

8 June 2018

Low Emissions Economy Inquiry
New Zealand Productivity Commission
PO Box 8036
The Terrace
Wellington

By email: info@productivity.govt.nz

Dear Commission

Low emissions economy: transitioning to a low-emissions economy

Thank you for your draft report *Transitioning to a low-emissions economy* and your engagement with us to date.

Contact Energy Ltd is supportive of the Government's vision to decarbonise the economy. The work of the Productivity Commission, together with the work of the Interim Climate Change Commission and the Just Transition unit in the Ministry of Business, Innovation and Employment all indicate that a mature and important discussion will be held about how New Zealand can leverage its low carbon electricity position to transition to a low emissions economy.

We agree with the Commission that stability and confidence about longer-term objectives and policy setting will be critical to support the investment required to meet the decarbonisation vision.

We agree with the Commission's view that the transparency of climate-related risk will be an important factor in enabling investors to correctly value assets and investment opportunities. We agree with the Commission that the Government can help to encourage the disclosure of climate risk by officially endorsing the recommendations of the Task Force on Climate-related Financial Disclosures and should work to integrate those recommendations into existing government-mandated reporting requirements. Contact began using these guidelines voluntarily in 2017.

As one of New Zealand's largest electricity generators, with what we believe are some of the best renewable, low carbon generation development options, Contact is uniquely positioned to help New Zealand make the shift to a low carbon economy. A stable policy platform will be a key enabler for those investment decisions.

Yours sincerely



Dennis Barnes
Chief Executive Officer

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