



## Office of Hon Dr Nick Smith

**MP for Nelson**

Minister for the Environment

Minister for Climate Change Issues

Minister for ACC

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CC 2249

Les Hole  
leshole@swishautomation.com

Dear Mr Hole

Thank you for your email of 18 December 2009 to Hon Bill English regarding greenhouse gases and the New Zealand Emissions Trading Scheme (ETS). I am responding on his behalf as the issues raised fall within my portfolio responsibilities as Minister for Climate Change Issues.

You are quite correct in saying that water vapour is an important greenhouse gas. It allows sunlight to pass through and absorbs the outgoing heat thus warming our atmosphere. However, it is not the only gas to have this property, both carbon dioxide and methane are greenhouse gases, with methane being particularly potent.

There is a clear link between human activities and the amount of carbon dioxide in the atmosphere. The evidence for this lies in the isotopic composition of the atmospheric carbon dioxide, which shows that an increasingly large amount of the gas has come from fossil fuels. The increases in these greenhouse gases are clearly linked to increases in the global temperature.

I noted your concern over the alleged falsification of climate change data. I am advised that a careful review of these allegations shows that they do not undermine the scientific case for climate change, which is supported by multiple, robust lines of evidence, including several that are completely independent of the groups involved in allegations.

You suggest that the NZ ETS will cost New Zealand families \$8,500 per year. I am unaware of the analysis that you refer to that has the NZ ETS costing households this amount. Modelling undertaken for the government suggests a significantly lower impact than this under a moderated NZ ETS. Costs of the moderated NZ ETS for households are estimated to be around \$85-\$135 per year for increases in electricity and fuel prices during a transitional phase until 1 January 2013. Following this the costs could be expected to be around \$170-\$330 if the price of carbon was \$25 per tonne.

The government considers that climate change is a serious issue and believes that significant and timely action is warranted.

Yours sincerely

Hon Dr Nick Smith  
**Minister for Climate Change Issues**