

Annexe

►About the reporter

This report was written by Molly Melhuish, with assistance from a number of people, particularly Ian Shearer of Energy Solutions, Arthur Williamson of Canterbury University, and Harbans Aulakh from the Energy Efficiency and Conservation Authority.

Molly published privately a journal, "Energywatch", from 1978-1987, with analysis and commentary on energy technology and policy. Lack of data and the financial effect of government departments withdrawing their subscriptions made the journal impossible to continue, but her work on analysis and commentary has continued. As a trustee of one of the local power company trusts, she was able to observe from the inside some of the impacts of the energy reforms. Many of the statements here are not referenced, coming directly from her own experience; many others were able to be referenced from recent newspaper articles after most of the text was written.

►Quality of data

New Zealand keeps a vast quantity of data on many economic, social and environmental indicators, reminiscent of the data found in company annual reports. It is not the quantity of numbers but their precision and definition that allow meaningful interpretation of trends. In the years before the 1984 "cultural revolution", officials in most departments were more than willing to provide information on data sources and definitions. There was then, as now, much political "spin" to the way the numbers were reported, but it was easier then to find the basis for the spin. Information issues include:

- Cost: Now the most useful of the energy publications cost \$50 to \$100, and it costs upwards of \$100 to obtain public but unpublished information from Statistics NZ. The information that is available free of charge is often too limited for full analysis - especially when one wants to sift through a great deal of raw information in deciding what information is really useful.
- Confidentiality: Much important information from the energy sector is confidential. Statistics NZ aggregates data in order to suppress information on specific companies or industries. Recently some energy suppliers and users have withheld information formerly supplied to Statistics NZ, as noted in Indicator 6.
- Relevance: Information on prices, profits, and availability of resources are of greatest interest to the public. The price of electricity used by the aluminium smelter is widely reported (but never confirmed) to be only half the price to other industrial users, despite the fact that extra transmission lines provide the smelter with a uniquely high standard of reliability. Prices for domestic electricity have become so complicated that they can no longer be disclosed directly.
- Official negligence. Information on New Zealand's gas reserves is available to the government under its petroleum legislation, confirmed in the Maui contract. But the government did not take up its rights to the information when its scientists warned that the field might fall short, in 1985. Now it appears the field is will supply 30% less gas than expected - in my opinion probably caused by excessive draw-off at times, especially during very dry years. Information on gas reserves is not easy to find on the publicly available web sites.

- Definition: The information disclosure regulations for electricity companies permit a range of interpretations of revenues, rates of return, etc. This makes it impossible to compare the performance of different companies.

Reflecting on these issues, it appears that statistics are an important tool in selling unpopular policies - such as energy price rises - to the public. Independent assessments of such statistics are all too easily dismissed where data are suspect. This report has been very hard to make both complete and credible. Official statistical publications appear seamless, but this is usually achieved by papering over the cracks.