



Energy Efficiency and Conservation Authority (EECA)
cc: levyconsultation@eeca.govt.nz

21 January 2025

Consultation on the EECA energy levies funding proposal for 2025/26

On behalf of Z Energy (Z), we welcome the opportunity to provide feedback on the proposed energy levy-funded activities for the 2025/26 year.

As one of Aotearoa New Zealand's largest transport energy companies, Z continues to balance our responsibility to deliver against the challenge of the energy trilemma: to safely and reliably deliver the affordable energy our customers and our economy need, while supporting our customers in their own energy transitions.

We support the Energy Efficiency and Conservation Authority's (EECA) work programme to ensure New Zealand has a sustainable energy system. Given the nature of our business, Z's response to the consultation is focused on the Petroleum or Engine Fuel Monitoring (PEFM) levy.

The PEFM levy

Z has a robust and detailed quality assurance plan to manage the quality of fuel we supply to our customers. However, it is important an independent scheme is in place to verify fuel quality and provide assurance to the public of the high-quality nature of fuels supplied in New Zealand.

The PEFM levy supports the national fuel quality monitoring scheme, led by the Ministry of Business, Innovation and Employment's (MBIE) Trading Standards team. This independent and statistically valid fuel quality monitoring scheme ensures the quality of fuels supplied in the domestic market are monitored and provides confirmation of the compliance of the fuels in line with New Zealand regulations.

We recommend EECA and MBIE continue to ensure statistically valid monitoring (as is currently undertaken) for the 2025/26 period, with this work being sufficiently funded by the PEFM levy. It is also important to ensure the PEFM levy can continue to support robust, statistically valid monitoring as New Zealand progresses through the energy transition. Z believes consideration must be given to how adequate fuel monitoring will be maintained if there is to be significant diversification of fuels in the market, such as growth of biofuel or hydrogen fuel solutions.

Overall, Z supports the proposed 2025/26 funding EECA can recover via the energy levies to improve energy productivity and support carbon emission reductions in New Zealand. We believe the focus of the PEFM levy needs to remain on providing sufficient funding for the fuel quality monitoring scheme, to be fit for purpose now and as New Zealand's energy needs adapt.

Please don't hesitate to contact me directly if you would like to discuss Z's submission further.

Regards

David Jacobson

David Jacobson
Group Product Quality Manager
M + +64 21 373 453

3 Queens Wharf
PO Box 2091
Wellington 6140
New Zealand
0800 474 355
z.co.nz