

[REDACTED]

17 July 2023

Dear [REDACTED]

**Re: Official Information Act Request – SSDF Tranche 14 and Burnham**

Thank you for your email to the Office of Hon James Shaw MP on Tuesday 16 May 2023, in which you request information under the Official Information Act 1982. You requested:

*The SSDF Tranche 14 project approval briefing, and any documents or correspondence (emails, texts, phone conversations, signal, WhatsApp, memos etc) relating to SSDF Tranche 14, or any other information relating to Burnham's coal boilers or their decarbonisation. This includes but is not limited to any discussion within NZDF or MOD about Burnham & coal use, or any discussions by, between or with Ministers about this matter.*

On Thursday 25 May 2023, the following part of your request was transferred to EECA:

*The SSDF Tranche 14 project approval briefing, and any documents or correspondence (emails, texts, phone conversations, signal, WhatsApp, memos etc) relating to SSDF Tranche 14, or any other information relating to Burnham's coal boilers or their decarbonisation.*

On Thursday 22 June 2023, following your phone conversation with Will Jensen (Manager, Policy & Engagement), your request was clarified and extended to Monday 17 July, by an additional 15 working days. You were notified of this extension via email on the same day. Your request was clarified to:

*The SSDF Tranche 14 project approval briefing, and any documents or correspondence (emails, texts, phone conversations, signal, WhatsApp, memos etc) relating to SSDF Tranche 14, or any other information relating to Burnham's coal boilers or their decarbonisation that has been created within the last year. This information is limited to any decisions, extensions, progress or assessments for tranche 14 & Burnham. This request excludes information of purely administrative nature.*

EECA has interpreted the request as:

- The SSDF Tranche 14 project approval briefing.
- All emails relating to the delay between Burnham contacts and EECA contacts.
- All external emails advising or discussing the delay.
- Emails on the progress of Tranche 14 collectively (not on individual projects, except for Burnham).

Please refer to the attached PDF document for EECA's response to your OIA request.

Note, these pdfs contain information that meet the following grounds to be withheld under the Act:

- 9(2)(a) - to protect the privacy of natural persons, including that of deceased natural persons.
- 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions.
- 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by Ministers and officials.
- 18d - that the information is or soon will be publicly available.
- Out of scope.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or freephone 0800 802 602.

Please note that it is our policy to proactively release our responses to official information requests where possible. Our response to your request will be published shortly at <https://www.eeca.govt.nz/about/news-and-corporate/official-information/> with your personal information removed.

Yours sincerely



Andrew Caseley  
EECA Chief Executive

## Overview of content

Subject #	Date	Email Subject	Decision
1	2 February 3:40pm	State Sector Decarbonisation Fund – Monthly update for January.  Contains the attachment:  - SSDF January Monthly Report – 31 January 2023	Release in Full.
2	6 December 2022 12:23pm – 13 February 2023 12:39pm	FW: One pager on state sector coal boilers  Contains the attachment:  - 20220712 – Update on Replacing Remaining Coal Boilers through the State Sector Decarbonisation Fund	Release in Part.  - 9(2)(f)(iv)
3	13 February 2023 1:07pm – 15 February 2023 4:58pm	RE: Business Case Document	Release in Part  - Out of Scope.
4	10 February 2023 4:14pm - 17 February 2023 8:19am	RE: SSDF uncommitted fund [UNCLASSIFIED]	Release in Part  - 9(2)(a)
5	20 February 2023 12:23pm & 8:20pm	RE: Update on BHM Coal Boiler Project [SEEMAIL]	Release in Part  - 9(2)(a) - 9(2)(f)(iv)
6	20 February 2023 12:23pm – 21 February 2023 8:48am	RE: Update on BHM Coal Boiler Project [SEEMAIL]	Release in Part  - 9(2)(a) - 9(2)(f)(iv)
7	21 February 2023 3:43pm – 4:36pm	Re: Tranche 14 Briefing Review	Release in Full.

8	21 February 2023 11:04am – 23 February 12:26pm	FW: [IN CONFIDENCE] website update  - Please refer to <a href="https://environment.govt.nz/what-government-is-doing/areas-of-work/climate-change/carbon-neutral-government-programme/tracking-progress/">https://environment.govt.nz/what-government-is-doing/areas-of-work/climate-change/carbon-neutral-government-programme/tracking-progress/</a> for the final version of the attachment.	Release in Part:  - 9(2)(a) - 9(2)(g)(i)
9	21 February 2023 11:04am – 23 February 2023 5:21pm	RE: [IN CONFIDENCE] website update  - Please refer to <a href="https://environment.govt.nz/what-government-is-doing/areas-of-work/climate-change/carbon-neutral-government-programme/tracking-progress/">https://environment.govt.nz/what-government-is-doing/areas-of-work/climate-change/carbon-neutral-government-programme/tracking-progress/</a> for the final version of the attachment.	Release in Part:  - 9(2)(a) - 9(2)(g)(i)
10	27 February 2023 8:21am	SSDF Tranche 14 paper	Release in Full.
11	27 February 2023 12:07pm – 28 February 2023 11:55am	RE: Tranche 14 Briefing	Release in Part:  - 9(2)(g)(i)
12	28 February 2023 4:25pm	SSDF February Monthly Report – 28 February 2023  Contains the attachment:  - SSDF February Monthly Report – 28 February 2023	Release in Part:  - 9(2)(f)(iv)
13	9 March 2023 12:31pm – 1:31pm	RE: CNGP Progress Dashboard [SEEMAIL]	Release in Part  - 9(2)(a)
14	9 March 2023 12:31pm – 4:16pm	Fwd: CNGP Progress Dashboard [SEEMAIL]	Release in Full.

15	9 March 2023 1:15pm – 10 March 2023 7:29am	RE: Tranche 14 Briefing Defence Comments	Release in Full.
16	15 March 2023 10:28am – 12:23pm	RE: Tranche 14 NZDF text  Contains the attachment:  - T2 New Zealand Defence Force Qty Reporting 31 Dec 21	Release in Part:  - 9(2)(f)(iv)
17	15 March 2023 10:28am – 4:32pm	RE: Tranche 14 NZDF text	Release in Part:  - 9(2)(f)(iv)
18	15 March 2023 7:28pm	State Sector Decarbonisation Fund – Tranche 14 project approval briefing  Contains the attachment:  - State Sector Decarbonisation Fund – Tranche 14 project approval briefing (please refer to page 52)	Release in Full.
19	17 March 2023 4:14pm – 5:27pm	Updated EECA material for CNGP Mins meeting  Contains the attachments:  - SSDF February Monthly Report – 28 February 2023 (please refer to page 31). - Appendix 2 – Analysis of Tranche 1 2021- 22 emissions reporting (003) (please refer to the extract on page 48. The rest of this document is out of scope. - CNGP dashboard – for March 2023 changes. This document is publicly available. Please visit <a href="https://environment.govt.nz/assets/what-government-is-doing/CNGP/Proactive-Release-Carbon-Neutral-Government-Programme-Dashboard-March-2023.pdf">https://environment.govt.nz/assets/what- government-is-doing/CNGP/Proactive- Release-Carbon-Neutral-Government- Programme-Dashboard-March-2023.pdf</a>	Release in Part  - 9(2)(f)(iv) - 18d - Out of scope
20	15 March 2023 7:28pm – 30	RE: State Sector Decarbonisation Fund – Tranche 14 project approval briefing.	Release in Part  - 9(2)(a)

	March 2023 9:48am	Contains the attachment:  - Signed EECA 2023 BRFO01- SSDF Tranche 14 approval briefing.	- 9(2)(f)(iv)
21	31 March 2023 2pm	SSDF March Monthly Report – 31 March 2023  Contains the attachment:  - SSDF March Monthly Report – 31 March 2023	Release in Part  - 9(2)(f)(iv)

## Official Information Act Requests

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**From:** Mandira Shailaj  
**Sent:** Thursday, 2 February 2023 3:40 pm  
**To:** Jake McLaren; Janelle Rees; Matthew Schep; Kathy Fleming; Coreen Adamson; Bronwyn Golding; Ollie Cox; Disee Anorpong; Louise Bullen; Richard Lee; Rachel Cooper; Sultana Shah; Sol Marco Duncan; Lauren Dudley  
**Cc:** Debbie Buck; Paul Bull; Matthew Morris; Alexandra Doyle-Franklin; Will Jensen  
**Subject:** State Sector Decarbonisation Fund - Monthly update for January  
**Attachments:** SSDF January Monthly Report - 31 January 2023.pdf

Please refer to the next page for the attachment.

Kia ora ,

My name is Mandira and I have recently joined EECA, working in the Policy and Engagement team and helping Alex with the State Sector Decarbonisation Fund (SSDF).

Please find attached the SSDF January update which was just sent to SSDF Ministers (Minister of Finance, Associate Minister of Finance, Minister of Climate Change).

Let me know if you have any questions, looking forward to working with you!

Ngā mihi,

**Mandira Shailaj**

Advisor, Policy & Engagement



Level 8 · 44 The Terrace · Wellington 6011 · PO Box 388 · Wellington 6140

[www.eeca.govt.nz](http://www.eeca.govt.nz)



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## Overview

This report provides the Minister of Finance, the Minister for Climate Change and the Associate Minister of Finance with an update on progress under the Government's \$219.54m\* State Sector Decarbonisation (SSD) Fund.

\*of which \$0.58m has been allocated to the Ministry for the Environment, leaving EECA responsible for \$218.96m.

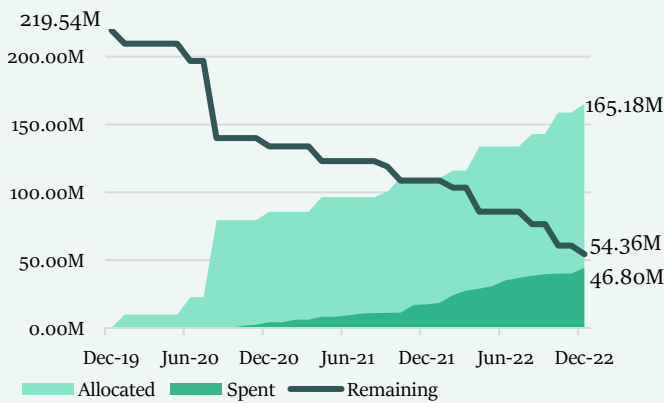
### Recent Activity

- Tranche 13 projects (9 projects, \$6.533 million) were approved by Ministers in December. These projects are expected to reduce state sector's carbon emissions by 13,083 tonnes over 10 years. This tranche was the first instance where the fast-track approval mechanism was deployed.
- Tranche 14 project approval briefing will be sent to all SSDF Ministers in February.

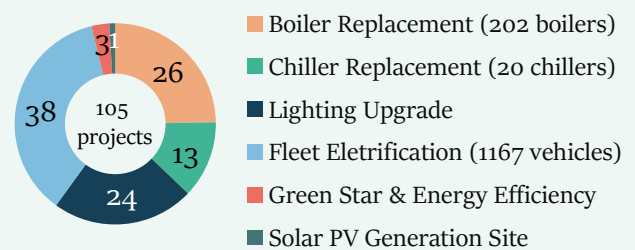
### Potential Risks

- No additional projects are at risk of delivery since the November update. NZDF's Burnham coal boiler replacement project and Te Whatu Ora - Waitemata fleet electrification project both remain at risk. Officials are assessing options to deliver best outcomes on both at risk projects. Refer to Appendix Two.
- These overdue projects are reflected in the 'SSDF Financial Milestones by Status' table below.

### Funding Allocation to Date



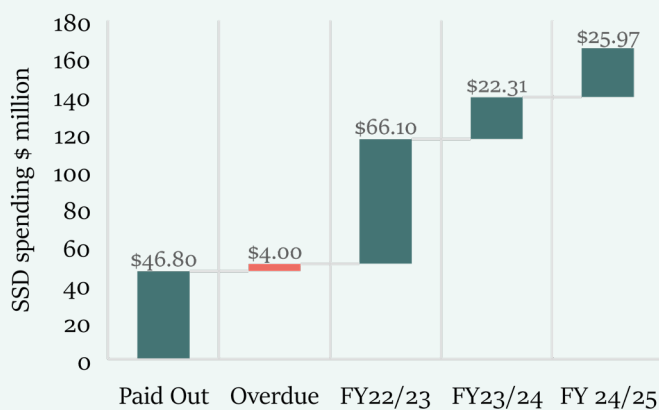
### Number of Projects by Type



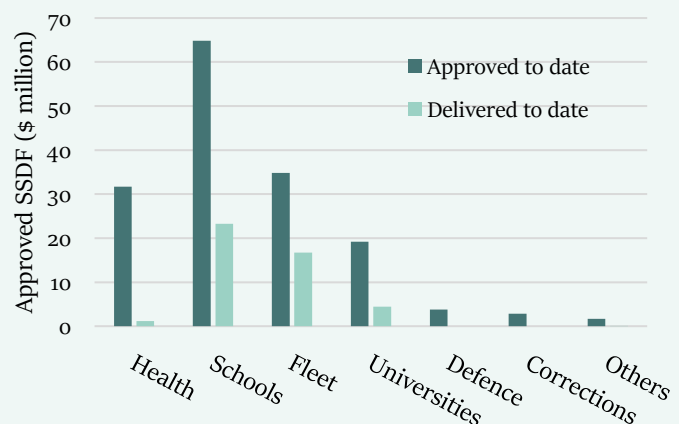
Committed CO2 Reductions:  
**69,103 tonnes p.a.**

Delivered CO2 Reductions:  
**6,110 tonnes p.a.**

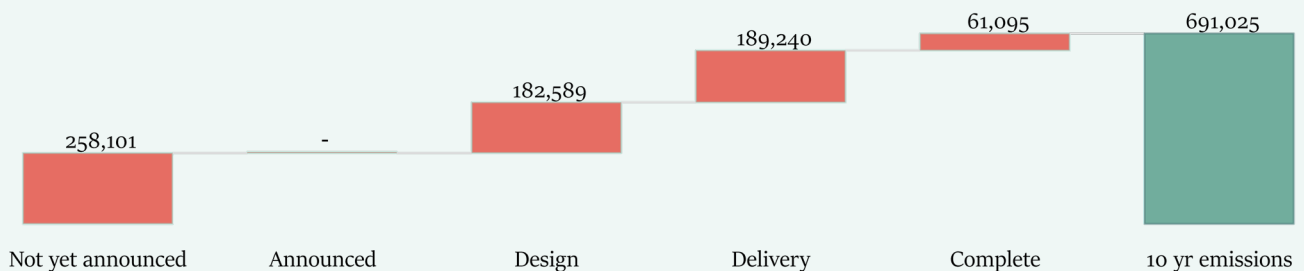
### SSDF Financial Milestones by Status



### Funding Approved to Date by Sector



### SSD Fund Emissions Savings by Project Status (10 yr t CO<sub>2</sub>)





## Appendix One: State Sector Decarbonisation Fund (SSDF) spend profile by Vote as of 31 January 2023

Vote	SSD Funding	Total funding paid out to date	Percentage of funding allocated spent	Overdue	Forecast Spend 2022/23	Forecast Spend 2023/24	Forecast Spend 2024/25
Education	64.924M	23.344M	36%	0.000M	22.929M	13.414M	5.237M
Business, Science, and Innovation*	31.691M	9.549M	30%	0.000M	12.409M	9.728M	0.005M
Health	42.688M	4.008M	9%	0.158M	15.742M	4.648M	18.132M
Conservation	4.245M	4.245M	100%	0.000M	0.000M	0.000M	0.000M
Defence Force	4.823M	0.459M	10%	3.840M	0.262M	0.262M	0.000M
Corrections	4.086M	0.676M	17%	0.000M	0.581M	0.000M	2.829M
Social Development	3.416M	1.094M	32%	0.000M	2.322M	0.000M	0.000M
Police	2.080M	0.644M	31%	0.000M	1.056M	0.380M	0.000M
Agriculture, Biosecurity, Fisheries, and Food Safety	1.553M	0.000M	0%	0.000M	0.260M	1.293M	0.000M
Parliamentary Service	1.290M	0.000M	0%	0.000M	1.290M	0.000M	0.000M
Revenue	1.015M	1.015M	100%	0.000M	0.000M	0.000M	0.000M
Maori Development	0.493M	0.493M	100%	0.000M	0.000M	0.000M	0.000M
Statistics	0.108M	0.108M	100%	0.000M	0.000M	0.000M	0.000M
Labour Market	0.561M	0.561M	100%	0.000M	0.000M	0.000M	0.000M
Education Review Office	0.135M	0.000M	0%	0.000M	0.135M	0.000M	0.000M
Internal Affairs	1.487M	0.020M	1%	0.000M	0.467M	1.000M	0.000M
CNGP Establishment	0.580M	0.580M	100%				
<b>Total</b>	<b>165.178M</b>	<b>46.798M</b>	<b>28%</b>	<b>3.998M</b>	<b>57.453M</b>	<b>30.725M</b>	<b>26.203M</b>

\*these are for Crown entity projects that are spread across portfolios

## Appendix Two: State Sector Decarbonisation Fund (SSDF) At Risk Projects as of 31 January 2023

Organisation	Sector	Location	Project	Date of drawdown approval	Project Cost (\$m)	SSD Funding (\$m)	Co-funding	Original completion date	Project status
<b>Te Whatu Ora - Waitemata</b>	Health	Fleet	Electric vehicles (10) & charging infrastructure	26/06/2021	0.316	0.158	50%	31/05/2022	No suitable EV vans in stock, reassessing options. Waiting on suppliers.
<b>NZ Defence Force</b>	Defence Force	Burnham	Coal boiler replacement	16/06/2020	9.600	3.840	40%	26/04/2024	Project projected to be significantly over budget. EECA and NZDF are working to resolve this given the commitment to remove all coal boilers from the State sector by 2025.

## Official Information Act Requests

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**From:** Alexandra Doyle-Franklin  
**Sent:** Monday, 13 February 2023 12:39 pm  
**To:** Will Jensen  
**Cc:** Paul Bull; Mandira Shailaj; Matthew Morris  
**Subject:** FW: One pager on state sector coal boilers  
**Attachments:** 20220712 - Update on Replacing Remaining Coal Boilers through the State Sector Decarbonisation Fund.docx

Please refer to page 8 for the attachment.

Kia ora Will

Paul mentioned that he's trying to arrange a discussion between yourselves and Andrew around the situation with Defence, and identifying/prioritising projects to be included in the Tranche 14 briefing.

Ideally the projects will be finalised early this week as we're on quite a tight timeline to get the briefing to Ministers this month (considering the steps required; confirmations with agencies finance contacts, TSY vote analysts then review/sign-out processes).

Just a reminder of what we've said to Ministers previously around the Defence situation. In an update to Minister Woods in December, we said the following in regards to the three coal boilers at 9(2)(f)(iv) (full document attached).

9(2)(f)(iv)

This update was to support a discussion between Woods and then Minister of Defence, Henare. I'm checking in to see whether this happened late last year, or if Min Little has been engaged in this more recently. I'll let you know what I find out!

Thanks  
Alex

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**From:** Alexandra Doyle-Franklin  
**Sent:** Wednesday, 7 December 2022 4:25 pm  
**To:** Alex Doyle-Franklin <Alex.Doyle-Franklin@parliament.govt.nz>  
**Cc:** Andrew Caseley <Andrew.Caseley@eeca.govt.nz>; Murray Bell [EECA] <Murray.Bell@eeca.govt.nz>; Paul Bull <Paul.Bull@eeca.govt.nz>; Richard Briggs <Richard.Briggs@eeca.govt.nz>; Will Jensen <Will.Jensen@eeca.govt.nz>; Alexandra Doyle-Franklin <Alexandra.Doyle-Franklin@eeca.govt.nz>  
**Subject:** RE: One pager on state sector coal boilers

Kia ora

Please see attached an update on the 6 remaining coal boilers across the State Sector which have not had funding committed, as well as more information around NZDF's Burnham coal boiler replacement project (which was approved funding in tranche 2 of the SSDF).

Apologies for the delay, was relying on an update from Defence which took longer than expected.

Please be advised that upon receiving a request for information from EECA, Defence Force have since provided an update to their Minister regarding progress across their various coal boilers (see below). EECA has responded to elements of this in the attachment.

Thanks  
Alex

NZDF is strongly motivated to comply with the Carbon Neutral Government Programme and has many projects underway to meet its commitments to reduce our carbon emissions. Our commitment includes removing coal boilers by the end of 2025, as well as transitioning our vehicle fleet to electric vehicles and reducing carbon from construction projects.

### **State Sector Decarbonisation Fund (SSDF)**

- NZDF has a notional allocation \$9.00M to replace fossil fuel boilers with low emission alternatives.
- NZDF faces barriers to submitting applications for funding prior to the deadline of 30 June 2023, as outlined below.

### **Burnham Coal Boiler**

- NZDF has a project in train to replace the coal burner with a solution using electric heat pumps.
- Detailed design and costs are completed and NZDF wants to use the funding for the project.
- However, the project is dependent on significant internal and external electrical upgrades (Horizontal Infrastructure project and Orion's networks upgrade).
- In order to achieve the Government's direction additional funding is required to complete the dependency work within the 2025 timeframe.
- NZDF has the resources to complete the projects but not the necessary funding.

### **Other Coal boilers**

- NZDF has two further coal boilers at Waiouru and Woodbourne.

- 9(2)(f)(iv)
- 9(2)(f)(iv)

9(2)(f)(iv)

### **Summary**

- Lack of capital funding is the primary factor in advancing these projects against competing NZDF infrastructure demands (Health and safety, seismic, security etc.). NZDF seeks to leverage EECA subsidies if possible.
- The replacement of boilers is complex as there are a number of consequential infrastructure demands (horizontal, power etc.) to facilitate the removal of boilers.

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**From:** Alex Doyle-Franklin <[Alex.Doyle-Franklin@parliament.govt.nz](mailto:Alex.Doyle-Franklin@parliament.govt.nz)>  
**Sent:** Tuesday, 6 December 2022 12:23 pm  
**To:** Will Jensen <[Will.Jensen@eeca.govt.nz](mailto:Will.Jensen@eeca.govt.nz)>  
**Cc:** Alexandra Doyle-Franklin <[Alexandra.Doyle-Franklin@eeca.govt.nz](mailto:Alexandra.Doyle-Franklin@eeca.govt.nz)>  
**Subject:** One pager on state sector coal boilers  
**Importance:** High

Kia ora Will

The advisors have asked if EECA could please provide a one pager with an update on the situation around Defence's coal boiler replacements.

It is intended that this information will support a conversation between Minister Woods and Minister Henare around Defence Force's capacity to overcome the barriers they're facing to submit applications for funding prior to 30 June 2023. Could this please also:

- include more information on the delays that Burnham are facing with their coal boiler replacement project
- outline the plan for the three remaining boilers at Defence's [REDACTED] sites
- provide any additional information/context around the discussions between EECA and Defence and the barriers that Defence are facing

The SSDF Tranche 13 briefing outlines that the University of Otago and the University of Canterbury are on track to submit their applications for co-funding their three (total) coal boilers within the June 2023 timeframe, can you please let me know if anything has changed with regards to this and when Ministers can expect to see these projects included in tranche briefings (ie will February tranche include all coal boilers?).

Due to the Office **COP today**.

9(2)(f)(iv)

Thanks!

Ngā mihi,

**Alex Doyle Franklin**

Private Secretary (Energy Efficiency and Conservation Authority)

[Alex.Doyle-Franklin@parliament.govt.nz](mailto:Alex.Doyle-Franklin@parliament.govt.nz)

**Office of Hon Dr Megan Woods**

**Minister of Housing | Minister of Energy & Resources | Minister for Building and Construction | Associate Minister of Finance**

Private Bag 18041 | Parliament Buildings | Wellington 6160 | New Zealand

Office phone: +64 4 817 8705 | Email: [m.woods@ministers.govt.nz](mailto:m.woods@ministers.govt.nz)

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## Replacing Remaining Coal Boilers through the State Sector Decarbonisation Fund (SSDF)

### Tertiary Institutions (3)

- Based on recent discussions, EECA has confidence that both the University of Otago and the University of Canterbury are on track to submit their applications for co-funding their three (total) coal boilers, which will likely be included in the Tranche 14 approval briefing in February.

### New Zealand Defence Force (4)

#### *Burnham (1)*

- In the November SSDF monthly update, EECA reported that NZDF's coal boiler replacement project at Burnham campus (\$9.600m total cost with \$3.840m in SSDF co-funding, as agreed by Ministers in Tranche 2 in June 2020) was experiencing delays due to a significant cost escalation.
- On 7 December, Defence advised EECA that they have informed their Minister that:
  - The detailed design and costs for the project have been complete, however the project is dependent on significant internal and external electrical upgrades (Horizontal Infrastructure project and Orion's networks upgrade).*
  - In order to achieve the Government's direction additional funding is required to complete the dependency work within the 2025 timeframe.*
  - NZDF has the resources to complete the projects but not the necessary funding.*
- Since the outset of the project, EECA and Defence have been aware of the internal and external upgrades that Defence are reporting as dependent to the project's success. The cost escalation is a result of the inaction to date, noting that the project received Ministers approval in June 2020.

9(2)(f)(iv)

[Redacted]

- 9(2)(f)(iv) [Redacted]
- 9(2)(f)(iv) [Redacted]
- 9(2)(f)(iv) [Redacted]

## Official Information Act Requests

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**From:** Paul Bull  
**Sent:** Wednesday, 15 February 2023 4:58 pm  
**To:** Mandira Shailaj  
**Cc:** Alexandra Doyle-Franklin  
**Subject:** RE: Business Case Document  
**Attachments:** RE: Business Case Document Attachment Out of Scope

Sent it to you on Mon 13/02/2023 2:50 pm

Copy attached

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**From:** Mandira Shailaj <Mandira.Shailaj@eeca.govt.nz>  
**Sent:** Wednesday, 15 February 2023 4:51 pm  
**To:** Paul Bull <Paul.Bull@eeca.govt.nz>  
**Cc:** Alexandra Doyle-Franklin <Alexandra.Doyle-Franklin@eeca.govt.nz>  
**Subject:** RE: Business Case Document

Good afternoon Paul,

Will mentioned that you are going to send through a summary of Te Whatu Ora's business case including a sense of the breakdown of projects. I am currently working on the Tranche 14 briefing and will need this information to give ministers an understanding of what we are buying with the \$38 million. Happy to speak directly if that is the easiest way to get this information quickly. I am working to have a final draft of the briefing to Will by midday Friday.

Let me know what is easiest for you.

Thank you,  
Mandira

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**From:** Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>  
**Sent:** Monday, 13 February 2023 2:50 pm  
**To:** Mandira Shailaj <[Mandira.Shailaj@eeca.govt.nz](mailto:Mandira.Shailaj@eeca.govt.nz)>  
**Subject:** RE: Business Case Document

 [Appendix 1 Energy Transition Programme Business Case \(002\).docx](#)

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**From:** Mandira Shailaj <[Mandira.Shailaj@eeca.govt.nz](mailto:Mandira.Shailaj@eeca.govt.nz)>  
**Sent:** Monday, 13 February 2023 2:48 pm  
**To:** Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>  
**Subject:** RE: Business Case Document

Hello Paul,

Thank you for sending that through. Unfortunately the link is not working and comes up with an error saying "access to this document has been removed". Would you be able to send it though another way?

Thank you very much,  
Mandira

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**From:** Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>  
**Sent:** Monday, 13 February 2023 2:19 pm

**To:** Mandira Shailaj <[Mandira.Shailaj@eeca.govt.nz](mailto:Mandira.Shailaj@eeca.govt.nz)>; Matthew Morris <[Matthew.Morris@eeca.govt.nz](mailto:Matthew.Morris@eeca.govt.nz)>  
**Subject:** RE: Business Case Document

: Benefits Table

Benefits	Estimated annual OPEX change	SSDF funding allocation	CO <sub>2</sub> e Reduction (per annum)	Offset Savings 2025 (per annum) <sup>[1]</sup>	Offset Savings 2030 (per annum)	Offset Savings 2031-2050 (average per annum)
Preferred Option	\$7.4M	\$38M	23,000 tCO <sub>2</sub> e	\$2.3M	\$3.3M	\$5.9M

 [Appendix 1 Energy Transition Programme Business Case \(002\).docx](#)

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**From:** Mandira Shailaj <[Mandira.Shailaj@eeca.govt.nz](mailto:Mandira.Shailaj@eeca.govt.nz)>  
**Sent:** Monday, 13 February 2023 2:10 pm  
**To:** Matthew Morris <[Matthew.Morris@eeca.govt.nz](mailto:Matthew.Morris@eeca.govt.nz)>  
**Cc:** Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>  
**Subject:** RE: Business Case Document

Hello,

It was a document giving a brief outline of projects that was given by Te Whatu Ora called the Business Case Document. Will CC in Paul as he might know.

Thanks,  
Mandira

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**From:** Matthew Morris <[Matthew.Morris@eeca.govt.nz](mailto:Matthew.Morris@eeca.govt.nz)>  
**Sent:** Monday, 13 February 2023 2:06 pm  
**To:** Mandira Shailaj <[Mandira.Shailaj@eeca.govt.nz](mailto:Mandira.Shailaj@eeca.govt.nz)>  
**Subject:** RE: Business Case Document

Hey Mandira,

Yeah sure, what health docs/projects are you looking for specifically?

Cheers,  
Matthew

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**From:** Mandira Shailaj <[Mandira.Shailaj@eeca.govt.nz](mailto:Mandira.Shailaj@eeca.govt.nz)>  
**Sent:** Monday, 13 February 2023 1:07 pm  
**To:** Matthew Morris <[Matthew.Morris@eeca.govt.nz](mailto:Matthew.Morris@eeca.govt.nz)>  
**Subject:** Business Case Document

Kia ora Matthew,

Could you please send through the business case document for Health? We just want to get a more in-debt view for the projects that Health has.

Thanks!

Ngā mihi,

**Mandira Shailaj**  
Advisor, Policy & Engagement



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<sup>[1]</sup>Based on Treasury guidance, an average 6% year-on-year increase in NZU price is expected between 2025-2031, with the trend continuing from 2032 onward, albeit at a slightly lower rate.

## Official Information Act Requests

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**From:** Paul Bull  
**Sent:** Friday, 17 February 2023 8:19 am  
**To:** Bint, Lee, Dr; Eddie Hendl  
**Subject:** RE: SSDF uncommitted fund [UNCLASSIFIED]

thanks

-----Original Message-----

From: Bint, Lee, Dr <Lee.Bint@nzdf.mil.nz>  
Sent: Friday, 17 February 2023 8:15 am  
To: Paul Bull <Paul.Bull@eeca.govt.nz>; Eddie Hendl <Eddie.Hendl@eeca.govt.nz>  
Subject: RE: SSDF uncommitted fund [UNCLASSIFIED]

Yes, sorry I do. I'll get it to you by end of today.

Ngā mihi nui,  
Lee

Lee Bint

Pouwhakapūmau Taiao | Director Sustainability Te Ope Kātua o Aotearoa | New Zealand Defence Force  
M: [REDACTED] | Email: Lee.Bint@nzdf.mil.nz | DDMS: Sustainability Framework www.nzdf.mil.nz

9(2)(a)

-----Original Message-----

From: Paul Bull [mailto:Paul.Bull@eeca.govt.nz]  
Sent: Friday, 17 February 2023 7:19 a.m.  
To: Eddie Hendl <Eddie.Hendl@eeca.govt.nz>; Bint, Lee, Dr <Lee.Bint@nzdf.mil.nz>  
Subject: RE: SSDF uncommitted fund

Hi Lee,

Trust weather has impacted your week too much.

Just wanted to follow up to see if you had information available for EECA to include in briefing paper (tranche 14) on status and direction for Burnham Coal boiler replacement project.

Thanks

Paul

-----Original Appointment-----

From: Paul Bull <Paul.Bull@eeca.govt.nz>  
Sent: Friday, 10 February 2023 4:14 pm  
To: Eddie Hendl; Dr Bint Lee  
Subject: SSDF uncommitted fund  
When: Monday, 13 February 2023 8:45 am-8:55 am (UTC+12:00) Auckland, Wellington.  
Where:

Hi Lee, just trying to schedule time for quick chat, We are finalising paper for minister's and I have lots of applications and limited funding.

Needing to make decision on whether to placeholder funding for projects in next tranche or .....

If this time does not work, please suggest alternate.

I will add teams link on Monday

Paul

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## Official Information Act Requests

---

**From:** Paul Bull  
**Sent:** Monday, 20 February 2023 8:20 pm  
**To:** Bint, Lee, Dr; Eddie Hendl  
**Subject:** RE: Update on BHM Coal Boiler Project [SEEMAIL]

Thanks Lee for sending through,

I have started some internal conversation at EECA and will come back to you in next day or so.

Regards  
Paul

---

**From:** Bint, Lee, Dr <Lee.Bint@nzdf.mil.nz>  
**Sent:** Monday, 20 February 2023 12:23 pm  
**To:** Eddie Hendl <Eddie.Hendl@eeeca.govt.nz>; Paul Bull <Paul.Bull@eeeca.govt.nz>  
**Subject:** Update on BHM Coal Boiler Project [SEEMAIL]

\*\*\* [SEEMAIL] This message may contain classified information \*\*\*

Tēnā kōrua Eddie and Paul,

Following discussion internally at NZDF, our leadership team have agreed on our way forward for the Burnham coal boiler project, co-funded with SSDF.

As you know, transitioning from coal to electricity is much more complex than just turning a coal boiler off and turning on a heat pump. It requires an extensive upgrade of dependency electrical networks, both internally and externally. This has meant, coupled with the capital funding required to do the dependency work, that the below option is the only feasible option for NZDF to move forward with the project.

Option 1 (preferred): stage the project

- Stage 1 = deliver some by 30 Jun 25. This will deliver upgrades that can be completed within the constraints of the existing infrastructure and the approved budget of \$9.40M. This will upgrade 15% of the subject buildings, reducing the loading on the Burnham coal boiler to achieve a reduction in emissions of 1,132 T CO<sub>2</sub>e, or 23.3% of the SSDF agreed carbon saving target.
- Stage 2 = dependency work. This is the phase of inaction due to dependence work on electrical networks being undertaken.
- Stage 3 = deliver rest by 30 Jun 29. This will be undertaken to deliver the upgrades to remaining buildings, beginning in 2027/28, enabling the existing coal boiler to be shut down in 2028/29. Total carbon abatement remains unchanged 4,860 T CO<sub>2</sub>e.
- This option will allow NZDF to retain (and/or request a top-up to) the \$3.84M SSDF co-funding. Extending the programme will allow the new electrical loads to be supported, remove of up to 16 buildings from scope as the replacement facilities are completed, and allow sequential upgrade of barracks, reducing the operational impact on NZ Army.

Other options considered:

- Option 2 (not viable): request more funding (+\$12M) to deliver by 30 Jun 25. Not viable due to operational impact to NZ Army, as well as dependency works not completed.
- Option 3 (least palatable): withdraw from SSDF.

**Therefore, we would like to formally request a reduction in scope under the VOC2 of the NZDF & EECA Collaboration Agreement, where:**

- Retain the capital appropriate of \$3.84M; and
- Reduce carbon savings target, from 4,860 T CO2e to 1,132 T CO2e (with the remainder being delivered by 30 Jun 29); and
- Request indication of whether any opportunity to increase appropriation, given new project cost is forecast to be [REDACTED] as at the current Detailed Design stage (inclusive of all three stages in option 1).

9(2)(f)(iv)

Let me know if you'd like to discuss any of this or need more context.

Ngā mihi nui,  
Lee

**Lee Bint**

Pouwhakapūmau Taiao | Director Sustainability  
Te Ope Kātua o Aotearoa | New Zealand Defence Force

M: [REDACTED] | Email: [Lee.Bint@nzdf.mil.nz](mailto:Lee.Bint@nzdf.mil.nz) | DDMS: [Sustainability Framework](#)  
[www.nzdf.mil.nz](http://www.nzdf.mil.nz)

9(2)(a)



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## Official Information Act Requests

---

**From:** Paul Bull  
**Sent:** Tuesday, 21 February 2023 8:48 am  
**To:** Will Jensen  
**Subject:** RE: Update on BHM Coal Boiler Project [SEEMAIL]

Hi Will,

Had a chat with Andrew this morning and he is in agreement with option to get some of project completed by 2025 for same \$. But said we need to ensure that it is clear in paper on proposed timeframe to complete project in 2029.

Paul

---

**From:** Andrew Caseley <Andrew.Caseley@eeca.govt.nz>  
**Sent:** Tuesday, 21 February 2023 7:26 am  
**To:** Paul Bull <Paul.Bull@eeca.govt.nz>  
**Subject:** RE: Update on BHM Coal Boiler Project [SEEMAIL]

Can you pop down to briefly discuss when you get in.

Thanks,

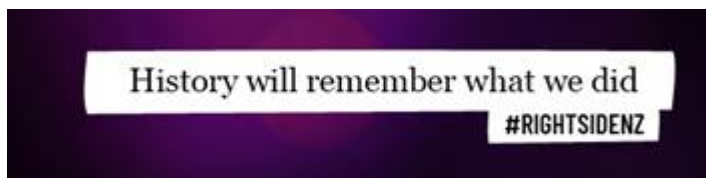
A

**Andrew Caseley**  
Tāhūhū Rangapū / Chief Executive



Level 8 · 44 The Terrace · Wellington 6011 · PO Box 388 · Wellington 6140  
Phone +64 4 470 2202 · Ext 7202

[www.eeca.govt.nz](http://www.eeca.govt.nz)



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---

**From:** Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>  
**Sent:** Monday, 20 February 2023 8:19 pm  
**To:** Andrew Caseley <[Andrew.Caseley@eeca.govt.nz](mailto:Andrew.Caseley@eeca.govt.nz)>  
**Cc:** Will Jensen <[Will.Jensen@eeca.govt.nz](mailto:Will.Jensen@eeca.govt.nz)>; Richard Briggs <[Richard.Briggs@eeca.govt.nz](mailto:Richard.Briggs@eeca.govt.nz)>; Eddie Hendl

<[Eddie.Hendl@eeca.govt.nz](mailto:Eddie.Hendl@eeca.govt.nz)>

**Subject:** RE: Update on BHM Coal Boiler Project [SEEMAIL]

Hi Andrew,

Having chased up Lee @ NZDF today received email below on the Burnham Coal boiler replacement project which we have been reporting as overdue for a number of months on Monthly dashboard.

I would like to recommend that we provide an update on the Tranche 14 Briefing paper currently being prepared for approx. \$50M of co-funding, and would suggest

With regards to overdue NZDF Burnham Coal boiler (approved in tranche 2, SSDF of \$3.84M of \$9.6M for 4860 tonnes CO2 p.a.), NZDF advises due to project cost increases on current budget, that they are only able to complete 15% of site conversion off the coal boiler, delivering 1132 tonnes CO2 p.a. by 2025. They would anticipate that final conversion starting 2027/28 completing by 2029. EECA has no confidence that additional funding (in place of projects recommended in this paper) would speed up and enable completion by 2025 for this project. This will take Estimated project breakeven cost of abatement (\$/tCO2-e) from \$255 to \$1093 for this project at this revised carbon abatement for unchanged SSDF co-funding.

Please advise if you are in agreement in order this can be included as update in briefing paper

Regards  
Paul

---

**From:** Paul Bull  
**Sent:** Monday, 20 February 2023 12:27 pm  
**To:** Will Jensen <[Will.Jensen@eeca.govt.nz](mailto:Will.Jensen@eeca.govt.nz)>  
**Subject:** FW: Update on BHM Coal Boiler Project [SEEMAIL]

Hi Will,

Can I have a chat to with you once you have had a chance to digest below

Thanks  
Paul

---

**From:** Bint, Lee, Dr <[Lee.Bint@nzdf.mil.nz](mailto:Lee.Bint@nzdf.mil.nz)>  
**Sent:** Monday, 20 February 2023 12:23 pm  
**To:** Eddie Hendl <[Eddie.Hendl@eeca.govt.nz](mailto:Eddie.Hendl@eeca.govt.nz)>; Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>  
**Subject:** Update on BHM Coal Boiler Project [SEEMAIL]

\*\*\* [SEEMAIL] This message may contain classified information \*\*\*

Tēnā kōrua Eddie and Paul,

Following discussion internally at NZDF, our leadership team have agreed on our way forward for the Burnham coal boiler project, co-funded with SSDF.

As you know, transitioning from coal to electricity is much more complex than just turning a coal boiler off and turning on a heat pump. It requires an extensive upgrade of dependency electrical networks, both internally and externally. This has meant, coupled with the capital funding required to do the dependency work, that the below option is the only feasible option for NZDF to move forward with the project.

Option 1 (preferred): stage the project

- Stage 1 = deliver some by 30 Jun 25. This will deliver upgrades that can be completed within the constraints of the existing infrastructure and the approved budget of \$9.40M. This will upgrade 15% of the subject buildings, reducing the loading on the Burnham coal boiler to achieve a reduction in emissions of 1,132 T CO2e, or 23.3% of the SSDF agreed carbon saving target.
- Stage 2 = dependency work. This is the phase of inaction due to dependence work on electrical networks being undertaken.
- Stage 3 = deliver rest by 30 Jun 29. This will be undertaken to deliver the upgrades to remaining buildings, beginning in 2027/28, enabling the existing coal boiler to be shut down in 2028/29. Total carbon abatement remains unchanged 4,860 T CO2e.
- This option will allow NZDF to retain (and/or request a top-up to) the \$3.84M SSDF co-funding. Extending the programme will allow the new electrical loads to be supported, remove of up to 16 buildings from scope as the replacement facilities are completed, and allow sequential upgrade of barracks, reducing the operational impact on NZ Army.

Other options considered:

- Option 2 (not viable): request more funding (+\$12M) to deliver by 30 Jun 25. Not viable due to operational impact to NZ Army, as well as dependency works not completed.
- Option 3 (least palatable): withdraw from SSDF.

**Therefore, we would like to formally request a reduction in scope under the VOC2 of the NZDF & EECA Collaboration Agreement, where:**

- Retain the capital appropriate of \$3.84M; and
- Reduce carbon savings target, from 4,860 T CO2e to 1,132 T CO2e (with the remainder being delivered by 30 Jun 29); and
- Request indication of whether any opportunity to increase appropriation, given new project cost is forecast to be [REDACTED] as at the current Detailed Design stage (inclusive of all three stages in option 1).

9(2)(f)(iv)

Let me know if you'd like to discuss any of this or need more context.

Ngā mihi nui,  
Lee

**Lee Bint**

Pouwhakapūmau Taiao | Director Sustainability  
Te Ope Kātua o Aotearoa | New Zealand Defence Force

M: [REDACTED] | Email: [Lee.Bint@nzdf.mil.nz](mailto:Lee.Bint@nzdf.mil.nz) | DDMS: [Sustainability Framework](#)  
[www.nzdf.mil.nz](http://www.nzdf.mil.nz)

9(2)(a)



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## Official Information Act Requests

---

**From:** Paul Bull  
**Sent:** Tuesday, 21 February 2023 4:36 pm  
**To:** Mandira Shailaj  
**Cc:** Will Jensen  
**Subject:** Re: Tranche 14 Briefing Review

Will has info on nzdf

On 21/02/2023, at 4:28 PM, Mandira Shailaj <Mandira.Shailaj@eeca.govt.nz> wrote:

Kia ora Paul,

Thank you for adding in those comments. I will hold back on sending the briefing to MBIE until we receive the NZDF information.

Will also update the new numbers for Te Whatu Ora.

Ngā mihi,

Mandira

---

**From:** Paul Bull <Paul.Bull@eeca.govt.nz>  
**Sent:** Tuesday, 21 February 2023 4:14 pm  
**To:** Mandira Shailaj <Mandira.Shailaj@eeca.govt.nz>; Will Jensen <Will.Jensen@eeca.govt.nz>  
**Cc:** Alexandra Doyle-Franklin <Alexandra.Doyle-Franklin@eeca.govt.nz>; Matthew Morris <Matthew.Morris@eeca.govt.nz>  
**Subject:** RE: Tranche 14 Briefing Review

I have added a number of comments into paper

I would like to see the NZDF Burnham included prior to sending to MBIE

Also looking likely that Te Whatu Ora – Waitemata EV vans project will transition into a light passenger car (for same \$). They are just confirming “x” number of cars for the same \$ and getting sign off at their end (hopefully by early am tomorrow

Paul

---

**From:** Mandira Shailaj <[Mandira.Shailaj@eeca.govt.nz](mailto:Mandira.Shailaj@eeca.govt.nz)>  
**Sent:** Tuesday, 21 February 2023 3:43 pm  
**To:** Will Jensen <[Will.Jensen@eeca.govt.nz](mailto:Will.Jensen@eeca.govt.nz)>; Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>  
**Cc:** Alexandra Doyle-Franklin <[Alexandra.Doyle-Franklin@eeca.govt.nz](mailto:Alexandra.Doyle-Franklin@eeca.govt.nz)>  
**Subject:** Tranche 14 Briefing Review

Kia ora Will and Paul,

Alex, Matthew and I have completed this version of the Tranche 14 briefing that will be going out to MBIE this afternoon.

We are also waiting to add in comments from Defence about their Burnham project and from Te Whatu Ora - Waitemata about their EV van project, which we will hopefully get soon.

Would it be better to send the briefing to MBIE without these comments or wait till we get them?

Could you also please add any comments you may have to the document.

Like to Tranche 14 Briefing:  [SSDF - Tranche 14.docx](#)

Ngā mihi,

**Mandira Shailaj**

Advisor, Policy & Engagement



Level 8 · 44 The Terrace · Wellington 6011 · PO Box 388 · Wellington 6140

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## Official Information Act Requests

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**From:** Alexandra Doyle-Franklin  
**Sent:** Thursday, 23 February 2023 12:26 pm  
**To:** Will Jensen; Paul Bull  
**Cc:** Mandira Shailaj; Matthew Morris; Emma Graham  
**Subject:** FW: [IN-CONFIDENCE]website update  
**Attachments:** 2023 website update for Tranche 1 reporting.docx  
**Importance:** High

Attachment withheld under 9(2)(g)(i).  
Please visit the following link for the final website:  
<https://environment.govt.nz/what-government-is-doing/areas-of-work/climate-change/carbon-neutral-government-programme/tracking-progress/>

Kia ora Paul/Will

I've just noticed that this email from Melanie (MfE) came through on Tuesday, requesting feedback on the CNGP website update of Tranche 1 results by midday today. I missed this as was away sick, and didn't see it as I played catch up yesterday.

I've added comments to the doc – see here: [📄 2023 website update for Tranche 1 reporting.docx](#)

Can you please review and add in any other comments before COP so I can send this back to Melanie?

Thanks!  
Alex

---

**From:** Melanie Vautier <Melanie.Vautier@mfe.govt.nz>  
**Sent:** Tuesday, 21 February 2023 11:04 am  
**To:** Coreen Adamson <Coreen.Adamson@mbie.govt.nz>; Richard Lee <Richard.Lee@mbie.govt.nz>; Bronwyn Golding <Bronwyn.Golding@mbie.govt.nz>; Debbie.Buck@mbie.govt.nz; Paul Bull <Paul.Bull@eeca.govt.nz>; Matthew Morris <Matthew.Morris@eeca.govt.nz>; Mandira Shailaj <Mandira.Shailaj@eeca.govt.nz>; Alexandra Doyle-Franklin <Alexandra.Doyle-Franklin@eeca.govt.nz>; Will Jensen <Will.Jensen@eeca.govt.nz>; Ollie.Cox@mbie.govt.nz  
**Subject:** [IN-CONFIDENCE]website update

Some people who received this message don't often get email from [melanie.vautier@mfe.govt.nz](mailto:melanie.vautier@mfe.govt.nz). [Learn why this is important](#)

Kia ora koutou,

Hope you are all going well!

We are looking to publish an update on Tranche 1 results on the CNGP website in early March. I have attached a draft, please review and send back any changes/additions by midday Thursday. The part that I expect is the most relevant to EECA and MBIE is on page 4, the box "Towards a low emission public sector"- I appreciate it's a tight time frame so if there's any input just on this one section would be great (but comment freely elsewhere if you are inclined!)

Ngā mihi,  
Mel

**Melanie Vautier (she/her)**

*Analyst, Carbon Neutral Government Programme  
Climate Change Directorate*

Ministry for the Environment | Manatū Mō Te Taiao

██████████ | [melanie.vautier@mfe.govt.nz](mailto:melanie.vautier@mfe.govt.nz) | [mfe.govt.nz](http://mfe.govt.nz)

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Ministry for the  
**Environment**  
Manatū Mō Te Taiao



9(2)(a)

## Official Information Act Requests

**From:** Alexandra Doyle-Franklin  
**Sent:** Thursday, 23 February 2023 5:21 pm  
**To:** Melanie Vautier  
**Cc:** Will Jensen; Mandira Shailaj; Paul Bull; Matthew Morris  
**Subject:** RE: [IN-CONFIDENCE]website update  
**Attachments:** 2023 website update for Tranche 1 reporting.docx

Attachment withheld under 9(2)(g)(i).  
Please visit the following link for the final website:  
<https://environment.govt.nz/what-government-is-doing/areas-of-work/climate-change/carbon-neutral-government-programme/tracking-progress/>

Kia ora Melanie

Please see attached EECA's comments on the website update. Apologies for not meeting your initial deadline for this!

I've updated the Coal Boiler replacement information and have included a comment in there for context, as currently we're not entirely confident that one (of the 43) coal boilers will be complete by 2025.

This information is for CNGP working group's information only, and we would prefer to continue with current messaging until we get a steer from Ministers on the situation. We're providing advice on this through the Tranche 14 approval briefing, which I'll send around for CNGP consultation next week which will give a bit more context.

Let me know if you have any questions 😊

Ngā mihi,

### Alex Doyle Franklin

Kaitohutohu – Advisor, Policy & Engagement



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Phone +64 4 470 2425 · Ext 7425

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**From:** Melanie Vautier <Melanie.Vautier@mfe.govt.nz>

**Sent:** Tuesday, 21 February 2023 11:04 am

**To:** Coreen Adamson <Coreen.Adamson@mbie.govt.nz>; Richard Lee <Richard.Lee@mbie.govt.nz>; Bronwyn Golding <Bronwyn.Golding@mbie.govt.nz>; Debbie.Buck@mbie.govt.nz; Paul Bull <Paul.Bull@eeca.govt.nz>; Matthew Morris <Matthew.Morris@eeca.govt.nz>; Mandira Shailaj <Mandira.Shailaj@eeca.govt.nz>; Alexandra

Doyle-Franklin <Alexandra.Doyle-Franklin@eeca.govt.nz>; Will Jensen <Will.Jensen@eeca.govt.nz>;  
Ollie.Cox@mbie.govt.nz

**Subject:** [IN-CONFIDENCE]website update

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Kia ora koutou,

Hope you are all going well!

We are looking to publish an update on Tranche 1 results on the CNGP website in early March. I have attached a draft, please review and send back any changes/additions by midday Thursday. The part that I expect is the most relevant to EECA and MBIE is on page 4, the box "Towards a low emission public sector"- I appreciate it's a tight time frame so if there's any input just on this one section would be great (but comment freely elsewhere if you are inclined!)

Ngā mihi,  
Mel

**Melanie Vautier** [\(she/her\)](#)

*Analyst, Carbon Neutral Government Programme  
Climate Change Directorate*

Ministry for the Environment | Manatū Mō Te Taiao

[melanie.vautier@mfe.govt.nz](mailto:melanie.vautier@mfe.govt.nz) | [mfe.govt.nz](http://mfe.govt.nz)

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9(2)(a)

**Official Information Act Requests**

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**From:** Paul Bull  
**Sent:** Monday, 27 February 2023 8:21 am  
**To:** Mandira Shailaj; Alexandra Doyle-Franklin  
**Subject:** SSDF Tranche 14 Paper

Hi Mandira & Alex,

Just wanted to check in on what you see as timeframes for this briefing paper. We have a number of agencies asking when it is likely to be signed by Ministers.

What is your time expectation to get to other agencies for their review?

And then what date were you hoping to get it to Ministers by?

Thanks  
Paul



## Official Information Act Requests

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**From:** Mandira Shailaj  
**Sent:** Tuesday, 28 February 2023 11:55 am  
**To:** Paul Bull  
**Subject:** RE: Tranche 14 Briefing

Hi Paul,

Alex and I worked on re-wording the para 19. Could you please have a look and see if that is alright?  
I will be sending it off to MBIE soon.

Cheers,  
Mandira

---

**From:** Paul Bull <Paul.Bull@eeca.govt.nz>  
**Sent:** Monday, 27 February 2023 4:09 pm  
**To:** Mandira Shailaj <Mandira.Shailaj@eeca.govt.nz>  
**Subject:** RE: Tranche 14 Briefing

Paragraph 19 on page 19 is probably the one that needs address (Can see you and Alex are both in doc and not to that page yet)

---

**From:** Mandira Shailaj <[Mandira.Shailaj@eeca.govt.nz](mailto:Mandira.Shailaj@eeca.govt.nz)>  
**Sent:** Monday, 27 February 2023 3:33 pm  
**To:** Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>  
**Subject:** RE: Tranche 14 Briefing

Hi Paul,

Will has added a comment about us being more descriptive about Defence's "inaction". Is there any other context you could add about their inaction and why they refused to fund?  
We also try and be more blunt.

Cheers

---

**From:** Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>  
**Sent:** Monday, 27 February 2023 2:46 pm  
**To:** Mandira Shailaj <[Mandira.Shailaj@eeca.govt.nz](mailto:Mandira.Shailaj@eeca.govt.nz)>  
**Subject:** RE: Tranche 14 Briefing

No I don't think it is necessary to.

9(2)(g)(i)

I think we need to be a little blunter.

Paul

---

**From:** Mandira Shailaj <[Mandira.Shailaj@eeca.govt.nz](mailto:Mandira.Shailaj@eeca.govt.nz)>  
**Sent:** Monday, 27 February 2023 2:35 pm  
**To:** Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>  
**Subject:** RE: Tranche 14 Briefing

Hi Paul,

We have not reached out to them but are happy to if you think it's necessary. We worded the briefing based on the update that Lee from Defence has provided.

Cheers

---

**From:** Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>  
**Sent:** Monday, 27 February 2023 12:29 pm  
**To:** Mandira Shailaj <[Mandira.Shailaj@eeca.govt.nz](mailto:Mandira.Shailaj@eeca.govt.nz)>  
**Subject:** RE: Tranche 14 Briefing

I have added some comments into the doc, happy to discuss if need be.

Has there been discussion with NZDF / MoDefence on wording in paper on Burnham, as this looks very different from earlier version I read.

Paul

---

**From:** Mandira Shailaj <[Mandira.Shailaj@eeca.govt.nz](mailto:Mandira.Shailaj@eeca.govt.nz)>  
**Sent:** Monday, 27 February 2023 12:07 pm  
**To:** Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>  
**Subject:** Tranche 14 Briefing

Note: Please refer to page 52 for a final version of the Tranche 14 briefing.

Kia ora Paul,

I am sending you the Tranche 14 Briefing paper to review. Matthew has confirmed the numbers and Will is set to review it at 1pm today.

Could you please have a look and add any comments that you might have.

Link to briefing:

[https://eecagovtnz.sharepoint.com/:w:/s/MinisterialandParliamentaryRelations/EcVOcB767zpDsFzZwv5vqtgB\\_VVu4m9Abwt03EO0FvatSA?e=qm8N7N](https://eecagovtnz.sharepoint.com/:w:/s/MinisterialandParliamentaryRelations/EcVOcB767zpDsFzZwv5vqtgB_VVu4m9Abwt03EO0FvatSA?e=qm8N7N)

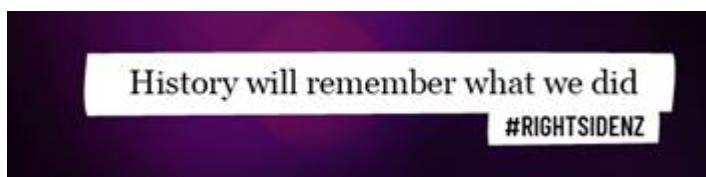
Ngā mihi,

**Mandira Shailaj**  
Advisor, Policy & Engagement




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## Official Information Act Requests

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**From:** Mandira Shailaj  
**Sent:** Tuesday, 28 February 2023 4:25 pm  
**To:** Jake McLaren; Janelle Rees; Matthew Schep; Kathy Fleming; Coreen Adamson; Bronwyn Golding; Ollie Cox; Disee Anorpong; Louise Bullen; Richard Lee; Rachel Cooper; Sultana Shah; Sol Marco Duncan; Lauren Dudley  
**Cc:** Debbie Buck; Paul Bull; Matthew Morris; Alexandra Doyle-Franklin; Will Jensen  
**Subject:** SSDF February Monthly Report - 28 February 2023  
**Attachments:** SSDF February Monthly Report - 28 February 2023.pdf

Kia ora all,

Please find attached the SSDF February update which was just sent to SSDF Ministers (Minister of Finance, Associate Minister of Finance, Minister of Climate Change).

Please let me know if you have any questions.

Ngā mihi,

**Mandira Shailaj**  
Advisor, Policy & Engagement



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[www.eeca.govt.nz](http://www.eeca.govt.nz)



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### Overview

This report provides the Minister of Finance, the Minister for Climate Change and the Associate Minister of Finance with an update on progress under the Government's \$219.54m\* State Sector Decarbonisation (SSD) Fund.

\*of which \$0.58m has been allocated to the Ministry for the Environment, leaving EECA responsible for \$218.96m.

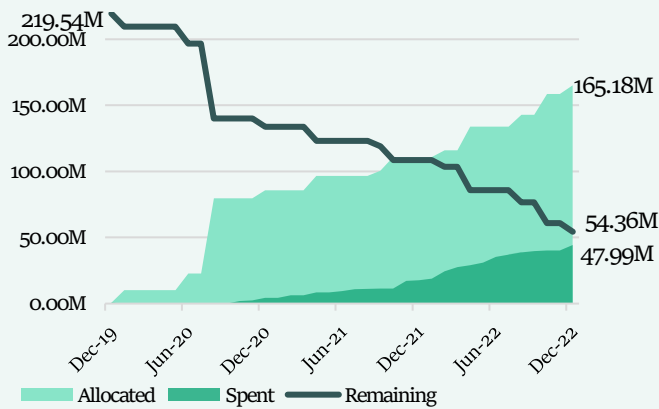
### Recent Activity

- We are finalising the Tranche 14 project approval briefing which will be sent to Ministers in early March. This tranche includes projects to the value of \$49.972 million, with associated emissions reductions of 254,676 tonnes over ten years.
- Should Ministers approve this funding, there will be \$4.387 million SSDF remaining **9(2)(f)(iv)**
- 9(2)(f)(iv)**

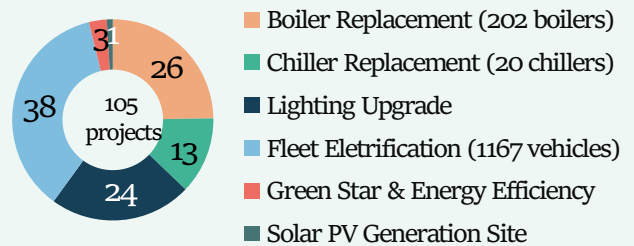
### Potential Risks

- No additional projects are at risk of delivery since the November update. NZDF's Burnham coal boiler replacement project is now the only project that remains at risk of delivery due to significant price overruns. The Tranche 14 approval briefing will include advice on options to support this project going forward.
- Te Whatu Ora - Waitemata have revised their project due to difficulty procuring second hand electric vans. They will now purchase seven electric vans and will no longer require charging infrastructure (repurposing this portion of SSD Funding to support fleet costs). Total SSD Funding remains unchanged as Te Whatu Ora - Waitemata will bear any additional costs for the project out of their own budget. Refer to Appendix Two for further details.

### Funding Allocation to Date



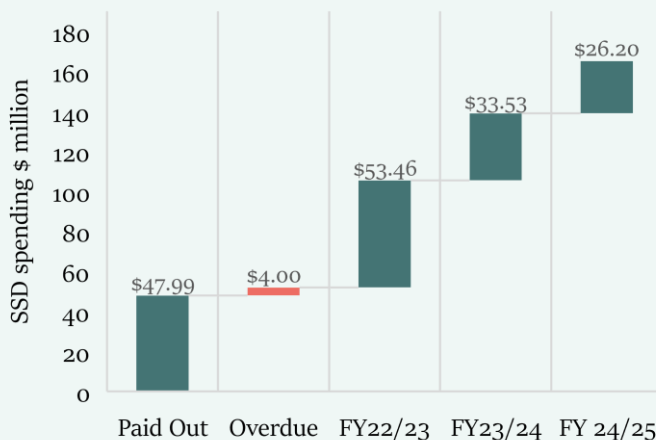
### Number of Projects by Type



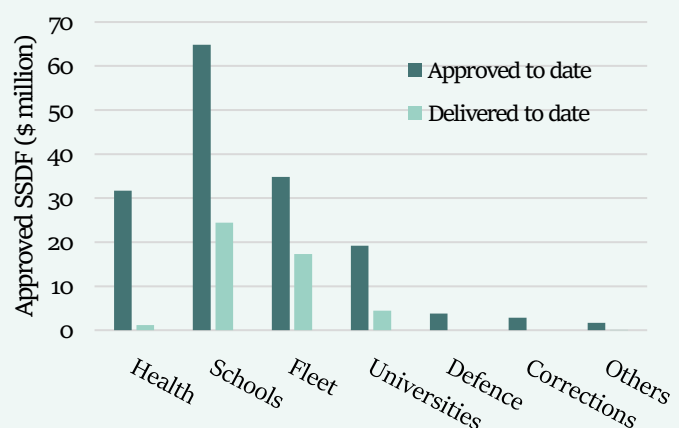
Committed CO2 Reductions:  
69,103 tonnes p.a.

Delivered CO2 Reductions:  
6,304 tonnes p.a.

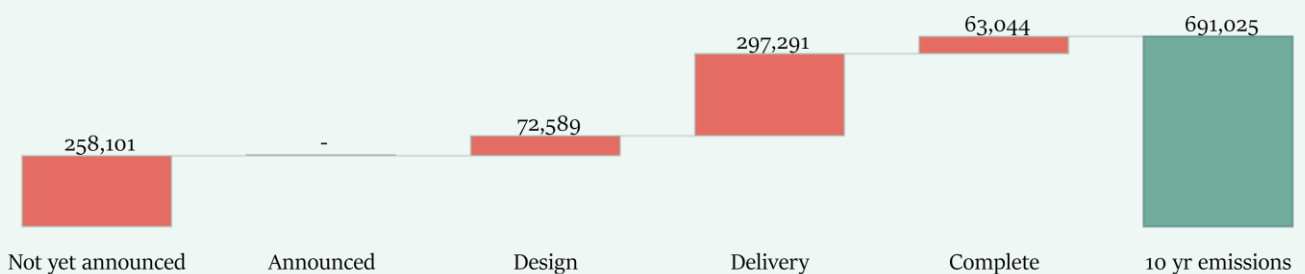
### SSDF Financial Milestones by Status



### Funding Approved to Date by Sector



### SSD Fund Emissions Savings by Project Status (10 yr t CO<sub>2</sub>)



**Official Information Act Requests**

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**From:** Eddie Hendl  
**Sent:** Thursday, 9 March 2023 1:31 pm  
**To:** Paul Bull  
**Subject:** RE: CNGP Progress Dashboard [SEEMAIL]

Hi Paul,

My response to Lee – thoughts?

Hi Lee,

I'm sorry to hear that, the SSDF monthly update is restricted to a high level update and doesn't go into specifics however understand if the wording isn't satisfactory. I will follow up to see if this can be changed to better reflect the project status / delays.

The project update in the Tranche 14 briefing paper going to ministers for approval and sign off is much more substantial and does go into specifics and references information shared by NZDF on the Burnham project. I'm unable to share the briefing paper with you at this stage however it's my understanding it covers a full page in the paper.

Let me investigate this further and come back to you.

Regards,  
Eddie

**Eddie Hendl**  
Account Manager



Level 10 · 41 Shortland St · Auckland 1010  
Mobile: [REDACTED]

9(2)(a)

---

**From:** Bint, Lee, Dr <Lee.Bint@nzdf.mil.nz>  
**Sent:** Thursday, 9 March 2023 12:31 pm  
**To:** Eddie Hendl <Eddie.Hendl@eeca.govt.nz>; Paul Bull <Paul.Bull@eeca.govt.nz>  
**Subject:** CNGP Progress Dashboard [SEEMAIL]

\*\*\* [SEEMAIL] This message may contain classified information \*\*\*

Hi Eddie and Paul,

I've just seen the latest CNGP Progress Dashboard, and I must admit I'm a little disappointed at the language used in here. You've only highlighted NZDF as "significant price overruns" which absolutely does not reflect the full picture of our current situation. I've requested this be amended through CNGP to more accurately reflect the true picture of what's going on (i.e. dependency work + phasing discussions we've shared with you).

Ngā mihi nui,  
Lee

**Lee Bint**

Pouwhakapūmau Taiao | Director Sustainability  
Te Ope Kātua o Aotearoa | New Zealand Defence Force

M: [REDACTED] | Email: [Lee.Bint@nzdf.mil.nz](mailto:Lee.Bint@nzdf.mil.nz) | DDMS: [Sustainability Framework](#)  
[www.nzdf.mil.nz](http://www.nzdf.mil.nz) 9(2)(a)



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## Official Information Act Requests

---

**From:** Paul Bull  
**Sent:** Thursday, 9 March 2023 4:16 pm  
**To:** Will Jensen  
**Subject:** Fwd: CNGP Progress Dashboard [SEEMAIL]

Just sharing, seeing your other email.

No action required

This came as response to Mfe sending out dashboard to agencies

Begin forwarded message:

**From:** "Bint, Lee, Dr" <Lee.Bint@nzdf.mil.nz>  
**Date:** 9 March 2023 at 12:31:25 PM NZDT  
**To:** Eddie Hendl <Eddie.Hendl@eeca.govt.nz>, Paul Bull <Paul.Bull@eeca.govt.nz>  
**Subject:** CNGP Progress Dashboard [SEEMAIL]

\*\*\* [SEEMAIL] This message may contain classified information \*\*\*

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Ngā mihi nui,

Lee

### Lee Bint

Pouwhakapūmau Taiao | Director Sustainability  
Te Ope Kātua o Aotearoa | New Zealand Defence Force

M: [REDACTED] | Email: [Lee.Bint@nzdf.mil.nz](mailto:Lee.Bint@nzdf.mil.nz) | DDMS: [Sustainability Framework](#)  
[www.nzdf.mil.nz](http://www.nzdf.mil.nz)

9(2)(a)



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**Subject Fifteen: RE: Tranche 14 Briefing Defence Comments (9 March 2023 - 10 March 2023)**  
**Official Information Act Requests**

---

**From:** Paul Bull  
**Sent:** Friday, 10 March 2023 7:29 am  
**To:** Will Jensen  
**Subject:** RE: Tranche 14 Briefing Defence Comments

Will,

Let me know when you are free to chat

Paul

---

**From:** Will Jensen <Will.Jensen@eeca.govt.nz>  
**Sent:** Thursday, 9 March 2023 3:46 pm  
**To:** Matthew Morris <Matthew.Morris@eeca.govt.nz>; Eddie Hendl <Eddie.Hendl@eeca.govt.nz>; Paul Bull <Paul.Bull@eeca.govt.nz>  
**Cc:** Mandira Shailaj <Mandira.Shailaj@eeca.govt.nz>; Alexandra Doyle-Franklin <Alexandra.Doyle-Franklin@eeca.govt.nz>  
**Subject:** RE: Tranche 14 Briefing Defence Comments

Hey team

Can we have a quick chat about this. Not sure about sharing our Tranche 14 wording with Defence in its current form (if that's what we're suggesting)? Andrew has left a comment against it asking for us to develop up the story a bit more.

Will

---

**From:** Matthew Morris <[Matthew.Morris@eeca.govt.nz](mailto:Matthew.Morris@eeca.govt.nz)>  
**Sent:** Thursday, 9 March 2023 1:15 pm  
**To:** Mandira Shailaj <[Mandira.Shailaj@eeca.govt.nz](mailto:Mandira.Shailaj@eeca.govt.nz)>  
**Cc:** Alexandra Doyle-Franklin <[Alexandra.Doyle-Franklin@eeca.govt.nz](mailto:Alexandra.Doyle-Franklin@eeca.govt.nz)>; Eddie Hendl <[Eddie.Hendl@eeca.govt.nz](mailto:Eddie.Hendl@eeca.govt.nz)>  
**Subject:** Tranche 14 Briefing Defence Comments

Hi Mandira,

NZDF have told us they don't think the brief description we included about their project in the SSDF minister's report entirely reflects the status of the project. In the report we referenced a more substantial update in the T14 briefing. Can you please share the briefing with Eddie (I don't have access anymore) so that he can let NZDF know that we've communicated the project status with ministers. I assume we aren't allowed to share the actual briefing with them, but it would be good to give them some assurance.


Cheers,

**Matthew Morris**  
Kaitātari Kawenga (Portfolio Analyst), Public Sector



Level 8 · 44 The Terrace · Wellington 6011 · PO Box 388 · Wellington 6140  
DDI 04 4702218  
[www.eeca.govt.nz](http://www.eeca.govt.nz)

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## Official Information Act Requests

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**From:** Paul Bull  
**Sent:** Wednesday, 15 March 2023 12:23 pm  
**To:** Alexandra Doyle-Franklin  
**Cc:** Will Jensen  
**Subject:** RE: Tranche 14 NZDF text  
**Attachments:** T2 New Zealand Defence Force Qtly Reporting 31 Dec 21.docx

This is probably the best report to take text from, and there is a section on covid impacts on camp. A number of the other qtrly reports talk about the infrastructure upgrade being a separate business case (and one mentions it not being approved)

---

**From:** Alexandra Doyle-Franklin <Alexandra.Doyle-Franklin@eeca.govt.nz>  
**Sent:** Wednesday, 15 March 2023 11:42 am  
**To:** Paul Bull <Paul.Bull@eeca.govt.nz>  
**Cc:** Will Jensen <Will.Jensen@eeca.govt.nz>  
**Subject:** RE: Tranche 14 NZDF text

Thanks Paul.

Yes I think we've communicated the fact that we saw slippage on milestones, but more into the nitty gritty of why the slippage occurred in the first place.

Matthew sent some documents to me on this on Friday, and I added a few lines drawing from the reasons for project slippage that NZDF supplied to EECA. I'm just wanting to make sure that these lines (particularly highlighted points below) are reflective of the issues.

Thanks  
Alex

---

**From:** Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>  
**Sent:** Wednesday, 15 March 2023 11:01 am  
**To:** Alexandra Doyle-Franklin <[Alexandra.Doyle-Franklin@eeca.govt.nz](mailto:Alexandra.Doyle-Franklin@eeca.govt.nz)>  
**Cc:** Will Jensen <[Will.Jensen@eeca.govt.nz](mailto:Will.Jensen@eeca.govt.nz)>  
**Subject:** RE: Tranche 14 NZDF text

Hi Alex,

I saw all the comments post Andrew's review and address the ones that had my name for comment.

When I relook at Andrew's comment on this section he is looking for more info on the statement in paragraph 2 "however the project has failed to meet required financial milestones over the past 2.5 years"

So my comment in relation to that is in qtrly reports in mid 2021 we saw slippage on early milestones but end date unchanged

Quarterly reports in 2022 saw further slippage on dates and complete date also push out (but always still prior to June / dec 2025)

Paul

**From:** Alexandra Doyle-Franklin <[Alexandra.Doyle-Franklin@eeca.govt.nz](mailto:Alexandra.Doyle-Franklin@eeca.govt.nz)>

**Sent:** Wednesday, 15 March 2023 10:28 am

**To:** Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>

**Cc:** Will Jensen <[Will.Jensen@eeca.govt.nz](mailto:Will.Jensen@eeca.govt.nz)>

**Subject:** Tranche 14 NZDF text

**Importance:** High

Hi Paul

I'm not sure if you've seen this yet, but Andrew had some questions around further background from NZDF's inaction over past 2.5 years. Can you confirm that the summary below from the briefing is accurate? Particularly para 2 which explains why the delays continued for 2.5 years.

Thanks!

Alex

### Update on NZDF's Burnham coal boiler replacement project

1. Through the Fund's monthly reports, EECA has provided updates on the replacement of NZDF's Burnham coal boiler which has faced significant cost escalation since receiving Ministers' approval in June 2020 among Tranche 2 projects (refer EECA 2020 BRF 040). Initially, the total project cost was estimated at \$9.600 million with 40% SSDF co-funding (\$3.840 million).
2. The project has been complex from the outset based on the extensive upgrades to the dependent electrical networks both internally and externally which are crucial to replacing the coal boiler. This work was included in the initial budget for the project however the project has failed to meet required financial milestones over the past 2.5 years as NZDF have worked through updating their project scope and supporting contracts to incorporate electrical network upgrades.
3. As a result of this further project design work which illuminated the complexity of the electrical upgrades, NZDF have revised their initial total cost estimate for the project to around [REDACTED]. The inaction since receiving project approval has also contributed to this cost escalation. 9(2)(f)(iv)
4. In light of these challenges, NZDF have identified a series of options to progress the project. Their preferred option (which EECA sees as the most viable), is to deliver the project in stages. This approach pushes out the completion date to 2029, with the following stages:

#### Stage 1

- The first stage of the project is expected to deliver upgrades that can be completed within the constraints of the existing infrastructure, to the value of the initial \$9.600m SSDF project.
- The revised project will deliver support upgrades to 15% of the in-scope buildings, reducing the load on the coal boiler to achieve a reduction in emissions of 1,132 T CO<sub>2</sub>e, which represents 23.3% of the SSDF agreed carbon saving target. This stage of the project will be complete by 30 June 2025.

#### Stages 2 and 3

- The final two stages will go beyond the SSDF project, with NZDF funding remaining parts of the project through their operational budget. The second stage will deliver the electrical upgrades required to Burnham's internal and external networks.
  - The third and final stage includes upgrading the remaining buildings from 2027/28, which will enable the coal boiler to be shut down in 2028/29. Once the final project is complete, the total carbon abatement of 4,860 TCO<sub>2</sub>e will be realised.
5. NZDF also considered requesting further SSD Funding support to deliver the coal boiler replacement in its entirety by June 2025. However due to the operational impact on NZ Army as well as the electrical upgrades not being complete by then, they believe this is not viable. Due to these reasons, EECA advises against allocating further funding for this project from the SSDF. EECA's view is that SSDF Funding would be better spent on removing the three remaining coal boilers at Defence (refer paragraph 15) as these projects have a greater chance of being successfully delivered before June 2025.

Ngā mihi,

**Alex Doyle Franklin**

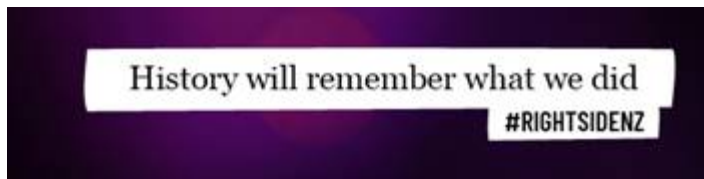
Kaitohutohu – Advisor, Policy & Engagement



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## State Sector Decarbonisation Fund

Quarterly Milestone Report to 31 Dec 2021

NZDF – [john.maclachlan@nzdf.mil.nz](mailto:john.maclachlan@nzdf.mil.nz)

EECA Ref	Milestone activity	Current Completion date	Progress report incl. copies of relevant invoices and reports i.e. installation/commission
S3M1P14	<b>Boiler Replacement</b> Equipment and installation start date	<del>29 March 21</del> <del>06 September 21</del> <del>10 January 22</del> 04 April 22 05 September 22	<p>The project was temporarily put hold after elemental costings calculated at Develop Design indicated that costs were significantly beyond the available funding envelope.</p> <p>A planned project, intended to modernise the HV network at Burnham was brought forward in response, and all electrical infrastructure elements consolidated within the one project. Design work is well underway; Preliminary Design was issued for review in December, with Detailed Design work schedule to begin in February.</p> <p>Orion has begun upgrading the supply to the camp to provide the additional capacity required to support the increased heating load. The upgrade to 2.5MVA is expected to be complete in February, with further upgrades planned in future, as capacity becomes available.</p> <p>Value engineering of the developed design is nearly complete, with Detailed Design anticipated to be complete in late March. The forecast cost remains static despite significant cost optimisation, as cost escalation has offset the majority of savings.</p> <p>The cost estimates for retrofitting the Camps more complex buildings carries a high level of uncertainty. To mitigate this a sub project was established to deliver a pilot of the mechanical upgrade planned for the barrack blocks. This is intended to validate the design and improve cost certainty, while allowing contractors to provide further value management input. Contractor pricing for the pilot sits at the upper bound of the forecast cost, indicating a significant uplift in funding is still required. Supply of equipment to NZ is also significantly delayed due to Covid, up from 6 to 36 weeks.</p> <p>An updated business case will be submitted for the Energy Centre Replacement project upon completion of the mechanical design, with a 1-2 month approval process expected.</p>

## State Sector Decarbonisation Fund

Quarterly Milestone Report to 31 Dec 2021

NZDF – [john.maclachlan@nzdf.mil.nz](mailto:john.maclachlan@nzdf.mil.nz)

EECA Ref	Milestone activity	Current Completion date	Progress report incl. copies of relevant invoices and reports i.e. installation/commission
S3M2P14	<b>Boiler Replacement</b> Installation and commission report	<del>11 March 22</del> <del>19 August 22</del> <del>03 October 22</del> <del>03 October 23</del> 01 March 24	To be completed: Final commissioning of the mechanical systems will be delayed due to the design review, scope change and additional business case submission.  In addition, the Covid response has increased the number of personnel in camp, which combined with the demolition of two earthquake prone barrack buildings has significantly increased the demand for barrack rooms at the camp. This will prevent the large scale decanting envisioned at concept and will necessitate the staged delivery of individual barracks wings. It is difficult to qualify the impact at this stage, but it is expected to extend the programme length substantially.
S3M3P14	<b>Boiler Replacement</b> Project completion report <sup>1</sup>	<del>13 May 22</del> <del>21 October 22</del> <del>5 December 22</del> <del>1 December 23</del> 06 May 24	To be completed: Issue of the project completion report is now expected to be delayed until May 2024.

<sup>1</sup> Report to Include actual carbon reductions

## Official Information Act Requests

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**From:** Paul Bull  
**Sent:** Wednesday, 15 March 2023 4:32 pm  
**To:** Alexandra Doyle-Franklin  
**Cc:** Will Jensen  
**Subject:** RE: Tranche 14 NZDF text

Nothing from me

---

**From:** Alexandra Doyle-Franklin <Alexandra.Doyle-Franklin@eeca.govt.nz>  
**Sent:** Wednesday, 15 March 2023 3:27 pm  
**To:** Paul Bull <Paul.Bull@eeca.govt.nz>  
**Cc:** Will Jensen <Will.Jensen@eeca.govt.nz>  
**Subject:** RE: Tranche 14 NZDF text

Hi Paul

Just following up on this, both Andrew and MBIE have signed out the Tranche 14 briefing but I flagged there may be some minor tweaks to NZDF wording.

Could you please let me know if you think there's any further changes required before I send this to Ministers this afternoon?

Thanks!  
Alex

---

**From:** Alexandra Doyle-Franklin  
**Sent:** Wednesday, 15 March 2023 12:52 pm  
**To:** Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>  
**Cc:** Will Jensen <[Will.Jensen@eeca.govt.nz](mailto:Will.Jensen@eeca.govt.nz)>  
**Subject:** RE: Tranche 14 NZDF text

Thanks Paul.

I've updated the summary. I've included the COVID aspect, but think it's less relevant as I assume none of the infrastructure upgrade work progressed in this time anyway?

Thanks  
Alex

*The project has been complex from the outset based on the extensive upgrades to the dependent electrical networks both internally and externally which are crucial to replacing the coal boiler. This work was included in the initial budget for the project however the project has failed to meet required financial milestones over the past 2.5 years as NZDF have worked through updating the project's scope and receiving approval and budget to support the site-wide electrical network upgrades. The COVID pandemic also resulted in an increased presence at Burnham, and placed demand on buildings necessitating a staged approach to this upgrade work. Despite this, it wasn't until last month that officials were informed that due to the factors listed above, the boiler replacement would not be complete by mid-2025.*



---

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**Cc:** Will Jensen <[Will.Jensen@eeca.govt.nz](mailto:Will.Jensen@eeca.govt.nz)>  
**Subject:** RE: Tranche 14 NZDF text

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Paul

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**Sent:** Wednesday, 15 March 2023 10:28 am  
**To:** Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>  
**Cc:** Will Jensen <[Will.Jensen@eeca.govt.nz](mailto:Will.Jensen@eeca.govt.nz)>  
**Subject:** Tranche 14 NZDF text  
**Importance:** High

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Alex

### Update on NZDF's Burnham coal boiler replacement project

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2. The project has been complex from the outset based on the extensive upgrades to the dependent electrical networks both internally and externally which are crucial to replacing the coal boiler. This work was included in the initial budget for the project however the project has failed to meet required financial milestones over the past 2.5 years as NZDF have worked through updating their project scope and supporting contracts to incorporate electrical network upgrades.
3. As a result of this further project design work which illuminated the complexity of the electrical upgrades, NZDF have revised their initial total cost estimate for the project to around [REDACTED]. The inaction since receiving project approval has also contributed to this cost escalation. 9(2)(f)(iv)
4. In light of these challenges, NZDF have identified a series of options to progress the project. Their preferred option (which EECA sees as the most viable), is to deliver the project in stages. This approach pushes out the completion date to 2029, with the following stages:

#### Stage 1

- The first stage of the project is expected to deliver upgrades that can be completed within the constraints of the existing infrastructure, to the value of the initial \$9.600m SSDF project.
- The revised project will deliver support upgrades to 15% of the in-scope buildings, reducing the load on the coal boiler to achieve a reduction in emissions of 1,132 T CO<sub>2</sub>e, which represents 23.3% of the SSDF agreed carbon saving target. This stage of the project will be complete by 30 June 2025.

#### Stages 2 and 3

- The final two stages will go beyond the SSDF project, with NZDF funding remaining parts of the project through their operational budget. The second stage will deliver the electrical upgrades required to Burnham's internal and external networks.
  - The third and final stage includes upgrading the remaining buildings from 2027/28, which will enable the coal boiler to be shut down in 2028/29. Once the final project is complete, the total carbon abatement of 4,860 TCO<sub>2</sub>e will be realised.
5. NZDF also considered requesting further SSD Funding support to deliver the coal boiler replacement in its entirety by June 2025. However due to the operational impact on NZ Army as well as the electrical upgrades not being complete by then, they believe this is not viable. Due to these reasons, EECA advises against allocating further funding for this project from the SSDF. EECA's view is that SSDF Funding would be better spent on removing the three remaining coal boilers at Defence (refer paragraph 15) as these projects have a greater chance of being successfully delivered before June 2025.

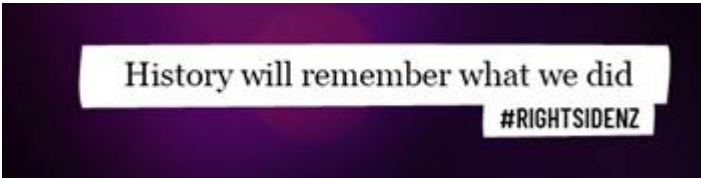
Ngā mihi,

**Alex Doyle Franklin**

Kaitohutohu – Advisor, Policy & Engagement

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Phone +64 4 470 2425 · Ext 7425

[www.eeca.govt.nz](http://www.eeca.govt.nz)



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Subject Eighteen: State Sector Decarbonisation Fund - Tranche 14 project approval briefing (15 March 2023)

**Official Information Act Requests**

---

**From:** Alexandra Doyle-Franklin  
**Sent:** Wednesday, 15 March 2023 7:28 pm  
**To:** Alex Doyle-Franklin; Shahlaa Al-Tiay; Patricia Parre  
**Cc:** Will Jensen; Paul Bull; Debbie Buck; Andrew Caseley; Murray Bell [EECA]; Mandira Shailaj; Matthew Morris; Kate Williamson [TSY]; Amber Dickson [TSY]  
**Subject:** State Sector Decarbonisation Fund - Tranche 14 project approval briefing  
**Attachments:** State Sector Decarbonisation Fund - Tranche 14 project approval briefing.docx; State Sector Decarbonisation Fund - Tranche 14 project approval briefing.pdf

Please refer to page 52 for the signed version of the attachment.

Kia ora Trish and Shahlaa

Please see attached the State Sector Decarbonisation Fund (SSDF) Tranche 14 project approval briefing. This tranche is progressing through the regular approval process, requiring all SSDF Ministers signatures (Minister of Climate Change, Minister of Finance and Associate Minister of Finance).

Due to the projects included, approval is also sought from the Minister of Energy and Resources, Minister of Health and Minister of Internal Affairs. **Trish** are you able to refer this onto their offices please? (Note not necessary for MoER).

Thanks!

Ngā mihi,

**Alex Doyle Franklin**

Kaitohutohu – Advisor, Policy & Engagement



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## Official Information Act Requests

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**From:** Alexandra Doyle-Franklin  
**Sent:** Friday, 17 March 2023 5:27 pm  
**To:** Matthew Schep  
**Cc:** Louise Bullen; Kathy Fleming; Will Jensen; Paul Bull; Mandira Shailaj; Matthew Morris  
**Subject:** Updated EECA material for CNGP Mins meeting  
**Attachments:** SSDF February Monthly Report - 28 February 2023.pdf; Appendix 2 - Analysis of Tranche 1 2021-22 emissions reporting (003).docx; CNGP dashboard - for March 2023 changes.pptx

Please refer to your letter for information about these attachments.

Hi Matthew

Thanks for your patience on this!

Please find attached the following updated documents:

- CNGP dashboard, reflecting feedback from DPMC.
  - o I've had to narrow the top right box to allow more space for the Coal Boilers section – hope this is okay!
- SSDF Monthly report for February, incorporating feedback received from some agencies on their projects spend profile (Appendix One table)
- Updated SSDF sections for Analysis of Tranche 1 briefing (changes are tracked)

Let me know if you need anything else 😊

Kia pai tō rā whakatā!

Alex

---

**From:** Matthew Schep <Matthew.Schep@mfe.govt.nz>

**Sent:** Friday, 17 March 2023 4:14 pm

**To:** Alexandra Doyle-Franklin <Alexandra.Doyle-Franklin@eece.govt.nz>

**Subject:** [IN-CONFIDENCE]Progress

How is SSDF content for dashboard/agenda/analysis paper coming along?

**Matthew Schep (he/they)**

Policy Analyst | Kaitātari Kaupapahere

Carbon Neutral Government Programme

Climate Change Directorate

Ministry for the Environment | Manatū Mō Te Taiao

[matthew.schep@mfe.govt.nz](mailto:matthew.schep@mfe.govt.nz) | [mfe.govt.nz](https://mfe.govt.nz)



Ministry for the  
**Environment**  
Manatū Mō Te Taiao



**Title of document:** Appendix 2: Analysis of Tranche 1 2021/22 emissions reporting

**Section title:** Role of the State Sector Decarbonisation Fund

**Extract:**

20. The immediate focus of the SSDF has been to phase out the 43 coal boilers remaining across the state sector which span 24 sites (some sites have multiple boilers)<sup>6</sup>. This is progressing well, and officials expect only one coal boiler (at NZDF's Burnham site) to remain in use beyond 2025 (refer SSDF Tranche 14 approval briefing for further information). The \$4.387 million remaining in the tagged capital contingency

9(2)(f)(iv)

Subject Twenty: RE: State Sector Decarbonisation Fund - Tranche 14 project approval briefing (15 March 2023 - 30 March 2023)

**Official Information Act Requests**

---

**From:** Alex Doyle-Franklin <Alex.Doyle-Franklin@parliament.govt.nz>  
**Sent:** Thursday, 30 March 2023 9:48 am  
**To:** Patricia Parre; Shahlaa Al-Tiay; Alexandra Doyle-Franklin  
**Cc:** Will Jensen; Paul Bull; Debbie Buck; Andrew Caseley; Murray Bell [EECA]; Mandira Shailaj; Matthew Morris; Kate Williamson [TSY]; Amber Dickson [TSY]  
**Subject:** RE: State Sector Decarbonisation Fund - Tranche 14 project approval briefing  
**Attachments:** Signed EECA 2023 BRF 001 - SSDF Tranche 14 approval briefing.pdf

Mōrena koutou katoa

Final signature from Minister Woods attached.

Ngā mihi,

**Alex Doyle Franklin**

Private Secretary (Energy Efficiency and Conservation Authority)

[Alex.Doyle-Franklin@parliament.govt.nz](mailto:Alex.Doyle-Franklin@parliament.govt.nz)

**Office of Hon Dr Megan Woods**

**Minister of Housing | Minister for Infrastructure | Minister of Energy & Resources | Minister for Building and Construction | Associate Minister of Finance**

Private Bag 18041 | Parliament Buildings | Wellington 6160 | New Zealand

Office phone: +64 4 817 8705 | Email: [m.woods@ministers.govt.nz](mailto:m.woods@ministers.govt.nz)

---

**From:** Patricia Parre <Patricia.Parre@parliament.govt.nz>  
**Sent:** Tuesday, 28 March 2023 10:21 AM  
**To:** Shahlaa Al-Tiay <Shahlaa.Al-Tiay@parliament.govt.nz>; Alexandra Doyle-Franklin <Alexandra.Doyle-Franklin@eeca.govt.nz>; Alex Doyle-Franklin <Alex.Doyle-Franklin@parliament.govt.nz>  
**Cc:** Will Jensen <Will.Jensen@eeca.govt.nz>; Paul Bull <Paul.Bull@eeca.govt.nz>; Debbie Buck <Debbie.Buck@mbie.govt.nz>; Andrew Caseley <Andrew.Caseley@eeca.govt.nz>; Murray Bell [EECA] <Murray.Bell@eeca.govt.nz>; Mandira Shailaj <Mandira.Shailaj@eeca.govt.nz>; Matthew Morris <Matthew.Morris@eeca.govt.nz>; Kate Williamson [TSY] <Kate.Williamson@treasury.govt.nz>; Amber Dickson [TSY] <Amber.Dickson@treasury.govt.nz>  
**Subject:** RE: State Sector Decarbonisation Fund - Tranche 14 project approval briefing

Hi everyone,

Signed copies from the Ministers for Health and Internal Affairs attached 😊

Cheers,

Trish

**Patricia (Trish) Parre (she/her) | Private Secretary – Climate Change | Office of Hon James Shaw MP**

Minister of Climate Change | Associate Minister for the Environment (Biodiversity)

Waea Pūkoro : [REDACTED]

9(2)(a)

---

**From:** Patricia Parre  
**Sent:** Monday, 20 March 2023 2:01 PM  
**To:** Shahlaa Al-Tiay <[Shahlaa.Al-Tiay@parliament.govt.nz](mailto:Shahlaa.Al-Tiay@parliament.govt.nz)>; Alexandra Doyle-Franklin <[Alexandra.Doyle-Franklin@eeca.govt.nz](mailto:Alexandra.Doyle-Franklin@eeca.govt.nz)>; Alex Doyle-Franklin <[Alex.Doyle-Franklin@parliament.govt.nz](mailto:Alex.Doyle-Franklin@parliament.govt.nz)>

**Cc:** Will Jensen <[Will.Jensen@eeca.govt.nz](mailto:Will.Jensen@eeca.govt.nz)>; Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>; Debbie Buck <[Debbie.Buck@mbie.govt.nz](mailto:Debbie.Buck@mbie.govt.nz)>; Andrew Caseley <[Andrew.Caseley@eeca.govt.nz](mailto:Andrew.Caseley@eeca.govt.nz)>; Murray Bell [EECA] <[Murray.Bell@eeca.govt.nz](mailto:Murray.Bell@eeca.govt.nz)>; Mandira Shailaj <[Mandira.Shailaj@eeca.govt.nz](mailto:Mandira.Shailaj@eeca.govt.nz)>; Matthew Morris <[Matthew.Morris@eeca.govt.nz](mailto:Matthew.Morris@eeca.govt.nz)>; Kate Williamson [TSY] <[Kate.Williamson@treasury.govt.nz](mailto:Kate.Williamson@treasury.govt.nz)>; Amber Dickson [TSY] <[Amber.Dickson@treasury.govt.nz](mailto:Amber.Dickson@treasury.govt.nz)>

**Subject:** RE: State Sector Decarbonisation Fund - Tranche 14 project approval briefing

Kia ora everyone,

Tagging onto this chain with MCC's signed version. I will also be sending through portfolio Ministers' versions when they come through.

Cheers,

Trish

**Patricia (Trish) Parre (she/her) | Private Secretary – Climate Change | Office of Hon James Shaw MP**  
Minister of Climate Change | Associate Minister for the Environment (Biodiversity)

Waea Pūkoro : [REDACTED] 9(2)(a)

---

**From:** Shahlaa Al-Tiay <[Shahlaa.Al-Tiay@parliament.govt.nz](mailto:Shahlaa.Al-Tiay@parliament.govt.nz)>

**Sent:** Monday, 20 March 2023 11:19 AM

**To:** Patricia Parre <[Patricia.Parre@parliament.govt.nz](mailto:Patricia.Parre@parliament.govt.nz)>; Alexandra Doyle-Franklin <[Alexandra.Doyle-Franklin@eeca.govt.nz](mailto:Alexandra.Doyle-Franklin@eeca.govt.nz)>; Alex Doyle-Franklin <[Alex.Doyle-Franklin@parliament.govt.nz](mailto:Alex.Doyle-Franklin@parliament.govt.nz)>

**Cc:** Will Jensen <[Will.Jensen@eeca.govt.nz](mailto:Will.Jensen@eeca.govt.nz)>; Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>; Debbie Buck <[Debbie.Buck@mbie.govt.nz](mailto:Debbie.Buck@mbie.govt.nz)>; Andrew Caseley <[Andrew.Caseley@eeca.govt.nz](mailto:Andrew.Caseley@eeca.govt.nz)>; Murray Bell [EECA] <[Murray.Bell@eeca.govt.nz](mailto:Murray.Bell@eeca.govt.nz)>; Mandira Shailaj <[Mandira.Shailaj@eeca.govt.nz](mailto:Mandira.Shailaj@eeca.govt.nz)>; Matthew Morris <[Matthew.Morris@eeca.govt.nz](mailto:Matthew.Morris@eeca.govt.nz)>; Kate Williamson [TSY] <[Kate.Williamson@treasury.govt.nz](mailto:Kate.Williamson@treasury.govt.nz)>; Amber Dickson [TSY] <[Amber.Dickson@treasury.govt.nz](mailto:Amber.Dickson@treasury.govt.nz)>

**Subject:** RE: State Sector Decarbonisation Fund - Tranche 14 project approval briefing

Kia ora team

I hope you had a good weekend!

Please see attached the signed briefing.

Kind regards

Shahlaa



**Shahlaa Al-Tiay, Private Secretary (Finance)**

M: [REDACTED]  
E: [shahlaa.al-tiay@parliament.govt.nz](mailto:shahlaa.al-tiay@parliament.govt.nz)

9(2)(a)

---

**From:** Alexandra Doyle-Franklin [<mailto:Alexandra.Doyle-Franklin@eeca.govt.nz>]

**Sent:** Wednesday, 15 March 2023 7:28 PM

**To:** Alex Doyle-Franklin <[Alex.Doyle-Franklin@parliament.govt.nz](mailto:Alex.Doyle-Franklin@parliament.govt.nz)>; Shahlaa Al-Tiay <[Shahlaa.Al-Tiay@parliament.govt.nz](mailto:Shahlaa.Al-Tiay@parliament.govt.nz)>; Patricia Parre <[Patricia.Parre@parliament.govt.nz](mailto:Patricia.Parre@parliament.govt.nz)>

**Cc:** Will Jensen <[Will.Jensen@eeca.govt.nz](mailto:Will.Jensen@eeca.govt.nz)>; Paul Bull <[Paul.Bull@eeca.govt.nz](mailto:Paul.Bull@eeca.govt.nz)>; Debbie Buck <[Debbie.Buck@mbie.govt.nz](mailto:Debbie.Buck@mbie.govt.nz)>; Andrew Caseley <[Andrew.Caseley@eeca.govt.nz](mailto:Andrew.Caseley@eeca.govt.nz)>; Murray Bell [EECA] <[Murray.Bell@eeca.govt.nz](mailto:Murray.Bell@eeca.govt.nz)>; Mandira Shailaj <[Mandira.Shailaj@eeca.govt.nz](mailto:Mandira.Shailaj@eeca.govt.nz)>; Matthew Morris <[Matthew.Morris@eeca.govt.nz](mailto:Matthew.Morris@eeca.govt.nz)>; Kate Williamson [TSY] <[Kate.Williamson@treasury.govt.nz](mailto:Kate.Williamson@treasury.govt.nz)>; Amber Dickson [TSY]



<[Amber.Dickson@treasury.govt.nz](mailto:Amber.Dickson@treasury.govt.nz)>

**Subject:** State Sector Decarbonisation Fund - Tranche 14 project approval briefing

Kia ora Trish and Shahlaa

Please see attached the State Sector Decarbonisation Fund (SSDF) Tranche 14 project approval briefing. This tranche is progressing through the regular approval process, requiring all SSDF Ministers signatures (Minister of Climate Change, Minister of Finance and Associate Minister of Finance).

Due to the projects included, approval is also sought from the Minister of Energy and Resources, Minister of Health and Minister of Internal Affairs. **Trish** are you able to refer this onto their offices please? (Note not necessary for MoER).

Thanks!

Ngā mihi,

**Alex Doyle Franklin**

Kaitohutohu – Advisor, Policy & Engagement



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Phone +64 4 470 2425 · Ext 7425

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<b>To</b>	<b>Hon Grant Robertson</b> MINISTER OF FINANCE  <b>Hon Dr Megan Woods</b> ASSOCIATE MINISTER OF FINANCE  <b>Hon James Shaw</b> MINISTER OF CLIMATE CHANGE		
<b>Title</b>	State Sector Decarbonisation – drawdown of funding from tagged capital contingency (Tranche 14 projects)		
<b>Date</b>	15 March 2023		
<b>EECA/MBIE reference number</b>	EECA 2023 BRF 001 MBIE 2223 2804	Response required by:	29 March 2023
<b>EECA priority</b>	Routine		
<b>Consultation</b>	The Treasury, the Ministry for the Environment and MBIE (New Zealand Government Procurement).		

9(2)(a)

## EECA contacts

Position	Name	Mobile Number	Work Number	1 <sup>st</sup> Contact
Chief Executive	Andrew Caseley	[REDACTED]	04 470 2201	✓
Manager, Energy Use	Daniel Brown	[REDACTED]		
Principal author (MBIE)	Debbie Buck	-	04 4897 5485	
Principal author (EECA)	Mandira Shailaj	-	04 495 2975	


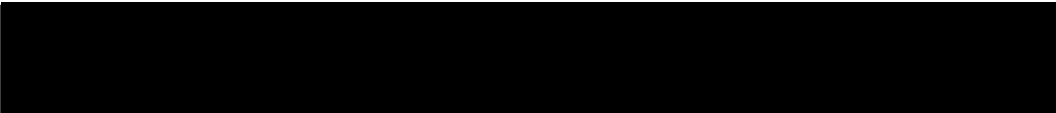
## Purpose

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1. To seek your approval to draw down funding from the State Sector Decarbonisation Fund tagged capital contingency to support Tranche 14 projects.

## Key messages

---

- We recommend that you draw down \$49.972 million from the State Sector Decarbonisation Fund tagged capital contingency for Tranche 14 projects.
- Tranche 14 includes the following projects:
  - a. \$38 million to support Te Whatu Ora's \$99 million Stationary Energy Transition Programme, to reduce stationary energy emissions across New Zealand hospitals. The programme is estimated to reduce stationary energy emissions across New Zealand hospitals by around 230,000 tonnes over ten years (around 23,000 tonnes per annum on average over 10 years). This centralised approach will allow Te Whatu Ora to deliver decarbonisation projects across their hospitals, aligning investment with their required emissions reductions under the Carbon Neutral Government Programme (CNGP). Approval of this funding will allow Te Whatu Ora to conduct the next phase of prioritisation and commitment to projects by 30 June 2023 at which point we will provide further detail of these projects to you. Projects will be informed by opportunities identified in the Energy Transition Accelerator (ETA)<sup>1</sup> undertaken with EECA assistance for the Health sector. This will include boiler replacements (diesel and fossil gas) and upgrades, LED lighting upgrades and energy management projects (such as smart meters, energy monitoring systems, HVAC systems, chiller replacements). Fleet electrification projects will be out of scope. All projects will be delivered by 30 June 2025.
  - b. Two coal boiler replacement projects at University of Otago (one boiler) and University of Canterbury (two boilers), representing the replacement of all remaining coal boilers across New Zealand's tertiary education institutions.   

  - c. Six fleet electrification projects, which will add 96 new electric vehicles to the State sector fleet (to date, the total funded through SSDF will be 1,263 vehicles).
  - d. Three projects to replace seven chillers which use high global warming potential (GWP) refrigerants, and four LED lighting upgrade projects.

---

<sup>1</sup> EECA's Energy Transition Accelerator programme supports organisations (both public and private) to develop a long-term pathway to emissions reduction by identifying technically and economically viable decisions and investments.

- We estimate that Tranche 14 projects will reduce the State sector’s carbon emissions by around 254,676 tonnes over ten years. The estimated breakeven cost of abatement for these projects ranges from \$-425 to \$1,631 per tonne of carbon dioxide equivalent (tCO<sub>2</sub>-e).
- The total capital funding drawn down to date, including this and the previous thirteen tranches, will be \$215.150 million (including the \$0.580 million drawn down for Carbon Neutral Government Programme establishment costs), with \$4.387 million remaining in the tagged capital contingency which will be allocated prior to 30 June 2023. We estimate the combined emissions reduction impact of the funding allocated to date will be around 945,699 tonnes over ten years<sup>2</sup>.
- To date, the SSDF has provided the primary source of co-funding to support agencies emissions reductions requirements under the CNGP. This funding has bridged the financial gap between capital cost of equipment replacements with low emissions alternatives. As the Fund approaches full allocation, officials are considering opportunities to expand support for fleet electrification (where demand is still high) and expect to provide further advice to Ministers on this in the Tranche 15 briefing.
- This briefing also provides an update and proposed solutions on NZDF’s Burnham coal boiler replacement project that has faced delays which have led to high risks to delivery.
- EECA will begin working with funding recipients to implement projects as soon as Ministers have approved the drawdown. Should you wish to announce these projects, EECA and MBIE will work with your offices to arrange this, along with announcements for Tranches eleven to thirteen.

## Recommended actions

- Note** that \$219.537 million of capital expenditure has been allocated to reduce State sector greenhouse gas emissions through the Cabinet agreed Capital Investment Package [CAB-19-MIN-0572] and Budget 2021 (‘top up’ of \$19.537 million).
- Note** that the balance of the tagged capital contingency (which expires in June 2025) in Vote Business, Science and Innovation is as follows:

	\$m				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
State Sector Decarbonisation -Tagged Capital Contingency	54.359	-	-	-	-

- Agree** to consider the advice in recommendation d below and discuss any issues.

<sup>2</sup> Note that many assets have a lifespan of longer than ten years, meaning the actual emissions reduction impact per dollar of capital investment in alternatives will continue beyond 10 years.

*Minister of Finance: Agree / Disagree*

*Associate Minister of Finance: Agree / Disagree*

*Minister of Climate Change: Agree / Disagree*

- d. **Note** that we recommend you approve the drawdown of funding to the agencies listed below, for the following projects, as part of Tranche 14:

***Vote Health***

- i) \$38.000 million for Te Whatu Ora to support their Stationary Energy Transition Programme;
- ii) \$0.753 million for Te Whatu Ora – Canterbury to purchase electric vehicles and install charging infrastructure (25 vehicles);
- iii) \$0.790 million for Te Whatu Ora – Whanganui to purchase electric vehicles and install charging infrastructure (24 vehicles);

***Vote Business, Science and Innovation***

- iv) \$1.082 million for the Ministry of Business, Innovation and Employment (MBIE) to purchase electric vehicles and install charging infrastructure (35 vehicles);
- v) \$0.104 million for AgResearch to replace three chillers across their Invermay, Ruakura & Grasslands campuses with more efficient models with low GWP refrigerant;
- vi) \$0.021 million for GNS Science to install efficient LED lighting at their Avalon campus;
- vii) \$0.092 million for Te Papa to purchase electric vehicles and install charging infrastructure (4 vehicles);
- viii) \$0.195 million for Lotteries New Zealand to purchase electric vehicles and install charging infrastructure (6 vehicles);
- ix) \$0.070 million for the National Institute of Water and Atmospheric Research (NIWA) to purchase electric vehicles and install charging infrastructure (2 vehicles);

***Universities***

- x) \$2.772 million for Massey University to replace 18 fossil gas boilers across their Albany, Manawatu and Wellington campuses with low emissions alternatives;
- xi) \$0.516 million for Massey University to replace a chiller at their Albany campus with a more efficient model with lower GWP refrigerant;
- xii) \$0.115 million for Massey University to install efficient LED lighting at their Manawatu campus;
- xiii) \$0.112 million for Victoria University of Wellington to replace a fossil gas boiler at their Kelburn campus (Von Zedlitz building) with electric boiler technology;

- xiv) \$4.500 million for the University of Canterbury to replace two coal boilers at their Dovedale campus;
- xv) \$0.200 million for Lincoln University to replace two chillers at their main campus, and install upgrades on a chiller at the New Zealand Biotron Research Facility, which will make it more efficient, greatly extend it's lifetime and allow it to run on a low GWP refrigerant;
- xvi) \$0.010 million for Lincoln University to install efficient LED lighting in their Johnstone Memorial Laboratory;
- xvii) \$0.122 million for the University of Otago to replace the coal boiler at their Invercargill campus;
- xviii) \$0.234 million for the University of Otago to install efficient LED lighting at their physiotherapy building at the Dunedin campus;

***Vote Internal Affairs***

- xix) \$0.284 million for the Department of Internal Affairs to install efficient LED lighting at their Archives New Zealand Wellington and Auckland buildings.

e. **Approve** the following changes to appropriations to provide for the decisions in recommendation d above, with a corresponding impact on net debt:

	\$m - increase/(decrease)				
<b>Vote Health Minister of Health</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27 &amp; Outyears</b>
<b>Non-Departmental Capital Expenditure: Health Capital Envelope</b>	-	39.543	-	-	-
<b>Total Capital</b>	-	39.543	-	-	-

***Minister of Finance: Approved / Not approved***

***Minister of Climate Change: Approved / Not approved***

***Minister of Health: Approved / Not approved***

	\$m – increase/(decrease)				
<b>Vote Business, Science and Innovation Minister of Energy and Resources</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27 &amp; Outyears</b>
<b>Capital Injections:</b> Ministry of Business, Innovation and Employment - Capital Injection	0.907	0.175	-	-	-
<b>Non-Departmental Capital Expenditure:</b> Energy and Resources: Crown Energy Efficiency - Capital Injection	-	4.563	4.500	-	-
<b>Total Capital</b>	<b>0.907</b>	<b>4.738</b>	<b>4.500</b>	-	-

*Minister of Finance: Approved / Not approved*

*Minister of Climate Change: Approved / Not approved*

*Minister of Energy and Resources: Approved / Not approved*

	\$m – increase/(decrease)				
<b>Vote Internal Affairs Minister of Internal Affairs</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27 &amp; Outyears</b>
<b>Departmental Capital Injection</b>	-	0.284	-	-	-
<b>Total Capital</b>	-	<b>0.284</b>	-	-	-

*Minister of Finance: Approved / Not approved*

*Minister of Climate Change: Approved / Not approved*

*Minister of Internal Affairs: Approved / Not approved*

- f. **Agree** that the capital expenditure incurred under recommendation e above be charged against the State Sector Decarbonisation – Tagged Capital Contingency.

*Minister of Finance: Agree / Disagree*

*Associate Minister of Finance: Agree / Disagree*

*Minister of Climate Change: Agree / Disagree*

- g. **Agree** that the proposed changes to appropriations above be included in the 2022/23 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply.

*Minister of Finance: Agree / Disagree*

*Associate Minister of Finance: Agree / Disagree*

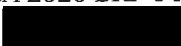
*Minister of Climate Change: Agree / Disagree*

- h. **Note** that EECA and MBIE (where appropriate) will amend existing agreements with each organisation receiving funding drawn down in recommendation d above, detailing project implementation timeframes and providing for effective monitoring and evaluation of the programme.
- i. **Note** that following the adjustments detailed in rec e above, the remaining balance of the tagged capital contingency (which expires on 30 June 2025) will be as follows:

	\$m				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
State Sector Decarbonisation – Tagged Capital Contingency	4.387	-	-	-	-

j. 

*Update on NZDF's Burnham coal boiler project*

- k. **Note** that NZDF's Burnham coal boiler project has faced significant cost escalation since Ministers approved the project in June 2020 (with \$3.840 million SSD Funding for the \$9.600 million project, refer EECA 2020 BRF 040). The total cost for the coal boiler replacement is now estimated at 



- l. **Note** that EECA has continued to work with NZDF to identify solutions to support the project completion by June 2025, as required of all SSDF projects.
- m. **Note** that EECA has considered the merits of providing further SSD Funding to support the Burnham coal boiler removal, however NZDF has reported that the internal and external infrastructure upgrades required to support the replacement are preventing them from bringing forward the project's timelines to align with a June 2025 completion.
- n. **Approve** officials putting in place a Variation of Contract (VOC) with NZDF to rescope the Burnham coal boiler project with the \$9.600 million SSDF project (with 40% SSDF co-funding, \$3.840 million). The SSD Funding will then cover the first stage of the three-stage project which will deliver 15% of the total conversion and 23% of the original project's emissions reductions.

*Minister of Finance: Approve / Disapprove*

*Associate Minister of Finance: Approve / Disapprove*

*Minister of Climate Change: Approve / Disapprove*

- o. **Note** this will mean that NZDF's Burnham coal boiler will remain in use (with lower demand) beyond 2025, with final decommissioning of the coal boiler forecasted for 2028/29.
- p. **Agree** to forward this briefing to the Minister of Economic Development for his information.

*Minister of Finance: Agree / Disagree*

*Minister of Climate Change: Agree / Disagree*



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Andrew Caseley  
CHIEF EXECUTIVE, EECA  
15 / 03 / 2023



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Daniel Brown  
MANAGER, ENERGY USE, MBIE  
15 / 03 / 2023


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Hon Grant Robertson  
**MINISTER OF FINANCE**  
--/--/--



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Hon Dr Megan Woods  
**ASSOCIATE MINISTER OF FINANCE**  
28/3/23



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Hon Dr Megan Woods  
**MINISTER OF ENERGY AND  
RESOURCES**  
28/3/23

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Hon Dr Ayesha Verrall  
**MINISTER OF HEALTH**  
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Hon Barbara Edmonds  
**MINISTER OF INTERNAL AFFAIRS**  
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Hon James Shaw  
**MINISTER OF CLIMATE CHANGE**  
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## Background

2. The Government established the State Sector Decarbonisation Fund (SSDF) as part of its Capital Investment Package announced in December 2019. The Minister of Finance and Minister of Climate Change were delegated joint authority to make further decisions on how to deploy this capital, in consultation with the Minister of Energy and Resources. The Minister of Finance then set an expectation that the Associate Minister of Finance and the Minister of Climate Change will reach a consensus view on projects recommended for funding before he receives advice on them.
3. As an outcome of the DPMC stocktake on the Carbon Neutral Government Programme (CNGP) officials identified opportunities to improve the approval process for the SSDF. In

August 2022, Ministers agreed to establish a new arrangement whereby all SSDF Ministers receive project approval briefings at the same time as portfolio Ministers (whose signatures are required for final project approval)<sup>3</sup>. This change is anticipated to reduce the time required for Ministerial approval to expedite the delivery of projects. Tranche 12 was the first time the improved approval process was used.

4. To date, Ministers have approved the drawdown of \$165.178 million from the \$219.537 million capital fund, as follows:

<b>Drawdown</b>	<b>Funding (\$m)</b>
Tranches One and Two	22.733
Tranche Three	56.783
Tranche Four	6.251
Tranche Five	10.683
Tranche Six	4.092
Tranche Seven	10.351
Tranche Eight	5.092
Tranche Nine	17.831
Tranche Ten	4.819
Tranche Eleven	4.226
Tranche Twelve	16.086
Tranche Thirteen	6.533
Return of funds due to project underspend	(0.882)

<sup>3</sup> As agreed in [EECA 2022 BRF 007, MBIE: 2122-4905]

Operational costs for the establishment of the CNGP	0.580
<b>Total funding drawn down</b>	165.178
<b>Remaining funding</b>	54.359

5. See **Table One** on pages 19-23 for a summary of all previously approved projects under the 13 tranches.

### Recommended Tranche 14 projects

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6. We recommend you approve drawdown of \$49.972 million for Tranche 14 projects. We recommend these projects based on their fit with the five investment principles you agreed when establishing the tagged capital contingency in January 2020<sup>4</sup>, and as revised (italicised) by agreement of the CNGP Ministerial Group<sup>5</sup>:
- i) Projects must be able to be fully implemented *by the end of 2025*<sup>6</sup>, and be broadly implementation ready and supported by business case and/or feasibility studies where appropriate;
  - ii) Projects should provide significant emissions reductions, including by catalysing additional emissions abatement beyond the State sector;
  - iii) Projects should aim to optimise Crown value for money;
  - iv) Projects should, where possible, demonstrate government leadership and reinforce signals from wider climate policy;
  - v) The number of decarbonisation projects should, where possible, be maximised by leveraging funding from State sector organisations.
7. Our recommended projects are as follows (see Table Two for a summary of all Tranche 14 projects and their associated marginal abatement costs):

#### Health

- i) **\$38.000 million for Te Whatu Ora** to support their Stationary Energy Transition Programme. Te Whatu Ora will invest \$61.000 million from their budget. The programme is estimated to reduce stationary energy emissions across New Zealand hospitals by around 230,000 tonnes over ten years (around 23,000 tonnes per annum on average over 10 years). This centralised approach will allow Te Whatu Ora to

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<sup>4</sup> Treasury Report Number T2019/4160

<sup>5</sup> Following discussion at its 7 July 2021 meeting

<sup>6</sup> From 2022/23

deliver decarbonisation projects across their hospitals, aligning investment with their required emissions reductions under the Carbon Neutral Government Programme (CNGP). Should you approve this funding, Te Whatu Ora will prioritise and commit to projects by 30 June 2023 at which point we will provide an updated list to you. Projects will be informed by opportunities identified in the Energy Transition Accelerator (ETA)<sup>7</sup> undertaken by EECA for the Health sector. This will include boiler replacements (diesel and fossil gas) and upgrades, LED lighting upgrades and energy management projects (such as smart meters, energy monitoring systems, HVAC systems, chiller replacements). Fleet electrification projects will be out of scope. All projects will be delivered 30 June 2025.

- ii) **\$0.753 million for Te Whatu Ora – Canterbury** to purchase battery electric vehicles and install charging infrastructure (25 vehicles). Te Whatu Ora – Canterbury will invest \$0.754 million from its own budget. We estimate that this will reduce carbon emissions by around 831 tonnes over 10 years (around 83.1 tonnes per annum on average over 10 years).
- iii) **\$0.790 million for Te Whatu Ora - Whanganui** to purchase electric vehicles and install charging infrastructure (24 vehicles). Te Whatu Ora – Whanganui will invest \$0.789 million from its own budget. We estimate that this will reduce carbon emissions by around 838 tonnes over 10 years (around 83.8 tonnes per annum on average over 10 years).

#### **Universities**

- iv) **\$2.772 million for Massey University** to replace 18 gas boilers across its Albany, Manawatu and Wellington campuses with heat pump technology. Massey University will invest \$4.159 million from its own budget. We estimate that this will reduce carbon emissions by around 5,404 tonnes over 10 years (around 540.4 tonnes per annum on average over 10 years).
- v) **\$0.516 million for Massey University** to replace a chiller at their Albany campus with a more efficient model that uses a lower GWP refrigerant. Massey university will invest \$0.774 million from its own budget. We estimate that this will reduce carbon emissions by around 512 tonnes over 10 years (around 51.2 tonnes per annum on average over 10 years).
- vi) **\$0.115 million for Massey University** to install efficient LED lighting at its Manawatu campus. Massey University will invest \$0.344 million from its own budget. We estimate that this will reduce carbon emissions by around 440 tonnes over 10 years (around 44 tonnes per annum on average over 10 years).
- vii) **\$0.112 million for Victoria University of Wellington** to replace a fossil gas boiler in the Von Zedlitz building at their main Kelburn Campus with a low emissions

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<sup>7</sup> EECA's Energy Transition Accelerator programme supports organisations (both public and private) to develop a long-term pathway to emissions reduction by identifying technically and economically viable decisions and investments.

alternative. Victoria University will invest \$0.168 million from its own budget. We estimate that this will reduce carbon emissions by around 1,487 tonnes over 10 years (around 148.7 tonnes per annum on average over 10 years).

- viii) **\$4.500 million for the University of Canterbury** to replace the coal boiler at their Dovedale campus. The University of Canterbury will invest \$4.500 million from its own budget. We estimate that this will reduce carbon emissions by around 9,509 tonnes over 10 years (around 950.9 tonnes per annum on average over 10 years).
- ix) **\$0.200 million for Lincoln University** to replace two chillers across their RFH and Asurequality buildings on their main campus and install upgrades to a chiller at the New Zealand Biotron Research Facility which will make it more efficient, as well as extend its lifespan and allow it to use low GWP refrigerant. Lincoln University will invest \$0.299 million from its own budget. We estimate that this will reduce carbon emissions by 1,441 tonnes over 10 years (around 144.1 tonnes per annum on average over 10 years).
- x) **\$0.010 million for Lincoln University** to install efficient LED lighting at their Johnstone Memorial Laboratory. Lincoln University will invest \$0.032 million from its own budget. We estimate that this will reduce carbon emissions by 86 tonnes over 10 years (around 8.6 tonnes per annum on average over 10 years).
- xi) **\$0.122 million for the University of Otago** to replace a coal boiler at its Invercargill campus. The University of Otago will invest \$0.184 million from its own budget. We estimate that this will reduce carbon emissions by around 420 tonnes over 10 years (around 42 tonnes per annum on average over 10 years). Note this coal boiler has low annual emissions relative to other SSD Funded coal boiler replacements due to the low stationary energy demands at the University's Invercargill campus.
- xii) **\$0.234 million for the University of Otago** to install efficient LED lighting in the physiotherapy building at their Dunedin campus. The University of Otago will invest \$0.703 million from its own budget. We estimate that this will reduce carbon emissions by around 417 tonnes over 10 years (around 41.7 tonnes per annum on average over 10 years).

#### **Other**

- xiii) **\$1.082 million for the Ministry of Business, Innovation and Employment (MBIE)** to purchase electric vehicles and install charging infrastructure (35 vehicles). MBIE will invest \$1.081 million from its own budget. We estimate that this will reduce carbon emissions by around 478 tonnes over 10 years (around 47.8 tonnes per annum on average over 10 years).
- xiv) **\$0.284 million for the Department of Internal Affairs (DIA)** to install efficient LED lighting at their Wellington and Auckland based Archives New Zealand buildings. DIA will invest \$0.853 million from its own budget. We estimate that this will reduce carbon emissions by 1,524 tonnes over 10 years (around 152.4 tonnes per annum on average over 8.6 years).

- xv) **\$0.104 million for AgResearch** to replace three chillers across their campuses with more efficient models which use low GWP refrigerant. AgResearch will invest \$0.155 million from its own budget. We estimate that this will reduce carbon emissions by 802 tonnes over 10 years (around 80.2 tonnes per annum on average over 10 years).
  - xvi) **\$0.021 million for GNS Science** to install efficient LED lighting its Avalon campus. GNS Science will invest \$0.064 million from its own budget. We estimate that this will reduce carbon emissions by 127 tonnes over 10 years (around 12.7 tonnes per annum on average over 8.6 years).
  - xvii) **\$0.092 million for Te Papa** to purchase electric vehicles and install charging infrastructure (4 vehicles). Te Papa will invest \$0.110 million from its own budget. We estimate that this will reduce carbon emissions by around 66 tonnes over 10 years (around 6.6 tonnes per annum on average over 10 years).
  - xviii) **\$0.195 million for Lotteries NZ** to purchase electric vehicles and install charging infrastructure (6 vehicles). Lotteries NZ will invest \$0.202 million from its own budget. We estimate that this will reduce carbon emissions by around 234 tonnes over 10 years (around 23.4 tonnes per annum on average over 10 years).
  - xix) **\$0.070 million for the National Institute of Water and Atmospheric Research (NIWA)** to purchase electric vehicles and install charging infrastructure (2 vehicles). NIWA will invest \$0.081 million from its own budget. We estimate that this will reduce carbon emissions by around 58 tonnes over 10 years (around 5.8 tonnes per annum on average over 10 years).
8. In total, we estimate these projects will reduce the State sector's carbon emissions by around 254,674.0 tonnes over ten years<sup>8</sup> (Around 25,467.40 tonnes per annum on average).
  9. The fleet electrification projects will increase the number of electric vehicles co-funded through the SSDF to date by 96 (to 1,263 vehicles).
  10. The estimated project breakeven cost of abatement<sup>9</sup> for Tranche 14 projects ranges from \$ - 425 to \$1,631 per tCO<sub>2</sub>-e (see Table 2 below).
  11. Should you approve our recommended \$49.972 million for Tranche 14 projects, this will bring the total funding drawn down to \$215.150 million (including the \$0.580 million drawn down for CNGP establishment costs), with \$4.387 million remaining in the tagged capital contingency. This will take the combined emissions reduced from the first 14 tranches to an estimated 945,699 tonnes over ten years (around 94,569.9 tonnes per annum on average over ten years).<sup>10</sup>

<sup>8</sup> Ten years from the date of commissioning, which in some cases will not occur until future financial years.

<sup>9</sup> The estimated project breakeven cost of abatement refers to the CO<sub>2</sub> price at which net present value of the project is zero.

<sup>10</sup> Note that many assets have a lifespan of longer than ten years, meaning the actual emissions reduction impact per dollar of capital investment in alternatives will continue beyond 10 years.

12. Note these carbon reduction estimates are based on projected fossil fuel consumption and savings estimates reported by agencies. As we deliver projects, we will assess the actual abatement impact and report to Ministers on progress (as part of our monitoring and evaluation of projects).
13. EECA and MBIE (where relevant) will add to existing agreements with each organisation receiving funding. This agreement will detail specific deliverables and implementation timeframes and provide for robust monitoring and evaluation of project outcomes.

### Progress towards removing all coal boilers

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14. One of the core objectives of the Fund has been to support the removal of all coal boilers remaining across 24 state sector sites. Should you approve funding for this tranche's coal boiler removal projects at University of Canterbury (2) and University of Otago (1), [REDACTED]

15. [REDACTED]

### Update on NZDF's Burnham coal boiler replacement project

16. Through the Fund's monthly reports, EECA has provided updates on the replacement of NZDF's Burnham coal boiler which has faced significant cost escalation since receiving Ministers' approval in June 2020 among Tranche 2 projects (refer EECA 2020 BRF 040). Initially, the total project cost was estimated at \$9.600 million with 40% SSDF co-funding (\$3.840 million).
17. The project has been complex from the outset based on the extensive upgrades to the dependent electrical networks both internally and externally which are crucial to replacing the coal boiler. This work was included in the initial budget for the project however the project has failed to meet required financial milestones over the past 2.5 years as NZDF have worked through updating the project's scope and receiving approval and budget to support the site-wide electrical network upgrades. The COVID pandemic also resulted in an increased presence at Burnham, and placed demand on buildings necessitating a staged approach to this upgrade work. Despite this, it wasn't until last month that officials were informed that due to the factors listed above, the boiler replacement would not be complete by mid-2025.
18. As a result of this further project design work which illuminated the complexity of the electrical upgrades, NZDF have revised their initial total cost estimate for the project to around [REDACTED]. The slow project start up since receiving project approval has also contributed to this cost escalation.



19. In light of these challenges, NZDF have identified a series of options to progress the project. Their preferred option (which EECA sees as the most viable and is recommended), is to deliver the project in stages. This approach pushes out the completion date to 2029, with the following stages:

#### **Stage 1**

- The first stage of the project is expected to deliver upgrades that can be completed within the constraints of the existing infrastructure, to the value of the initial \$9.600m SSDF project.
- The revised project will deliver support upgrades to 15% of the in-scope buildings, reducing the load on the coal boiler to achieve a reduction in emissions of 1,132 T CO<sub>2</sub>e, which represents 23.3% of the SSDF agreed carbon saving target. This stage of the project will be complete by 30 June 2025.

#### **Stages 2 and 3**

- The final two stages will go beyond the SSDF project, with NZDF funding remaining parts of the project through their operational budget. The second stage will deliver the electrical upgrades required to Burnham's internal and external networks.
  - The third and final stage includes upgrading the remaining buildings from 2027/28, which will enable the coal boiler to be shut down in 2028/29. Once the final project is complete, the total carbon abatement of 4,860 TCO<sub>2</sub>e will be realised.
20. NZDF also considered requesting further SSD Funding support to deliver the coal boiler replacement in its entirety by June 2025. However due to the operational impact on NZ Army as well as the electrical upgrades not being complete by then, they believe this is not viable. Due to these reasons, EECA advises against allocating further funding for this project from the SSDF. EECA's view is that SSDF Funding would be better spent on removing the three remaining coal boilers at Defence (refer paragraph 15) as these projects have a greater chance of being successfully delivered before June 2025.

### Future opportunities to support State Sector decarbonisation

21. To date, the SSDF has provided the primary source of co-funding to support agencies emissions reductions requirements under the CNGP. This funding has bridged the financial gap between capital cost of equipment replacements with low emissions alternatives.
22. Despite the significant investment to date, stationary energy emissions continue to constitute a significant portion of emissions across the State sector, as shown in the Tranche 1 CNGP emissions reporting, due to be presented to Ministers ahead of the upcoming March CNGP Ministers meeting.

### Update on electric vehicle leasing

28. Budget 2021 included \$41.792 million increase in operational funding over four years for EECA, mainly to support State sector fleet optimisation and the leasing of electric vehicles but also to support delivery of the CNGP.
29. Since Tranche 13, EECA has agreed to support four more leasing project(s) (leased vehicles and associated charging infrastructure):
  - i) **\$0.060 million for Agresearch** to lease 2 electric vehicles and install charging infrastructure (2 chargers).
  - ii) **\$0.110 million for Te Pukenga – Wintec** to lease 4 electric vehicles and install charging infrastructure (5 chargers).
  - iii) **\$0.666 million for Te Whatu Ora – Tairwhiti** to lease 37 electric vehicles and install charging infrastructure (20 chargers).
  - iv) **\$2.202 million for Ministry of Education** to lease 78 electric vehicles and install charging infrastructure (78 chargers).
30. To date (including the \$3.038 million above), we have committed \$9.195 million of the \$41.792 million to 22 leasing projects, with a further \$0.591 million funding to 25 fleet optimisation plans, charging assessments and fleet audits.

31. We will provide updates on further leasing projects in future Tranche drawdown briefings.

Table One – Summary of projects to which funding has been committed (Tranche One to Tranche Thirteen)

Notional Allocation	Organisation	Tranche	Location	Project	Project cost	SSD Funding	Co-funding	Ten-year emissions reduction	Estimated breakeven cost of abatement	Project status
Health	Te Whatu Ora - Waitaha Canterbury	1	Ashburton Hospital	Coal boiler replacement	6.000	2.400	40%	23,850	109	Project underway
	Te Whatu Ora - Waitaha Canterbury	1	Hillmorton Hospital, Christchurch	Green Star sustainability rating	2.800	2.800	100%	0	N/A	Project underway
	Te Whatu Ora - Lakes	2	Taupo Hospital	Chiller replacement	0.184	0.092	50%	340	394	Chillers replaced
	Te Whatu Ora - Te Pae Hauora o Ruahine o Taranui MidCentral	2	Palmerston North Hospital	Chiller replacement	0.350	0.175	50%	3,050	52	Chiller replaced
	Te Whatu Ora - Counties Manukau	3	Middlemore Hospital, Auckland	Lighting replacement	0.367	0.147	40%	420	-130	Project underway
	Te Whatu Ora - Southern	3	Kew Hospital, Invercargill	Chiller replacement	0.800	0.320	40%	1,500	388	Chiller replaced
	Te Whatu Ora - Taranaki	3	Renal Unit at Taranaki Base Hospital, New Plymouth	Energy efficiency improvement	0.960	0.200	21%	300	2,283	Project underway
	Te Whatu Ora - Te Toka Tumai Auckland	4	Building 32, Auckland City Hospital	Lighting upgrade	0.430	0.172	40%	355	131	Lighting installed
	Te Whatu Ora - Te Matau a Maui Hawke's Bay	4	Information Services server room at Hawke's Bay Hospital, Hastings	Replace process cooler unit	0.125	0.050	40%	45	1,429	Cooler unit replaced
	Te Whatu Ora - Te Matau a Maui Hawke's Bay	4	Villa 6 Outpatients Facility at Hawke's Bay Hospital, Hastings	Replace and upgrade air conditioning units	0.032	0.013	40%	21	423	Air conditioning installed
	Te Whatu Ora - Taranaki	4	Acute Services at Taranaki Base Hospital, New Plymouth	Natural gas boiler replacement	2.700	1.080	40%	10,040	138	Project design
	Te Whatu Ora - Waikato	4	Hague Road Carpark, Waikato Hospital, Hamilton	Lighting upgrade	0.134	0.058	43%	127	9	Lighting installed
	Te Whatu Ora - Waitaha Canterbury	6	Christchurch Women's Hospital	Lighting upgrade	0.409	0.204	50%	342	124	Project underway
	Te Whatu Ora - Capital, Coast & Hutt Valley	6	Across CCDHB sites	Lighting upgrade	2.739	1.096	40%	1,895	307	Project underway
	Te Whatu Ora - Waikato	6	Meade Clinical Centre, Waikato Hospital, Hamilton	Lighting upgrade	0.300	0.120	40%	332	-102	Lighting installed
	Te Whatu Ora - Te Toka Tumai Auckland	7	Building A32, Auckland City Hospital	Lighting upgrade	8.125	2.031	25%	4,813	496	Project underway
	Te Whatu Ora - Counties Manukau	7	Manukau Health Park	Chiller replacement	0.915	0.366	40%	3,991	144	Project underway
	Te Whatu Ora - Nelson Marlborough	7	Wairau Hospital, Blenheim	Lighting upgrade	0.167	0.067	40%	254	-296	Lighting installed
	Te Whatu Ora - Southern	7	Dunedin Energy Centre	Coal boiler (3) replacements	1.200	1.200	100%	147,740	-7	Awaiting Ministerial announcement
	Te Whatu Ora - Southern	7	Tokanui Medical Centre	Diesel boiler replacement	0.075	0.030	40%	83	162	Project underway

	Te Whatu Ora - Capital, Coast & Hutt Valley	8	Main Hospital building at Wellington Hospital	Heat recovery project	0.912	0.365	40%	3,810	121	Project underway
	Te Whatu Ora - Te Pae Hauora o Ruahine o Tararua MidCentral	8	Palmerston North Hospital	Lighting upgrade	0.191	0.048	25%	65	1,456	Lighting installed
	Te Whatu Ora - Southern	8	Mental Health Unit at Dunstan Hospital	Diesel boiler replacement	0.3	0.120	40%	323	176	Project underway
	Te Whatu Ora - Waitaha Canterbury	10	Christchurch Hospital	Energy efficiency water cooling project	0.15	0.060	40%	150	-720	Project underway
	Te Whatu Ora - Capital, Coast & Hutt Valley	10	Hutt Hospital	LED lighting installation at Hutt Hospital	3.118	0.780	25%	2080	351	Project underway
	Te Whatu Ora - Lakes	11	Rotorua hospital	LED lighting upgrade	0.25	0.063	25%	169	341	Awaiting Ministerial announcement
	Te Whatu Ora - Capital, Coast & Hutt Valley	11	Total Energy Towers	DCI water treatment system	0.36	0.144	40%	187	1505	Awaiting Ministerial announcement
	Te Whatu Ora - Hauora a Toi Bay of Plenty	11	Tauranga Hospital	LED lighting upgrade	0.101	0.025	25%	104	-78	Awaiting Ministerial announcement
	Te Whatu Ora - Southern	11	Dunedin energy centre	Coal Boiler replacement (Tranche 7 top up)	1	1.000	100%	0	0	Awaiting Ministerial announcement
	Te Whatu Ora - Te Tai Tokerau	11	Whangarei Hospital	Gas boiler (2) replacement	0.975	0.390	40%	1100	481	Awaiting Ministerial announcement
	Te Whatu Ora	12	Multiple	Coal boiler replacements (11)	12.000	12.000	100%	56020	103	Awaiting Ministerial Announcement
	Te Whatu Ora - Tairāwhiti	12	Gisborne hospital	Gas boiler replacement	5.000	3.000	60%	18700	192	Awaiting Ministerial announcement
	Te Whatu Ora - Counties Manukau	12	Middlemore hospital	Heat recovery project	2.715	1.086	40%	18660	69	Awaiting Ministerial Announcement
<b>Total</b>					<b>55.884</b>	<b>31.702</b>		<b>300,886</b>	<b>89</b>	
<b>Primary/Secondary Schools</b>	Ministry of Education	9	All remaining schools (approx. 60)	Coal boiler replacements	20.000	10.000	50%	35,400	395	Site visits underway
	Ministry of Education	Multiple	Up to approximately 120 schools	Coal boiler replacements	54.840	54.840	100%	70,800	395	Site visits underway
<b>Total</b>					<b>74.840</b>	<b>64.840</b>		<b>106,200</b>	<b>395</b>	
<b>Fleet</b>	Inland Revenue Department	2	Fleet electrification	Electric vehicles (33) & charging infrastructure	2.000	1.015	51%	570	1,181	Project complete
	Te Whatu Ora - Te Pae Hauora o Ruahine o Tararua MidCentral	2	Fleet electrification	Electric vehicle & charging infrastructure	0.073	0.041	56%	15	1,785	Project complete
	Accident Compensation Corporation	4	Fleet electrification	Electric vehicles (25) & charging infrastructure	1.517	0.758	50%	350	1,547	Project complete
	Department of Conservation	4	Fleet electrification	Electric vehicles (30) & charging infrastructure	2.079	1.039	50%	1,369	299	Project complete
	Statistics New Zealand	4	Fleet electrification	Electric vehicles (4)	0.216	0.108	50%	78	845	Project complete
	Te Puni Kōkiri	4	Fleet electrification	Electric vehicles (16) & charging infrastructure	1.005	0.493	50%	363	851	Project complete
	Te Whatu Ora - Te Matau a Maui Hawke's Bay	4	Fleet electrification	Electric vehicle (1) & charging infrastructure	0.062	0.029	47%	36	390	Project complete
	Department of Conservation	5	Fleet electrification	Electric vehicles (98) & charging infrastructure	6.411	3.206	50%	3,530	652	Project complete
	Kāinga Ora	5	Fleet electrification	Electric vehicles (40) & charging infrastructure	2.260	1.126	50%	860	790	Project complete
	Ministry of Education	5	Fleet electrification	Electric vehicles (3) & charging infrastructure	0.169	0.084	50%	64	796	Project complete

New Zealand Defence Force	5	Fleet electrification	Electric vehicles (32) & charging infrastructure	2.363	0.983	42%	1,050	623	Vehicles in delivery
Scion	5	Fleet electrification	Electric vehicles (3) & charging infrastructure	0.200	0.096	48%	65	990	Project complete
Te Whatu Ora - Te Tai Tokerau	5	Fleet electrification	Electric vehicles (150) & charging infrastructure	8.613	4.306	50%	3,840	620	68 vehicles delivered. Chargers installed
Te Whatu Ora - Waitemata	6	Fleet electrification	Electric vehicles (10) & charging infrastructure	0.316	0.158	50%	124	793	Project design
Ministry of Primary Industries	7	Fleet electrification	Electric vehicles (52) and charging infrastructure	3.260	1.553	48%	1,001	1,069	49 vehicles ordered
Waitemata District Health Board	7	Fleet electrification	Electric vehicles (62) & charging infrastructure	3.417	1.708	50%	1,131	965	Vehicles delivered
Western Institute of Technology	7	Fleet electrification	Electric vehicles (3) & charging infrastructure	0.242	0.105	43%	101	687	Project complete
Department of Corrections	8	Fleet electrification	Electric vehicles (24) & charging infrastructure	1.424	0.676	47%	362	1,370	Project complete
Kāinga Ora	8	Fleet electrification	Electric vehicles (28) & charging infrastructure	1.993	0.921	50%	416	1,797	Project complete
Ministry of Social Development	8	Fleet electrification	Electric vehicles (2) and charging infrastructure	0.093	0.046	50%	56	358	Project complete
New Zealand Police	8	Fleet electrification	Electric vehicles (45) & charging infrastructure	3.4	1.700	50%	1,761	481	20 vehicles delivered
Te Whatu Ora - Wairarapa	8	Fleet electrification	Electric vehicles (2)	0.089	0.045	50%	47	469	Project complete
Lincoln University	8	Fleet electrification	Electric vehicles (2) & charging infrastructure	0.115	0.057	50%	59	486	Project complete
Te Whatu Ora - Hauora a Toi Bay of Plenty	8	Fleet electrification	Electric vehicles (20) & charging infrastructure	1.261	0.631	50%	878	262	Project complete
Kāinga Ora	9	Fleet electrification	Electric vehicles (141) & charging infrastructure	8.696	3.787	44%	2999	911	Vehicles in delivery
Landcare Research NZ	9	Fleet electrification	Electric vehicles (2) & charging infrastructure	0.113	0.056	50%	45	736	Vehicles in delivery
Ministry of Social Development	9	Fleet electrification	Electric vehicles (109) and charging infrastructure	7.489	3.370	45%	1688	1,891	First vehicles arrived
Television New Zealand	9	Fleet electrification	Electric vehicles (2) & charging infrastructure	0.114	0.057	50%	69	356	Project complete
WorkSafe New Zealand	9	Fleet electrification	Electric vehicles (18) & charging infrastructure	1.163	0.561	48%	400	914	Project complete
Department of Internal Affairs	10	Fleet electrification	Electric vehicles (48) & charging infrastructure	3.126	1.467	47%	709	1580	Project underway
Canterbury District Health Board	10	Fleet electrification	Electric vehicles (27) & charging infrastructure	1.589	0.789	50%	1007	325	Project underway
NIWA	10	Fleet electrification	Electric vehicles (2) & charging infrastructure	0.133	0.066	50%	43	992	Project complete
New Zealand Lotteries Commission	10	Fleet electrification	Electric vehicles (1) & charging infrastructure	0.057	0.029	50%	10	2172	Project complete
Callaghan Innovation	10	Fleet electrification	Electric vehicles (5) & charging infrastructure	0.325	0.163	50%	61	1988	Vehicles in delivery
Education Review Office	10	Fleet electrification	Electric vehicles (5) & charging infrastructure	0.270	0.135	50%	101	811	Vehicles in delivery
Department of Corrections	11	Fleet electrification	Electric vehicles (21) & charging infrastructure	1.329	0.581	50%	540	509	Awaiting Ministerial announcement
Te Whatu Ora - Hauora a Toi Bay of Plenty	11	Fleet electrification	Electric vehicles (60) & charging infrastructure	4.103	2.023	49%	1798	823	Awaiting Ministerial announcement

	Te Whatu Ora - Te Toka Tumai Auckland	13	Fleet electrification	Electric vehicles (40) & charging infrastructure	2,510	1,255	50%	693	1231	Awaiting Ministerial announcement
<b>Total</b>					<b>73,595</b>	<b>35,223</b>		<b>28,289</b>	<b>833</b>	
<b>Tertiary Education</b>	Auckland University of Technology	2	WB Building, Auckland	Natural gas boiler/chiller replacement	2,812	1,125	40%	4,010	378	Project underway
	Auckland University of Technology	2	WB Building, Auckland	Lighting upgrade	0,259	0,105	40%	440	-347	Lighting installed
	Auckland University of Technology	2	WC Building, Auckland	Natural gas boiler replacement	0,150	0,060	40%	330	241	Boiler replaced
	University of Canterbury	2	Ilam, Christchurch	Coal boiler replacement	15,600	6,240	40%	90,000	81	Project underway
	Lincoln University	3	Lincoln	Coal boiler replacement	11,440	4,576	40%	45,500	109	Project underway
	University of Auckland	3	Building 201, Auckland	Natural gas boiler replacement	0,625	0,250	40%	530	644	Equipment installed
	Massey University	4	Manawatū Campus Library, Palmerston North	Building improvements	4,762	2,000	42%	3,910	374	Project design
	Southern Institute of Technology	4	Telford College, Balclutha	Coal boiler replacements	0,552	0,276	50%	3,819	65	Boiler replaced
	Victoria University of Wellington	4	Rankine Brown building, Wellington	Lighting upgrade	0,436	0,175	40%	746	-351	Lighting installed
	Lincoln University	6	Lincoln	Lighting upgrade	0,496	0,198	40%	430	86	Lighting installed
	University of Canterbury	6	Ilam, Christchurch	Boiler replacement (expanding the scope of a Tranche Two project)	5,400	2,160	40%	20,000	134	Project underway
	University of Waikato	6	Field, court and campus, Hamilton	Lighting upgrade	0,308	0,154	50%	171	591	Lighting installed
	University of Otago	7	Arana College, Dunedin	Coal boiler replacement	0,561	0,224	40%	7,175	28	Project underway
	University of Waikato	7	Hamilton	Chiller replacement	0,220	0,100	45%	170	239	Chiller replaced
	Waikato Institute of Technology (Wintec)	7	Hamilton	Lighting upgrade	0,346	0,138	40%	319	34	Lighting installed
	Northland Polytechnic	8	Northland Polytechnic Campus	Lighting upgrade	0,091	0,023	25%	63	305	Lighting installed
	University of Waikato	8	Student village, Hamilton	Natural gas boiler replacement	0,176	0,080	46%	86	1,600	Equipment installed
	University of Waikato	10	Hillcrest Campus	Lighting upgrade	1,8	0,450	25%	1618	54	Awaiting Ministerial announcement
	University of Waikato	10	Hillcrest Campus	Gas boiler replacement	2,15	0,860	40%	4100	290	Awaiting Ministerial announcement
	Victoria University of Wellington	13	Kelburn Campus	Lighting upgrade	0,501	0,125	25%	670	-226	Awaiting Ministerial announcement
	Auckland University of Technology	13	WM & WH building	Chiller and boiler replacements	5,800	2,320	40%	4,802	930	Awaiting Ministerial announcement
	Lincoln University	13	Lincoln	Chiller replacements	0,400	0,160	40%	159	1848	Awaiting Ministerial announcement
	Lincoln University	13	NZ BioTron	Lighting upgrade	0,192	0,048	25%	126	358	Awaiting Ministerial announcement
Massey University	13	Albany - Library	Gas boiler replacement	1,335	0,534	40%	749	980	Awaiting Ministerial announcement	
Southern Institute of Technology	13	Invercargill	Coal boiler replacement	2,203	1,322	60%	3,680	544	Awaiting Ministerial announcement	
Southern Institute of Technology	13	Invercargill	Lighting upgrade	0,200	0,050	25%	313	-309	Awaiting Ministerial announcement	

Total					88.816	23.753		103.918	141	
<b>Defence</b>	New Zealand Defence Force	2	Burnham	Coal boiler replacement	9.600	3.840	40%	48,600	79	Project design
Total					9.600	3.840		48600	79	
<b>Corrections</b>	Department of Corrections	7	Invercargill Prison	Coal boiler replacement	4.042	2.829	70%	8,742	241	Project design
Total					4.042	2.829		8742	241	
<b>Other</b>	Parliamentary Services	3	Parliamentary Precinct	Lighting upgrade	1.6	0.640	40%	1290	153	Project underway
	Parliamentary Services	3	Parliamentary Precinct	Roof mounted solar PV	0.650	0.650	100%	400	762	Project underway
	New Zealand Police	8	Papakura Police Station	Boiler and chiller replacement	0.761	0.380	50%	767	540	Project design
	Department of Internal Affairs	10	Avalon	LED lighting installation at Avalon premises	0.082	0.020	25%	64	184	Lighting installed
	Scion	13	Rotorua hospital	Chiller replacement	1.797	0.719	40%	1,891	380	Awaiting Ministerial announcement
Total					4.890	2.409		4412	373	
<b>Fund Total</b>	-	-	-	-	281.666	164.596		691,025	175	-



**Table Two – Summary of recommended Tranche Fourteen Projects**

Sector	Organisation	Project Type	Total Project Cost (\$M)	Recommended draw-down (\$M)	Ten-year carbon emissions reductions (tonnes)	Per annum emissions reductions	Estimated project breakeven cost of abatement (\$/tCO <sub>2</sub> -e)
Health	Te Whatu Ora	Multiple	99.000	38.000	230,000	23,000.0	165
	Te Whatu Ora - Canterbury	25 EVs & charging infrastructure	1.507	0.753	831	83.1	480
	Te Whatu Ora - Whanganui	24 EVs & charging infrastructure	1.579	0.790	838	83.8	461
Tertiary	Massey University	Gas Boiler replacements (18)	6.931	2.772	5404	540.4	838
	Massey University	Chiller replacement	1.290	0.516	512	51.2	134
	Massey University	LED Upgrade	0.459	0.115	440	44.0	1
	Victoria University	Gas Boiler Replacement	0.280	0.112	1487	148.7	668
	University of Canterbury	Coal Boiler replacement	9.000	4.500	9509	950.9	471
	Lincoln University	Chiller replacements (3)	0.499	0.200	1441	144.1	238
	Lincoln University	LED Upgrade	0.042	0.010	86	8.6	-425
	University of Otago	Coal Boiler Replacement	0.306	0.122	420	42.0	389
	University of Otago	LED Lighting	0.937	0.234	417	41.7	926
Central Government (public service)	Ministry of Business, Innovation and Employment	35 EVs & charging infrastructure	2.163	1.082	478	47.8	1,631
	Department of Internal Affairs	LED Upgrade	1.137	0.284	1524	152.4	-227
	AgResearch	Chiller replacements (3)	0.259	0.104	802	80.2	219
	GNS Science	LED Upgrade	0.085	0.021	127	12.7	-290
	Te Papa	4 EVs & charging infrastructure	0.202	0.092	66	6.6	1,184
	Lotteries NZ	6 EVs & charging infrastructure	0.397	0.195	234	23.4	435
	NIWA	2 EVs & charging infrastructure	0.151	0.070	58	5.8	766
Total/Average	-	-	126.224	49.972	254,674	25,467.4	626

## Official Information Act Requests

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**From:** Mandira Shailaj  
**Sent:** Friday, 31 March 2023 2:00 pm  
**To:** Jake McLaren; Janelle Rees; Matthew Schep; Kathy Fleming; Coreen Adamson; Bronwyn Golding; Ollie Cox; Disee Anorpong; Louise Bullen; Richard Lee; Rachel Cooper; Sultana Shah; Sol Marco Duncan; Lauren Dudley  
**Cc:** Will Jensen; Alexandra Doyle-Franklin; Paul Bull; Matthew Morris; Debbie Buck  
**Subject:** SSDF March Monthly Report - 31 March 2023  
**Attachments:** SSDF March Monthly Report - 31 March 2023.pdf

Kia ora all,

Please find attached the SSDF March update which was just sent to SSDF Ministers (Minister of Finance, Associate Minister of Finance, Minister of Climate Change).

Please let me know if you have any questions.

Ngā mihi,

**Mandira Shailaj**

Advisor, Policy & Engagement



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## Overview

This report provides the Minister of Finance, the Minister for Climate Change and the Associate Minister of Finance with an update on progress under the Government's \$219.54m\* State Sector Decarbonisation (SSD) Fund.

\*of which \$0.58m has been allocated to the Ministry for the Environment, leaving EECA responsible for \$218.96m.

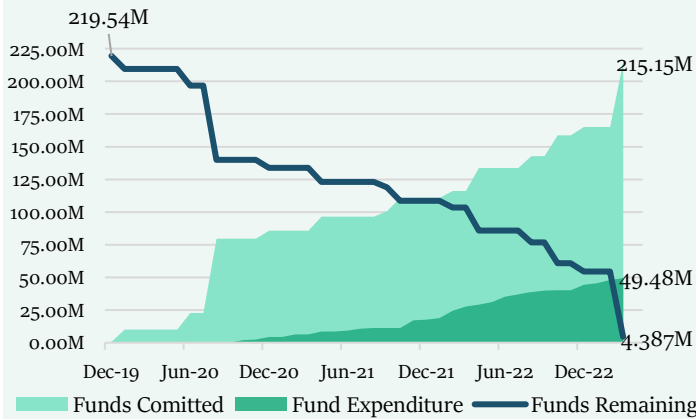
## Recent Activity

- Tranche 14 project approval briefing has been approved by Ministers. This tranche includes projects to the value of \$49.972 million, with associated emissions reductions of 254,674 tonnes over ten years.
- There will be \$4.387 million SSDF remaining 9(2)(f)(iv)

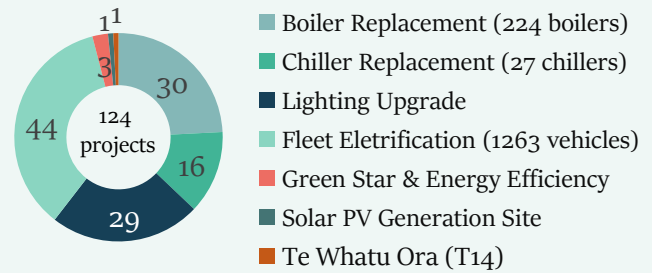
## Potential Risks

- No additional projects are at risk of delivery since the February update.
- NZDF's Burnham coal boiler replacement project was addressed in the Tranche 14 briefing paper where Ministers were advised of new timelines for the project. The project will now be completed in 3 stages, pushing the final completion date back to 2029. Stage 1 will deliver 23.3% (1,132T p.a.) of the emissions by 30 June 2025. The remaining emissions reductions will be realised once the project has been completed.

## Funding Allocation to Date



## Number of Projects by Type



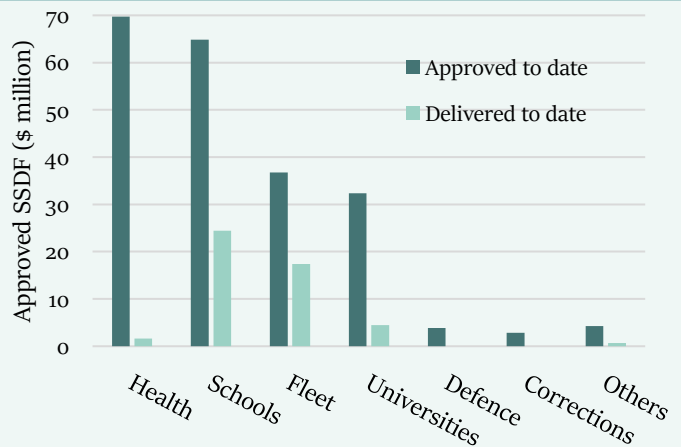
Committed CO2 Reductions:  
**94,569 tonnes p.a.**

Delivered CO2 Reductions:  
**6,473 tonnes p.a.**

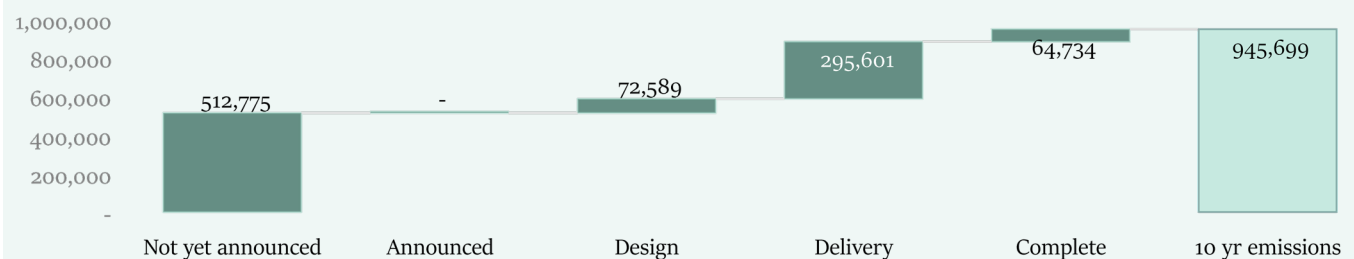
## SSDF Financial Milestones by Status



## Funding Approved to Date by Sector



## SSD Fund Emissions Savings by Project Status (10 yr t CO<sub>2</sub>)



## Appendix One: State Sector Decarbonisation Fund (SSDF) spend profile by Vote as of 31 March 2023

Vote	SSD Funding	Total funding paid out to date	Percentage of funding allocated spent	Overdue	Forecast Spend 2022/23	Forecast Spend 2023/24	Forecast Spend 2024/25
Education	64.924M	24.534M	38%	0.000M	21.739M	13.414M	5.237M
Business, Science, and Innovation*	41.836M	9.829M	23%	0.000M	8.919M	17.061M	6.027M
Health	82.231M	4.446M	5%	0.000M	11.846M	47.807M	18.132M
Conservation	4.245M	4.245M	100%	0.000M	0.000M	0.000M	0.000M
Defence Force	4.823M	0.459M	10%	0.000M	0.262M	0.262M	3.840M
Corrections	4.086M	0.676M	17%	0.000M	0.581M	0.000M	2.829M
Social Development	3.416M	1.094M	32%	0.000M	2.322M	0.000M	0.000M
Police	2.080M	0.644M	31%	0.000M	1.056M	0.380M	0.000M
Agriculture, Biosecurity, Fisheries, and Food Safety	1.553M	0.070M	5%	0.000M	1.406M	0.077M	0.000M
Parliamentary Service	1.290M	0.650M	50%	0.000M	0.640M	0.000M	0.000M
Revenue	1.015M	1.015M	100%	0.000M	0.000M	0.000M	0.000M
Maori Development	0.493M	0.493M	100%	0.000M	0.000M	0.000M	0.000M
Statistics	0.108M	0.108M	100%	0.000M	0.000M	0.000M	0.000M
Labour Market	0.561M	0.561M	100%	0.000M	0.000M	0.000M	0.000M
Education Review Office	0.135M	0.000M	0%	0.000M	0.135M	0.000M	0.000M
Internal Affairs	1.771M	0.075M	4%	0.000M	1.412M	0.284M	0.000M
CNGP Establishment Costs	0.580M	0.580M	0%	0.000M	0.000M	0.000M	0.000M
Adjustments to cover rounding errors (Tranche 6)	0.002M	0.002M	0%	0.000M	0.000M	0.000M	0.000M
<b>Total</b>	<b>215.15M</b>	<b>49.48M</b>	<b>23.00%</b>	<b>0.000M</b>	<b>50.32M</b>	<b>79.29M</b>	<b>36.07M</b>

\*these are for Crown entity projects that are spread across portfolios

## Appendix Two: State Sector Decarbonisation Fund (SSDF) Resolved At Risk Projects as of 31 March 2023

Organisation	Sector	Location	Project	Date of drawdown approval	Project Cost (\$m)	SSD Funding (\$m)	Co-funding	Original completion date	Project status
<b>NZ Defence Force</b>	Defence Force	Burnham	Coal boiler replacement	16/06/2020	9.600	3.840	40%	26/04/2024	Project schedule revised. Project to be completed in 3 stages between 2023 and 2029. 23.3% of emissions to be delivered by June 30 2025 and the remainder upon project completion.