



Energy efficiency policy in New Zealand



Country Report to the APEC Expert Group Energy Efficiency and Conservation

February 2010



Significant changes in policy context

New government (Nov 2008) initiated:

- Review ‘New Zealand Energy Strategy’ & ‘New Zealand Energy Efficiency and Conservation Strategy’
 - Reflect new government priorities [see last slide]
 - Public consultation expected early 2010
- Review of Electricity Market Performance - Government decisions late 2009, included:
 - Move electrical efficiency functions (and funding) from Electricity Commission to EECA
 - Support for demand response and smart meters

Significant changes in policy context (continued)

- Reviewed emissions trading scheme
 - resulted in replacement legislation
 - lowered costs to business and consumers
- Announced a national emissions reduction target
 - range of 10% to 20% below 1990 levels by 2020 – conditional on global actions
 - status yet to be determined in wake of Copenhagen
- Provided a more favourable regime to encourage exploration and development of petroleum resources

Energy efficiency trends

Energy Use to GDP Ratio

- March 2001 – 2007
 - consumer energy intensity decrease: 4.28-4.09 TJ/\$NZm
 - a decrease of 4.36% (0.45% p.a.)
- 1995 – 2007: declining trend of 0.043 TJ / \$NZm p.a.

Decomposition analysis

- March 2001 – 2007
 - economy-wide energy use from 454 to 525 PJ (71 PJ increase)
 - energy efficiency improvement averaged 1.4% p.a.
 - energy efficiency increased most in commercial and industrial but declined in residential and transport

National strategies, action plans, targets

- Updates to ‘New Zealand Energy Strategy’ & ‘New Zealand Energy Efficiency and Conservation Strategy’
 - Ministry of Economic Development leads the updating process
 - strategies to reflect new government priorities (emphasis on economic development and energy security rather than sustainability)
 - Government departments now commenting
 - Expect to release updated strategies for public consultation early 2010

Warm Up New Zealand: Heat Smart (WUNZ:HS)

- home insulation and clean heating retrofit programme
- launched in 2009
- \$NZ323m towards retrofits in over 180,000 properties over four years (some 900,000 homes have substandard insulation)
- by 1 January 201013,751 low income houses insulated and 7,668 middle income houses insulated (21,429)
- monitoring framework to determine energy savings and auxiliary benefits (e.g. improved health and wellbeing of programme participants)
- financial monitoring to ensure price gouging is not occurring
- evaluation includes audits to ensure quality and compliance to building regulations.

Equipment Energy Efficiency (E3) Forward Work Plan

Approved by Government Sept 2009

Proposed for regulation by mid-2010:

- New minimum energy performance standards (MEPS) for set top boxes, close control air conditioners, external power supplies & commercial chillers
- Revisions to: MEPS and energy rating labels for heat pumps (air conditioners); revised energy rating labels for refrigerators & freezers; MEPS for distribution transformers.

Proposed for consultation by mid-2010:

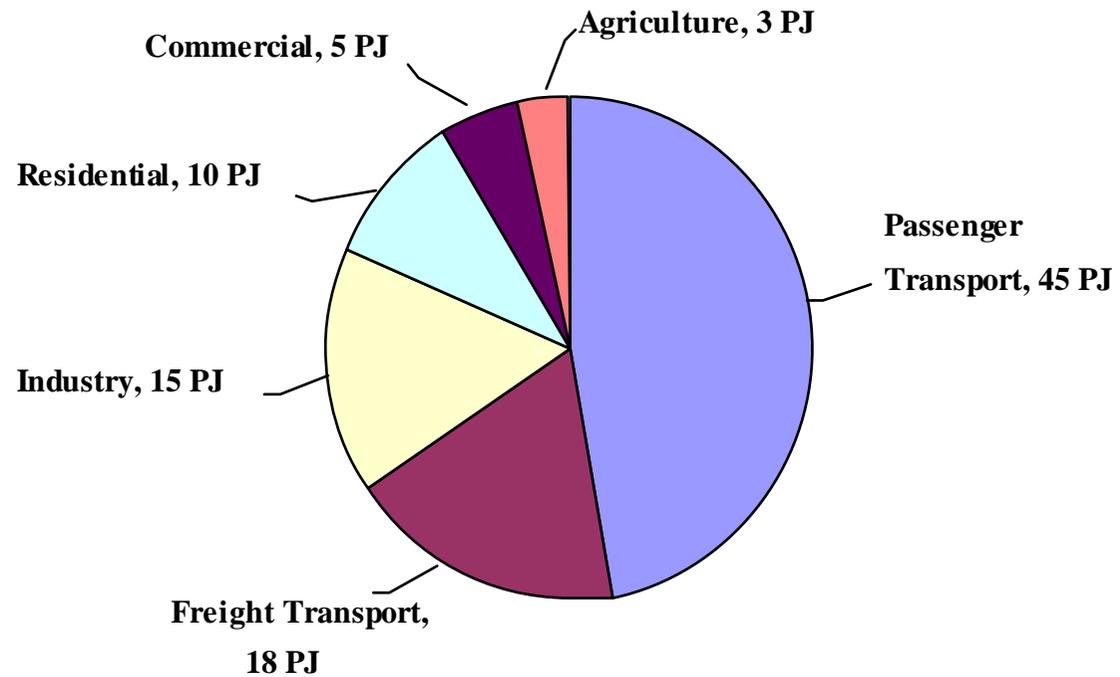
- compact fluorescent light MEPS
- televisions energy rating labels and MEPS



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EE Potentials

NZ Energy Use Savings Potential by Sector to 2020 (95 PJ/pa)



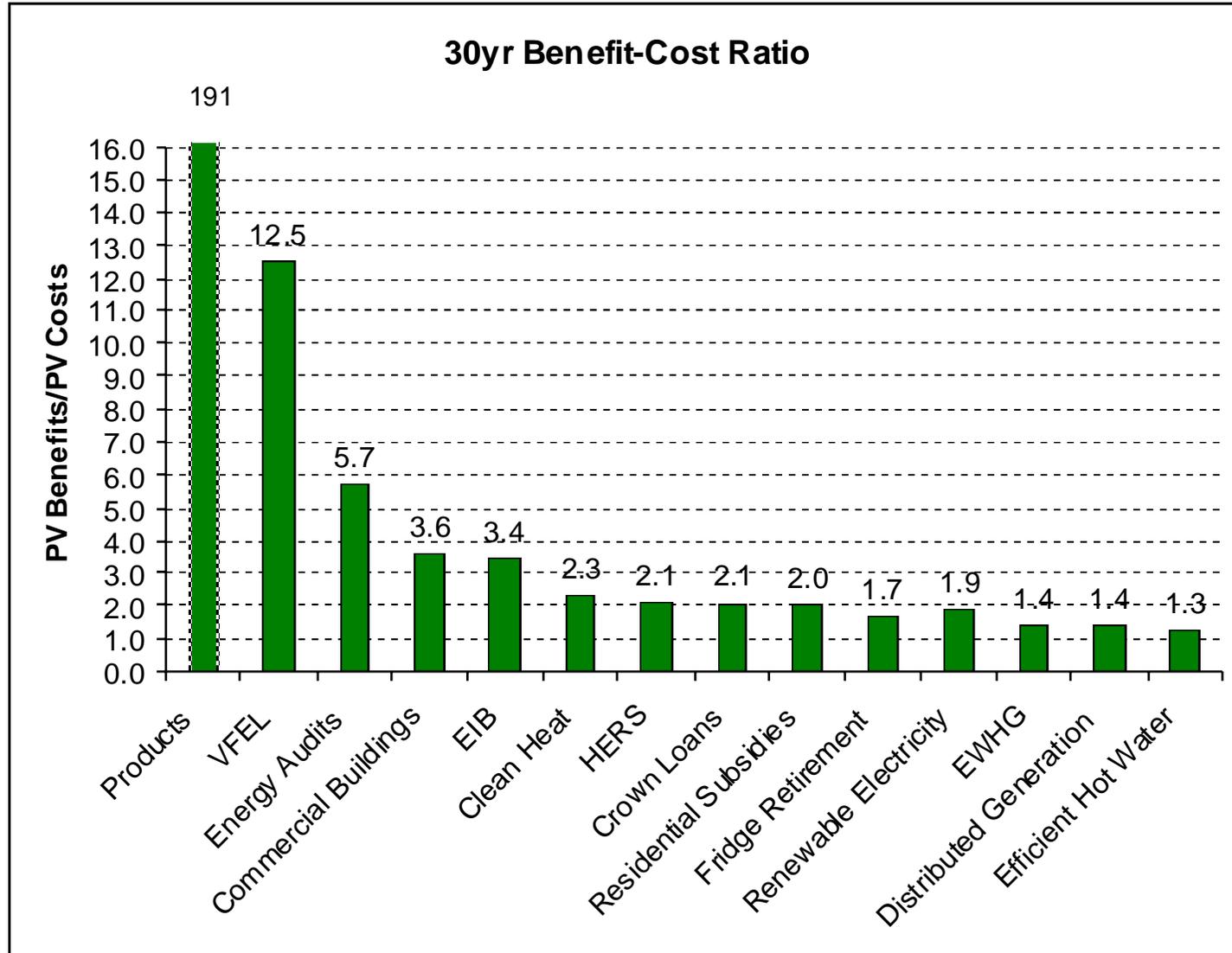
EECA priorities

- Cost effective EE&C and renewables
- Maximise benefits across the following priority areas:
 - economic growth, productivity and jobs
 - energy security
 - energy affordability
- Maximise co-benefits:
 - environmental responsibility – lower carbon footprint, NZ's 'green' image, cleaner production...
 - improved health, well being, improved mobility...



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EECA programme mix is cost effective





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Energy Spot (roll tape...)





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Thank You



<http://www.eeca.govt.nz/>



<http://www.energywise.govt.nz/>



<http://www.eecabusiness.govt.nz/>

newzealand.govt.nz