
New Zealand Productivity Commission's Low Emissions Economy – Draft Report New Plymouth District Council Submission

- 1.0 The New Plymouth District Council (NPDC) welcomes the opportunity to provide feedback on the New Zealand Productivity Commission's Low Emissions Economy Draft Report.
- 2.0 With New Plymouth's strong foundations in the oil and gas and agriculture sectors, New Zealand's progress towards a low emissions economy has the potential to significantly impact our economy and therefore greater wellbeing.
- 3.0 NPDC suggests there is the need for transition fuels such as natural gas to enable a smooth pathway to a low emissions economy. Taranaki produces methanol which can aid this transition. Should methanol production in Taranaki no longer occur post Block Offer 2018, New Zealand may need to import methanol from other countries which is derived from coal (3-4 times emissions).
- 4.0 The New Plymouth District Council, along with the other district councils, iwi, Venture Taranaki and other key stakeholders within Taranaki, has begun working to identify and maximise the opportunities ahead while ensuring a smooth economic transition.

[Make Way For Taranaki – Tapuae Roa](#) (Taranaki Regional Economic Development Strategy 2017) identifies Taranaki's challenges, but also our collective vision, our goals and our approach (attached).

- 5.0 In response to the impact that a transition to a low emission economy is likely to have on Taranaki, we are working with the Government to minimise the negative impacts and maximise the opportunities in a timely manner, in particular:

a. A 'Just Transition' fund for Taranaki:

- We are seeking short to medium term financial support to supercharge the implementation of Make Way For Taranaki – Tapuae Roa by matching the regional contribution dollar for dollar (\$4m per annum for three years).
- We are seeking a fund (\$10m per annum for 3 years) to support the operational cost of a Venture Taranaki lead consortium of regional, MBIE and Government leaders to plan, research, advise and monitor the progress and implications both nationally and regionally of the transition from carbon based sources of energy.

b. Establish Taranaki as the centre for Sustainable Development: 'Environmental, New Energy and Engineering excellence' – Ground Zero for NZ's Just Transition:

- *Tapuae Roa's Action Plan - Energy Futures* identifies a *New Energy Development Centre* which will commercialise new energy tech such as *H2 Taranaki* (hydrogen roadmap).
- Utilise and diversify our specialist engineering skills and existing infrastructure.



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- Continue to focus on ecological restoration and environmental sustainability with the *Taranaki Mounga Project* and *Taranaki Taku Tūranga - Our Place, Towards a Predator-Free Taranaki*.
- *Tapuae Roa's Action Plan – Food Futures* identifies a range of opportunities such as *Future Farm Acceleration* and *Major New Ventures Initiative*. The Government's *Planting one billion trees* programme aligns well with these initiatives.

c. Establish a whole of government & energy industry working party.

6.0 Taranaki is well placed to remain the energy centre of New Zealand during and after transition as we have the skills, infrastructure in place. NPDC supports the following recommendations made in the Low Emissions Economy Draft Report because they will help enable our Regional Economic Development Strategy.

R5.3 The Government should take steps to:

- *Strengthen the national innovation system such as by clarifying its low-emissions objectives, and by improving linkages, the identification of relevant innovation opportunities, and knowledge transfer and sharing; and*
- *Align the various complementary parts so they work well together in the transition to a low-emissions economy.*

The scope should include not only science and research, but broader innovation, knowledge dissemination and learning, skills, infrastructure, regulation and finance.

R5.4 The Government should investigate and implement any cost-effective institutional models for:

- *Scanning new low-emissions technologies around the world to identify ones with promise for New Zealand but that may need adapting to suit local conditions; and*
- *Helping firms to improve their absorptive capacity for external knowledge, including new low-emissions technologies.*

7.0 We thank you for the opportunity to submit and if you wish to discuss this feedback please contact the undersigned on 06 7596060 or email dion.cowley@npdc.govt.nz

Yours sincerely

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