



**Asia-Pacific
Economic Cooperation**

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Agenda: D2 4

Economy Update – New Zealand: Compliance Activities in New Zealand

Submitted by: New Zealand




**37th Expert Group on Energy Efficiency and
Conservation Meeting
Washington, D.C., United States
28 February - 2 March 2011**

EECA
Energy Efficiency and Conservation Authority
Te Tari Tiaki Pūngao

Compliance activities in NZ

38th Meeting of APEC EGEE&C




New Zealand Government

EECA BUSINESS.
EECA energywise.

EECA
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Overview


- Compliance requirements
- How we monitor compliance
- How we enforce compliance



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Section 1: Compliance requirements





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Compliance requirements (1)

In New Zealand (NZ) the Energy Efficiency & Conservation Authority (EECA) administers regulations for:

- Minimum energy performance standards (MEPS)
- Energy rating labels
- Vehicle fuel economy labels (VFEL)



MEPS & energy rating labels

- Comply with standards for regulated products
- Register the product
- Supply test report on request
- Supply annual sales data



Energy rating labels

Products must be supplied with/display a label that shows the correct information in the correct format





Vehicle fuel economy ratings

- Motor vehicle traders must display fuel economy labels for regulated vehicles on display, including showroom models
- Persons must display fuel economy information for regulated vehicles offered for sale on websites



Section 2: How we monitor compliance





MEPS & labelling: Check tests

- Selection criteria applied when choosing models to test
- A sample is tested by an accredited laboratory
- A failed model can be withdrawn from sale or submitted to further testing
- Models that fail phase 2 tests must be withdrawn from sale
- Regulators will seek recourse for the units sold



MEPS & labelling: Regulatory rulings

- Obtained by Australian and New Zealand regulators to provide a common interpretation of a standard
- Where there is a 'grey area' in the standard – e.g. whether a particular product is included in scope
- Ruling made available online to industry stakeholders.
- Ruling identifies amendments to be made to the standard for future.



Regulatory ruling - example

Subject

Exemption for cold wash only washing machines

Ruling:

A clothes washer shall be exempted from the provisions of this standard if it is only capable of being used for cold wash operations.

This ruling applies if all of the following apply:

1. *The machine shall have no provision for internal water heating*
2. *The machine shall have a single water connection marked only for cold water.*
3. *The machine shall have automatic fill control*
4. *The machine shall have no program that notes or implies anything other than a cold wash program.*
5. *The user manual shall explicitly state that the washer is suitable only for cold washing.*
6. *No product literature shall purport that the washer is suitable for anything other than cold washing.*

Proposed revisions to the Standard

As noted Above



MEPS & labelling: Sales data

- Mainly an evaluation tool but also has a compliance function
- Data provided on spreadsheet cross-checked with data on registrations database
- EECA identifies unregistered models & works with suppliers to register them
- There are challenges in matching data on the spreadsheet to the database – e.g. different names used for the same model
- EECA hopes to overcome this by developing an online sales data return form linked directly to the database (instead of the current spreadsheet)



Sample from energyrating database

Brand	Model	Installation Type	Phase	Available	10 Yr Energy Cost	Cooling			Heating			Variable Output Compressor			
						Star Rating Old	Star Rating New	Power Input (kW)	Star Rating Old	Star Rating New	Power Input (kW)				
MITSUBISHI HEAVY INDUSTRIES LTD	SRK20ZV-S	Single Split System, Non Ducted	Single	AUS & NZ & Fij	\$371	★	★	2.00	35	★	★	2.50	45	3.54	✓
MITSUBISHI HEAVY INDUSTRIES LTD	SRK20ZX-S	Single Split System, Non Ducted	Single	AUS & NZ & Fij	\$357	★	★	2.00	35	★	★	2.50	45	3.52	✓
TOSHIBA	RAS-07PKVP-EPAVP-E	Single Split System, Non Ducted	Single	NZ & AUS	\$398	★	★	2.00	36	★	★	2.50	44		✓
FUJITSU	ASTA9LFC	Single Split System, Non Ducted	Single	AUS & NZ	\$551	★	★	2.60	50	★	★	3.60	75		✓
TOSHIBA	RAS-10PKVP-EPAVP-E	Single Split System, Non Ducted	Single	NZ & AUS	\$480	★	★	2.50	48	★	★	3.00	56		✓
MITSUBISHI HEAVY INDUSTRIES LTD	SRK25ZV-S	Single Split System, Non Ducted	Single	AUS & NZ	\$470	★	★	2.55	49	★	★	3.13	60		✓
MITSUBISHI HEAVY INDUSTRIES LTD	SRK25ZX-S	Single Split System, Non Ducted	Single	AUS & NZ & Fij	\$426	★	★	2.55	49	★	★	3.13	60	3.79	✓



In-store surveys for labels

- Twice annual surveys
- Current compliance rate is 98%
- Latest survey: 130 stores, 11,083 products
- EECA contracts marketing services to educate retail sales staff about labelling
- Surveys are labour-intensive: EECA seeks to outsource them in future and focus on compliance for new regulations



VFEL: Site visits to vehicle traders

- EECA visits 160-plus traders each year to monitor compliance and provide coaching
- 309 traders & 14,597 vehicles inspected to date
- In Oct 2009, checked 4,879 cars, 96 traders (franchised & used car dealers)
- Compliance has risen from 39% to 65% (96% post-coaching)



Partnering with trading websites and third party information suppliers

- Data on new imports is uploaded to fuelsaver website
- Data is retrieved from fuelsaver to populate a label or a website listing
- Search criteria is now being standardised to:
 - Ensure searches capture all models in database
 - Automatically upload fuel economy data when other data is entered (without prompting the seller)



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Monitoring activities for VFEL

Our strategy: make it as easy as possible for people to comply




How much do you spend on fuel? How much can you save?




Car x Distance x Fuel x Habits = \$ fuel cost per year






How safe is your car?

Frequently asked questions

Where do fuel consumption rates come from?

Fuel myths and tips



Looking for information on vehicle safety?

NEXT >>>



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Monitoring activities for VFEL

A sample page from "Trade Me"

Hyundai Santa Fe V6 Elite 2007
NZ new, one owner, very well looked after, PRIVATE

Current bid: \$29,500.00 🚫 Reserve met Closes: Thu 24 Feb, 8:00 pm Listing #: 356384976

Min next bid: \$ 29600 Place bid Auto-bid (?)

Kilometres:	77,500km
Body:	Black, 5 door, SUV
Fuel type:	Petrol
Engine:	6 cylinder, 2700cc, Automatic, 4WD
History:	1 owner, NZ New
Registration expires:	Apr 2011
WOF expires:	Oct 2011
Stereo description:	6CD + MP3 + cassette + AM/FM, 8 spkr, steering wheel controlled
Features:	ABS brakes Air conditioning Alloy wheels Central locking Driver airbag Passenger airbag Power steering Towbar



Photo 1 of 19

[View full size photos](#)

Advertisement

This vehicle has a fuel consumption of 10.6L per 100km, an annual fuel cost of \$2,750 and a fuel economy rating of 3.0 out of 6. (Source: Fuelsaver) (?)

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Cooperative relationships

Information sharing with:

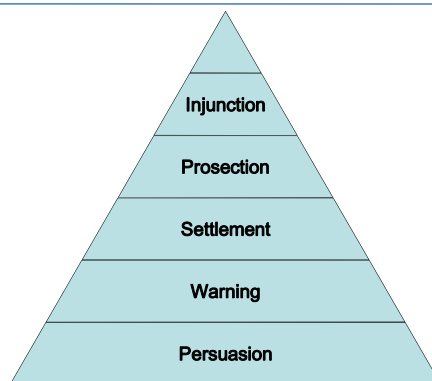
- Energy Safety regulators
- Australian regulators
- Industry stakeholders
- The Commerce Commission of New Zealand



Section 3: How we enforce compliance



The Compliance Pyramid



We mostly rely on cooperation and seldom need to resort to coercion

Offenses for MEPS and labelling

- **Energy Efficiency (Energy Using Products) Regulations 2002:** Fines of up to \$10,000 (per offense) for non-compliance or falsely representing information
- **Energy Efficiency (Vehicle Fuel Economy Labelling) Regulations 2007:** As above but the maximum fine is \$5,000
- **Regulation offers protection** for traders acting in good faith/good faith reliance on fuelsaver data



Offences for MEPS and labelling

- Offences relating to MEPS, energy rating labels and VFEL can be tried under the **Fair Trading Act** – particularly offences of greater magnitude
- Businesses can incur fines up to \$200,000 (\$60,000 for individuals) for “misleading and deceptive conduct, false representation and unfair practices”



Thank You

eeca.govt.nz
rightcar.govt.nz
fuelsaver.govt.nz
legislation.govt.nz
energyrating.gov.au

Laura Christen, Products, EECA
Washington DC, Feb-March 2011