

The Treasury

Solid Energy Information Release

March 2013

Release Document

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Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

- [1] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [2] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information, or who is the subject of the information
- [3] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [4] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [5] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [6] 9(2)(j) - to protect the commercial position of the person who supplied the information, or who is the subject of the information; to enable the Crown to carry out commercial activities without disadvantage or prejudice; and to enable the Crown to negotiate without disadvantage or prejudice
- [7] 9(2)(ba)(i) - to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied
- [8] Information is out of scope or not relevant.

Where information has been withheld, a numbered reference to the applicable section of the Official Information Act has been made, as listed above. For example, a [3] appearing where information has been withheld in a release document refers to section 9(2)(f)(iv).

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.

BRIEFING FOR YOUR INFORMATION

Solid Energy (SENZ): Briefing for meeting 16 August 2007

To	Minister for State Owned Enterprises	Priority	Routine
Date	13 August 2007	Deadline	16 August 2007

Purpose

You are scheduled to meet with Solid Energy's John Palmer (Chair) on Thursday 16 August 2007.

It is expected they will want to discuss the recent security informant issues and have a general discussion about Solid Energy's outlook. A background on some of the likely topics is provided below.

Security informants

On 27 May 2007 the Sunday Star Times ran a story alleging SENZ's security advisors used paid informants within the Save Happy Valley Coalition protest group.

In response, Solid Energy said it gathered information like any normal business, and specifically in response to the illegal activities of protest groups, citing damage to SENZ property and threats to its staff. The Company's security arrangements now specifically exclude "paid for" informants.

2006/07 Financial performance

SENZ's draft net profit after tax (NPAT) for 2007/08 was \$95.2 million against a budget of \$79 million. However, one-off gains of \$43 million relating to the sale of a 49% stake in Spring Creek Mine were not budgeted for. Sales were heavily impacted by the snail relocation project, the strong New Zealand dollar and industrial action.

2007/08 Forecast

The outlook for 2007/08 remains challenging given the current NZD:USD exchange rate, lower volumes and increased mining costs at Stockton. Budgeted NPAT for 2007/08 is \$21 million.

SENZ plans to continue developing alternative energy options including pellet fuels, bioenergy, coal-to-gas options and development of the vast Southland lignite resources.

Other issues

Recent industrial action has ended subject to ratification of the new collective agreement by workers.

All snails have been removed from the area of Mt Augustus to be mined. Over 6,000 live snails were recovered, ten times that believed to exist, with release now underway.

[2]

CCMAU Contact	Minister Acknowledgement
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