MTA Submission

To the Ministry of Transport on the Charging Our Future discussion document

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Tēnā koutou

Submission Name: Charging Our Future discussion document

This submission is from:
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Thank you for the opportunity for MTA to provide comment on the Charging Our Future discussion document regarding the views of and its effect on the automotive industry.

Ngā mihi

Brian Anderton
Advocacy and Stakeholder Manager

Introduction

The Motor Trade Association (Inc) (MTA) was founded in 1917 and has maintained over 100 years of trust with the NZ motoring community. MTA currently represents over 3,800 businesses within the New Zealand automotive industry and its allied services. Members of our Association operate businesses including automotive repairers (both heavy and light vehicle), collision repair, service stations, vehicle importers and distributors and vehicle sales. The automotive industry employs approximately 60,000 New Zealanders and contributes around $3.5 billion to the New Zealand economy.

Submission summary

It is MTA's position that working closely with the private sector through genuine consultation is crucial for the successful implementation of the policy submission. MTA's positions can be summarised as follows:

- We agree with the description of the status quo, but we emphasize the need for closer intervals of fast charging stations to address consumer concerns about availability.
- The draft vision for the EV Charging Strategy serves as a useful guide, and we recommend incorporating evolving technology and best practices into it.
- We recognize the importance of minimizing stress on the electricity network and propose utilizing the existing service station network for EV charging infrastructure.
- We support improving equity and access to residential charging and suggest focusing on the service station network to address geographic variations.
- We agree with the focus on standardization and interoperability, and we recommend clarifying data protection.
- We support accelerating EV uptake and enabling innovation but caution against solely focusing on charging infrastructure and highlight the importance of considering other options and addressing the skills needed for maintenance. We prioritize co-investment in focus areas 4a and 4b.
- We support a national EV charging system and transitioning to low-emission transport modes, with a focus on engaging the industry for the transition of heavy vehicle fleets.

Our position emphasizes stakeholder engagement, supporting existing infrastructure, behaviour change, and considering broader factors for successful implementation.

Introductory questions

Q1: Do you have any comments about the institutional arrangements for implementation set out in Annex 2, or on the way central government should work with the private sector when implementing the final version?

MTA has no comments on the institutional arrangements for implementation set out in Annex 2. MTA would advise that working closely with the private sector via genuine consultation is critical for the success of implementing these institutional arrangements.

Q2: Do you agree with this description of the status quo? Is anything missing from this description of the status quo?

Generally, MTA supports the description of status quo used in the discussion document. We note that the current Journey Charging option outlines that the public EV charging network now offers fast/rapid charging station at least every 75km. While we applaud this effort, we submit that these intervals need to be a lot closer and in line with the existing distribution of service stations simply to cater for expected EVs in the fleet comparable to the needs for the existing fleet of internal combustion engine vehicle refuelling needs. Consumer research conducted for MTA in June 2021 found that 69% of respondents were concerned about the availability of charging infrastructure if there were a rapid transition to EVs.

Q3: Do you think this draft vision serves as a useful guide for the EV Charging Strategy? If not, what is missing from the vision?

This is a useful guide for NZ EV Charging Strategy. As EV charging technology develops and best practises are established the guideline should incorporate these beneficial progressive developments into the strategy. Doing so will aid in keeping the guideline a relevant and trusted source.

Outcome 1

Outcome 1, Q1. Do you agree with the focus area under outcome 1?

MTA acknowledges that it is not an expert body in infrastructure development. However, we recognize the importance of minimizing the stress on the electricity network to ensure that our EV charging system is underpinned by an affordable, reliable, secure, and safe power supply and infrastructure.

Utilizing the existing network of service stations is critical in supporting this outcome. Service station operators are well-positioned to invest in EV chargers, given their familiarity with the market and their existing infrastructure. Financial support from the Government would encourage them to upgrade their power supply capacity and invest in fast charging infrastructure.

When it comes to changing transportation habits, social behaviour is just as important. As such, we believe that there is a difference between the "technical" approach to encouraging EV use through infrastructure and the "human comfort" approach.

The technical approach involves calculating areas and distances and deploying a specific number of chargers at certain points within each area. On the other hand, the human comfort approach appeals to a sense of comfort that drivers can refuel no matter what route they take. They see refuelling opportunities regularly, which makes them feel at ease while driving long distances.

Consumers are also already familiar with the locations of service stations, and these businesses have invested heavily over the years to upgrade their consumer experience services, which positions them well to readily transition to offer EV charging facilities. Service stations are a natural place for EV

charging stations since they are already located in convenient locations throughout the country, making them more accessible to the general public.

Moreover, it is essential to recognize that the shift towards electric vehicles is not just about the technical infrastructure, but it also requires significant efforts towards changing people's perceptions and behaviours. We need to educate and incentivize people to adopt cleaner and greener transportation options, such as electric vehicles.

Supporting service stations in upgrading their infrastructure to support EV charging is critical in ensuring widespread adoption and use of electric vehicles. However, this approach should be complemented by broader efforts towards educating and incentivizing people to adopt cleaner and greener transportation options.

Outcome 1, Q2. Which further actions under Focus area 1a would you prioritise?

See the response to the above question.

Outcome 1, Q3. Please provide any comments on the timing of completing these actions.

The timing of completing the suggested actions should consider the supporting regulations, policies, guidelines, and educational programmes that accompany the strategy. There are various touch points i.e., NZ public, existing service providers, the retail service station network all have a part to play in contributing and delivering on the actions to achieve Outcome 1. The engagement of the stakeholders and their support of EV Strategy is critical success factor to Outcome 1.

Outcome 2

Outcome 2, Q1. Do you agree with the focus areas under outcome 2?

MTA generally supports improvement of equity and access to safe home/residential charging, but we do not have technical knowledge in this space and cannot provide detailed feedback.
In respect of accommodating geographic variation in charging needs and energy supply, MTA would again reiterate the importance of utilising the current service station network. While the suggested vehicle to load technology and generally distributed generation solutions are good ideas complimentary investing in the pre-existing service station infrastructure would support the Governments to support these initiatives. NZ's current service station infrastructure has taken approximately 90 years to establish. It is distributed to service NZ's rural and urban population and in many cases are community hubs. This existing network can support the transition to a low emission fleet.

Outcome 2, Q2. Which further actions under Focus areas 2a and 2b would you prioritise?

Focus areas 2a and 2b are valuable areas to support and deliver on outcome 2. The MTA would suggest that emphasis is placed on the service station network in exploring solutions to increase the provision of public charging infrastructure in locations with limited access to off-street parking.

Outcome 2, Q3. Please provide any comments on the timing of completing these actions.

The timing of completing the suggested actions should consider the supporting regulations, policies, guidelines, and educational programmes that accompany the strategy. There are various touch points i.e., NZ public, existing service providers, the retail service station network all have a part to play in contributing and delivering on the actions to achieve Outcome 2. The engagement of the stakeholders and their support of EV Strategy is critical success factor to Outcome 2.

Outcome 2, Q4. Are there any actions needed to reflect the particular EV charging needs of disabled communities, Māori, or other groups?

No comment.

Outcome 2, Q5. Please provide any comments relating to targets for EV charging infrastructure.

No comment.

Outcome 3

Outcome 3, Q1. Do you agree with the focus areas under outcome 3?

Yes, standardisation and interoperability will benefit the NZ public and industry.

Outcome 3, Q2. Which further actions under Focus areas 3a, 3b, and 3c would you prioritise?

The focus areas 3a and 3b are beneficial starting points. For 3c the MTA isn't a housing or urban planning subject matter expert and can't make an informed comment here. The MTA would suggest the protection of consumers data in 3b be made clear. This will ensure transparency and trust in the strategy and system from the NZ public perspective.

Outcome 3, Q3. Please provide any comments on the timing of completing these actions.

The timing of completing the suggested actions should consider the supporting regulations, policies, guidelines, and educational programmes that accompany the strategy. There are various touch points i.e., NZ public, existing service providers, the retail service station network all have a part to play in contributing and delivering on the actions to achieve Outcome 3. The engagement of the stakeholders and their support of EV Strategy is critical success factor to Outcome 3.

Outcome 4

Outcome 4 Q1. Do you agree with the focus areas under outcome 4?

MTA supports the Government's focus areas for accelerating the uptake of EVs as part of achieving net-zero carbon objectives. However, it's important to note that EVs are just one of many solutions that will be needed to achieve this goal. Therefore, the Government should not overlook other viable options while solely focusing on accelerating commercial investment in charging infrastructure.

MTA also supports the Governments focus in enabling innovation in new technology and business However, MTA predicts that there will be challenges in adapting to this innovation. One of the key challenges comes in the shape of New Zealand's ability to train or attract skilled "human capital". The transition to EVs and other transport technologies will require an upgrade or change in the skills being learned and employed by workers in the automotive sector.

Infrastructure cannot exist without the skills needed to maintain, repair, and improve it. As such, concurrent policies around training, immigration, and access to relevant technical data will need to be considered. This will ensure that the necessary skills and knowledge are available to support the development and maintenance of EV charging infrastructure across New Zealand.

While accelerating the uptake of EVs is important, it's equally important to consider a range of policies and solutions that will be required to achieve net-zero carbon objectives. This includes supporting the development of necessary skills and knowledge to maintain and improve infrastructure, as well as incentivizing innovation and investment in charging infrastructure.

The stewardship for EV charging sits across various entities, including the Electricity Authority, the Commerce Commission, the Energy Efficiency and Conservation Authority, the Ministry for Business, Innovation and Employment, and the Ministry of Transport. These entities have numerous competing demands requiring their attention. Their dispersed roles and responsibilities mean there is no direct point of responsibility for delivering the EV charging strategy, and the policies aimed at achieving the strategy. Furthermore, there is no mechanism or body that brings together the various entities and industry players in a formalized partnership to identify and address barriers to private and public EV charging. Under the current dispersed arrangement of responsibility, there is a risk that the required actions needed for delivering infrastructure, in a timely way, could be delayed.

Outcome 4, Q2. Which further actions under Focus areas 4a and 4b would you prioritise?

Focus areas 4a and 4b will encourage private business into the market. The interplay and continued co-investment between government (EECA) and private sector will ensure NZ's EV charging market is attractive to capital investment and agile to developments in technology and industry best practice.

Outcome 4, Q3. Please provide any comments on the timing of completing these actions.

The timing of completing the suggested actions should consider the supporting regulations, policies, guidelines, and educational programmes that accompany the strategy. There are various touch points i.e., private sector investors, government departments, NZ public all have a part to play in contributing and delivering on the actions to achieve Outcome 4. The engagement of the stakeholders and their support of EV Strategy is critical success factor to Outcome 4.

Outcome 5

Outcome 5, Q1. Do you agree with the focus areas under outcome 5?

Yes, the MTA supports the Ministry of Transport national EV charging system that supports the transition to, and use of, low-emissions transport modes across the wider transport system. The

supporting infrastructure, human capital policies and market regulation are important elements to consider for successful transition to low-emissions transport modes across the wider transport system.

Outcome 5, Q2. Which further actions under Focus area 5a or 5b would you prioritise?

The MTA supports focus areas 5a and 5b. The MTA suggests for focus area 5a the government engages with industry to understand current practices and what a feasible and realistic timeline for a transition is for their heavy vehicle fleet. What is important for private business using heavy vehicle fleet to incentive and support the transition to the use of low emission transport modes.

Outcome 5, Q3. Please provide any comments on the timing of completing these actions.

The timing of completing the suggested actions should consider the supporting regulations, policies, guidelines, and educational programmes that accompany the strategy. There are various touch points i.e., private sector heavy vehicle businesses, government departments, NZ public all have a part to play in contributing and delivering on the actions to achieve Outcome 5. The engagement of the stakeholders and their support of EV Strategy is critical success factor to Outcome 5.

MTA appreciates the opportunity to submit on the Charging Our Future discussion document

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