cost of RE systems?
	Capital cost of RE systems varies according to the generating capacity of the systems and RE technology. Generally speaking,

	<p>the capital cost of a solar energy generation system is around tens of thousands dollars per kilowatt (kW), covering costs of labour and inspection, structural support, inverter(s) and photovoltaic modules, etc.</p>
1.9	<p>Are there any recommendations on reputable contractors for RE system installation?</p>
	<p>If you would like to have more information about the contractors that can provide solar energy generation (SEG) installation services, you may refer to the SEG installation contractors list by visiting the following link of the Electrical and Mechanical Services Department (EMSD):</p> <p>https://re.emsd.gov.hk/english/fit/seg/disclamier.html</p> <p>Please note that the list of SEG installation contractors is for internal use by the EMSD. FiT Scheme applicants should be responsible for identifying suitable contractors for installation of their own SEG systems themselves.</p> <p>Besides, SEG installation contractors are required to appoint registered electrical contractors to carry out the related electrical work. You can refer to the following link to EMSD’s website to check the qualifications of the registered electrical contractors:</p> <p>https://www.emsd.gov.hk/en/electricity_safety/register/register_electrical_contractors/index.html</p>
1.10	<p>How to choose solar energy generation systems?</p>
	<p>Before considering installation of solar energy generation systems, please read the “Technical Guidelines on Grid Connection of Renewable Energy Power Systems” (2021 Edition) and “Guidance Notes for Solar Photovoltaic System Installation” (2019 Edition) published by EMSD to better understand the technical issues and application procedures relating to grid connection of solar energy generation systems. The relevant Guidelines can be downloaded at the following links:</p> <p>“Technical Guidelines on Grid Connection of Renewable Energy Power Systems” (2021 Edition)</p>

https://re.emsd.gov.hk/files/technical_guidelines.pdf

“Guidance Notes for Solar Photovoltaic System Installation” (2019 Edition)

<https://re.emsd.gov.hk/english/files/PVGuidanceNotes.pdf>

When purchasing solar energy generation systems, you may request suppliers to provide certificates for the design and safety standards for the product and its key components, and confirm that the product has met the relevant international standards, such as those of the International Electrotechnical Commission (IEC). You may request suppliers to provide a written confirmation that the solar energy generation systems have met the following IEC standards and provide appropriate period of warranty -

IEC 61215 - Terrestrial photovoltaic modules - Design qualification and type approval

IEC 61730 - Photovoltaic module safety qualification

IEC updates the standards from time to time and the latest standards can be found at IEC’s website:

<http://www.iec.ch/>

Inverter is a key component of a solar energy generation system. An inverter converts the output direct current (DC) of photovoltaic array into alternating current. It has a power conditioning function to control the harmonic currents and the output power factor of the RE system. The isolation transformer installed inside or outside the inverter helps to prevent the injection of DC into the distribution system. Inverters should incorporate various functions, including adjusting the voltage and ensuring the safe operation of the RE system, etc. For further details of the various functions, please refer to the “Technical Guidelines on Grid Connection of Renewable Energy Power Systems” (2021 Edition), which can be downloaded at the following link:

https://re.emsd.gov.hk/files/technical_guidelines.pdf

You may request suppliers to provide a written confirmation that the inverters have met the following IEC standards and provide

	<p>appropriate period of warranty.</p> <p>Major IEC Standard for Inverters:</p> <p>IEC62109 - Safety of power converters for use in photovoltaic power systems</p>
1.11	How should the solar energy generation systems be maintained?
	Dust or dirt on the surface of solar panels will reduce the amount of electricity generated. It is recommended that RE system owners should perform simple cleaning work on a regular basis. The inspection, maintenance and repair works of the electrical installations of solar energy generation systems must be carried out by registered electrical contractors.
1.12	What is the lifespan of solar energy generation systems and their key components?
	The lifespan of solar panels is about 20 to 30 years while that of inverters is about 5 to 10 years.
1.13	Will the suppliers or contractors of solar energy generation systems provide any warranty and maintenance services?
	Members of the public are recommended to request suppliers or contractors to offer at least one-year defects liability period in the terms of the solar energy generation system project contract. After the expiry of the first defects liability period, members of the public may decide whether they will continue to engage the original contractor or hire a new contractor to provide the maintenance service.
1.14	What is the requirement on the electricity system of the building unit for installation of a solar energy generation system under the FiT Scheme?
	After receiving a FiT application, the power company will carry out a power supply capacity assessment on the electricity system of the unit under application in order to maintain the safety and reliability of power supply. If the unit's power supply capacity cannot support the electricity generation capacity of the applicant's solar

	<p>energy generation system, the power company may require the applicant to increase the power supply capacity of his / her unit in order to maintain the safety and reliability of power supply. For example, if the unit's power supply capacity is 60 Ampere single phase but the electricity generation capacity of the solar energy generation system under application exceeds 60 Ampere single phase or the electricity system's carrying capacity of the unit, depending on circumstances, the power company may require the applicant to increase the power supply capacity of the unit and may even require a three phase power supply, so as to support the electricity generation capacity of the solar energy generation system for which the applicant applied.</p>
1.15	<p>Do FiT applicants need to obtain permission from other stakeholders prior to their applications to the power companies for participation in the FiT Scheme?</p>
	<p>Owners and occupants are advised to check any restrictions as may be stipulated in the Deed of Mutual Covenant and to understand whether the installation of solar energy generation systems will affect other residents, and, depending on circumstances, to obtain the agreement from third parties (such as the Owners' Corporation, Mutual Aid Committee or the management company) prior to their FiT applications.</p>
1.16	<p>Which terms and conditions in the contract do FiT applicants need to pay attention to when entering into a project contract with a solar energy generation system installation contractor?</p>
	<p>In general, the project contract should clearly set out the work flow, equipment specification, maintenance clause and fee payment schedule. At the same time, the project contract should also state clearly whether the contractor will make an FiT application to the power company on behalf of the applicant, check on electricity wiring system and apply for generation facility registration with EMSD, etc.</p> <p>In addition, if the existing power supply of the unit is insufficient, the FiT applicant may be required to upgrade the capacity of power</p>

	<p>supply, so as to support the generation capacity of the solar energy generation system for which the applicant applied. This may involve additional charges and delays in works. It is advisable to check with the contractor early on about relevant charges for better budgeting.</p> <p>As for the installation specification for solar energy generation systems, EMSD has published “Sample Specification for Installation of Grid-Connected Solar Photovoltaic System” for the public’s reference. It can be downloaded from the following website: https://re.emsd.gov.hk/files/Sample_Specification_for_Installation_of_Grid-Connected_Solar_Photovoltaic_System.pdf</p>
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2) FiT Rates and Payment Arrangements

2.1	What is the duration of FiT payment?
	<p>Owners of an RE system can start receiving FiT payment since commencement of operation of the system and joining of the FiT Scheme. FiT, based on the rate as applied to the RE system when it joins the FiT Scheme, will be offered until 31 December 2033 (i.e. the expiry date of the new “Scheme of Control Agreements” signed between the Government and each of the two power companies) or throughout the lifespan of the RE system, whichever is the earlier. In other words, an RE system owner can receive FiT for about 15 years at most (15 years and 3 months for CLP; and 15 years for HKE).</p>
2.2	What are the current FiT rates?
	<p>The current FiT rates are as follows:</p> <ul style="list-style-type: none"> (a) \$4 for RE systems with generation capacity $\leq 10\text{kW}$; (b) \$3 for RE systems with generation capacity $> 10\text{kW}$ to $\leq 200\text{kW}$; and (c) \$2.5 for RE systems with generation capacity $> 200\text{kW}$ to $\leq 1\text{MW}$. <p>FiT rates would be reviewed annually.</p>

2.3	How are the current FiT rates set?
	<p>The Government has engaged an independent consultant to conduct a study for setting the FiT rates. The consultant has made reference to the mechanisms and standards adopted in the FiT Schemes of overseas jurisdictions, and has taken into account the levelised costs of electricity (LCOE) in Hong Kong when setting the FiT rates.</p> <p>The LCOE is calculated on the basis that the payback period for RE systems will be shortened to around 10 years. In addition to the capital costs of installing RE systems, we have also taken into account the maintenance costs, discount rate, inflation, the attractiveness of the FiT rates to potential investors of RE systems, etc.</p>
2.4	What are the reasons for setting different levels of FiT rates?
	<p>The capital costs of RE systems and costs of power generation vary with the generating capacity of the systems. In general, the larger the generating capacity of an RE system, the lower the average unit cost of installation (on a \$/kW basis) and power generation. Setting different levels of FiT rates can reflect the generating capacity and LCOE more effectively and fairly.</p> <p>In other jurisdictions, it is very common to set different levels of FiT rates according to the generating capacity of RE systems. For example, the levels of FiT rates adopted in Germany, the United Kingdom, Japan and Taiwan range from 2 to 4.</p> <p>Having considered the generating capacity of RE systems that are most likely to be installed in Hong Kong, we consider that it is appropriate to set different levels of FiT rates covering different system sizes. The lowest level (for systems of a capacity $\leq 10\text{kW}$) will cover most systems that can be installed at rooftop of village houses. The second level (for systems with capacity of $>10\text{kW}$ to $\leq 200\text{kW}$) will cover systems installed at rooftop of buildings in general (such as the systems at the Airport Police Station and the Wanchai Tower). The third level (for systems with capacity of $>200\text{kW}$ to $\leq 1\text{MW}$) will include relatively large systems (such as that at the EMSD Headquarters).</p>

2.5	Will the FiT rates be adjusted according to inflation or electricity tariff rates?
	Upon approval of the FiT application and subject to commencement of operation of the RE system within a reasonable period of time, FiT at the rate applied to the RE system when it joins the FiT Scheme will be offered until 31 December 2033 or throughout the lifespan of the RE system, whichever is the earlier.
2.6	How can I get the FiT payment?
	After the RE system has been successfully connected to the grid and installed with a smart meter, the power company concerned will offer FiT payment according to the amount of electricity generated by the RE system as recorded on the smart meter and release the FiT payments on a regular basis.
2.7	If I am a landlord, can I install an RE system on my leased premises and participate in the FiT Scheme?
	The power companies will offer FiT payment according to the amount of electricity generated by an RE system as recorded on the smart meter and release FiT payments to the account holder who has obtained approval for joining the FiT Scheme.
2.8	It is understood that some contractors are working with owners to install solar energy generation systems on the rooftops of the buildings. The contractors will pay for the installation of solar energy generation systems and the income arising from the participation in the FiT Scheme will be shared between the contractors and the owners. Does the Government endorse this form of cooperation and promote it to members of the public?
	The Government has noticed that there are companies in the market providing individuals or organisations with different investment models on the installation of solar energy generation systems, including the solar leasing model, under which the companies pay the upfront installation costs for the solar energy generation systems and the income arising from the participation in the FiT Scheme will be shared between the contractors and the owners of the premises. Individuals or organisations who are interested in

	installing RE systems in their premises may, having regard to their own circumstances, consider different models of participating in the FiT Scheme.
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3) Grid Connection Arrangements and Legislative Requirements in Relation to Installation of RE Systems

3.1	How would the RE systems connect with the power companies' grids?
	<p>For the technical requirements for grid connection and relevant procedures for making applications to the power companies for grid connection, please refer to the "Technical Guidelines on Grid Connection of Renewable Energy Power Systems" (2021 Edition), which can be downloaded at the following link:</p> <p>https://re.emsd.gov.hk/files/technical_guidelines.pdf</p>
3.2	Will power companies charge for connecting RE systems to their grids?
	<p>The power companies have agreed to waive the grid connection charge for small-scale RE systems.</p> <p>CLP's FiT Scheme has been opened for application starting from 4 May 2018. For details, please refer to the following link:</p> <p>https://www.clp.com.hk/en/residential/low-carbon-living/feed-in-tariff-residential</p> <p>https://www.clp.com.hk/en/business/low-carbon-solutions/renewable-energy/feed-in-tariff-business</p> <p>HKE's FiT Scheme has been opened for application starting from 28 August 2018. For details, please refer to the following link:</p> <p>https://www.hkelectric.com/en/customer-services/smart-power-services/feed-in-tariff-scheme</p>
3.3	Are RE systems installed for participation in the FiT Scheme required to be registered with government department? What is the registration procedure?

	<p>An owner who wishes to connect a RE system to the grid for participation in the FiT Scheme shall register the generating facility with EMSD in accordance with section 21(1) of the Electricity Ordinance (EO) (Cap. 406).</p> <p>When the applicant requests the power company to install a FiT meter, he/she shall provide a copy of the receipt of generating facility registration issued by EMSD to the power company to demonstrate that an application for registration of generating facility has been duly submitted to EMSD pursuant to the EO. When the installation of the FiT meter is completed and where a generating facility/system completion notice is issued by the power company, the applicant shall then submit a copy of the generating facility/system completion notice to EMSD in order to complete the registration procedures of the generating facility.</p> <p>However, if the RE system forms part of an electrical installation covered under the periodic test certificate (WR2) in premises, for example, hotels, schools, etc., it is not required to be registered as a generating facility. In general, the electrical installations of approved loading of village houses or building units do not exceed 100 Ampere (i.e. do not form part of an electrical installation covered under WR2), hence owners of RE systems installed at those premises who participate in the FiT Scheme are very likely required to register those generating facilities.</p> <p>The generating facility registration fee is HK\$640 and registration renewal is not required.</p> <p>The application form and other details can be found on EMSD's website (https://www.emsd.gov.hk/en/electricity_safety/how_to_apply/registration_for_generating_facility/index.html).</p> <p>Any person who contravenes section 21(1) of the EO commits an offence and is liable to a fine at level 3 (i.e. HK\$10,000).</p> <p>For any enquiry, including exemptions from requirements to register a generating facility under the EO, please call EMSD's FiT hotline at 6395 2930.</p>

3.4	<p>Is submission of a planning application to the Town Planning Board (the Board) required for the installation of a solar energy generation system? What are the application procedures and assessment criteria?</p>
	<p>Installation of a solar energy generation system with a scale commensurate with and incidental to, directly related to and ancillary to the permitted use/development within the same zone on a statutory plan does not require permission from the Board. Stand-alone solar energy generation systems to be installed on vacant land for the FiT Scheme are regarded as “Public Utility Installation” (PUI), and planning permissions from the Board may be required subject to the provisions of the statutory plan concerned.</p> <p>The proponent may refer to the relevant Outline Zoning Plan and its Notes for land use zoning of the respective site, and whether ‘PUI’ use is always permitted or requires permission from the Board. If a planning permission from the Board is required, the proponent may submit a planning application to the Board in accordance with the Town Planning Ordinance (Cap.131). The application form and Guidance Notes on how to apply can be downloaded from the Board’s website (https://www.info.gov.hk/tpb). The assessment criteria for considering planning applications for solar energy generation systems are available at:</p> <p>https://www.info.gov.hk/tpb/en/forms/Technical_Doc/Assessment%20Criteria_promulgation%20(English)%20(21.7.2020).pdf</p>

4) RE Certificates

4.1	<p>What are “RE Certificates”?</p>
	<p>RE Certificates are sold by the power companies. Each unit of electricity in the RE Certificates represents units of electricity produced by local RE sources that are either generated or purchased by the power companies.</p>
4.2	<p>What are the objectives of the RE Certificate Scheme? How does the Scheme operate?</p>

	Selling RE Certificates will help enhance public awareness of environmental protection. Through the purchase of RE Certificates, the community can show its support to the development of RE. The revenue from selling the RE Certificates will also help alleviate the overall tariff impact on all consumers brought about by the introduction of the FiT Scheme.
4.3	What is the price for RE Certificates?
	The price of RE Certificates is HK\$0.5/kWh.
4.4	Is participation in the RE Certificate Scheme mandatory?
	Participation in the RE Certificate Scheme is on a voluntary basis.
4.5	Who are eligible to purchase RE Certificates?
	Any residential or commercial and industrial customer in the respective power company's supply area is eligible to purchase RE Certificates.
4.6	What are the minimum purchase units of RE Certificates?
	The RE Certificates are available at a minimum purchase of 100 units.

5. Installation of solar energy generation systems in New Territories Exempted Houses (NTEH) (commonly known as village houses)/on -vacant land/in private buildings/squatter structures/farms or fish ponds

5.1	Will installation of solar energy generation systems constitute unauthorised building works (UBWs) or breaches of planning?
	<p>If the installation of solar energy generation systems complies with the requirements of the law, it will not give rise to UBWs.</p> <p>If you plan to install solar energy generation systems in NTEH (commonly known as village houses), please refer to Questions 5.2 - 5.7.</p>

	<p>If you plan to install solar energy generation systems on vacant land, please refer to Questions 5.8 - 5.10.</p> <p>If you plan to install solar energy generation systems in private buildings, please refer to Questions 5.11 - 5.13.</p> <p>If you plan to install solar energy generation systems in squatter structures, please refer to Question 5.14.</p> <p>If you plan to install solar energy generation systems in farms or fish ponds, please refer to Question 5.15.</p>
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5a) NTEH (commonly known as village houses)

5.2	<p>What kinds of approval are necessary for the installation of solar energy generation system in a village house? Will such give rise to UBWs?</p>
	<p>According to the policies of the Lands Department (LandsD) and the Buildings Department (BD) on Green and Amenity Facilities in NTEH, upon fulfilling specific requirements, a resident may install solar energy generation system on the rooftop and stairhood of a village house without the need to obtain prior approval from LandsD or BD.</p> <p>If the garden adjacent to a village house is privately owned or situated on a site under short term tenancy which is in conformity/compliance with the relevant land use and lease or tenancy conditions, the relevant owner or tenant may install solar energy generation systems in accordance with the simplified requirements under the Minor Works Control System of BD (i.e. Minor Works Item No. 1.50 (https://www.bd.gov.hk/en/building-works/minor-works/minor-works-item1_50.html) or Item No. 3. 50 (https://www.bd.gov.hk/en/building-works/minor-works/minor-works-items/index_mwcs_item3_50.html)) by appointing eligible persons to carry out the works to ensure that the relevant minor works comply with the requirements of the Buildings Ordinance (BO) (Cap.123).</p> <p>If the building works involved are not exempted building works</p>

	<p>or minor works items, the relevant owner or tenant should appoint an authorized person to submit building plans to BD in accordance with the BO. The building works can only be carried out after approval for and consent to the commencement of works are obtained.</p> <p>In addition, the design and construction of individual village houses may be different. Village house owners should first consult professionals before the solar energy generation systems are installed.</p>
<p>5.3</p>	<p>What are the weight and dimensions requirements for installing solar energy generation system in a village house?</p>
	<p>If a solar energy generation system arranged in the form of continuous spread covering is installed on the main roof, its coverage should not be more than half of the roofed-over area of the NTEH.</p> <p>If a solar energy generation system arranged in clusters is installed on the main roof, each cluster should have coverage of not more than 5 m² and should be separated from each other by not less than 1 m.</p> <p>Besides, for systems to be installed on the main roof, the average loading should not exceed 150 kg/m². For facilities to be installed on the roof of a stairhood, the average loading should not exceed 75 kg/m².</p> <p>Requirements for installation of solar energy generation system in a village house have been given in the “Building New Territories Exempted Houses” booklet (https://www.landsd.gov.hk/en/images/doc/Building%20NT%20Exempted%20Houses_e.pdf) published by the LandsD and the “Village Houses without unauthorised building works put your mind at ease!” booklet (https://www.bd.gov.hk/doc/en/resources/pamphlets-and-videos/VHWUBW_b.pdf) published by BD.</p>
<p>5.4</p>	<p>Can a solar energy generation system be installed on an extendable structure on the roof of a village house?</p>

	<p>The coverage area of a solar energy generation system on the roof is the total area covered by the whole solar energy generation system, including the solar panels, the supporting frame and any uncovered space or gap between the solar panels within the building. If an extendable structure is involved, the total coverage area of the fully extended solar energy generation system should be measured.</p> <p>In this connection, for a solar energy generation system arranged in the form of continuous spread covering to be installed on an extendable structure, if the coverage area measured when the system is fully extended exceeds half of the roofed-over area of the NTEH, the system does not comply with the requirements and will be considered as UBWs. The owners should also pay particular attention to and ensure the structural safety of the extendable structure and the safety of the electrical installations on it.</p>
<p>5.5</p>	<p>If a solar energy generation system is installed on the roof of a village house, can the space underneath the system be enclosed? If the enclosure can be easily removed, does it fulfill the requirements?</p>
	<p>No, the space underneath a solar energy generation system should not be enclosed in any form and any extent. It does not satisfy with relevant requirements when such space is fully or partially enclosed by any fixed or movable components constructed of canvas, metal or glass, prefabricated storage cabinets (regardless of whether they are considered as green and amenity facilities in NTEH) or solar panels and equipment associated with the solar energy generation system. It is necessary to avoid such space being enclosed when designing the arrangement of solar panels.</p>
<p>5.6</p>	<p>Can a solar energy generation system be installed on the UBWs on the roof of a village house?</p>
	<p>No. According to the requirements, the roof on which a solar energy generation system is installed should be cleared of all UBWs, including those reported and acknowledged by BD under the Reporting Scheme for UBWs in NTEH implemented by BD. Thus, the existing UBWs should be removed. Therefore, a solar energy generation system installed on the UBWs on the roof will also be regarded as UBWs. BD will take enforcement actions in</p>

	accordance with the enhanced enforcement strategy against UBWs in NTEHs.
5.7	Will installation of solar energy generation system in a village house give rise to breaches of planning?
	<p>Generally speaking, if the solar energy generation system to be installed on the rooftop of a village house are primarily an ancillary facility for supplementing power supply to the household, the installation is not in contravention of the relevant planned use.</p> <p>Please also refer to Question 3.4.</p>

5b) Vacant land in the New Territories

5.8	Will installation of solar energy generation system on vacant land in the New Territories give rise to UBWs?
	<p>If the vacant land in the New Territories is privately owned or within an area of short term tenancy which is in conformity/compliance with the relevant land use and lease or tenancy conditions, the relevant owner or tenant may install solar energy generation systems in accordance with the simplified requirements under the Minor Works Control System of BD (i.e. Minor Works Item No. 1.50 (https://www.bd.gov.hk/en/building-works/minor-works/minor-works-items/index_mwcs_item1_50.html) or Item No. 3.50 (https://www.bd.gov.hk/en/building-works/minor-works/minor-works-items/index_mwcs_item3_50.html)) by appointing eligible persons to carry out the works to ensure that the relevant minor works comply with the requirements of the BO.</p> <p>If the building works involved are not exempted building works or minor works items, the relevant owner or tenant should appoint an authorised person to submit building plans to BD in accordance with the BO. The building works can only be carried out after approval for and consent to the commencement of works are obtained.</p>
5.9	Will installation of a solar energy generation system on vacant

	land in the New Territories give rise to breaches of town planning?
	<p>Installation of solar energy generation system as a standalone facility on vacant land for participation in the FiT Scheme would be regarded as “Public Utility Installation” which is always permitted in “Commercial”, “Government, Institution or Community”, “Industrial”, “Industrial (Group D)”, “Open Storage”, “Other Specified Uses” annotated “Business” and “Other Specified Uses” annotated “Industrial Estate” zones. Planning application is required for installation of standalone solar energy generation system intended for participation in the FiT Scheme in areas where “Public Utility Installation” is a Column 2 use under the statutory plan concerned. The “Assessment Criteria for Considering Applications for Solar Photovoltaic System made under Section 16 of the Town Planning Ordinance (Cap. 131)” is available at the following hyperlink:</p> <p>https://www.info.gov.hk/tpb/en/forms/Technical_Doc/Assessment%20Criteria_promulgation%20(English)%20(21.7.2020).pdf</p> <p>Please also refer to Question 3.4.</p>
5.10	Is it necessary to pay fees to LandsD when applying for setting up RE installations on vacant land in the New Territories?
	The wavier application fee for setting up RE installations on private agricultural land in the New Territories is set according to the established fee level of LandsD, and the fee for individual site depends on factors like its size, location and the land lease terms. Therefore, it is difficult to generalise the fees required.

5c) Private buildings

5.11	Will installation of solar energy generation system on the rooftop of a private building give rise to UBWs?
	Installation of solar energy generation systems on the rooftops of private buildings can be carried out in accordance with the simplified requirements under the Minor Works Control System

	<p>of BD (i.e. Minor Works Item No. 1.50 (https://www.bd.gov.hk/en/building-works/minor-works/minor-works-items/index_mwcs_item1_50.html) or Item No. 3.50 (https://www.bd.gov.hk/en/building-works/minor-works/minor-works-items/index_mwcs_item3_50.html)) by appointing eligible persons to carry out the works to ensure that the relevant minor works comply with the requirements of the BO.</p> <p>If the building works involved are not exempted works or minor works items, the relevant owner or tenant should appoint an authorised person to submit building plans to BD in accordance with the BO. The building works can only be carried out after approval for and consent to the commencement of works are obtained.</p>
5.12	Will installation of solar energy generation system on the rooftop of a private building give rise to breaches of town planning?
	<p>Generally speaking, if installation of energy generation systems on the rooftop of a private building is primarily an ancillary facility for supplementing power supply to the building or the households therein, it is not in contravention of the relevant planned use.</p> <p>Please also refer to Question 3.4.</p>
5.13	Are vetting and approval from LandsD required for the installation of solar energy generation system on the rooftop of a private building??
	<p>Generally speaking, the installation of RE systems in existing buildings should conform/comply with the relevant land use and lease conditions. Otherwise, applications should be submitted to LandsD subject to land lease conditions.</p>

5d) Squatter structures

5.14	Can environmental protection facilities (including solar energy generation system) be installed in a surveyed squatter structure?
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	<p>Squatter structures refer to the unauthorised structures erected on government land and leased agricultural land that were recorded by the Government in 1982 under the Squatter Control (SC) policy. Those structures remain unauthorised despite having been recorded, but are tolerated to exist on a temporary basis until they have to be demolished when land resumption and clearance are required for the purpose of carrying out public works or development. Occupants of the surveyed squatter structures are eligible for compensation or rehousing under the clearance and rehousing policy applicable at the time. The Squatter Control Survey Record (SC Survey Record) includes the location, dimensions (i.e. length, width and height), building materials and uses of the squatter structures. According to the SC policy, extension, new erection, addition, change of use or alteration with materials not in compliance with the SC Survey Record are not allowed for surveyed squatter structures. Those found non-compliant are liable to cancellation of the SC Survey Record.</p> <p>There is no hard and fast rule about whether the installation of environmental protection facilities (including solar energy generation system or water storage system) in squatter structures will be allowed. It depends on whether such facilities constitute extension of the squatter structures (such as building additional floors and replacing temporary materials with permanent ones). Generally speaking, if the small-scale environmental protection facilities installed do not involve extension, enforcement actions will not be taken. However, if the facilities installed are found to involve extension, new erection, addition, change of use or alteration with materials not in compliance with the record of the 1982 SC Survey, enforcement actions will be taken against the non-compliant surveyed squatter structures. If the breach is substantiated, the squatter structure concerned will lose the status as a Surveyed Squatter Structure and the SC Survey Record will be cancelled.</p>

5e) Farms or fish ponds

5.15	Is a planning permission from the Town Planning Board required for the installation of a solar energy generation
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	system for a farm or fish pond?
	<p>Installation of a solar energy generation system for generating electricity for a permitted use, such as that for a farm, green house/farm structures in the “Agriculture” zone to be used mainly for generating electricity for agricultural purposes, is regarded as an ancillary use. No planning permission from the Town Planning Board is required.</p> <p>A stand-alone solar energy generation system installed on vacant land for the FiT Scheme is regarded as “PUI” and a planning permission from the Town Planning Board may be required subject to the provisions of the statutory plan concerned.</p> <p>Please also see Question 3.4.</p>

6. Schools

6.1	Can schools participate in the FiT Scheme? Is approval from the Education Bureau (EDB) required?
	<p>In principle, kindergartens as well as primary and secondary schools (except government schools) can participate in the FiT Scheme. Schools need to fulfil relevant requirements as set out in the circular memorandum issued by EDB when participating in the Scheme. The circular memorandum can be viewed via the following link:</p> <p>https://applications.edb.gov.hk/circular/upload/EDBCM/EDBCM19168E.pdf</p> <p>Universities funded by the University Grants Committee (UGC), non-UGC funded universities and post-secondary institutions (such as Vocational Training Council) can also apply for the FiT Scheme.</p>

7. Wind Power Installations

7.1	Can building owners install wind turbines in their buildings? What are the procedures involved?
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	In general, members of the public who intend to install wind turbines in open space or buildings are required to submit plans to BD for approval.
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8. Tax Incentives and Subsidy Scheme

8.1	What tax concession schemes are currently in place to help building owners enhance energy efficiency performance of buildings?
	<p>The Exemption from Profits Tax (Feed-in Tariff Scheme) Order and the Business Registration (Amendment) Regulation 2019 have come into force. They exempt individuals installing RE systems at their residential premises (not in the course of any other business) from reporting in the tax return the FiT payments received through participation in the FiT Scheme and the requirement of applying for business registration. Details can be referred to the press release issued by the Government on 1 March 2020: https://www.info.gov.hk/gia/general/202003/01/P2020022800340.htm?fontSize=1.</p> <p>For individuals who do not fulfil the exemption conditions, any corporation or partnership participating in the FiT Scheme in the course of a business, or participating in the FiT Scheme for profit purposes, they are required to report in the tax return the FiT payments derived from selling units of electricity generated by the RE systems to the power companies and apply for a business registration for their FiT business..</p> <p>To encourage the business community to adopt environmental protection facilities, since the year of assessment 2008-09, pursuant to section 16I of the IRO, profits tax deduction has been allowed for the capital expenditure incurred in relation to environmental protection facilities. As mentioned in the 2018-19 Budget, the Government has already further enhanced tax concessions for capital expenditure incurred by enterprises in procuring eligible energy efficient building installations and RE systems by allowing the capital expenditure so incurred to be deductible in full in one year instead of five years. Details can be referred to the press release issued by the Government on 1 March 2018:</p>

	http://www.info.gov.hk/gia/general/201803/01/P2018030100661.htm?fontSize=1 .
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