



COVERSHEET

Minister	Hon Dr Megan Woods	Portfolio	Energy and Resources
Title of Cabinet paper	Report on Overseas Travel: Hon Woods visit to the United States of America and Japan: 19 September – 30 September	Date to be published	16 December 2022

List of documents that have been proactively released

Date	Title	Author
November 2022	Report on Overseas Travel: Hon Woods visit to the United States of America and Japan: 19 September – 30 September	Office of the Minister of Energy and Resources
14 November 2022	Report on Overseas Travel: Hon Dr Megan Woods CAB-22-MIN-0505 Minute	Cabinet Office

Information redacted

YES

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Some information has been withheld for the reasons of International relations, Confidential information entrusted to Government, and Commercial information.

Office of the Minister of Energy and Resources

Cabinet

Report on Overseas Travel: Hon Woods visit to the United States of America and Japan: 19 September – 30 September

Proposal

1. I recommend Cabinet note this report on my recent travel to the United States of America and Japan to attend the Clean Energy Ministerial in Pittsburgh, the state funeral for former Japanese Prime Minister Shinzo Abe, and the Hydrogen Energy Ministerial in Tokyo, Japan. I also undertook a range of bilateral meetings and site visits in both countries related to my Energy and Resources portfolio.

Report

Pittsburgh, Pennsylvania, USA

2. Between 19 and 24 September, I travelled to the United States of America for a range of meetings and visits related to my Energy and Resources portfolio. The primary purpose of my visit was to attend the Global Clean Energy Action Forum (the Forum) in Pittsburgh, Pennsylvania, 21-24 September.
3. The Forum, hosted by US Secretary of Energy Jennifer Granholm, was the first-ever joint convening of the 13th Clean Energy Ministerial and the 7th Mission Innovation Ministerial. The theme of the Forum was Rapid Innovation and Deployment, with the purpose of accelerating the pace and scale of innovation through collaboration and shared strategies for the deployment of clean energy technologies.
4. While in Pittsburgh, I held a number of bilateral meetings with overseas colleagues:
 - 4.1. **John Kerry, US Special Presidential Envoy for Climate:** Special Envoy Kerry and I discussed the need to rapidly deploy clean energy technology to reduce global emissions, as well as the need to work with the private sector to meet the climate goals of both countries. An example of this in the United States is the production tax credits in the landmark Inflation Reduction Act to accelerate the domestic manufacturing of hardware like solar panels. While in New Zealand, partnerships with businesses through the Government Investment in Decarbonising Industry (GIDI) fund will help to reduce emissions from industrial and process heat. Special Envoy Kerry and I agreed that officials would work together on how we can share renewable energy technology between our two countries.
 - 4.2. **David Turk, Deputy Secretary of the US Department of Energy:** Deputy Secretary Turk and I discussed areas of possible cooperation between New Zealand and the United States in renewable energy generation, with a particular focus on offshore wind energy. Like New Zealand, the United States will heavily rely on floating offshore wind and significant investments in the new technology through the Inflation Reduction Act, which aims to reduce the

cost of floating offshore wind by up to 90%. We committed to ensuring officials in both countries work closely together to share lessons as floating offshore wind is developed and deployed. We also discussed my recent visit to FLEXLAB, Berkeley Lab, which is operated by the US Department of Energy, and how we can share research outcomes in the energy efficiency space.

- 4.3. **Hon Chris Bowen, Australian Federal Minister for Climate Change and Energy:** Hon Bowen and I discussed how we further strengthen New Zealand and Australia's collaboration on renewable energy generation, with a particular focus on offshore wind energy and hydrogen. We committed to officials working together to develop harmonious regulatory regimes to ensure countries are attractive to international investment. **International relations**

[Redacted]

- 4.4. **Dr Angela Wilkinson, Secretary General of the World Energy Council:** Secretary General Wilkinson and I discussed how countries can ensure communities are at the centre of the energy transition, with reference to the Government's just transitions work in Taranaki and Southland. Secretary General Wilkinson said the global energy crisis as a result of Russia's invasion of Ukraine would change how the world looks at energy security, **Confidential information entrusted to the Government** Secretary General Wilkinson offered the World Energy Council's expertise to feed into the development of the Aotearoa Energy Strategy.

5. In addition to these bilateral meetings, I held further discussions with:

- 5.1. **Ivo Stivoric, Vice President, X; Audrey Zibelman, Vice President (Electric Grid), X:** In addition to my visit to the headquarters of X, the moonshot factory, in San Francisco, I met with Ivo Stivoric and Audrey Zibelman during the Forum in Pittsburgh. **Commercial Information**

[Redacted]

- 5.2. **Jennifer Holmgren, Chief Executive, LanzaTech; Jimmy Samartzis, Chief Executive, LanzaJet:** In Pittsburgh, I met with Jennifer Holmgren, Chief Executive, LanzaTech; Jimmy Samartzis from LanzaTech and LanzaJet (together known as Lanza). LanzaTech, a biotech start up first established in New Zealand in 2005, focuses on converting carbon emissions to useful products, while LanzaJet was established to focus specifically on Sustainable Aviation Fuel (SAF). Lanza are playing an active role in exploring SAF in New Zealand **Commercial Information**

[Redacted]

San Francisco, California, USA

6. Before attending the Forum in Pittsburgh, I visited San Francisco, California, for a range of meetings, focused on increasing opportunities for investment and cooperation on energy innovation in New Zealand, as well as furthering the Memorandum of Cooperation (MoC) agreed to by the Prime Minister and the Governor of California earlier this year. While in San Francisco, I visited:

6.1. **Headquarters of X, the moonshot factory:** X, a research and development subsidiary company of Google's parent company Alphabet, is headquartered at Mountain View, California.

Commercial Information

6.2. **David Hochschild, Chair, California Energy Commission:** The California Energy Commission is leading the state's transition to a 100 percent clean energy future. As the state's primary energy policy and planning agency, the Energy Commission's goal is to develop an energy system that is clean, modern, and ensures the fifth largest economy in the world continues to thrive.

International relations

6.3. **Danny Kennedy, Chief Executive Officer, New Energy Nexus:** New Energy Nexus (NEX) is an international non-profit organisation that supports the development and deployment of clean energy technology globally. It provides accelerator services, capital, mentoring, skills, and networks to help clean energy entrepreneurs thrive. Its equivalent in New Zealand is Ara Ake.

Commercial Information

6.4. **FLEXLAB, Berkeley Lab, US Department of Energy:** The Facility for Low-Energy Experiments in Buildings (FLEXLAB) operated by the US Department of Energy at Berkeley, lets users test energy-efficient building systems individually or as an integrated system, under real-world conditions. FLEXLAB testbeds can monitor and assess heating, ventilation, air conditioning, lighting, windows, building envelope, control systems and plug loads. In addition to the Building for Climate Change programme, FLEXLAB's work has relevance to Aotearoa through its research into the energy efficiency of buildings.

Tokyo, Japan

State Funeral for former Japanese Prime Minister Shinzo Abe

7. On Tuesday 27 September, I attended the state funeral for former Japanese Prime Minister Abe Shinzo in Tokyo, Japan. I attended on behalf of the New Zealand Government and was accompanied by New Zealand's Ambassador to Japan. The state funeral, held at Nippon Budo-kan, commemorated the life of the longest-serving prime minister in Japanese history, and included a speech by Japanese Prime Minister Fumio Kishida. Of the late Prime Minister, Prime Minister Kishida said: "Abe-san, you were indeed a man of courage. I will forever remember you fondly as a man of wholehearted sincerity and exquisite compassion who took the utmost care of his friends, and as a husband who loved his wife Akie profoundly."
8. Following the funeral, I attended a greeting at Akasaka Palace with Prime Minister Kishida, Japan's Chief Cabinet Secretary Hirokazu Matsuno, and Foreign Minister Yoshimasa Hayashi. This was followed by a greeting with Mrs Abe. I conveyed the condolences of Aotearoa New Zealand to Mrs Abe for the loss of her husband.

Energy engagements

9. As part of a long-planned programme of visits in Tokyo, I attended the Hydrogen Energy Ministerial (HEM) meeting and further engagements to support energy innovation in New Zealand.
10. In Tokyo, I was joined by a small New Zealand business delegation in an effort to maximise the value for New Zealand on the trip. The delegation joined me for many of my meetings with significant Japanese companies and it has already led to a number of tangible opportunities for further partnership between these New Zealand and Japanese companies. The business delegation consisted of:
 - 10.1. David Binnie, General Manager Energy, Tuaropaki Trust
 - 10.2. Mike Pohio, Chairman, Ngāi Tahu Holdings
 - 10.3. Christopher Boyle, Managing Director Green Hydrogen, Fabrum
 - 10.4. Dr Ojas Mahapatra, Chief Executive Officer, Fabrum
 - 10.5. Rhys Boswell, Project Lead, Planning and Sustainability, Christchurch Airport
11. At HEM, Japan's State Minister of Economy, Trade and Industry Nakatani Shinichi reflected on the progress of the global hydrogen energy industry in the years since the first HEM Meeting in 2018. Minister Nakatani noted twenty-five countries had formulated national hydrogen strategies, 540,000 fuel cell systems had been deployed and over 1,100 hydrogen refuelling stations were in place globally. In wake of Russia's invasion of Ukraine, Minister Nakatani said hydrogen was now crucial to secure Japan's energy security goals.
12. International Energy Agency (IEA) Executive Director Fatih Birol assessed that the current global energy crisis was the first of such depth and complexity, even compared to the 1970's oil crisis. However, Birol noted that a powerful combination

of factors, and governments putting money on the table for energy security; climate change; and preparing industries for the next chapter meant we were at a global turning point for technological advancement. He highlighted the US Inflation Reduction Act tax credits scheme for low emissions hydrogen technology which would make the price competitive.

13. In my intervention, I spoke about the opportunity hydrogen presents to bring three strands together: energy security, climate change and industry transition. Highlighting New Zealand's considerable renewable energy resources, I noted New Zealand as a player in the green hydrogen production space, and confirmed the Government's intention to pursue the development of hydrogen as an energy source for long distance heavy transport, steel and chemical processing, and aviation.
14. Following HEM, I witnessed the signing of a Memorandum of Understanding (MoU) between the New Zealand Hydrogen Council and the Japan Hydrogen Association. The MoU is the first private sector cooperation agreement the Japan Hydrogen Association has signed and signals their intention to work with New Zealand more closely. This follows on from the Government to Government Memorandum of Cooperation I signed during my visit in 2018.
15. While in Tokyo, I undertook a bilateral meeting with Minister Nishimura, Minister for Trade, Economy and Industry, to discuss New Zealand's strong ongoing relationship with Japan in the area of renewable energy and decarbonisation. Minister Nishimura and I discussed how New Zealand and Japan can continue to cooperate in the areas of hydrogen, geothermal and offshore wind, noting the significant investment of Japanese companies like Obayashi, Mitsui and Sumitomo in New Zealand.
16. On the margins of HEM, I met with the IEA's Executive Director Dr Birol to discuss New Zealand's strong relationship with the IEA, including the on-going IEA in-depth review of New Zealand's energy policies and emergency responses. Dr Birol thanked New Zealand for its participation in the collective action to release oil stocks in response to Russia's invasion of Ukraine. He noted the IEA was now focused on preparing for significant constraints on the supply of fossil gas into Europe over the next two years, Confidential information entrusted to the Government
17. During the Tokyo visit, I also met with:
 - 17.1. **Sumitomo:** I met with Yukihiro Honda, Sumitomo Corporation Senior Managing Executive Officer and General Manager Infrastructure Business Unit, Commercial Information
 - 17.2. **Mitsubishi Fuso Truck and Bus Corporation (MFTBC):** I was hosted by MFTBC Chairman Kazuo Matsunaga, along with senior representatives from Daimler Truck and Bus Australia, and Fuso New Zealand, who travelled to Japan specifically for the meeting. MFTBC reiterated their commitment to deploying the eCanter electric truck (currently 450 units worldwide), which was already being rolled out in Christchurch and Auckland in pilot projects with assistance from EECA. Chairman Matsunaga noted uptake of the eCanter

trucks in New Zealand was well ahead of other jurisdictions on a per capita assessment

- 17.3. **Mitsui & Co:** In my courtesy call on President and CEO of Mitsui & Co. Kenichi Hori, I reiterated the New Zealand Government's appreciation for Mitsui's activities in New Zealand, such as their partnership with Hiringa, which he believed was key to help boost production of hydrogen in New Zealand. President Hori said he believed New Zealand was a global front runner in decarbonisation, with a strong and competitive renewable energy sector.
- 17.4. **Eurus Energy:** I was hosted by Koji Tsuchimoto, Executive Officer of Overseas Business Development, Eurus Energy, Commercial Information
[REDACTED]
- 17.5. **Obayashi:** I met with President Kenji Hasuwa of Obayashi Corporation who provided an update on the work of Halycon Power - a joint venture with Tūaropaki Trust to produce hydrogen via geothermal energy in Mōkai - and more recent developments such as supplying hydrogen for the Mirai car sharing scheme in Auckland, Commercial Information
[REDACTED] Hasuwa reiterated his commitment to establishing the hydrogen supply chain, to decarbonisation, and to collaboration with New Zealand. The Minister confirmed her support for Obayashi's work and its alignment with New Zealand's vision of a net zero carbon economy.
- 17.6. **Masahiro Komura MP:** I met with Prime Minister's Fellow LDP MP Masahiro Komura, member of the parliamentary league for the promotion of a hydrogen society, to follow up on his recent visit to New Zealand. Komura and I discussed a range of political and social issues.

Other engagements

18. In Tokyo, I hosted an event with the New Zealand Embassy to mark 70 years of diplomatic relations between New Zealand and Japan. In addition to marking an important milestone with one of our significant trading partners, the event, attended by Japan-based energy professionals and investors, has resulted in new relationships between businesses in our two countries and provided an opportunity to highlight New Zealand's ambitious climate goals and significant actions to decarbonise our economy.

Proactive Release

19. This paper will be proactively released as per Cabinet Office Circular CO (18) 4 on the Ministry of Business, Innovation and Employment website. The paper will be subject to redaction as appropriate on the grounds set out under the Official Information Act 1982.

Recommendations

The Minister of Energy and Resources recommends that Cabinet:

- 1 note this report on the Minister of Energy and Resources recent travel to the United States of America and Japan.

Authorised for lodgement

Hon Dr Megan Woods

Minister of Energy and Resources