



28 February 2020

**Ministry of Business, Innovation and Employment**

Via Email: [energymarkets@mbie.govt.nz](mailto:energymarkets@mbie.govt.nz)

**Re: Accelerating renewable energy and energy efficiency – Discussion Document**

Whanganui District Council (Council) supports a managed transition to a low carbon economy that builds resilience into at a manageable level of cost for our local economies. Council also considers that opportunities and benefit accruing from the energy transition need to extend to provincial New Zealand as well as major metropolitan centres.

Assessment of options

In assessing potential options Council recommends that:

- The unintended consequences of reliance on forestry for low cost abatement including infrastructure maintenance be carefully considered. The impacts of forestry, including the impacts on rural roads, need to be carefully managed in a way that does not entrench existing inequalities by imposing significant costs on residents of provincial areas who typically have lower household incomes and higher rates on lower valued properties .
- Proposed changes be assessed for alignments with the intention of the government’s Provincial Growth/Regional Economic development workstreams. In particular, Council recommends that greater weight be given to the impacts of changes on provincial New Zealand where businesses are typically smaller in size and have fewer corporate resources to enable them to respond proactively to changes. Within provincial New Zealand the loss of any medium size enterprises has a disproportionate impact on economies, and any displaced workers have fewer alternative employment options.
- Two-tiered solutions (large corporations vs medium enterprises and main centres vs provincial) be considered when addressing information asymmetries between government and businesses to avoid compounding existing inequalities for New Zealanders in different parts of the country.
- Consideration be given to how small and medium sized businesses can access R&D opportunities and/or the learnings that bigger businesses are realising with the support of public funds/tax incentives.

### Section 1 – Corporate energy transition plans

It is noted that most territorial authorities would be considered to be a 'large' corporate energy users by the definitions proposed. Any reporting requirements for local government should aligned with local governments existing transparency and reporting requirements.

The inclusion of transportation energy and emissions are significant in terms of organisations emissions profiles and should be included.