



File No. DOIA 1718-0338

26 SEP 2017

Dr Terrence Loomis
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Dear Dr Loomis

On 7 September 2017, the Minister of Energy and Resources transferred the following parts of your Official Information Act 1982 (the Act) request to the Ministry of Business, Innovation and Employment (the Ministry) for response:

- 3. Did the government provide any other forms of petroleum mining production support, and if so what was the value of such support in the 2016/17 tax year?*
- 4. What was the value of government-funded acquisition and provision of exploration data to the petroleum industry in the 2016/17 tax year?;*
- 5. What was the value of government-funded research and development relevant to or of benefit to the petroleum industry in the 2016/17 tax year?;*
- 6. What was the total value of government support, sponsorship and promotional spending for the New Zealand Petroleum Conference, the Petroleum Club, hosting of petroleum industry representatives, and attendance by Ministers and officials at international petroleum industry conferences in the 2016/17 tax year?*

I have responded to each of your questions separately. Question 6 has been separated into four parts to ensure a complete answer is given.

It is important to note that values given are the amounts spent in the 2016/17 tax year only. It is not possible to quantify benefits as a result of the spends.

3. Did the government provide any other forms of petroleum mining production support, and if so what was the value of such support in the 2016/17 tax year?

The government does not provide any other forms of petroleum mining production support, beyond those mentioned elsewhere in your original request.

4. What was the value of government-funded acquisition and provision of exploration data to the petroleum industry in the 2016/17 tax year?

In 2016/17, the Ministry funded the National Wells Audit pilot project, a preliminary stocktake of public-domain petroleum exploration well data that will improve understanding of exploration success factors. This has a value of \$242,909. The Ministry also funded the development of the annual Petroleum Data Pack, a hard drive containing quality-controlled petroleum exploration data. The development of this Data Pack in 2016/17 has a value of \$73,937.

5. What was the value of government-funded research and development relevant to or of benefit to the petroleum industry in the 2016/17 tax year?

In 2016/17, the Ministry provided \$3.5m in funding for petroleum industry-related research and development for the following projects:

- *“Cretaceous Tectonic transition from convergence to extension in New Zealand: Implications for basin development, paleogeography and hydrocarbon plays”*, by University of Waikato \$0.61 million (GST exclusive) for 2016/17 FY
- *“Understanding petroleum source rocks, fluids, and plumbing systems in NZ basins: a critical basis for future oil and gas discoveries”* – by GNS Science (2015-2019), \$2.4 million (GST exclusive) for 2016/17 FY
- *“Atlas of petroleum prospectivity”* – by GNS Science (2014-2018), \$0.5 million (GST exclusive) for 2016/17 FY

6a. What was the total value of government support, sponsorship and promotional spending for the New Zealand Petroleum Conference in the 2016/17 tax year?

The New Zealand Petroleum Conference is organised by the Petroleum Exploration and Production Association of New Zealand. The Ministry was one of the sponsors of the New Zealand Petroleum Conference in the 2016-17 tax year. The value of this sponsorship was \$50,000 for the conference providing a platform for the Petroleum Block Offer launch, and \$20,000 for sponsor benefits (including delegate passes, advertising, and an exhibition booth). Additionally, \$2,501.25 was paid in registration fees for Ministry staff, and \$4,891.00 was paid for promotional spending for the Ministry at the New Zealand Petroleum Conference.

I note that Hon Judith Collins travelled to the United States for Energy and Resource portfolio visits from 1st to 7th April 2017. During that trip, she attended the American Association of Petroleum Geologists annual convention and exhibition, a petroleum sector conference in Houston, Texas. Given the Minister's attendance at the conference was only one of many visits on the trip, it is not possible to attribute cost to her attendance. I also note that she was not charged a fee to attend.

6b. What was the total value of government support, sponsorship and promotional spending for the Petroleum Club in the 2016/17 tax year?

The New Zealand Petroleum Club is a forum for upstream oil and gas operators with operations in New Zealand, organised by Freeman Media. The Ministry paid \$2,730 in registration fees for the Petroleum Club in the 2016/17 tax year. No other support is provided by the Ministry to the Petroleum Club.

6c. What was the total value of government support, sponsorship and promotional spending on hosting of petroleum industry representatives in the 2016/17 tax year?

The Ministry did not spend any money on hosting petroleum industry representatives in the 2016/17 tax year.

6d. What was the total value of government support, sponsorship and promotional spending for attendance by Ministers and officials at international petroleum industry conferences in the 2016/17 tax year?

The Ministry has spent \$120,666.02 on attendance and promotional spending at international petroleum industry conferences in the 2016/17 tax year. The only petroleum industry conference sponsored by the Ministry in 2016/17 was the New Zealand Petroleum Conference.

Yours sincerely

A handwritten signature in black ink, appearing to read 'David Darby', with a long, sweeping horizontal stroke extending to the right.

David Darby
Manager Commercial Analysis & Investment