



TE TARI TIAKI PŪNGAO  
ENERGY EFFICIENCY & CONSERVATION AUTHORITY

## EECA's Fortnightly Report to the Minister for Energy

7 February 2025

**EECA Contact:** Will Jensen, Manager, Policy and Engagement

**Phone:** 04 470 2441 **Mobile:** 9(2)(a)

## 1. Update on key priority areas

We recently provided you with EECA's Briefing to the Incoming Minister for Energy (BIM). The BIM included context around four key workstreams:

1. Enabling end-users to electrify and supporting an efficient, smart and more secure electricity system
2. Supporting low emissions transport and charging infrastructure
3. Supporting renewable energy market through information provision and demonstration
4. Leveraging strong Tran-Tasman relations through energy efficiency standards development.

We are available to discuss these workstreams with you in more detail at your meeting with EECA officials, scheduled for Wednesday 12 February. This Fortnightly Report provides operational updates on current priority activities within the workstreams above.

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### 1.1 Amendments to the Energy Efficiency and Conservation Act 2000

Cabinet has agreed to make several changes to the Energy Efficiency and Conservation Act 2000. The amendments to the Act are aimed at:

- Streamlining processes to make sure we keep pace with other developed countries (including Australia) and have a fit-for-purpose regime.
- Delivering a more effective regime that can respond to the latest market developments and support a smarter electricity system.
- Allowing minimum standards to be set for demand flexibility-capable products like electric vehicle (EV) chargers.

We see this package of amendments as vital to enabling widespread take-up of smart technologies. This has potentially significant flow-on impacts for managing peak electricity demand and achieving cost-savings for energy-users.

We understand that MBIE has now issued drafting instructions to the Parliamentary Counsel Office to enable drafting of the associated bill to commence.

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## 1.2 9(2)(f)(iv)

[REDACTED]

[REDACTED]

[REDACTED]

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### 1.3 Targeted Investment internal review

Alongside regulation and consumer information, EECA has a number of targeted investment programmes, aimed at helping businesses to overcome technology adoption barriers, enable market growth and crowd-in private capital.

We are currently undertaking a review of our targeted investment approach, exploring the range of financial mechanisms available to us to accelerate energy efficiency or renewable energy projects in New Zealand.

Historically, EECA's support to businesses, public organisations and other entities have been in the form of capital grants. This funding has supported projects, which have resulted in measurable reductions in energy consumption. We are now looking to broaden the range of investment models we use to support energy-users. We aim to ensure high value for money by targeting investment to specific market barriers and utilising recipients' private capital where possible. We will ensure these outcomes are being achieved at minimum cost to the Crown.

We would like to discuss progress and next steps with you at our 12 February officials meeting

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## 2. Ministerial servicing updates

### 2.1 Current and upcoming advice to the Minister

Title	Purpose	Action and timing
Briefing: External power supplies and electric motor consultation approval (EECA 2025 BRF 002)	Seeking your approval for two joint NZ-Australian public consultation on trans-Tasman product energy efficiency policy proposals (E3 programme), relating to external power supplies and electric motors.	Upcoming (early February)
Briefing: EECA energy levies appropriation request 2025/26 (EECA 2025 BRF 001)	To advise on the outcome of EECA's public levy consultation and seek approval of EECA's final request for energy levy funding for its 2025/26 work programme.	Upcoming (12 February)
Seeking approval to consultation on energy efficiency regulatory updates	Seeking your approval to public consultation on further energy efficiency regulatory update proposals	Upcoming (TBC)

## 2.2 Communications and events calendar

The following table shows upcoming events and communications which EECA is involved in.

[illegible]

		9(2)(f)(iv)        	
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### 2.3 Official Information Act requests

None.

### 2.4 Consultations underway

None.

# EECA's Fortnightly Report to the Minister for Energy

21 February 2025

EECA Contact: Will Jensen, Manager, Policy and Engagement

Phone: 04 470 2441 Mobile: 9(2)(a)



# 1. Energy Security and Affordability

## 1.1 The EEC Act Amendment Bill and Regulatory Amendment Package 9

Regulating the energy efficiency of energy-using products plays a significant role in ensuring secure and affordable energy supply. From 2002 to 2023, **EECA's energy efficiency regulation has created \$2.3b in energy cost savings**. This is equivalent to the yearly energy use of 2.2 million homes and significantly mitigates the stress on NZ's electricity network.

However, our energy efficiency product regulations continue to lag behind Australia and other international jurisdictions, due to the administrative red tape built into the regulatory process. Continued delays negatively impact electricity affordability for NZ households and businesses<sup>1</sup>.

To address this underlying issue, we are working with MBIE on an Amendment Bill to streamline and modernise the Energy Efficiency and Conservation Act 2000 (EEC Act)<sup>2</sup>. In August 2024, Cabinet agreed to make changes to the EEC Act and MBIE has now issued drafting instructions to the Parliamentary Counsel Office to enable drafting of the associated Bill to commence. We will continue to support you and MBIE with this proposed Amendment Bill.

Separately, you will soon be briefed on proposed secondary regulatory updates to progress some of the backlog of improvements to minimum energy efficiency standards and labelling for a range of energy using products. These regulatory updates will help close the gap between NZ and Australia's energy efficiency product regulations.

### Key points:

- We are working with MBIE on an Amendment Bill to streamline and modernise the Energy Efficiency and Conservation Act 2000 (EEC Act)
- These amendments will remove regulatory 'red tape', allowing our regulations to catch up with our international counterparts (including Australia). These changes will have a significant role in ensuring secure and affordable energy supply in New Zealand.
- Cabinet has agreed to our amendments, and we are now drafting instructions to the Parliamentary Counsel Office to enable drafting of the amendment Bill.

<sup>1</sup> For example, the lost energy savings from the delayed update to household fridge-freezers regulations alone is estimated to be ~300 GWh – this is equivalent to the annual electricity usage of 42,800 homes.

<sup>2</sup> Currently, updating energy efficiency product regulations in New Zealand can take 3-5 years after the policy has been agreed to in principle. With the passing of the Amendment Bill, we estimate we can shorten this timeframe by at least 1.5 years.



#### Next steps:

- We will continue to provide support to you as this progresses.
- Separately, you will soon be briefed on proposed secondary regulatory updates to progress some of the backlog of improvements to minimum energy efficiency standards and labelling for a range of energy using products

## 1.2 9(2)(f)(iv), upcoming LETF funding rounds and announcement opportunities

We know through our market engagement that many businesses face challenges to accessing external capital or are unable to absorb the adoption risk associated with emerging and innovative energy technologies. We see an ongoing role for programmes to remove these barriers, demonstrate effective approaches and scale up the use of efficient technologies.

9(2)(f)(iv)

The existing Low Emissions Transport Fund (LETF) falls within scope of this ongoing review. In the meantime, we are continuing to deliver funding rounds through the LETF. An update on latest activity and announcement opportunities is provided below.

- *Round 14 – Vehicles, Technology, Off-road and Marine:* This funding round sought proposals that demonstrate a low-emission technologies across a range of settings, including off-road and marine. We are finalising contracts with 14 recipients. We are engaging with your office regarding a potential announcement for the successful projects.
- *Round 15 – Ports:* This round is aimed at New Zealand's 13 major ports (and third-party operators) to demonstrate land-side low-emission technologies and business models in the port sector. We received seven eligible applications, which will be considered by the evaluation panel in the week of 24 February. Final decisions are expected by the end of March, with potential for announcement of successful projects shortly after.

- *Round 16 – Vehicles, Technology, Off-road and Marine:* Due to continued interest, we launched another Vehicles, Technology, Off-road and Marine round on 3 February. Applications close on 24 March.

Key points:	<ul style="list-style-type: none"> <li>• We are pivoting our demonstration and diffusion activity to focus directly on approaches that increase energy security and affordability and accelerate renewable energy.</li> <li>• Chosen funding approaches will aim to recycle Crown capital, maximise private investment and optimise government spending.</li> </ul>
Next steps:	<ul style="list-style-type: none"> <li>• 9(2)(f)(iv) [REDACTED].</li> </ul>

## 2. Accelerating Renewable Energy

### 2.1 9(2)(f)(iv)

[Redacted]

[Redacted]

[Redacted]

Total public EV chargers as at 12 February 2025:

	Charge points <sup>3</sup> :	Charging units <sup>4</sup> :	Sites <sup>5</sup> :
New in past year:	344	333	138
Total:	1,359 <sup>6</sup>	1,283	565

EECA-supported public charge points as at 31 December 2025:

Live:	664
In progress:	714
Total:	1,378

<sup>3</sup> Charge points refer to how many vehicles can be charged simultaneously by a charging unit. A charging unit may have multiple charge points.

<sup>4</sup> Charging unit refers to the stationary electrical supply unit that provides DC or AC electrical output to charge an electric vehicle.

<sup>5</sup> Charging site refers to a location where one or more charging units are located (e.g. a service station).

<sup>6</sup> These figures are expected to slightly underestimate the total number of charge points, as it is voluntary for charge point operators to register their chargers in EVRoam (the government-run charger database). This also means there may be a delay in when a charger goes live and when it is reflected in our data.

Key points:	<ul style="list-style-type: none"> <li>[REDACTED]</li> </ul>
Next steps:	<ul style="list-style-type: none"> <li>9(2)(f)(iv) [REDACTED]</li> </ul>

## 2.2 9(2)(f)(iv) [REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Key points:	<ul style="list-style-type: none"> <li>• [REDACTED]</li> <li>• [REDACTED]</li> <li>• [REDACTED]</li> </ul>
Next steps:	<ul style="list-style-type: none"> <li>• 9(2)(f)(iv) [REDACTED]</li> </ul>

## 2.3 Update and six-month review of the Low Emission Heavy Vehicle Fund

The Low Emissions Heavy Vehicle Fund (LEHVF) aims to increase the number of zero and low-emissions heavy vehicles on New Zealand's roads and provide market confidence for manufacturers to encourage supply. It is a key initiative supporting the ERP2 objective to accelerate the use of clean and renewable fuels.

Heavy vehicles make up less than 5% of New Zealand's vehicle fleet, but account for roughly a quarter of road transport emissions. The LEHVF directly addresses the high upfront costs and the unknown total cost of ownership that are the main barriers to the private sector's uptake of zero and low-emissions heavy vehicles. The latest feedback from industry is that current market conditions are very tough, with new commercial heavy vehicle registrations down by 40%. Those who are buying trucks are mainly doing so out of necessity and are opting for diesel to avoid any extra risk.

The LEHVF aims to offset these barriers by funding up to 25% of the purchase price of a new low or zero-emissions heavy vehicle, or 25% of the cost to convert an existing ICE heavy vehicle to be powered by approved clean technologies.

**To date, 17 vehicles have been approved and ordered through the LEHVF. The fund has 17 suppliers, 3 of which are vehicle converters. There are a total of 40 heavy vehicle models approved for use in the fund.**

We are currently undertaking a scheduled six-month review of the LEHVF. We will provide you with advice in March on any recommended amendments to the current programme approach.

9(2)(f)(iv), 9(2)(b)(ii)

[REDACTED]

<b>Key points:</b>	<ul style="list-style-type: none"> <li>• The LEHVF fund addresses cost barriers to allow the private sector to adopt zero and low-emissions heavy vehicles. The fund is a key initiative supporting the ERP2 objective to accelerate the use of clean and renewable fuels.</li> <li>• We have approved and ordered 17 vehicles so far.</li> <li>• Recent industry feedback shows a 40% fall in new commercial heavy vehicle registrations. Businesses that are buying are doing this out of necessity and are opting for diesel to avoid risk.</li> <li>• We are currently undertaking a scheduled six-month review of the LEHVF.</li> <li>• 9(2)(f)(iv), 9(2)(b)(ii)</li> </ul>
<b>Next steps:</b>	<ul style="list-style-type: none"> <li>• We will provide you with advice in March on any recommended amendments to the current programme approach.</li> </ul>

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Seeking approval to consult on energy efficiency regulatory updates	Seeking your approval to public consultation on further energy efficiency regulatory update proposals	Upcoming (TBC)

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[illegible]

			9(2)(f)(iv) [REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]



			9(2)(f)(iv) [Redacted]
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### 3.3 Official information Act requests

Requestor	Request	Date received	Due date
9(2)(a) [Redacted]	A list of schools that were funded to electrify their fossil fuel heating under the State Sector Decarbonisation Fund (SSDF)	19 February	19 March