

New Zealand ETS review 2015/16 consultation

Copy of your submission



1. Do you agree with the drivers for the review?

Answer 1: Yes

2. What other factors should the Government be considering in this NZ ETS review?

Answer 2:

There be no carbon penalty against Forest Owners when Forest is harvested, it would be an incentive to plant new land in trees

9. Do you consider the future cost of emissions in your business planning?

Answer 9: Yes

9A. How do you do this? Check carbon prices before felling any forests

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10. What would improve your ability to take into account the future cost of emissions in your business planning?

Answer 10: Certainty that all countries are involved with the trading of carbon units

11. Under what conditions should free allocation rates start to be reduced after 2020?

Answer 11: When full understanding of participants happens

12. What impact would it have on your investment decisions over the next few years if there was a clear pathway or criteria for phasing out of free allocation after 2020?

Answer 12: Negative financially

13. How does the carbon price impact your forestry investment decision-making?

Answer 13:

a) 15% of my decision

b) expectation is that carbon prices will increase by 2030

14. Are there opportunities for the NZ ETS to increase incentives for forestry investments, outside of NZU price?

Answer 14: Yes

15. What are your reasons for the above answer?

Answer 15:

a) Carbon trading on the stock exchange

b) Create extra carbon units to be given to present forest owners

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16. If international units are eligible for NZ ETS compliance in the 2020s, should any of the following restrictions be placed on their use?

Answer 16:

- a) restrictions on where units can be sourced from (location of and/or types of projects)
- b) restrictions on how many units can be surrendered
- c) other

16A. Please explain your answer: They must be verified as true units

17. Should auctioning be introduced in the NZ ETS?

Answer 17: Yes

when a) in the next two to three years

17A. Please explain your answer:

18. What should be the role or purpose of an auctioning function in the NZ ETS, if one were introduced?

Answer 18: b) to more actively manage NZU prices

18A. Please explain your answer:

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19. How should auctioned NZUs relate to other sources of unit supply in the NZ ETS, especially NZUs generated through forestry removals and / or international units?

Answer 19:

20. What impact has carbon price volatility in the NZ ETS had on your business?

Answer 20: b) moderate

20A. Please explain your answer:

21. Do you think measures should be in place to manage price stability?

Answer 21: No

21A. Please explain your answer:

22. What do you consider are important factors for managing price stability?

Answer 22:

