

SUBMISSION

**On the Discussion Paper on Measures to Reduce
Greenhouse Gas Emissions in New Zealand Post-2012**

MARCH 2007

1. Introduction

Wellington City Council ('the Council') welcomes the opportunity to make a submission on the discussion paper on Measures to Reduce Greenhouse Gas Emissions in New Zealand Post-2012. It is also making a separate submission to the Ministry of Economic Development on the draft New Zealand Energy Strategy (NZES) and to the Ministry for the Environment on the draft New Zealand Energy Efficiency and Conservation Strategy (NZECS). Together, these documents are critical for the future economic, social, and environmental well-being of New Zealand.

2. Background

This suite of government documents on energy and climate change policy represents a long-awaited piece of central government policy direction, which provides a framework for local government action on the important issues of energy and climate change.

Within the existing central government policy framework, WCC has prioritised its own work on energy and climate issues. The highest three-year priority from the Council's Environmental Strategy is:

Increasing the Council's promotion of water and energy efficiency and conservation, energy security, and the use of renewable energy sources, and taking a more active leadership role in these areas.

The Environmental Strategy is one of seven strategies guiding the Council towards thirteen shared outcomes¹ as set out in the 2006/2016 Long-Term Council Community Plan (LTCCP). This strategic framework supports the Council's long-term vision: to achieve global competitive advantage by positioning our city as *Creative Wellington – Innovation Capital*.

The Council is also a participant in ICLEI's Communities for Climate Protection – New Zealand (CCP-NZ) and has set its corporate targets as stabilising greenhouse gas emissions at 2003 levels by 2010 and reducing emissions 20% by 2020. It will be developing community emission reduction targets this year in consultation with the public.

3. Comments

3.1 General

The Council supports the move towards broad price-based measures post-2012 to reduce greenhouse-gas emissions. The costs associated with climate change policy should be shared across producers and consumers and should apply to all sectors: transport, energy, agriculture, land use, and forestry. The Council notes the

¹ Wellington City Council outcomes: More liveable, Stronger sense of place, More compact, More eventful, More inclusive, More actively engaged, Better connected, More sustainable, Safer, Healthier, More prosperous, More competitive, More entrepreneurial and innovative.
Wellington City Council strategies: Urban Development, Transport, Economic Development, Environmental, Cultural Well-being, Social and Recreation, Governance.

government's preference for emissions trading. The Council has no firm view on the merits of emission trading versus greenhouse gas charges, but generally supports the use of price signals to encourage greenhouse gas reduction throughout the economy.

The Council encourages the government to remain part of an international climate policy framework post-2012, providing an international carbon market and incorporating shared responsibility across nations so that New Zealand's competitiveness does not unduly suffer.

While the Council is a significant energy consumer and is therefore likely to face increased costs as a result of price signals associated with climate policy, it welcomes the incentive to move away from fossil fuel usage in concert with the rest of the nation and the world. In time, the costs of transitioning to low-emissions energy are expected to be balanced by the economic benefits of mitigating climate change.

Because of the role of local government and the impact of central government policy on local communities, the local government sector will need to be involved in discussions that lead to the required detail of policy design and implementation.

3.2 Regulatory approaches

The Council suggests that if the Resource Management Act (RMA) is amended to restore local government's ability to consider the impact on climate change from local greenhouse gas emissions, adequate guidance should be provided by central government so that this is not an undue burden on local government. This guidance would need to take the form of National Environmental Standards (NES's) and possibly a National Policy Statement (NPS). Even with this guidance, the RMA-based method would be difficult to apply to large numbers of small-scale sources of emissions, such as in the transport sector. The global scale of the problem and the shared national responsibility for addressing greenhouse gas emissions suggest that a devolved approach through local government decision-making under the RMA is less preferable than a central government price-based measure.

4. Conclusion

Wellington City Council is generally supportive of the discussion paper on *Measures to Reduce Greenhouse Gas Emissions in New Zealand Post-2012* and of the Government's proposed direction on energy and climate change. This direction is consistent with the Council's Environmental Strategy, which prioritises energy efficiency and conservation because of the economic benefits as well as environmental issues like climate change.

Notwithstanding this general support, there are many details yet to be resolved with respect to the further development and implementation of the proposals, and the local government sector needs to be actively involved in discussions on these details. A number of specific areas of concern to Wellington City Council have been raised.