

Submission From :- Michael Kampkes



Submission regarding moving the light vehicle fleet to low-emissions: discussion paper on a Clean Car Standard and Clean Car Discount

Q Is the Clean Car Standard appropriate for New Zealand? If not, why?

In the context of introducing a feebate scheme the introduction of a Clean Car Standard appears to be unnecessary.

Structured correctly the feebate scheme will achieve the Co2 reduction targets desired without any of the admin, policing and compliance cost associated with the Clean Car Standard. These costs would appear to be significant. It would also appear to be too little too late in the context of the climate emergency we now face. In addition other countries are more or less doing this for us and our regulation will do little to influence car makers fleet decisions given the size of our market.

Q Do you agree with the proposed process for setting future emission targets? If not, what would you change and why.

No. All that should be carried out is monitoring. A KPI of staged CO2 reduction needs to be established, measured, and reported on for the light vehicle fleet.

Demand side programs like the feebate scheme will achieve the results without any need for the Clean Car Standard if structured correctly. The eventual banning of Internal Combustion Engine (ICE) vehicles will do the same job without the need to implement rules on suppliers;. Forget tail pipe emissions. CO2 output is a roughly factor a fuel usage. Good enough to know what the ICE vehicle fleet is outputting at any given time.

No further questions regarding the Clean Car Standard are answered as the need for this is totally rejected.

Q Is the Clean Car Discount appropriate for New Zealand? If not, why?

The short answer is Yes and No.

No because, as described, the Clean Car Discount being applied to vehicles with ICEs is ludicrous and will exacerbate and extend our Co2 emission problem. In the context of the government caving in to the farming lobby everything possible must be done in the remaining sectors to eradicate Co2 emissions. It is a climate emergency. Applied only to Zero Emission Vehicles (ZEVs) the scheme will, for less cost, achieve a significantly better result.

It is also flawed in the following-

- It is unnecessarily complex in an effort to accommodate vehicles with emissions. Stupid really and is large part of why the scheme has such a large lead time.

- It has been telegraphed that it will be introduced in 2021. This will effectively put the brakes on the purchase of ZEVs over the next 18 months as buyers wait for the implementation of rebates. The exact opposite of what is desirable. It is a climate emergency, action is needed now.
- The tiered rebate provides no advantage to the poor who could be hugely advantaged (in avoiding significant current fuel costs) if low cost EVs were made yet more affordable via a fixed dollar value rebate. A non- tiered or less disadvantageous tier would also speed up uptake of more and smaller more efficient EVs, reducing potential grid overload and improving the CO2 footprint of our ZEV fleet (ie smaller ZEVs are manufactured with less upfront CO2 emissions.)

However should the scheme look more like that which is proposed below than **YES** it would be appropriate for New Zealand. Assuming a discount is applied to ZEVs only then a Clean Car Discount is appropriate for New Zealand. It would be more aptly named the New Zero Emission Discount (NZED)

Below is an outline the basic attributes of the scheme

A flat discount somewhere in the order of \$4500 is proposed phased out by the end of 2027.

The scheme be implemented with urgency, no later than 1 Jan 2020.

Fees to apply to all ICE Light Vehicles on a graduated basis and increasing over time.

Cost neutrality to be maintained by a fuel tax if needed. The reduction in sales of ICE vehicles would ideally be steep and the existing ICE fleet will be required to pay the difference via fuel taxation. In addition a wider mix of ICE vehicles will pay a fee that that which is proposed in the discussion paper.

The scheme to include an eventual ban on ICE vehicle imports staged by vehicle subcategory if necessary, including non-rechargeable hybrids eventually. A complete ban by the end of 2027 is proposed.

The scheme to include an incentive to crush old ICE vehicles to reduce risk of the scheme increasing the total fleet size. To that end it is proposed-

- an additional discount of \$1000 is given to the purchaser of a ZEV on deregistration of an existing ICE vehicle and verification of its destruction. This would once again provide significant advantage to the poor in our community who tend to be the owners of such vehicles. Notwithstanding the benefits of reduced CO2 these vehicles as a group contribute the majority of noxious pollutants, a major health issue.

Given the urgency to reduce CO2 emissions it is proposed we subsidize conversion of relatively new larger long life cycle ICE vehicles to electric motors and drivetrains. This is similar to the subsidy provided to fleet LPG conversions back in the 1970's. Ford, Rivian, Tesla and others will be in full production of large Utes by approx. 2022/3 therefore a conversion industry could be established here given the right incentives. Politically this would be a very savvy move alleviating angst by those who will feel hard done by with the scheme as it is proposed now. It will also help our trades people currently employed in the maintenance of ICE vehicles' transition into the new world of ZEV maintenance.

• Is the emissions benchmark of 105 grams CO2 per kilometre by 2025 an appropriate one to have for the Clean Car Discount? If not, why?

Not required under proposed scheme

• **Would an initial emissions benchmark of 150 grams CO2 per kilometre be suitable for the first year of the Clean Car Discount? If not, why?**

Not required under proposed scheme

• **Would the level of the fees and discounts in the example feebate schedules (Appendix 4) increase demand for low-emission vehicles? If not what changes would you make?**

As per chart attached (Appendix 1) . Key features of this chart are

- No discounts applied to any ICE vehicles with the exception of plug in Hybrids
 - Fees applied to smaller ICE vehicles sooner better supporting scheme funding
 - Graduated fee increases over time almost across the board
 - Fee increases delayed on large vehicles to 2025 recognising lack of market choice for large ZEVs until approx 2024.
 - All ICE vehicles and non plug-in hybrids banned by end of 2027 and Plug in Hybrids by end of 2029.
- **In the example schedules the schedules change every year to lower the emissions benchmark and to keep the scheme self-financing. Do you think annual change is practical or should there be less change?**

Significant change as per appendix 1

• **Should new vehicles include near-new vehicles less than 3 years old?**

This scheme Includes any SEV six years old or less ensuring an affordable SEV option for all sections of our community (with discount this would price a relatively low mileage Leaf below \$10,00). This would be subject to review three years into the scheme.

• **Do you think a zero band is appropriate? If not why?** • **Do you think the size of the zero band in the example feebate schedules is appropriate? If not why?**

Yes it is appropriate though as per appendix 1 this band narrows as it moves closer to a total ban

• **Do you support the proposal to apply the fees and discounts directly at the point of vehicle purchase? If not, why?**

Yes

• **Do you support the penalties outlined in this section to ensure that fees and discounts are displayed on each vehicle and are correctly applied by vehicle suppliers? If not, why?**

Yes

[illegible]

