

From: [REDACTED]  
To: [Clean Cars](#)  
Subject: Feedback, Clean Car proposed legislation  
Date: Tuesday, 9 July 2019 6:03:34 PM  
Attachments: [Kona ICE vs EV running costs per km.PNG](#)  
[ICE vs EV total cost of ownership for fixed period, \\$ per km by unit cost.PNG](#)

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Greetings,

I would like to make some points about the proposed Clean Car legislation and specifically the loss of RUC exemption for electric vehicles.

1. This legislation offers nothing to existing EV owners who have already spent considerably more to purchase their cars for which the NZ government has been able to claim the resulting drop in carbon emissions. All you'll achieve for current owners is to reduce the market value of our vehicles.
2. The loss of the RUC exemption will *significantly* increase EV running costs for owners.
3. Although most EV owners would charge at home at a low electricity tariff, those who can't take advantage or frequently travel outside of their EV's range will get a nasty shock when they discover that their running costs plus RUCs are more than running a petrol or diesel car, never mind the higher cost of vehicle purchase. In my experience very few EV owners have the nous to recognise this.
4. New EVs cost almost as much to service as normal cars. Why? Not because they really do need as much servicing but car dealers are using obligatory over-priced annual servicing as leverage in order to maintain our battery warranties.
5. New EVs can have horrendous insurance costs. My Hyundai Kona EV costs almost twice what a petrol car would cost, just under \$1100 / year from AMI.
6. The ECCA and AA use unrealistically low electricity costs in their EV running cost estimates. You must consider open-market public charging costs rather than "home" costs, just as you would considering petrol or diesel fuel prices. Lower "home" rates result from account holders being able to leverage domestic use conditions that are not uniformly available to everyone. That advantage is theirs to keep based on location and compliance with the terms and conditions. You might also note that electricity plans with a lower "night rate" simply have a jacked-up "day rate" to compensate for the difference, effectively fooling the customer.
7. The vast majority of DC 50kW public chargers in NZ are billed at \$0.25 / unit + \$0.25 / minute. Because EVs cannot fully utilise the highest available charge rate due to technical reasons the composite per-unit rate varies from \$0.54 to \$0.88 per unit electricity. See the table below, which includes charger losses.
8. Consider the operating cost comparison below (ignoring capital costs.) Note that with RUCs the breakeven is \$0.30 / unit electricity. You will need to charge mostly at home to have a running cost advantage over petrol or diesel. Note also that with the RUC exemption frequent public charging is currently practical with a breakeven cost of \$0.75 / unit. In my personal situation charging costs are always at least \$0.40 / unit due to being unable to charge at home.



9. The next spreadsheet is for a 10-year total cost of ownership between a used petrol car and a common lower-cost EV, the 30kWh Leaf. Even with the most favourable loan costs the EV is only less expensive when charged at home, breakeven \$0.36 / unit with RUCs.



**10. In conclusion, I believe the government should cover all EV RUCs from increased fuel/RUC taxes on higher-emission vehicles, just as the proposed 'feebate' does for capital costs. Anything less will damage the momentum of EV uptake currently achieved. In my experience most EV owners are in it for the lower costs, not for the environmental benefits. It is your job to match what you want for what residents of NZ want.**

Regards,

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