



Energy efficient products and services: A regulatory reform discussion document

Submission form

MBIE is seeking submissions from industry and the public on the options and proposals in the discussion document by 5pm on Wednesday 28 July. Please send your submission form to: <u>energymarkets@mbie.govt.nz</u>.

Release of information

MBIE intends to upload copies of submissions received to MBIE's website at www.mbie.govt.nz. MBIE will consider you to have consented to uploading by making a submission, unless you clearly specify otherwise in your submission.

If you have sensitive information, please send a separate version of this form excluding the relevant information for publication on our website if applicable.

Submissions remain subject to request under the Official Information Act 1982. MBIE will take such objections into account and will consult with submitters when responding to requests under the Official Information Act 1982.

Private information

The Privacy Act 2020 establishes certain principles with respect to the collection, use and disclosure of information about individuals by various agencies, including MBIE. Any personal information you supply to MBIE in the course of making a submission will only be used for the purpose of assisting in the development of policy advice in relation to this discussion document.

Name (first and last name)

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Is this an individual submission, or is it on behalf of a group or organisation?

On behalf of the Electricity Networks Association

Business name or organisation

Electricity Networks Association

Is there any information you would like to be withheld? Please state which question/information you would like to be withheld? If applicable, please also provide a separate version of this form without the sensitive information.

No.

Question 1.1.a What issues would need to be taken into account in implementing a system similar to Australia's GEMS determinations?

Question 1.1.b What controls, if any, would you like to see put in place if the prescription of technical MEPS and labelling regulations is delegated to the Minister of Energy and Resources?

Please type your submission below. Please indicate the question(s) to which you are responding.

Question 1.2.a Do you support the proposal to amend The Act to allow for regulation of energy-using systems? Yes/No. If not, why not?

Question 1.2.b What products would benefit from a systems-based approach to Minimum Energy Performance Standards?

Question 1.2.c What additional costs could be incurred from a systems-based approach?

Question 1.2.d What risks or unintended consequences could occur from a systems-based approach to Minimum Energy Performance Standards?

Please type your submission below. Please indicate the question(s) to which you are responding.

Question 1.3.a Should MEPS and labels regulations include requirements indirectly connected to energy performance requirements, such as safety requirements? Yes/No. If not, why not?

Question 1.3.b Would allowing regulations to cover these matters have unintended consequences?If so, what might these consequences be? How could these consequences be mitigated?

Please type your submission below. Please indicate the question(s) to which you are responding.

Question 1.4.a Should we allow MEPS to include requirements related to demand response capability? Yes/No. If not, why not?

Question 1.4.b Would allowing regulations to cover demand response capability have unintended consequences? If so, what might these consequences be?

Please type your submission below. Please indicate the question(s) to which you are responding.

Answer to 1.4.a: The widespread uptake of electric vehicles (EVs) and the effect these may have on the Low Voltage (LV) electricity distribution networks is both a risk and opportunity that electricity distribution businesses (EDBs) are preparing for. Demand response-capable products, and the provision of DR services from those products, will be critical to managing the electrification of New Zealand in the most cost-effective and efficient way possible.

We are largely agnostic as to the mechanism by which the govt creates a mandatory (or mandatory labelling) of DR capability in appliaces. We do support the govt reserving for itself the ability to introduce such a mandate, and if MEPS are considering the most effective or most appropriate mechanism to do so, then so be it.

We are particularly mindful of the likelihood that dedicated EV charging units bought today or in the near future will likely be retained by their owners for a relatively long time (10-15 years perhaps). Therefore, every such device installed without DR capability will be unavailable to support the electricity sector (through DR capability) or receive benefits from doing so. It is therefore sensible to have the mechanism to mandate that capability as soon as possible, and careful consideration to be given to using it in due course.

Answer to 1.4.b: We are not aware of any intended consequences this proposal would have.

Question 1.5.a

Should MEPS and labels include greenhouse gas emissions requirements? Yes/No. If not, why not?

Question 1.5.b

Specifically, do you support amending the regulation-making powers in The Act to allow the inclusion of emissions information (and related pricing information) on vehicle fuel economy labels? Yes/No. If not, why not?

Question 1.5.c Would allowing regulations to cover greenhouse gas emissions have unintended consequences? If so, what might these consequences be?

Please type your submission below. Please indicate the question(s) to which you are responding.

Question 2.1.a

Do you support the proposal to ensure products supplied by any means must meet the requirements of the regulations? Yes/No. If not, what type of supply should be excluded and why?

Question 2.1.b Do you think there would be any unintended consequences from this proposal?

Please type your submission below. Please indicate the question(s) to which you are responding.

Question 2.2.a

Do you support the proposal to clarify the restriction that the exemptions to secondhand goods to products previously sold in New Zealand? Yes/No. If not, why not?

Question 2.2.b

Do you think this proposal would create any unintended consequences or risks?

Please type your submission below. Please indicate the question(s) to which you are responding.

Question 2.3.a

Do you support the proposal to make displaying the energy performance label mandatory for products advertised for sale online? Yes/No. If not, why not?

Question 2.3.b What are the potential benefits or costs of this proposal?

Question 2.3.c Do you think this proposal would create any unintended consequences or risks?

Please type your submission below. Please indicate the question(s) to which you are responding.

Question 2.4.a Do you think the regulatory system should be reviewed regularly?

Question 2.4.b How often should it be reviewed? Why do you think it should be reviewed at this requency?

Question 2.4.c Should a review of the energy efficiency regulatory system be aligned with other statutory review periods, such as the New Zealand Energy Efficiency and Conservation Strategy or emissions budget periods?

Please type your submission below. Please indicate the question(s) to which you are responding.

Question 3.1.a

Do you support the proposal to allow EECA to share data with agents carrying out functions for them? Yes/No. If not, why?

Question 3.1.b Would sharing information with agents carrying out functions for EECA have unintended consequences? If so, what might these unintended consequences be and how might they be mitigated?

Please type your submission below. Please indicate the question(s) to which you are responding.

Question 3.2.a

Should EECA grant exemptions from the requirement to provide statistical information? Yes/No. If not, why?

Question 3.2.b What criteria, if any, should be considered for exemptions to providing statistical information? What might be an appropriate threshold for an exemption?

Question 3.2.c What could be the unintended consequences or risks if some businesses were exempted from providing statistical information?

Question 3.2.d What savings might accrue to businesses if exemptions were granted?

Please type your submission below. Please indicate the question(s) to which you are responding.

Question 3.3.a

Is the current threshold and process for exemptions appropriate for all circumstances?

Question 3.3.b Are there any circumstances for which the current threshold and process for exemptions would not be appropriate?

Question 3.3.c Do you support the proposal to allow EECA to grant exemptions on a case-bycase basis? Yes/No. If not, why?

Question 3.3.d What controls would you like to see for granting exemptions?

Question 3.3.e How might an appropriate threshold be determined?

Please type your submission below. Please indicate the question(s) to which you are responding.

Question 3.4:

Do you support the proposal to permit EECA to charge an administrative fee for the regulatory system for cost recovery purposes? Yes/No. If not, why?

Please type your submission below.

Part 4: Ensuring effective compliance

Question 4.1.a

Do you agree with the proposal to enhance EECA's monitoring, inspection and investigation activities? If not, which activities do you disagree with?

Question 4.1.b Have you encountered instances of concealed non-compliant products? Yes/No. If yes, could you please detail your experience?

Question 4.1.c In regards to the most serious cases, is allowing an EECA compliance officer search powers (issued under a warrant) a proportional response?

Question 4.1.d Are there alternative solutions to the problem of concealed non-compliant products?Yes/No. If yes, what are they?

Question 4.1.e Do you perceive any unintended consequences or unforeseen risks as a result of this proposal?

Please type your submission below. Please indicate the question(s) to which you are responding.

Part 4: Ensuring effective compliance

Question 4.2.a

Do you think the penalties currently available to EECA are sufficient to deter non-compliance? Yes/No. If yes, why?

Question 4.2.b Do you support the proposal to adopt the listed enforcement interventions? If not, which interventions do you not support? Why?

Question 4.2.c Do you agree with the proposed maximum infringement fee? Yes/No. If not, why?

Question 4.2.d Do you agree with the proposed maximum pecuniary penalties? Yes/No. If not, why?

Question 4.2.e Are there any other enforcement interventions that should be considered?

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Part 4: Ensuring effective compliance

Question 4.3.a Is the current maximum fine appropriate? Yes/No. If yes, why?

Question 4.3.b What would be appropriate maximum fines to act as a sufficient deterrent?

Question 4.3.c Could you comment on the appropriateness of a maximum fine of \$100,000 for a body corporate and \$50,000 for an individual?

Question 4.4

Do your support clarifying that a monetary penalty can be imposed for each non-compliant item? Yes/No. If yes, why?

Question 5.1.a Would you prefer a minimum lead-in time or fixed lead-time? Why?

Question 5.1.b In general, how long would you prefer before new and/or revised regulations to come into force following a notification in the Gazette? Why?

Question 5.2.a

Do you support the proposal to set out registration requirements in legislation? Yes/No. If not, why not?

Question 5.2.b Do you agree with the proposed requirements?

Question 5.2.c For Registrants: Do you understand your responsibilities when registering a product? If not, what is unclear?

Question 5.2.d How long should a registration last before it expires?

Question 5.3.a Do you support the regulations referencing guidance material that outlines the check testing process? Yes/No. If not, why?

Question 5.3.b Are there any parts of the current check testing process that could be improved? If so, what are they?

Question 5.3.c For Suppliers: Do you understand your responsibilities when a product fails? If not, what parts are unclear?

Question 5.3.d Have you experienced difficulty testing bespoke products? Yes/No. If yes, what were they?

Question 5.3.e For bespoke or difficult-to-test products, what alternative approach to testing would best fit?

Question 5.3.f What is your estimated cost incurred for re-testing? Please include any relevant information on how you calculated your estimate.

Question 5.4.a Do you support including an internal review process in The Act? Yes/No. If not, why not?

Question 5.4.b Do you support including the right to appeal regulatory decisions? Yes/No. If not, why not?

Question 5.4.c Would including the right to appeal regulatory decisions have unintended consequences? If so, what might these unintended consequences be?