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Power discounts won't help the poor, say critics (<http://www.scmp.com/news/hong-kong/article/1103818/power-discounts-wont-help-poor-say-critics>) [1]

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News › **Hong Kong COST OF LIVING**

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Critics say it's impossible for those living in caged homes to benefit from new measures because they don't have their own meters

Critics say that energy-saving rebates or discounts offered by power firms will not help the poor - who do not have their own power meters, and may have to pay the higher rates regardless of their usage.

A charity says power firms should lower tariffs directly for the needy rather than raising rates and then offering selective discounts. Sze Lai-shan of the Society for Community Organisation said some caged homes accommodated up to 30 people, with more than HK\$2,000 spent on electricity per bill.

Yet in most of these centres, there is only a centralised power meter registered under the name of the landlord, making it impossible for tenants to benefit from rebates or discounts.

"You can't just ask them to switch off the air conditioning in the hot summer in order to earn these rebates, which aren't much anyway," Sze said.

She said the increased power rates would give some landlords an excuse to charge more rent, in cases where the rate incorporated an electricity charge.

Dr William Chung Siu-wai, the director of the Energy and Environment Policy Research Unit at City University, also said that tenants of subdivided flats and caged homes might pay more under the new power rates.

On Tuesday, CLP Power announced an average tariff rise of 5.9 per cent, and an energy-saving rebate scheme. It allows a rebate of between seven and nine cents a kilowatt hour for users who keep their usage within 400 kWh for a two-month period.

The firm estimates that bills will remain unchanged for up to 700,000 households, or they might see a slight reduction of HK\$3 a month.

Hongkong Electric will introduce a 5 per cent discount for users who keep their monthly power consumption at or below 100kWh. It will raise tariffs an average of 2.9 per cent.

Under CLP's new rates, power users will be subject to basic rate rises - excluding a fuel-cost increase of 4.6 cents per unit, applicable to all users - of between 9 and 29 per cent if power consumption is beyond

1,800 kWh. Only those consuming less will see their basic rates unchanged.

To help the poor, CLP Power earlier pledged to provide a one-off subsidy of HK\$300 to about 30,000 households. But Sze said the extra measure would do little to offset the tariff rise.

"If it requires so much effort to introduce it, why not simply cut the tariff?" she asked.

CLP said it would make reference to criteria used by the Community Care Fund in identifying needy groups. It has asked the Council of Social Service to help.

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