

Economic recovery through energy efficiency

A New Zealand example

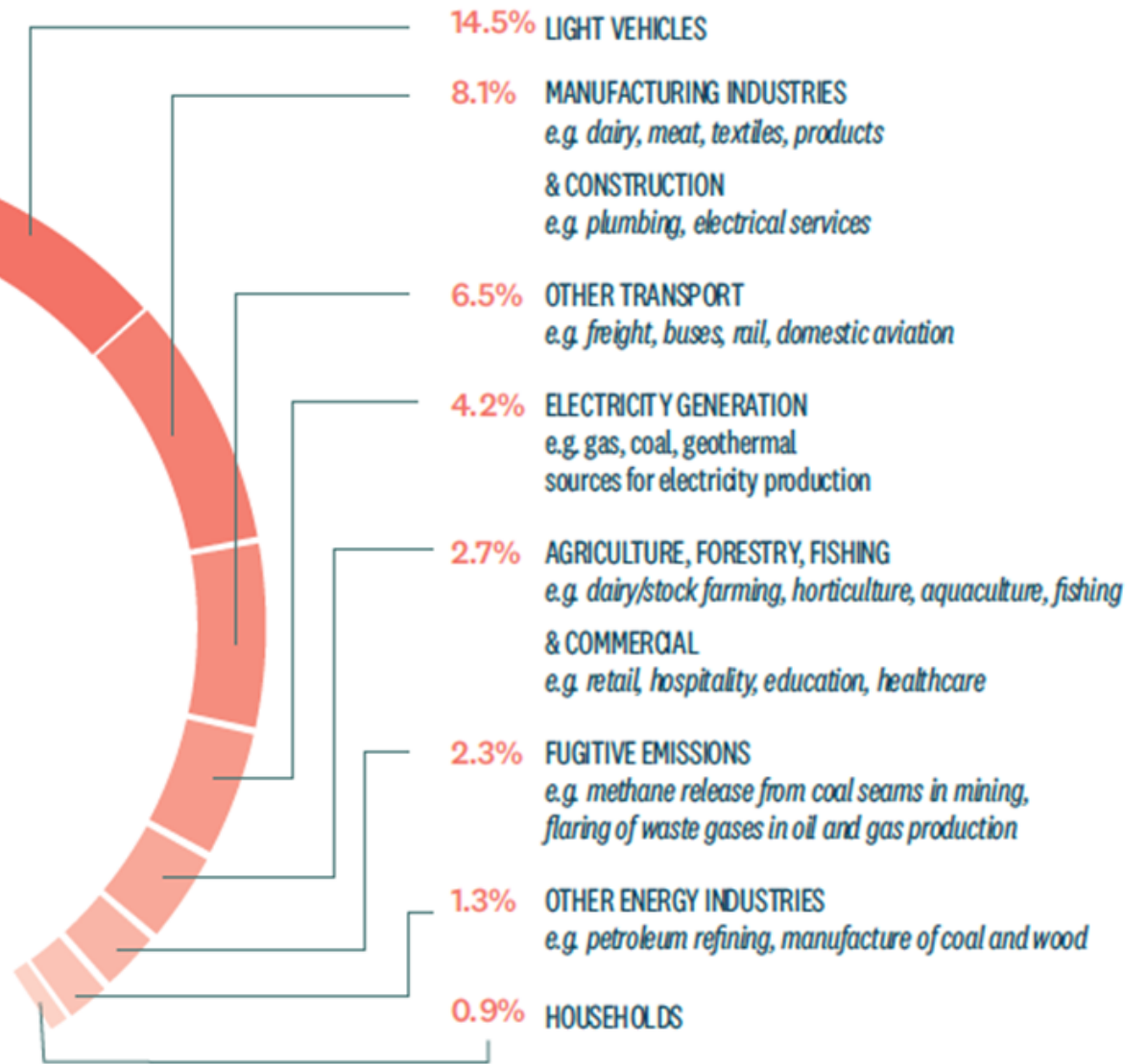
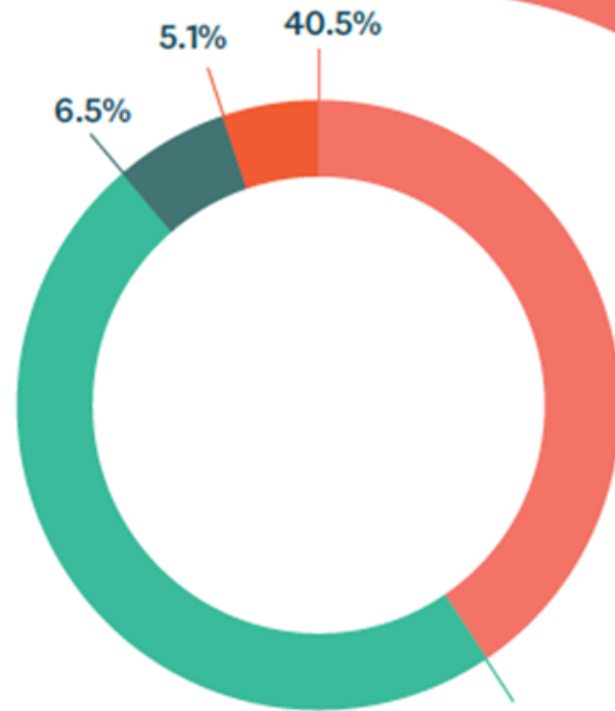
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ENERGY EFFICIENCY & CONSERVATION AUTHORITY



New Zealand's emissions and energy profile by sector

Nearly 41% of NZ's greenhouse gas emissions come from the energy sector



Stimulus funding in the energy sector

- NZD\$ 200M State sector decarbonisation
- NZD \$70M decarbonising industry process heat
- NZD \$98M to 5 ‘shovel ready’ infrastructure projects:
 - Electric and Hydrogen-ready Hybrid Ferries: \$20M (45%)
 - Minimum Viable Hydrogen Refuelling network: \$20M (30%)
 - Thermal Sludge-Drying Facility Replacement: \$11.1M (76%)
 - Invercargill Renewable District Heating System: \$37M (100%)
 - Energy Hardship Alleviation – Housing energy efficiency: \$2.5M (38%)
- NZD \$60M *Warmer Kiwi Homes* expansion (90% funding)
- NZD \$28m distributed energy for public and Māori housing
- NZD \$17M for energy hardship work programme



Stimulus investment principles

A wellbeing approach to investment and decision-making.

- **Maximising impact:** demonstrate a significant contribution to:
i) decarbonisation; ii) supporting employment and economic activity;
and iii) improving wellbeing, especially among low-income groups.
- **Encouraging innovation:** support early adopters of technologies that demonstrate wide replication and emissions abatement potential but may carry increased technological risk or uncertainty.
- **Leveraging co-funding:** maximise number of projects by leveraging co-funding opportunities and existing funding mechanisms
- **Implementation-readiness:** projects must be implementation-ready
- **Additionality:** projects that are unlikely to be implemented in the short term without government support.



Example:

Evaluating energy hardship alleviation

- Outcome objectives enlarged
 - Reducing energy costs for low-income households
 - Health and wellbeing benefits
 - economic stimulus and job creation; and
 - supporting continuous improvement of energy hardship policies
- Investment in thorough evaluation of *Warmer Kiwi Homes* flagship programme
- Linked up evaluation for related programmes
 - Cross-agency evaluation steering groups (and beyond government)
 - Alignment of metrics and methods
 - Sharing learnings across agencies





Thank you

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