



## **Submission on the Draft Government Policy Statement on Electricity Governance**

**To:** Electricity Group  
Energy & Communications Branch  
Ministry of Economic Development  
33 Bowen Street  
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Wellington  
New Zealand

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**Name of submitter** *Environmental Defence Society Incorporated (EDS)*

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### **Background on EDS**

1. EDS is a public interest environmental group that was formed in 1971. It is Auckland-based and has a membership that consists largely of resource management professionals. It operates by litigating on environmentally important matters and as a think tank.
2. EDS has taken an interest in energy policy since its founding, particularly in the interaction of energy use and greenhouse gas emissions.

### **Submission**

3. Sections 11 to 16:
  - (a) EDS understands the Government's desire to review the Energy Strategy (NZES) and Energy Efficiency and Conservation Strategy (NZEECS). However, they are existing strategies. We are of little doubt that any review will be likely to retain parts of them. So the cross-referencing should be retained. The effectiveness of the present strategies is an issue

that might well be reviewed. However, doing that in the absence of any ongoing monitoring will result in less than well informed policy making. Provision 16 has such a monitoring review.

- (b) EDS submits that sections 11 to 16 should be retained.

#### 4. Deletion of Section 61:

- (a) The deletion of this section is presumably because of its reference to the NZES and the NZECS. Our comments above therefore apply. However, within the section we believe the following statements are non-controversial.

- “the vision ... for a reliable, resilient system.”
- “delivering New Zealand sustainable, low emissions energy services.”
- “investment in energy efficiency measures should occur where this is cheaper than the long-term costs of building extra generation and network capacity, including environmental costs.”

Deleting these statements raises concerns about the Government’s commitment to these fundamental matters.

- (b) EDS submits that a rewording of the section should retain these statements.

#### 5. Deletion of Section 75:

- (a) Renewable energy has long been and is now a key part of New Zealand’s electricity generation. It can greatly assist in managing greenhouse gas emissions. However, there remains substantial undeveloped potential. The first sentence of this section seems to us utterly uncontroversial.

- “Encouraging the development of renewable energy resources is a key part of the Government’s NZES for managing climate change and long-term energy security.”

- (b) EDS submits that this statement should be retained.

- (c) We look forward to seeing what the Government eventually propose to replace the latter part of the section.

6. Deletion of Section 78:

- (a) EDS is bemused by this. Increasing proportions of wind power in our generation system seems an inevitable path given the current intentions of the generators. This has consequences for the short run security of supply and, because it will alter where electricity is generated, has consequences on grid security considerations. The Commission simply must have some provision on renewable generation integration in its charge, not have it deleted all together.
- (b) EDS submits that this provision should be retained.

7. Investment in Minor Transmission Works:

- (a) We support this addition. We believe it will prove valuable in supporting investment in wind and possibly tidal and wave energy renewable generation.

Dated this 16<sup>th</sup> day of March 2009



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