

Government Initiatives and Private Industry

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A critique of current government initiatives with respect to energy and climate change

- Commentary on documents released by Government.
- Main document “*Powering our future*”
- Subtitled “Towards a sustainable low emissions energy system. Dated December 2006 and labeled as the NZES to 2050.
- A suite of companion documents released broadly at same time.

Energy & Climate Change

- Companion papers contd.
- Discussion paper on measures to *Reduce Greenhouse Emissions in New Zealand Post 2012*
- *Transitional Measures*: Options to move towards low emissions electricity and stationary energy supply and to facilitate a transition to greenhouse gas pricing in the future.

Energy and climate change

- Two documents prepared for the Energy Efficiency and Conservation Authority. Not released by the Minister but obtained via the Official Information Act.
- These cover energy projections; analysis of technical and economic potentials for energy efficiency and renewable energy, and stationary engine energy efficiency

Energy and climate change

- A copy of a report to Cabinet's Policy Committee plus a copy of the Cabinet Business Committee minute on the Draft NZ Energy Strategy can be downloaded from the MED web site.
- The Minister also released, under the OIA, a briefing note on choice of discount rates used for the NZ Energy Strategy.

Energy and climate change

- Assessment of these papers: Strengths and weaknesses.
- The issue of cost benefit analysis.
- Can society make choices or indicate preferences when the relative value of options cannot be determined.
- How can Government determine which option should be adopted.

Energy and Climate Change

- Transition Measures
- Preoccupation with wind generation
- Punitive attitude towards thermal generation
- Imperative of Security of Supply
- Adequate supplies of internationally competitive electricity

Energy and Climate Change

- Sector Equity
- Broad based price measures
- International precedents
- Risks of politicization
- Risks of publicity confusing society
- Sound bites such as carbon neutrality and carbon footprints may trivialize issues

Energy and Climate Change

- An inconvenient truth - Al Gore
- The Stern Report
- Economic and Scientific Critiques of the Stern Report
- The Fourth IPCC Report
- International Initiatives

Energy and Climate Change

- Industry pre-requisites
- Importance of keeping pace with major trading partners
- Carbon Leakage and/or Competitiveness at Risk
- NZES to underpin economic growth.
- Climate Change Policies should not undermine growth.

Energy and Climate Change

- Summary of concerns
- Focus on positive outcomes
- Conclusion