

Hon David Parker
Minister of Energy
Minister Responsible for Climate Change Issues



24 September 2008

Media Statement

Energy programmes progress report released

Energy Minister David Parker today released the first progress report on the implementation of the New Zealand Energy Strategy (NZES) and New Zealand Energy Efficiency and Conservation Strategy (NZECS).

The Minister said he was happy with the progress being made in pursuing the government's goals in the energy sector.

"The underlying principles of the energy strategies are that we must build more renewables, and that we should invest in energy efficiency where this is cheaper than more energy capacity," David Parker said.

"Thanks to the passing of legislation to support the Emissions Trading Scheme and the 10-year restriction on new baseload thermal generation, we will see more geothermal and wind energy generation, rather than coal and gas. The industry has already responded with plans for an impressive line up of renewable investments.

"Households will receive a huge boost through the a billion dollar fund the government is setting up to support household energy efficiency over the next 15 years."

The progress report identifies some key areas of progress, such as a draft National Policy Statement for Renewable Electricity Generation, a mandatory biofuels sales obligation, and the introduction of a Lighting Strategy to promote greater lighting efficiency, David Parker said. (See below for more highlights.)

The energy strategies are part of the government's broader response to climate change. They support greater development and use of renewable energy and uptake of energy efficiency, whilst maintaining security of energy supply.

The report was produced by the Ministry of Economic Development on behalf of the Senior Energy Officials Group and covers initiatives by 12 government agencies responsible for delivering the two strategies.

The first progress report covers the period from October 2007 to 30 June 2008, and can be accessed at <http://www.med.govt.nz/nzes-publications>

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Other highlights include:

- More than 14,000 homes were insulated with the support of grants and subsidies, 2.2 million subsidised energy efficient light bulbs were sold, and 3,455 old fridges were retired and recycled in a pilot programme
- The Marine Energy Deployment Fund and Low Carbon Energy Technologies Fund were established and the first rounds allocated, and energy research funding was boosted further by \$32.5m over four years in the May 2008 Budget
- The Vehicle Fuel Economy Labelling scheme was launched, to require fuel consumption information to be provided at point of sale for new and second-hand cars, enabling purchasers to make more informed choices
- The domestic sea freight strategy *Sea Change* was launched and the Seafreight Development Unit established to revitalise the domestic sea freight industry.