



GRAYMONT

28 February 2020

Energy Markets
Ministry of Business, Innovation, and Employment
PO Box 1473
WELLINGTON 6140

Sent by online portal

Submission on the Accelerating Renewables Energy and Efficiency discussion document

Graymont would like to thank the Ministry for the opportunity to present our views on the abovementioned discussion document.

Graymont recognises the challenge climate change presents and supports New Zealand taking action to mitigate its impacts. We have made comments on various papers and Bills that have been developed in the climate change response area, including:

- The Productivity Commission “Low Carbon Economy” paper (draft and final version)
- The discussion documents and “Zero Carbon Bill”
- The Ministry for Business, Innovation and Employment paper on “Process Heat in New Zealand”
- The Emission Trading Scheme Reform Bill

As a global leader in the supply of lime and limestone products, Graymont serves major markets throughout the United States, Canada and the Asia-Pacific region and has a significant investment in Grupo Calidra, the largest lime producer in Mexico. Professionally managed and family owned, the company has roots stretching back more than 70 years.

Lime is part of the solution in addressing many requirements of a modern-day society, including clean drinking water, environmental water treatment, steel production and construction of housing subdivisions and infrastructure. The fastest growing use of lime is in environmental applications, where lime is used to comply with air, drinking water, wastewater, and solid waste regulations.

In relation to Accelerating Renewables Energy and Efficiency, we have answered those questions in the online survey where we could add the most value. In addition, we attach Graymont’s submission on various themes referred to in the discussion document.

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New Zealand



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We welcome further discussion on this important topic and to expand on the information we have provided in our attached submission. We extend an offer for MBIE officials to visit our plants in New Zealand and we will follow up to arrange a mutually agreeable time.

In the meantime, if you have any questions my contact details are below.

Yours sincerely,

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CC Anika McManus
Director Corporate Affairs, Environment & Sustainability

Mark Silcock
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Graymont welcomes the opportunity to comment on the Discussion Document: Accelerating Renewable Energy and Efficiency. This is an area of interest to Graymont and we have many years of experience in improving energy efficiency across our business. In addition, we have recently started developing a collaboration agreement with a NZ government agency to investigate viable options to use renewable energy in our production process.

Graymont's main product, lime, is indispensable for many industrial processes and applications, including the manufacturing of steel and paper, the production of clean drinking water and various applications in construction and agriculture. Lime products are also a big part of the solution for a multitude of crucial environmental applications - everything from water and sewage treatment to the treatment of acid mine drainage, environmental remediation and power generation. Lime has increasingly become a product of choice for addressing complex environmental challenges, both naturally occurring and man-made.

To maintain and grow New Zealand's lime industry, it is important that any policies developed to achieve the target of zero net emissions by 2050, enable the industry to remain competitive with international jurisdictions. The production of quicklime is a process that is particularly exposed to carbon leakage.

Lime is internationally recognised as one of the most trade exposed industries^{1,2}, subject to carbon (or emissions) leakage. This impact is best described in the Cabinet paper *New Zealand Emissions Trading Scheme tranche two: a phase-down of industrial allocation*:

Emission leakage would occur if New Zealand companies lost market share or shifted production overseas to avoid a domestic price on emissions. This is a significant concern due to the potential economic and employment impacts, particularly for regions where a single emission-intensive facility may be an important part of the local economy.

Emission leakage is also an issue of environmental integrity. If leakage occurred, this would mean that New Zealand's climate policy is driving the export of emissions rather than reducing them. As a result, New Zealand's policies could potentially increase global emissions.

Policies need to be developed carefully to avoid the above risk of carbon leakage. As a global leader in lime and limestone solutions, and the major lime producer in New Zealand, Graymont is keen to discuss this and share knowledge from the lime industry perspective.

The production of lime (calcium oxide) releases carbon dioxide through the application of intense heat to limestone (calcium carbonate). This is known as calcination:



The industrial process emission of carbon dioxide is a function of the chemistry and is responsible for 60 – 70% of CO₂ emissions from lime production. Calcination occurs in a kiln, at temperatures of 900 – 1200°C, requiring thermal energy. This energy is sourced from fossil fuels, and currently accounts for the remainder of the CO₂ emissions from the process. Thermal efficiency and fuel sources are managed closely to ensure fuel and emissions are minimised while still providing the kiln temperatures required to ensure complete conversion.

¹ Europe: <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014D0746&from=EN> (refer Annex)

² Canada: <https://ecofiscal.ca/reports/provincial-carbon-pricing-competitiveness-pressures/alberta/>

The industrial process emission component is common to all lime plants regardless of location and fuel type and hence represents a clear carbon leakage risk if domestic production is displaced offshore.

Thermal energy is currently supplied by the following fuel sources:

- Coal
- Waste oil
- Natural gas (but geographically constrained to the Te Kuiti plant)
- Electrical energy is used for other processes (motive power; crushing and grinding; pumps etc.)

Of these, natural gas has the lowest carbon intensity.

We understand the Discussion Document covers options to promote energy efficiency and adoption of biomass as an energy source. This is an ongoing area of investigation for Graymont and we are in the process of developing a collaboration agreement with a government agency that would include assessment of the use of biomass as an energy source.

We have taken the opportunity below to provide some information on the themes in the Discussion Document. This information is a high-level overview and does not address all topics. Direct engagement with MBIE would be beneficial to more fully address the specific questions in the Discussion Document.

To this end, we extend an offer for MBIE officials to visit our plant(s) in New Zealand. We will follow up directly to agree a mutually agreeable time to do so.

Addressing information failures (Section 1 in the paper)

Auditing.

Thermal energy consumption comprises approximately 1/3 of the carbon emissions arising from lime production and is therefore a major cost associated with lime production. Graymont has been focusing on energy efficiency opportunities in partnership with the Energy Efficiency and Conservation Authority (EECA), but has not published the results because of the commercial sensitivity of the information.

Of note:

- Auditing is useful in terms of establishing a baseline, but value is obtained in setting up process monitoring rather than ongoing audits. This has been our practice over the last few years. Further efficiency gains in the order of a few percent may be possible through ongoing investment in areas such as process control automation.
- Audit costs will depend on scope but are expected to be in the order of ten's of thousands of dollars per audit
- The commercial sensitivity is dealt with by confidentiality agreements with EECA, but also making funding conditional on acting on audit actions (for example, a process engineer role was partially funded, provided that some energy reduction targets were met).
- If the adoption of low carbon or biomass fuels was to occur, we note that energy usage might in fact increase, due to low energy density of those fuels, the process not being designed for those fuels etc.

We suggest that a collaborative approach, similar to the relationship we have developed with EECA, is more suited to the unique position the lime industry occupies.

Electrification

There is no technology currently available for quicklime production using electrical energy. It is likely to require a lot more energy than current fossil fuel sources (and therefore be very expensive), however if developed and economically feasible it would be of interest. Electricity is currently 5 times more expensive than natural gas (MBIE data).

Bioenergy (Section 2 in the paper)

Graymont's lime kilns already require resource consent due to the high energy use. Any change to resource consent can be uncertain and costly – both for the applicant and other stakeholders. Likewise, it would be costly for regional councils to change Regional Plans and develop rules specifically to encourage the use of biomass as a fuel.

A possibility could be for the NES Air Quality to be changed to make it a controlled or permitted activity to use biomass as a fuel. Specific requirements could be imposed to ensure that environmental standards were met. This would add certainty for companies considering use of biomass, in terms of Resource Management Act obligations.

The biomass switching potential shown in Appendix 4 shows that the current biomass supply will not be able to replace all energy users currently using fossil fuels. A reliable supply would be needed.

Innovating and building capacity: for larger energy users with unique production processes, access to opportunities to work with the government on emission reduction projects is welcomed. For the lime industry, with a limited number of production units in the country, a collaborative approach with government is expected to be more beneficial than issuing regulations, as those industries will have inhouse expertise that the government may not.

Phasing out fossil fuels (Section 4 in the paper)

We agree that a phase out of low-temperature coal fired boilers could be a lower cost option for NZ to reduce emissions, as the following conditions are met:

- A practical technical solution exists to replace these boilers.
- The solution is economically viable and won't lead to carbon leakage
- The energy source for the new solution is available for use

We also note that natural gas has a lower carbon content than coal and is a transition fuel towards lower carbon production. However, gas is not available in all locations, and the price is higher than coal. Support to move from coal to gas could help reduce carbon emissions.

Boosting investment (Section 5 in the paper)

Investment into emission reducing opportunities is seen as risky due to a number of factors including:

- Technology isn't proven. Even changes to fuel systems will necessitate a change to design, with potential for unexpected consequences and production rate reduction.

- Options to reduce emissions still have a cost. For example, biomass fuels are expected to cost more than fossil fuels due to their lower energy density, uncertainty of supply, and impact on production rates in kilns.
- Bioenergy supply chains are not yet established. For example, the current downturn in forestry harvesting due to the COVID-19 would probably cause energy supply problems, if industry was solely reliant on this supply.

The ETS industrial allocations are still seen as the best incentive to reduce emissions, as opportunities to do so become feasible. However the allocation, or the factors that will determine the allocation, needs to be predictable into the future in order to enable the local industry to be viable, and encourage investment to reduce emissions. If allocation or allocation factors are not predictable, it will undermine investment confidence and make it more difficult to justify investment.

Graymont has collaborated with EECA in the past, and some worthwhile energy saving projects have resulted from this. Financial incentives to explore energy efficiency opportunities may be useful to further reduce energy usage or emissions.

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COMPLETE

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Page 1: Introduction

Q1 Name (first and last name)

Benjamin Murray

Q2 Email

bmurray@graymont.com

Q3 Is this an individual submission, or is it on behalf of a group or organisation?

On behalf of a group or organisation

Q4 Which group do you most identify with, or are representing?

Energy intensive and highly integrated industry

Q5 Business name or organisation (if applicable)

Graymont

Q6 Position title (if applicable)

HSE Manager

Q7 Important information about your submission (important to read)The information provided in submissions will be used to inform the Ministry of Business, Innovation and Employment's (MBIE's) work on Accelerating renewable energy and energy efficiency.We will upload the submissions we receive and publish them on our website. If your submission contains any sensitive information that you do not want published, please indicate this in your submission.The Privacy Act 1993 applies to submissions. Any personal information you supply to MBIE in the course of making a submission will only be known by the team working on the Accelerating renewable energy and energy efficiency.Submissions may be requested under the Official Information Act 1982. Submissions provided in confidence can usually be withheld. MBIE will consult with submitters when responding to requests under the Official Information Act 1982.We intend to upload submissions to our website at www.mbie.govt.nz. Can we include your submission on the website?

Yes

Q8 Can we include your name?

Yes

Q9 Can we include your organisation (if submitting on behalf of an organisation)?

Yes

Q10 All other personal information will not be proactively released, although it may need to be released if required under the Official Information Act. Please indicate if there is any other information you would like withheld.

Respondent skipped this question

Page 2

Q11 Where are you located?

Respondent skipped this question

Q12 In what region or regions does your organisation mostly operate?

Waikato,
Otago / Ōtākou

Page 3: Areas you wish to provide feedback on

Q13 Part A relates to process heat.Please indicate which sections, if any, you would like to provide feedback on.

Section 1: Addressing information failures,
Section 2: Developing markets for bioenergy and direct geothermal use
,
Section 4: Phasing out fossil fuels in process heat,
Section 5: Boosting investment in renewable energy and energy efficiency technologies

Q14 Part B relates to renewable electricity generation. Please indicate which sections, if any, you would like to provide feedback on.

Respondent skipped this question

Page 4: Section 1: Addressing information failures

Q15 Option 1.1 would require large energy users to report their emissions and energy use annually, publish Corporate Energy Transitions Plans and conduct energy audits every four years. Do you support this option?

No - I do not support this option

Q16 Please explain your answer

Publication of energy use etc is commercially sensitive information.

Q17 Which parts (set out in Table 3) do you support?

Respondent skipped this question

Q18 Please explain your answer

Respondent skipped this question

Q19 What public reporting requirements (listed in Table 3) should be disclosed?

Respondent skipped this question

Q20 In your view, should businesses be expected to include transport energy and emissions in these reporting requirements?

Respondent skipped this question

Q21 For manufacturers: what will be the impact on your business to comply with the requirements?

Some impact

Q22 Option 1.1. Suggests that requirements to publish Corporate Energy Transition Plans should apply to large energy users, and proposes defining large energy users as those with an annual energy spend (purchased) of greater than \$2 million per annum. Do you agree with this definition?

No

Q23 If you selected no, please describe what in your view would be an appropriate threshold to define 'large energy users'.

Spend and energy used could actually increase if moving to a biomass derived fuel, or to electrical energy. CO2e could be a better measure.

Q24 Is there any potential for unnecessary duplication under these proposals and the disclosures proposed in the MBIE-Ministry for the Environment discussion document Climate-related Financial Disclosures – Understanding your business risks and opportunities related to climate change, October 2019?

Respondent skipped this question

Page 5: Section 1 - Option 1.2: Electrification information package and feasibility studies

Q25 Do you support the proposal to develop an electrification information package? **Respondent skipped this question**

Q26 Would an electrification information package be of use to your business? **No**

Q27 Do you support customised low-emission heating feasibility studies? **Yes**

Q28 In your view, which of the components should be scaled up and/or prioritised?

co-funding low-emission heating feasibility studies for EECA's business partners **Scaled up**

Q29 Would a customised low-emission heating feasibility study be of use to your business? **Yes**

Q30 Please describe any components other than those identified that could be included in an information package.

Low emission studies would theoretically be useful, however a collaborative approach would be necessary to ensure they were useful for EIH businesses.

Page 6: Section 1 - Option 1.3: Provide benchmarking information for food processing industries

Q31 Do you support benchmarking in the food processing sector? **Respondent skipped this question**

Q32 Would benchmarking be suited to, and useful for, other industries, such as wood processing? **Respondent skipped this question**

Q33 Do you believe government should have a role in facilitating this or should it entirely be led by industry? **Respondent skipped this question**

Q34 Please explain your answer **Respondent skipped this question**

Page 7: Section 2: Developing markets for bioenergy and direct geothermal use

Q35 Do you agree that some councils have regional air quality rules that are barriers to wood energy? **Neither agree nor disagree**

Q36 Please provide examples of regional air quality rules that you see as barriers to wood energy. Please also note which council's plan you are referring to.

Respondent skipped this question

Q37 Do you agree that a National Environmental Standards for Air Quality (NESAQ) users' guide on the development and operation of the wood energy facilities will help to reduce regulatory barriers to the use of wood energy for process heat?

Neither agree nor disagree,
Please explain your answer:
The absence of a Controlled or Permitted Activity rule in regional plans for burning biomass/wood means there is the same level of uncertainty as applying for a fossil fuel fired system. There is certainly no encouragement to use wood/biomass in regional plans.

Q38 What do you consider a NESAQ users' guide should cover? Please provide an explanation if possible.

Respondent skipped this question

Q39 Please describe any other options that you consider would be more effective at reducing regulatory barriers to the use of wood energy for process heat.

Changing the NESAQ to include a Controlled or Permitted Activity, with environmental standards included.

Q40 In your opinion, what technical rules relating to wood energy would be better addressed through the NESAQ than through the proposed users' guide (option 2.1)?

Respondent skipped this question

Page 8: Section 2 - continued: Developing markets for bioenergy and direct geothermal use

Q41 In your view, could the Industry Transformation Plans stimulate sufficient supply and demand for bioenergy to achieve desired outcomes?

Respondent skipped this question

Q42 What other options are worth considering?

Respondent skipped this question

Q43 Is Government best placed to provide market facilitation in bioenergy markets?

Respondent skipped this question

Q44 How could Government best facilitate bioenergy markets? Please be as specific as possible, giving examples.

Respondent skipped this question

Q45 In your view, how can government best support direct use of geothermal heat?

Respondent skipped this question

Q46 What other options are worth considering?

Respondent skipped this question

Page 9: Section 3: Innovating and building capability

Q47 Do you agree that de-risking commercially viable low-emission technology should be a focus of government support on process heat?

Respondent skipped this question

Q48 Do you agree that diffusing commercially viable low-emission technology should be a focus of government support on process heat?

Respondent skipped this question

Q49 Is Energy Efficiency and Conservation Authority (EECA) grant funding to support technology diffusion the best vehicle for this?

Respondent skipped this question

Q50 For manufacturers and energy service experts: would peer learning and lead to reducing perceived technology risks?

Respondent skipped this question

Q51 For manufacturers and energy service experts: would on-site technology demonstration visits lead to reducing perceived technology risks?

Respondent skipped this question

Q52 Is there a role for the Government in facilitating this?

Respondent skipped this question

Page 10: Section 3 (continued): Innovating and building capability

Q53 For emissions-intensive and highly integrated (EIH) stakeholders: What are your views on our proposal to collaborate to develop low-carbon roadmaps?

Respondent skipped this question

Q54 Would low-carbon roadmaps assist in identifying feasible technological pathways for decarbonisation?

Respondent skipped this question

Q55 What are the most important issues that would benefit from a partnership and co-design approach?

Respondent skipped this question

Q56 What, in your view, is the scale of resourcing required to make this initiative successful?

Respondent skipped this question

Page 11: Section 4: Phasing out fossil fuels in process heat

Q57 Do you agree with the proposal to ban new coal-fired boilers for low and medium temperature requirements?

Neither agree nor disagree

Q58 Do you agree with the proposal to require existing coal-fired process heat equipment for end-use temperature requirements below 100 degrees Celsius to be phased out by 2030?

Neither agree nor disagree

Q59 Referring to Question 56 - is this ambitious or is it not doing enough?

Respondent skipped this question

Q60 For manufacturers: what would be the likely impacts or compliance costs on your business of a ban on new coal-fired process heat equipment?

This would probably put a stop to development of any new lime kilns in NZ, unless gas prices or other fuel sources were economic. Otherwise it would not be possible to compete with other jurisdictions.

The scope of the ban would be important - for example, upgrades to existing equipment should be excluded, as those upgrades would generally be to make the equipment more efficient.

Q61 For manufacturers: what would be the likely impacts or compliance costs on your business of requiring existing coal-fired process heat equipment supplying end-use temperature requirements below 100°C to be phased out by 2030.

Respondent skipped this question

Q62 Could the Corporate Energy Transition Plans (Option 1.1) help to design a more informed phase out of fossil fuels in process heat?

Please explain your answer:

Potentially, however a collaborative approach is required.

Q63 Would a timetabled phase out of fossil fuels in process heat be necessary alongside the Corporate Energy Transition Plans?

No,

Please explain your answer:

Any bans need to be assessed against whether there are feasible alternatives. Criteria include: technical feasibility, economic feasibility (i.e. protection against carbon leakage as something that is technically feasible can still cause a process to be more expensive compare to international competitors), and with a reliable alternate energy source.

Q64 In your view, could national direction under the Resource Management Act (RMA) be an effective tool to support clean and low greenhouse gas-emitting methods of industrial production?

Respondent skipped this question

Q65 If yes, how?

Respondent skipped this question

Q66 In your view, could adoption of best available technologies be introduced via a mechanism other than the RMA?

Respondent skipped this question

Q67 Do you agree that complementary measures to the New Zealand Emissions Trading Scheme (NZ-ETS) should be considered to accelerate the uptake of cost-effective clean energy projects? **Agree**

Q68 Would you favour regulation, financial incentives or both? **financial incentives,**
Please explain your answer:
Financial incentives have helped lead to energy efficiency improvements. These can also help to reduce investment risk for technology or fuel changes that might not be proven. Regulation risks imposing requirements that could cause carbon leakage due to increasing costs.

Q69 In your view what is a bigger barrier to investment in clean energy technologies, internal competition for capital or access to capital? **Respondent skipped this question**

Q70 If you favour financial support, what sort of incentives could be considered? **Respondent skipped this question**

Q71 What are the benefits of these incentives? **Respondent skipped this question**

Q72 What are the risks of these incentives? **Respondent skipped this question**

Q73 What are the costs of these incentives? **Respondent skipped this question**

Q74 What measures other than those identified above could be effective at accelerating investment in clean energy technologies?

For EITE businesses, stable and predictable mitigation of carbon leakage risk is necessary, through industrial allocation (both level of assistance and allocative baseline).

Page 13: Section 6: Cost recovery mechanisms

Q75 What is your view on whether cost recovery mechanisms should be adopted to fund policy proposals in Part A of the Accelerating renewable energy and energy efficiency discussion document? **Respondent skipped this question**

Q76 What are the advantages of introducing a levy on consumers of coal to fund process heat activities? **Respondent skipped this question**

Q77 What are the disadvantages of introducing a levy on consumers of coal to fund process heat activities? **Respondent skipped this question**

Page 14: Section 7: Enabling development of renewable energy under the Resource Management Act 1991

Q78 Do you agree that the current NPSREG gives sufficient weight and direction to the importance of renewable energy?

Respondent skipped this question

Q79 What changes to the NPSREG would facilitate future development of renewable energy?

Respondent skipped this question

Q80 What policies could be introduced or amended to provide sufficient direction to councils regarding the matters listed in points a-i mentioned on pages 60-61 of the discussion document?

Respondent skipped this question

Q81 How should the NPSREG address the balancing of local environmental effects and the national benefits of renewable energy development in RMA decisions?

Respondent skipped this question

Q82 What are your views on the interaction and relative priority of the NPSREG with other existing or pending national direction instruments?

Respondent skipped this question

Q83 Do you have any suggestions for how changes to the NPSREG could help achieve the right balance between renewable energy development and environmental outcomes?

Respondent skipped this question

Q84 What objectives or policies could be included in the NPSREG regarding councils' role in locating and planning strategically for renewable energy resources?

Respondent skipped this question

Q85 Can you identify any particular consenting barriers to development of other types of renewable energy than REG, such as green hydrogen, bioenergy and waste-to-energy facilities?

Respondent skipped this question

Q86 Can any specific policies be included in a national policy statement to address these barriers?

Respondent skipped this question

Q87 What specific policies could be included in the NPSREG for small-scale renewable energy projects?

Respondent skipped this question

Q88 The NPSREG currently does not provide any definition or threshold for "small and community-scale renewable electricity generation activities". Do you have any view on the definition or threshold for these activities?

Respondent skipped this question

Q89 What specific policies could be included to facilitate re-consenting consented but unbuilt wind farms, where consent variations are needed to allow the use of the latest technology?

Respondent skipped this question

Q90 Are there any downsides or risks to amending the NPSREG?

Respondent skipped this question

Page 15: Section 7 - continued

Q91 Do you agree that National Environmental Standards (NES) would be an effective and appropriate tool to accelerate the development of new renewables and streamline re-consenting?

Respondent skipped this question

Q92 What are the pros of using National Environmental Standards as a tool to accelerate the development of new renewables and streamline re-consenting?

Respondent skipped this question

Q93 What are the cons of using National Environmental Standards as a tool to accelerate the development of new renewables and streamline re-consenting?

Respondent skipped this question

Q94 What do you see as the relative merits and priorities of changes to the NPSREG compared with work on NES?

Respondent skipped this question

Q95 What are the downsides and risks to developing NES?

Respondent skipped this question

Q96 What renewables activities (including both REG activities and other types of renewable energy) would best be suited to NES?

Respondent skipped this question

Q97 What technical issues could best be dealt with under a standardised national approach?

Respondent skipped this question

Q98 Would it be practical for NES to set different types of activity status for activities with certain effects, for consenting or re-consenting?

Respondent skipped this question

Q99 Are there any aspects of renewable activities that would have low environmental effects and would be suitable for having the status of permitted or controlled activities under the RMA? Please provide details.

Respondent skipped this question

Q100 Do you have any suggestions for what rules or standards could be included in NES or National Planning Standards to help achieve the right balance between renewable energy development and environmental outcomes?

Respondent skipped this question

Q101 Compared to the NPSREG or National Environment Standards, would National Planning Standards or any other RMA tools be more suitable for providing councils with national direction on renewables ?

Respondent skipped this question

Q102 Please explain your answer

Respondent skipped this question

Page 16: Section 7 - continued

Q103 Are there opportunities for non-statutory spatial planning techniques to help identify suitable areas for renewables development (or no go areas)?

Respondent skipped this question

Q104 Do you have any comments on potential options for pre-approval of renewable developments?

Respondent skipped this question

Q105 Are the current National Policy Statement on Electricity Transmission (NPSET) and National Environmental Standards for Electricity Transmission Activities (NESETA) fit-for-purpose to enable accelerated development of renewable energy?

Respondent skipped this question

Q106 What changes (if any) would you suggest for the NPSET and NESETA to accelerate the development of renewable energy?

Respondent skipped this question

Q107 Can you suggest any other options (statutory or non-statutory) that would help accelerate the future development of renewable energy?

Respondent skipped this question

Page 17: Section 8: Supporting renewable electricity generation investment

Q108 Do you agree there is a role for government to provide information, facilitate match-making and/or assume some financial risk for PPAs?

Respondent skipped this question

Q109 Would support for PPAs effectively encourage electrification?

Respondent skipped this question

Q110 Would support for PPAs effectively encourage new renewable generation investment?

Respondent skipped this question

Q111 How could any potential mismatch between generation and demand profiles be managed by the Platform and/or counterparties?

Respondent skipped this question

Q112 Please rank the following variations on PPA Platforms in order of preference.1 = most preferred, 4 = least preferred.

Respondent skipped this question

Q113 What are your views on Contract Matching Services?

Respondent skipped this question

Q114 What are your views on State sector-led PPAs?

Respondent skipped this question

Q115 What are your views on Government guaranteed contracts?

Respondent skipped this question

Q116 What are your views on a Clearing house for PPAs?

Respondent skipped this question

Q117 For manufacturers: what delivered electricity price do you require to electrify some or all of your process heat requirements?

Respondent skipped this question

Q118 For manufacturers: is a long-term electricity contract an attractive proposition if it delivers more affordable electricity?

Respondent skipped this question

Q119 For investors / developers: what contract length and price do you require to make a return on an investment in new renewable electricity generation capacity?

Respondent skipped this question

Q120 For investors / developers: is a long-term electricity contract an attractive proposition if it delivers a predictable stream of revenues and a reasonable return on investment?

Respondent skipped this question

Page 18: Section 8 - continued

Q121 Do you consider the development of the demand response (DR) market to be a priority for the energy sector?

Respondent skipped this question

Q122 Do you think that demand response (DR) could help to manage existing or potential electricity sector issues?

Respondent skipped this question

Q123 What are the key features of demand response markets?

Respondent skipped this question

Q124 Which features of a demand response market would enable load reduction or asset use optimisation across the energy system?

Respondent skipped this question

Q125 Which features of a demand response market would enable the uptake of distributed energy resources?

Respondent skipped this question

Q126 What types of demand response services should be enabled as a priority?

Respondent skipped this question

Q127 Which services make sense for New Zealand?

Respondent skipped this question

Page 19: Section 8 - continued

Q128 Would energy efficiency obligations effectively deliver increased investment in energy efficient technologies across the economy?

Respondent skipped this question

Q129 Is there an alternative policy option that could deliver on this aim more effectively?

Respondent skipped this question

Q130 If progressed, what types of energy efficiency measures and technologies should be considered in order to meet retailer/distributor obligations?

Respondent skipped this question

Q131 Should these be targeted at certain consumer groups?

Respondent skipped this question

Q132 Do you support the proposal to require electricity retailers and/or distributors to meet energy efficiency targets?

Respondent skipped this question

Q133 Which entities would most effectively achieve energy savings?

Respondent skipped this question

Q134 What are the likely compliance costs of this policy?

Respondent skipped this question

Page 20: Section 8 - continued

Q135 Do you agree that the development of an offshore wind market should be a priority for the energy sector?

Respondent skipped this question

Q136 What do you perceive to be the major benefits to developing offshore wind assets in New Zealand? **Respondent skipped this question**

Q137 What do you perceive to be the major costs to developing offshore wind assets in New Zealand? **Respondent skipped this question**

Q138 What do you perceive to be the major risks to developing offshore wind assets in New Zealand? **Respondent skipped this question**

Page 21: Section 8 - continued

Q139 This policy option involves a high level of intervention and risk. Would another policy option better achieve our goals to encourage renewable energy generation investment? **Respondent skipped this question**

Q140 Could the proposed policy option be re-designed to better achieve our goals? **Respondent skipped this question**

Q141 Should the Government introduce Renewable Portfolio Standards (RPS) requirements? **Respondent skipped this question**

Q142 At what level should a RPS quota be set to incentivise additional renewable electricity generation investment? **Respondent skipped this question**

Q143 Should RPS requirements apply to all electricity retailers? **Respondent skipped this question**

Q144 Should RPS requirements apply to all major electricity users? **Respondent skipped this question**

Q145 What would be an appropriate threshold for the inclusion of major electricity users (i.e. annual consumption above a certain GWh threshold)? **Respondent skipped this question**

Q146 Would a government backed certification scheme support your corporate strategy and export credentials? **Respondent skipped this question**

Q147 What types of renewable projects should be eligible for renewable electricity certificates? **Respondent skipped this question**

Q148 If this policy option is progressed, should electricity retailers be permitted to invest in energy efficient technology investments to meet their renewable portfolio standards? (See option 8.3 on energy efficiency obligations). **Respondent skipped this question**

Q149 If this policy option is progressed, should major electricity users be permitted to invest in energy efficient technology investments to meet their renewable portfolio standards? (See option 8.3 on energy efficiency obligations).

Respondent skipped this question

Q150 What are the likely administrative and compliance costs of this policy for your organisation?

Respondent skipped this question

Page 22: Section 8 - continued

Q151 This policy option involves a high level of intervention and risk. Would another policy option better achieve our goals to encourage renewable energy generation investment?

Respondent skipped this question

Q152 Could this policy option be re-designed to better achieve our goals?

Respondent skipped this question

Q153 Do you support the managed phase down of baseload thermal electricity generation?

Respondent skipped this question

Q154 Would a strategic reserve mechanism adequately address supply security, and reduce emissions affordably, during a transition to higher levels of renewable electricity generation?

Respondent skipped this question

Q155 Under what market conditions should thermal baseload held in a strategic reserve be used?

Respondent skipped this question

Q156 Would you support requiring thermal baseload assets to operate as peaking plants or during dry winters?

Respondent skipped this question

Q157 What is the best way to meet resource adequacy needs as we transition away from fossil-fuelled electricity generation and towards a system dominated by renewables?

Respondent skipped this question

Page 23: Section 8 - continued

Q158 Do you have any views regarding the options to encourage renewable electricity generation investment that we considered, but are not proposing to investigate further? (See pages 90 - 92 of the Accelerating renewable energy and energy efficiency discussion document).

Respondent skipped this question

Page 24: Section 9: Facilitating local and community engagement in renewable energy and energy efficiency

Q159 Should New Zealand be encouraging greater development of community energy projects? **Respondent skipped this question**

Q160 What types of community energy project are most relevant in the New Zealand context? **Respondent skipped this question**

Q161 What are the key benefits of a focus on community energy? **Respondent skipped this question**

Q162 What are the key downsides or risks of a focus on community energy? **Respondent skipped this question**

Q163 Have we accurately identified the barriers to community energy proposals? **Respondent skipped this question**

Q164 Which barriers do you consider most significant? You may select more than one answer. **Respondent skipped this question**

Q165 Are the barriers noted above in relation to electricity market arrangements adequately covered by the scope of existing work across the Electricity Authority and electricity distributors? **Respondent skipped this question**

Q166 What do you see as the pros of a clear government position on community energy? **Respondent skipped this question**

Q167 What do you see as the cons of a clear government position on community energy? **Respondent skipped this question**

Q168 What do you see as the pros of government support for pilot community energy projects? **Respondent skipped this question**

Q169 What do you see as the cons of government support for pilot community energy projects? **Respondent skipped this question**

Q170 Are there any other options you can suggest that would support further development of community energy initiatives? **Respondent skipped this question**

Page 25: Section 10: Connecting to the national grid

Q171 Please select the option or combination of options, if any, that would be most likely to address the first mover disadvantage.

Respondent skipped this question

Q172 What do you see as the disadvantages or risks of Option 10.1?

Respondent skipped this question

Q173 What do you see as the disadvantages or risks of Option 10.2?

Respondent skipped this question

Q174 What do you see as the disadvantages or risks of Option 10.3.1?

Respondent skipped this question

Q175 What do you see as the disadvantages or risks of Option 10.3.2?

Respondent skipped this question

Q176 Would introducing a requirement, or new charge, for subsequent customers to contribute to costs already incurred by the first mover create any perverse incentives?

Respondent skipped this question

Q177 Are there any additional options that should be considered?

Respondent skipped this question

Page 26: Section 10 (continued): Connecting to the national grid

Q178 Do you think that there is a role for government to provide more independent public data?

Respondent skipped this question

Q179 Is there a role for Government to provide independent geospatial data (e.g. wind speeds for sites) to assist with information gaps?

Respondent skipped this question

Q180 Should MBIE's Electricity Demand and Generation Scenarios (EDGS) be updated more frequently?

Respondent skipped this question

Q181 If you said yes, how frequently should they be updated?

Respondent skipped this question

Q182 Should MBIE's EDGS provide more detail, for example, information at a regional level?

Respondent skipped this question

Q183 Should the costs to the Crown of preparing EDGS be recovered from Transpower, and therefore all electricity consumers (rather than tax-payers)?

Respondent skipped this question

Q184 Would you find a users' guide (on current regulation and approval process for getting an upgraded or new connection) helpful? **Respondent skipped this question**

Q185 What information would you like to see in such a guide? **Respondent skipped this question**

Q186 Who would be best placed to produce a guide? **Respondent skipped this question**

Page 27: Section 10 (continued): Connecting to the national grid

Q187 Do you think that there is a role for government in improving information sharing between parties to enable more coordinated investment? **Respondent skipped this question**

Q188 Is there value in the provision of a database (and/or map) of potential renewable generation and new demand, including location and potential size? **Respondent skipped this question**

Q189 If so, who would be best to develop and maintain this? **Respondent skipped this question**

Q190 How should it be funded? **Respondent skipped this question**

Q191 Should measures be introduced to enable coordination regarding the placement of new wind farms? **Respondent skipped this question**

Q192 Are there other information sharing options that could help address investment coordination issues? What are they? **Respondent skipped this question**

Page 28: Section 11: Local network connections and trading arrangements

Q193 Have you experienced, or are you aware of, significant barriers to connecting to the local networks? Please describe them. **Respondent skipped this question**

Q194 Are there any barriers that will not be addressed by current work programmes outlined on pages 118 - 122 of the discussion document? **Respondent skipped this question**

Q195 Should the option to produce a users' guide (see Option 10.6 on page 110) also include the process for getting an upgraded or new distribution line? **Respondent skipped this question**

Q196 Are there other Section 10 information options that could be extended to include information about local networks and distributed generation?

Respondent skipped this question

Q197 Do the work programmes outlined on pages 118 - 122 cover all issues to ensure the settings for connecting to and trading on the local network are fit for purpose into the future?

Respondent skipped this question

Q198 Are there things that should be prioritised, or sped up?

Respondent skipped this question

Q199 What changes, if any, to the current arrangements would ensure distribution networks are fit for purpose into the future?

Respondent skipped this question

Page 29: Additional comments

Q200 Do you have any additional feedback?

Respondent skipped this question

Q201 You may upload additional feedback as a file. File size limit is 16MB. We accept PDF or DOC/DOCX.

Graymont AcEE - final.pdf (325.3KB)
