Energy Policy

The Green Party will democratise and decarbonise New Zealand's energy system through: reform of electricity markets; support for community energy ownership and self-determination; legislated cuts in fossil fuel use; electrification of transport and heat; and big increases in energy efficiency and new renewable supply, to create an equitable, affordable, and climate-resilient energy system.

Vision

Aotearoa is an energy-sovereign nation where everyone has access to reliable, affordable, and renewable energy from a democratised energy system that prioritises Māori, community, and public ownership over private profit.

Values and Principles

Energy policy decisions must reflect the following values and principles:

- *Social responsibility*: Energy is an essential service to which everyone should have reliable and affordable access. The energy system should exist for the public good, not just for profit.
- *Honouring Te Tiriti o Waitangi*: When Māori rights and interests, resources and taonga are impacted by the energy system, these must be protected. Hapū and iwi should have tino rangatiratanga over energy and resources, including governance, ownership and direct benefit from energy infrastructure.
- *Appropriate Decision-making*: The production and supply of energy should be democratic and in public, community, hapū and iwi Māori control and ownership; and should be governed and operated with the primary objective of increasing energy sustainability, sovereignty, equity and resilience for all New Zealanders.
- *Ecological Wisdom*: The scale and rate of energy use, and the choice of energy source, should be constrained and managed to occur within ecological limits. In particular, recognising the existential threat of climate change, urgent mitigation of and adaptation to climate change and transition to renewable sources and away from fossil fuels are core objectives of energy policy.
- *Non-violence*: To minimise social, economic, and environmental disruptions from climate change, the phase-out of fossil fuel use needs to be rapidly achieved in such a way as the greatest burden is carried by the biggest industrial polluters, and is otherwise shared fairly and does not fall disproportionately on the poor or marginalised.
- *Synergy*: Take a holistic and coherent approach across government that creates co-benefits, and avoids trade-offs.

Strategic Priorities

The Green Party's strategic goals include:

> *"Aotearoa will lead the world in reducing gross domestic emissions of all greenhouse gases, and will be on track to end fossil-fuel use and production no later than 2035, through legally binding mechanisms."*
>
> *"Sustainable transport, renewable energy, and regenerative practices in all areas of economic activity, including land use and food production, will predominate."*
>
> *"Comprehensive support for communities and individuals affected both by the transition to a net zero emissions economy and by the impacts of climate change within New Zealand and the Pacific will be well established."*

Actions in this policy that will help achieve this:

- Fundamentally reform the electricity market structure and ensure that the market works in the public interest (1.4)
- Develop and implement a national integrated energy transition strategy that includes: Phasing out the use of fossil fuels while maintaining energy security for households and essential public services (2.2.3)
- Establish Tiriti-based energy legislation that enables Māori and community involvement, ownership and leadership in energy projects (...) (1.2.1)
- Maintain, strengthen and/or transform existing energy infrastructures to withstand extreme weather events, manage mass electrification, and increase distributed energy resources (3.2)
- Set an ambitious goal, consistent with our commitments to keep global warming to 1.5 degrees, to increase the share of renewable energy in the total primary energy supply, taking a strategic whole-of-system approach (2.4.1)
- Establish a National Environmental Standard for Community Wind (2.5.3)

Connected Policies

To mitigate Climate Change, we need to minimise and replace fossil energy sources and maximise energy efficiency, including in Transport, Business, and Housing and Sustainable Communities. Trade and Foreign Investment should support a sustainable energy future. Biodiversity and Environmental Regeneration must be protected from industrial energy generation, including Freshwater and Marine ecosystems. Biofuels are connected to practices in Forestry, Agriculture, and Waste.

Policy Positions

1. Energy Governance

Issues

The electricity market acts perversely to incentivise coal burning, lock in the dominance of big utilities, and disincentivise new-build renewable, including distributed generation. Manufactured scarcity causes high spot prices in order to maximise profits at the expense of consumers and

the environment. The changes required to address energy challenges – decarbonisation, equity, resilience and managed energy descent – face significant resistance from the fossil fuel industry and other vested interests, and political inertia.

Actions

1.1. Ensure that entities operating within the energy governance system, including the Energy Efficiency and Conservation Authority (EECA) and the Electricity Authority, operate with Tiriti-based governance and without institutional barriers to a transition to a sustainable energy future.

1.2. Democratise and decentralise the energy system, by:

1.2.1. Establishing Tiriti-based energy legislation that enables Māori and community involvement, ownership and leadership in energy projects, including:

1.2.1.1. The ability for citizens to invest and actively participate in renewable generation, storage and other energy assets and sharing/trading projects such as peer-to-peer retail; and

1.2.1.2. 'Shared ownership guidelines' for community participation in new renewable electricity generation projects.

1.2.2. Mandating Transpower to regulate fair access for independent operators to support innovation and system flexibility;

1.2.3. Guiding, through National Environmental Standards, the construction of new small and community-scale wind and solar farms, embedded within local networks;

1.2.4. Ensuring market access for independent power producers, including power purchase guarantees and regulated buy-back rates above the wholesale price;

1.2.5. Offering a Government-guaranteed power purchase platform to reduce barriers for new market entrants and manage risks; and

1.2.6. Reclaiming public ownership and instituting Te Tiriti-based governance of energy assets and planning, and opposing privatisation of publicly owned energy infrastructure.

1.3. Re-constitute the Electricity Authority as a Sustainable Energy Authority with statutory objectives and specific responsibilities for:

1.3.1. Being led by Tiriti-based decision-making and centred around the Māori energy sovereignty and wellbeing frameworks, including the guiding values of manaakitanga, mauri, rangatiratanga and mana motuhake;

1.3.2. Putting decarbonisation and sustainability at the heart of the energy system, covering all aspects of energy and fuels; and

1.3.3. Ensuring fair and affordable power prices and equitable access to energy services for householders.

1.4. Fundamentally reform the electricity market structure and ensure that the market works in the public interest, including:

1.4.1. Establishing electricity and gas pricing mechanisms to ensure household energy wellbeing as we transition off fossil gas;

1.4.2. Creating transparent wholesale pricing systems, and an efficient longer-term contracts market between generators and retailers, or requiring generators to divest their retail operations;

1.4.3. Removing market-structure incentives for using coal, oil, and gas by generators;

1.4.4. Removing electricity tariff subsidies from generators to high-user organisations and emerging industries;

1.4.5. Facilitating demand-side participation in the electricity market by users;

1.4.6. Incentivising renewable energy for communities, the agricultural sector, and other industries;

1.4.7. Encouraging distributed generation for households and businesses;

1.4.8. Ensuring price certainty for renewable energy suppliers of all sizes to ensure investment, security, and reliability of supply; and

1.4.9. Supporting smart and Micro-Grids, which can, within local low-voltage networks, use digital technologies to provide cleaner, cheaper, smarter power through real-time demand management and peer-to-peer energy trading.

1.5. Establish a fully state-owned, Tiriti-based, public service entity to:

1.5.1. Coordinate the development of utility-scale renewable generation schemes;

1.5.2. Support Māori, hapū and iwi and community energy developments with Māori and community governance;

1.5.3. Operate public-owned energy generation or storage infrastructure where the infrastructure has significant power to influence the market;

1.5.4. Enable the installation of solar and energy storage on public buildings, infrastructure, and public housing; and

1.5.5. Increase the transparency of renewable development opportunities, including the visibility of relevant data.

2. Fossil to renewable energy transition

Issues

Burning fossil fuels for energy is the primary driver of catastrophic climate change and risks ecological collapse. Despite having known this for decades, their use in Aotearoa New Zealand is still increasing, especially oil, and increases in renewable production are negligible.

Actions

2.1. Phase out the use of fossil energy, informed by mātauranga Māori and consistent with the urgency and necessity of limiting global heating to 1.5 degrees above pre-industrial levels, including by:

2.1.1. Ending all forms of direct and indirect subsidies for the fossil fuel industry;

2.1.2. Prohibiting the building of any new coal, oil or gas-fired power plants and other fossil fuel-reliant infrastructure, including gas-fired generators or peaker plants;

2.1.3. Supporting the replacement of coal and gas boilers and water heaters with electric systems for space and water heating in schools, universities, hospitals and public facilities; and

2.1.4. Legislating an end date for fossil fuel burning for specific purposes and industries, including electricity generation, dairy dehydration, industrial and commercial heat, and light vehicles.

2.2. Develop and implement a national integrated energy transition strategy that includes:

2.2.1. Planning and mapping adaptive regional energy systems;

2.2.2. Evaluating systemwide supply and demand scenarios and developing transition pathways at national and regional levels, prioritising energy needs and equity within an energy descent framework;

2.2.3. Phasing out the use of fossil fuels while maintaining energy security for households and essential public services;

2.2.4. Tightening energy-based emission standards across transport, housing, electricity generation, and industrial sectors;

2.2.5. Critiquing and creating clear parameters to ensure sustainability and appropriate application of bioenergy, ammonia, green hydrogen, and other emerging fuels and technologies;

2.2.6. Rejecting unproven solutions, and delaying or diversionary strategies, including gas as a 'transition fuel', carbon capture storage, unsustainable biofuels and biomass, grey or blue hydrogen, and municipal solid waste-to-energy systems such as incineration and pyrolysis;

2.2.7. Engaging with communities to develop evidence-based behavioural interventions to reduce energy consumption and transition away from dependence on fossil fuels;

2.2.8. Providing a regulatory framework, environmental standards, and finance to accelerate the research and deployment of appropriate renewable energy;

2.2.9. Sharing technology and expertise with other nations through commercialisation and support;

2.2.10. Investigating the potential for, and mechanisms of, establishing Tradable Energy Quotas, cognisant of the need for an overall energy descent;

2.2.11. Offering reskilling opportunities for those directly working in coal, oil and gas industries, including mining;

2.2.12. Establishing an ecologically sound role for biofuels and biomass; and

2.2.13. Restructuring energy systems to increase renewables and energy conservation and develop low-carbon employment options.

2.3. Manage declining gas reserves by:

2.3.1. Prioritising critical energy use; and

2.3.2. Prohibiting use of gas for the production of export products, such as methanol.

2.4. Accelerate new renewable generation to a rate that enables the decarbonisation of transport, electricity generation, and essential industries, and meets basic needs, by:

2.4.1. Setting an ambitious goal, consistent with our commitments to keep global warming to 1.5 degrees, to increase the share of renewable energy in the total primary energy supply, taking a strategic whole-of-system approach;

2.4.2. Supporting the development of a fully renewable electricity generation system, except for emergency supply, where necessary;

2.4.3. Establishing equitable market participation rules for independent producers to deliver renewable energy supply contracts;

2.4.4. Requiring large utilities to rapidly develop consented renewable energy projects;

2.4.5. Incentivising and enabling public entities, including councils, schools and hospitals, to install renewable energy systems and replace fossil fuel systems and household appliances;

2.4.6. Funding research and development of renewable energy technologies where Aotearoa New Zealand has a natural advantage, incorporating full life-cycle analyses;

2.4.7. Accelerating the commercialisation of innovation in renewable energy technologies through funding schemes that reduce residual financial risks and attract climate action investment; and

2.4.8. Adopting a certification scheme to ensure renewable energy technologies meet a minimum environmental and ethical requirement.

2.5. Accelerate sustainable wind energy developments by:

2.5.1. Co-developing with Māori regulation for onshore and offshore wind energy that takes into account the different resource requirements, cultural and ecological impacts, and decommissioning requirements;

2.5.2. Providing for wind energy in national and regional planning and enabling grid connections through the establishment of Wind Energy Zones;

2.5.3. Establishing a National Environmental Standard for Community Wind;

2.5.4. Requiring sufficient bonds to decommission offshore wind energy infrastructure; and

2.5.5. Requiring wind energy developments to directly involve, and benefit, Māori, and have particular regard to regionally and locally impacted hapū and iwi in whose rohe infrastructure would be built.

2.6. Increase solar energy generation by:

2.6.1. Accelerating solar power installation on public buildings, such as schools and marae and papakāinga, and on public housing and low-income homes that are well-suited to solar energy use;

2.6.2. Encouraging developers to install solar panels in new builds, where appropriate; and

2.6.3. Expanding controllable hot water energy storage capacity, through grants and concessional financing schemes.

2.7. Limit the development and use of bioenergy (including biomass, biogas and biofuels) to that which delivers strong climate benefits without unacceptable cultural, land use and ecological impacts, including by:

2.7.1. Opposing the development of, and reliance on, ecologically unsustainable liquid biofuels for transport;

2.7.2. Prohibiting the use of indigenous flora, forests and conservation estates for bioenergy;

2.7.3. Prioritising community-scale bioenergy production for local and domestic needs and emergencies, over large-scale production;

2.7.4. Requiring that fuel cropping and plantation for biomass and biofuels create co-benefits, rather than land use conflicts, with respect to food production, biodiversity and cultural values;

2.7.5. Supporting iwi and hapū in making optimal decisions on the use of Māori-owned production forests and forestry waste for bioenergy;

2.7.6. Ensuring environmental sustainability in the production of biomass: from growing, to harvest, to fuel processing, to use, and with a focus on forestry wood waste;

2.7.7. Considering research and development of torrefaction of wood wastes to produce high-quality biomass to substitute coal for emergency electricity generation and some industrial processes that require high-temperature heat; and

2.7.8. Supporting energy generation from biogas associated with animal and plant wastes on farms and urban green waste.

2.8. Prohibit general-waste-to-energy systems, including incineration or pyrolysis of municipal solid waste for energy production, except energy generation from landfill gas (until landfills are phased out).

2.9. Develop and commercialise capability in marine energy (including wave, tide and currents) that avoids damage to marine and estuarine ecosystems and species, including by:

2.9.1. Incentivising and supporting partnerships with iwi and hapū to conduct research and development of marine energy, in accordance with their tikanga.

2.10. Support the sustainable development and use of geothermal energy, including direct heat use, by:

2.10.1. Supporting iwi and hapū leadership in the development and use of geothermal energy'; and

2.10.2. Supporting the use of ground source heat for new builds in commercial and residential sectors and district energy schemes.

2.11. Limit the development and use of hydrogen energy to that which furthers climate goals, by:

2.11.1. Opposing the production of hydrogen from fossil fuels.

2.11.2. Phasing out the use of grey and brown hydrogen.

2.11.3. Undertaking a whole energy system analysis to determine the role of green hydrogen, if any, by:

2.11.3.1. Including mātauranga Māori perspectives.

2.11.3.2. Comparing the opportunity cost of green hydrogen and other options

2.11.3.3. Considering the energy costs and inefficiencies of production, storage, transportation, and use of green hydrogen

2.11.3.4. Completing the analysis prior to consideration of a new green hydrogen production industry for domestic and export markets

2.11.4. Focus research on green hydrogen to applications that are reliant on fossil fuels, such as steel and potentially aviation, heavy transport and shipping.

2.11.5. Oppose green hydrogen that replaces other forms of efficient, zero-emission energy that have already reached technological, economic and environmental maturity.

2.12. Oppose nuclear power.

3. Energy efficiency, demand management, and resilience

Issues

It may not physically be possible to replace our current level of fossil energy use with renewables in the timeframe available for avoiding catastrophic climate change. Renewables have a lower energy density than fossil fuels, requiring more land area or infrastructure. The infrastructure is often manufactured using fossil fuels and other non-renewable resources, and needs replacing regularly. They also have a limited ability to replace liquid fuels or achieve the high temperatures needed for some industrial processes. At the same time, extreme weather events are becoming more frequent and severe, threatening the safety and integrity of existing and emerging energy infrastructure. Energy conservation and efficiency are critical in reducing fossil fuel use, building energy resilience, and making sure everyone can have enough energy to meet basic needs, yet the opportunities are not being realised.

Actions

3.1. Maximise energy conservation and efficiency, by:

3.1.1. Strengthening the role of the New Zealand Energy Efficiency and Conservation Strategy (NZEECS) by increasing its targets, accelerating its timetables and putting the strategy into regulation and/or legislation;

3.1.2. Adopting innovations and best practice in energy conservation and efficiency in the public sector;

3.1.3. Developing institutional capacity and cross-sector collaborations in the production and application of new, energy-efficiency and conservation technologies;

3.1.4. Review and expand the minimum energy performance standards for a broad range of appliances and machinery used in homes and industry, in line with international best practices, and progressively raise these standards as technologies develop;

3.1.5. Establish a fund for strengthening the energy conservation and efficiency industry, including training tradespeople and specialists, promoting eco-papakāinga and eco-marae, and providing research and incentives for private sector initiatives;

3.1.6. Developing ongoing and expanded public information and community education programmes to improve energy literacy and drive energy conservation;

3.1.7. Supporting load control systems among grid-connected households, and smart technologies and techniques; and

3.1.8. Incentivising research and development of digital energy management systems.

3.2. Maintain, strengthen and/or transform existing energy infrastructures to withstand extreme weather events, manage mass electrification, and increase distributed energy resources.

3.3. Plan for a managed energy descent that safeguards essential services and ensures that everyone's basic needs are met using renewable and low-impact energy sources, when there is less available energy.