

New Zealand Launches National Energy Strategy

The New Zealand Government is backing renewables under its new national energy strategy, which spells out its long term vision for the energy sector. The new strategy aims to make it less attractive to build new fossil-fuel burning power plants and outlines a potential price-based greenhouse gas emissions trading scheme for the electricity sector. Other key elements include funding for the early deployment of marine-based electricity generation such as wave or tidal; and increasing competition in the electricity market by reducing restrictions on generation and retailing by lines companies. The Government has stepped up its focus on climate change since Prime Minister Helen Clark made the issue the main topic of her address to Labour's annual conference in October. She called for New Zealand to become "carbon neutral" – a target she has since described as "aspirational". Earlier this month Energy and Climate Change Minister David Parker and Finance Minister Michael Cullen made it clear in Parliament that after the gas-fired station in Huntly was completed, most new electricity generation would be renewable. The energy strategy aims to ensure New Zealand develops a sustainable and affordable energy system which minimises greenhouse gas emissions, and which will give New Zealand an enduring competitive advantage over other countries, says Parker. The draft strategy's public consultation period ends in March 2007.

[Source essa news]