

VOTE *Energy*

Terms and Definitions Used

IEA International Energy Agency

Energy

VOTE MINISTER: Minister of Energy

ADMINISTERING DEPARTMENT: Ministry of Economic Development

The Minister for Economic Development is the Responsible Minister for the Ministry of Economic Development

Part B - Statement of Appropriations

Summary of Appropriations

Types of Appropriation	Appropriations to be Used				Total Appropriations \$000
	By the Department Administering the Vote		For Non-Departmental Transactions		
	Annual \$000	Other \$000	Annual \$000	Other \$000	
Operating Flows					
Classes of Outputs to be Supplied	18,927	1,044	4,600	-	24,571
Benefits and Other Unrequited Expenses	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	-	-	475	-	475
Capital Flows					
Capital Contributions	-	-	-	-	-
Purchase or Development of Capital Assets	-	-	-	-	-
Repayment of Debt	-	-	-	-	-
Total Appropriations for 2001/02	18,927	1,044	5,075	-	25,046
Total 2001/02 Main Estimates Appropriations	18,858	1,044	5,075	-	24,977

Part B1 - Details of Appropriations

	2001/02						Purpose of and Reasons for Change in 2001/02 Appropriations
	Main Estimates		Supplementary Estimates		Cumulative Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Appropriations							
Departmental Output Classes (Mode B Gross)							
D1 Policy Advice on Energy and Resource Issues	3,121	-	(27)	-	3,094	-	Policy advice on the operation of energy and resources markets (electricity, oil, gas, geothermal, coal, minerals and related natural resources) including Treaty of Waitangi Claims in relation to natural resources in particular mineral and energy resources. The decrease reflects a transfer of funding to Vote Prime Minister and Cabinet for delivering the requirements of the Government for ratification of the Kyoto Protocol and associated legislation (-\$113,000) and for a dedicated management team for consultation on climate change (-\$28,000); offset by transfers of funding from D3 Administration of Gas and Electricity Regulations in Vote Energy (\$96,000) and from Vote Communications (\$18,000) to meet costs associated with additional work being undertaken due to the 2001 dry winter and issues relating to electricity governance and rules development work.
D2 Management of the Crown Mineral Estate	6,285	-	-	-	6,285	-	Allocation and management of Crown-owned petroleum, coal and mineral resources under the Crown Minerals Act 1991 and minerals programmes issues under the Act.

D3 Administration of Gas and Electricity Regulations	9,153	-	54	-	9,207	-	Administration of regulations and promotion of health and safety in the electricity and gas sectors, and implementation of information disclosure regimes for the electricity and gas industries. The increase reflects a fiscally neutral adjustment recognising revenue and expenses relating to additional work arising from diesel engine filter blockages (\$79,000); and a fiscally neutral adjustment recognising revenue and expenses relating to the supply and promotion of new joint Australian/New Zealand electricity standards for electrical installation work (\$113,000); offset by a transfer of funding to D1 Policy Advice on Energy and Resource Issues in Vote Energy for additional work undertaken due to the 2001 dry winter and issues relating to electricity governance and rules development work (-\$96,000); and a transfer of funding to D4 Energy and Resource Information Services in Vote Energy to meet costs relating to the collection, compilation and analysis of data on climate change and energy efficiency and conservation (-\$42,000).
Total Appropriations for Departmental Output Classes (Mode B Gross)	18,559	-	27	-	18,586	-	
Departmental Output Classes (Mode B Net)							
D4 Energy and Resource Information Services	299	1,044	42	-	341	1,044	Provision of information on energy and minerals sectors; monitoring and statistical analysis of energy markets; and the provision of energy supply and demand forecasts. It also includes inter-governmental liaison and the servicing of New Zealand membership of international organisations, particularly the IEA. The increase reflects a transfer of funding from D3 Administration of Gas and Electricity Regulations in Vote Energy for costs relating to the collection, compilation and analysis of data on climate change and energy efficiency and conservation.
Total Appropriations for Departmental Output Classes (Mode B Net)	299	1,044	42	-	341	1,044	

Part B1 - Details of Appropriations (continued)

	2001/02						Purpose of and Reasons for Change in 2001/02 Appropriations
	Main Estimates		Supplementary Estimates		Cumulative Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Appropriations							
Non-Departmental Output Classes							
O1 Monitoring and Price Control of Electricity Line Businesses	4,600	-	-	-	4,600	-	For the provision of monitoring electricity prices, reviewing asset valuation methodologies and re-calibrating asset values, collecting and disclosing information and implementing price controls as necessary in relation to the 30 electricity lines businesses and to Transpower.
Total Appropriations for Non-Departmental Output Classes	4,600	-	-	-	4,600	-	
Other Expenses to be Incurred by the Crown							
International Energy Agency Contribution	50	-	-	-	50	-	Payment of contributions towards the cost of energy-related research undertaken by the IEA.
International Energy Agency Subscription	115	-	-	-	115	-	Payment of annual subscription for membership of the IEA.
Ministry of Energy Residual Liabilities	210	-	-	-	210	-	Payment of residual liabilities of the former Ministry of Energy (MOE) and to meet urgent mine restoration and rehabilitation relating to the operations of the State Coal Mines prior to 1987. This output class in 2001/02 also provides for an amendment to the intention of the appropriations to cover costs relating to water and gas seepage on a property in New Plymouth on land leased from the Grey Trust.
Petroleum Joint Venture Development	100	-	-	-	100	-	Commitments to the Crown's interest in petroleum prospecting and mining licences through petroleum joint ventures.

Total Appropriations for Other Expenses to be Incurred by the Crown	475	-	-	-	475	-	
Total Appropriations	23,933	1,044	69	-	24,002	1,044	

Part F - Crown Revenue and Receipts

Part F1 - Current and Capital Revenue and Receipts

	2001/02			Explanation of 2001/02 Crown Revenue
	Main Estimates	Supplementary Estimates	Total Budgeted	
	\$000	\$000	\$000	
Current Revenue				
Tax Revenue				
Energy Resource Levies - Coal	5,500	(160)	5,340	Levy payable on opencast coal. The decrease reflects a forecast change in Solid Energy production estimates.
Energy Resource Levies - Gas	90,000	12,000	102,000	Levy payable on natural gas produced on discoveries made prior to 1 January 1986. The increase reflects higher forecast gas volumes from the Methanex methanol plant and power generators.
Total Tax Revenue	95,500	11,840	107,340	
Non-Tax Revenue				
Levy on Electricity Line Businesses	4,089	-	4,089	Levy payable associated with the Commerce Commission regulation activities.
Ironsands Royalties	52	8	60	Royalties obtained from ironsand operations licensed by the Crown. The increase reflects higher production at NZ Steel.
Residual Ministry of Energy Commitments	100	-	100	Proceeds from property rentals previously owned by State Coal.
Royalties - Coal	1,300	-	1,300	Royalties obtained from coal mining operations licensed by the Crown.
Royalties - Minerals	800	100	900	Royalties obtained from mineral mining operations licensed by the Crown. The increase reflects a higher forecast production from the Macraes Gold Mine.
Royalties - Petroleum	32,324	9,676	42,000	Royalties obtained from petroleum mining operations licensed by the Crown. The increase reflects a forecast increase in gasoline sales, higher condensate production and crude oil refining, and a weaker Kiwi dollar.

Total Non-Tax Revenue	38,665	9,784	48,449	
Total Current Revenue	134,165	21,624	155,789	
Total Crown Revenue and Receipts	134,165	21,624	155,789	