



SUBMISSION

Submission: EECA energy levies funding proposal for 2026/27

To: Energy Efficiency and Conservation Authority (EECA) Te Tari Tiaki Pūngao
levyconsultation@eeca.govt.nz

Date: 6 March 2026

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la Ara Aotearoa Transporting New Zealand (Transporting New Zealand) submission to EECA on the energy levies funding proposal for 2026/27

1. Transporting New Zealand appreciates the opportunity to provide feedback to EECA on the 2026/27 energy levies funding proposal.
2. Transporting New Zealand supports keeping the Petroleum or Engine Fuel Monitoring (PEFM) levy at the existing level of \$13.5 million as proposed, subject to EECA continuing to support road freight decarbonisation through the Low Emissions Heavy Vehicle Fund (LEHVF).
3. Transporting New Zealand notes our agreement with EECA's decision to maintain, rather than increase energy levies to provide "stability and predictability for levy payers at a time of ongoing economic uncertainty and cost pressures," as per the consultation document (p. 13).
4. Heavy transport continues to require government support to decarbonise given the high barriers. The PEFM Levy and LEHVF provide impactful funding for decarbonisation technologies and investments would not otherwise be commercially viable. Low uptake of the Low Emission Transport Fund reflects tough economic conditions, rather than the fund no longer being needed. According to the [Ministry of Transport's annual fleet statistics](#), there are still fewer than 1,500 low or zero emission heavy vehicles registered. This demonstrates the importance of maintaining the fund to assist transport businesses to decarbonise their fleets.
5. Operators that have been able to utilise the LEHVF report promising results. NZ Post's trial of a Hyundai hydrogen fuel cell truck saved over 40,000 litres of diesel and reduced CO2 emissions by more than 110 tonnes in its first 100,000 kilometres travelled ([Hiringa Energy, 2025](#)). As more positive examples emerge showcasing the benefits of using low and zero emission trucks, more operators will be incentivised to transition with support through this subsidy.
6. Transporting New Zealand's support for this proposal is also consistent with our [Green Fleet Self-Assessment Tool](#), which was produced with EECA funding, and the upcoming refresh of Transporting New Zealand's Green Compact framework for decarbonising commercial road transport by 2050.
7. We do note that our support for PEFM levies is dependent on the level of uptake. We expect that as low and zero emission technologies in the transport sector become more commercially viable and widely available, the need for co-funding through the LEHVF (and the PEFM levy) will reduce.

About Iā Ara Aotearoa Transporting New Zealand

Iā Ara Aotearoa Transporting New Zealand (Transporting New Zealand) is a national membership association representing the road freight transport industry. Our 1,100 members (with a combined fleet of 14,000 heavy vehicles) operate urban, rural and inter-regional commercial freight transport services throughout the country.

As the peak body and authoritative voice of the road freight sector, Transporting New Zealand helps trucking operators drive successful, safe, sustainable businesses. Our strategic priorities are:

- Providing one industry voice for advocacy
- Promoting the road freight transport industry
- Attracting talent and promoting workforce development
- Supporting our members and customers
- Sustainability, safety and responsible emissions reduction

New Zealand's road freight transport industry employs 33,000 people (1.2% of the total workforce) and has a gross annual turnover in the order of \$6 billion. This is part of a wider transport sector that employs 108,000 people and contributes 4.8 percent of New Zealand's GDP. Road freight transport accounts for 93% of the total tonnage of freight moved in New Zealand (MoT National Freight Demands Study 2018).

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