

14 December 2018

Andrew Caseley  
Chief Executive  
Energy Efficiency and Conservation Authority  
By email to [levyconsultation@eeca.govt.nz](mailto:levyconsultation@eeca.govt.nz)

Dear Andrew,

**EECA 2019/20 Levy Consultation**

1. This is a submission by the Major Gas Users Group (MGUG) on the Energy Efficiency and Conservation Authority's consultation on the 2019/20 levy funding proposal and related work programme, 13 November 2018.
2. MGUG was established in 2010 as a consumer voice for the interests of a number of industrial companies who are major consumers of natural gas. Membership of MGUG comprises:
  - Ballance Agri-Nutrients Ltd
  - Oji Fibre Solutions (NZ) Ltd
  - Fonterra Co-operative Group
  - New Zealand Steel Ltd
  - Refining NZ
3. Members have been consulted in the preparation of this submission. This submission is not confidential. Some members may make separate submissions.
4. MGUG appreciates the constructive engagement with EECA during this consultation round. MGUG acknowledges that EECA's consultation document has improved the quality of information and transparency of how costs are allocated across the different work streams.
5. MGUG notes that there will be an overall levy decrease for gas in 2019/20 of \$0.2 mln compared to 2018/19. We understand that this decrease is due to an underspend in the 2017 period which will be returned to levy payers. As a result, there will be a lower allocation in the Gas Safety, Monitoring and Energy Efficiency Levy (GSMEE)'s Large Energy User programme.
6. We understand EECA shares our concern about the need for a robust measurement framework, to improve accountability for its work programmes. We strongly recommend EECA continues to pursue this, especially developing a framework which demonstrates when maximum benefit has been attained so that fees can be applied to higher value activities or reduced where no longer required.

Yours sincerely,



Richard Hale  
Hale & Twomey Ltd  
Secretariat for the Major Gas Users Group