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EECA 2019/20 Levy Consultation  
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## TRUSTPOWER SUBMISSION: 2019/20 LEVY FUNDING PROPOSAL AND RELATED WORK PROGRAMME

### Introduction and overview

Trustpower appreciates the opportunity to submit on the Energy Efficiency and Conservation Authority's (EECA) 2019/20 levy funding proposal and related work programme (**Consultation Paper**).

EECA is seeking feedback on \$13.8 million of funding from three energy levies as follows:

- a) \$7.5 million (54%) from the Petroleum or Energy Fuel Monitoring (**PEFM**) levy;
- b) \$5.2 million (38%) from the Electricity Industry levy (**electricity levy**); and
- c) \$1.1 million (8%) from the Gas Safety, Monitoring and Energy Efficiency (**GSMEE**) levy.

EECA proposes to use the levies to partially fund the following activities in 2018/19:

- a) **The Electric Vehicle Programme** – \$7.5m is sought from the PEFM to invest in the Low Emission Vehicles Contestable Fund (\$7m) and an EV information campaign (\$0.5m) to promote and support the uptake of low emission transport technologies.
- b) **The Equipment Energy Efficiency (E3) Programme** - \$2.3m is sought from the electricity levy and \$200k from the GSMEE levy to develop business and residential product energy efficiency standards and regulations.
- c) Productive low carbon business activities – comprising of:
  - i. **The Large Energy user engagement programme** - \$2.65m is sought from the electricity levy and \$0.87m from the GSMEE levy to support businesses in energy efficiency and renewable energy investments, and adoption of best energy management practice; and
  - ii. **The Technology demonstration programme** - \$250k is sought from the electricity levy and \$30k from the GSMEE levy to support demonstration projects for proven, but underutilised energy efficient technologies and processes.

## Trustpower's views

Trustpower supports the proposal of \$13.8 million to partially fund EECA's work programme for 2018/19, as presented in the Consultation Paper.

We are pleased that EECA has taken into account the feedback it received last year, that it provide a breakdown of the requested funding and key outputs and benefits of each project within a work programme. It was also pleasing to see reporting on performance at a more disaggregated level in the Annual Report.

The adoption of this feedback has resulted in improved transparency as to what EECA's funding will be spent on during the upcoming financial year. This assists interested parties to obtain a better understanding of how those costs are to be applied and whether the various components which make up those costs are reasonable, appropriate relative to other choices, or required at all.

## Providing more granular information about existing work programmes

We support EECA in considering whether more detailed supporting information could be provided with its requests for levy funding in the future.

While EECA's Annual Report does provide some valuable information around high level anticipated cost savings or reductions in energy consumption from various work programmes, we suggest this could be further enhanced to provide more granular information that would assist interested parties in assessing how any *existing* work programmes are performing in order to justify continued expenditure in this area.

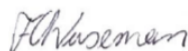
These further improvements would better enable interested parties to:

- a) form their own opinions about whether the work plan represents best value for money; and
- b) monitor the success of all components of the work programme over time.

In the coming year, Trustpower looks forward to supporting EECA's activities in mobilising New Zealanders to be world leaders in clean and clever energy use.

For any questions relating to the material in this submission, please contact me on 027 549 9330.

Regards,



**Fiona Wiseman**  
**Senior Advisor, Strategy and Regulation**