

New Zealand has renewable energy resources that are the envy of the world. Our hydro, wind, and geothermal resources mean we are ideally placed to build an energy system that is affordable, sustainable, and reliable.

The challenge is to transition toward a fully sustainable energy system that weans us off greenhouse-gas emitting energy sources such as imported oil.

### Affordability and Security of Supply

**Labour** will put in place measures to maintain **security of electricity supply** and **affordable electricity and transport** for New Zealanders.

**Labour** will investigate and develop **new electricity system structures** that can deal with higher proportions of **variable renewable energy sources** such as wind and solar power.

**Labour** will ensure that the **obligation for suppliers and distributors to continue supply to customers** under section 62 of the Electricity Act, does not end on its original expiry date of 2013.

**Labour** will **promote small scale renewable electricity generation** for rural and isolated locations.

### Energy Efficiency

Labour is committed to energy efficiency and conservation so that less electricity is wasted.

In the past, the automatic response to our growing demand for energy has been to build more generation. A cornerstone of our New Zealand Energy Strategy, however, is to invest in improved energy efficiency where this is cheaper than the cost of producing extra energy or extra energy infrastructure. An assessment of these costs should include environmental costs. Investments in household energy efficiency, so that households consume less energy, are an example of this approach at work.

**Labour** will further entrench the **energy efficiency principle in all sectors**.

**Labour** is prioritising the **insulation of state houses** so that the remaining homes without insulation are retrofitted within 5 years.

**Labour** is prepared to **bring forward the current spending programme** on home retrofitting, upgrading the State Housing stock, and planned development on Housing New Zealand land, as part of the economic stimulus package to be presented to Parliament in December.

**Labour** will bring forward access to the **\$1 billion home energy efficiency fund** so that schemes for retrofitting older houses can be expanded in those areas where unemployment is emerging.

**Labour** will deliver to all households in 2010 a **one-off electricity rebate** to assist with power bills, with those receiving benefits, superannuation and Working for Families tax credits also receiving a **targeted one-off cash payment**.

**Labour** will install **15,000 - 20,000 additional solar water heating** systems by 2010.

**Labour** will continue to helping businesses to save energy, and money, through information and incentives to **increase the uptake of cost effective energy management practices and technologies**.

## **A Drive towards Sustainable Transport**

Forty four percent of all the energy consumed in New Zealand is used to transport people and products. Energy and climate change policies overlap in the dual need to reduce energy use and greenhouse gas emissions.

The foundations for a sustainable transport network have been laid this decade with a 15-fold increase in public transport spending, electrifying Auckland rail, and buying back KiwiRail.

**Labour** will continue to increase funding for **public transport** and energy-efficient freight transport modes such as **rail**.

**Labour** will plan for the introduction of a nationwide infrastructure to **recharge electric vehicles**.

## **Oil Resources: exploration and sale during transition**

**Labour** will continue to **develop contingency plans for short- to medium-term management** of Peak Conventional Oil.

**Labour** will encourage exploration and **ensure New Zealand benefits from our oil resources**.