

Energy strategy too

THE Government has unveiled a suite of policy options aimed at boosting clean energy and cutting greenhouse gases, but the Green Party says its approach is too meek.

Energy Minister David Parker yesterday released a draft energy strategy outlining the Government's goals and two accompanying discussion papers on how to get there.

Mr Parker said the Government wanted all new energy generation to be renewable unless other means were necessary for the security of electricity supply.

The most likely renewable energy sources were wind, hydro, geothermal and wave and tidal power.

The Government favoured a carbon emissions trading system as the best way to encourage clean energy.

Systems under consideration involve



DAVID PARKER



JEANETTE FITZSIMONS

putting a limit on either total emissions in a sector or the amount of emissions per unit of energy produced.

Companies that exceeded their cap would have to buy credits from companies that did not.

The option of a narrowly-focused carbon tax on energy producers remains as an alternative.

The documents suggest both options would involve price rises for companies which would probably be passed on to consumers.

Other options up for discussion are:

- Greater regulation favouring renewable energy.
- Streamlining the resource consents process to allow better consideration of renewable energy projects' national benefits.
- Requiring energy companies to publicly show their emission levels.
- Voluntary sector agreements to reduce emissions.

Mr Parker also unveiled a range of possible transport sector measures, including imposing mandatory average fleet efficiency standards on importers.

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meek, say Greens

Under such a system importers bringing in gas guzzlers would have to compensate by bringing in enough small cars to meet the average standard.

Other transport options included introducing more renewable fuels to replace petrol and diesel and the promotion of plug-in electric cars, expected to become commercially available within five years.

Mr Parker said the Government was also establishing a \$8 million a year contestable fund for companies to start wave or tidal electricity production and would relax restrictions on electricity lines companies in order to boost competition in the sector.

If the range of proposed measures were successful they would reduce New Zealand's emissions to 1990 levels by 2030.

Mr Parker said that would come with a cost, but the cost would be lower for New

Zealand, which had large renewable energy resources, than the rest of the world.

But Greens co-leader Jeanette Fitzsimons said the Government was setting its goals far too low.

For the world to avoid major climate change it needed to reduce its emissions by 60% by 2030.

More bold measures were needed.

"There is a stronger commitment by Government at the level of goals and principles. I have to say that is a lot better than what we've had before, but there's no route for getting there," she said.

"There aren't very many concrete actions and those that are there are like 'well we could do this' rather than 'we want to do this, do you agree?'"

Ms Fitzsimons said the efficacy of many of the proposed standards would

depend on the level at which they were set.

She encouraged people to make submissions on the strategy so strong standards were set and it was not hijacked by "vested interests".

Policy decisions are expected to be taken next year and begin in late 2007 and in 2008.

Mr Parker described the draft strategy as a step towards Prime Minister Helen Clark's "aspirational" goal of carbon neutrality.

However he acknowledged the strategy did not encompass agricultural emissions, which account for about half of the country's greenhouse gases.

Mr Parker, also Minister for Climate Change Issues, will release a related discussion paper on land use next week.

Reaction from sector groups to the draft strategy was mostly positive. NZPA