
Vehicle Fuel Economy Labelling Scheme (VFEL)

Submission to the Energy Efficiency and Conservation Authority
3 August 2007

Background to IPENZ

The Institution of Professional Engineers New Zealand (IPENZ) is the lead national professional body representing the engineering profession in New Zealand. It has approximately 10,000 Members, including a cross-section from engineering students to practising engineers to senior Members in positions of responsibility in business. IPENZ is non-aligned and seeks to contribute to the community in matters of national interest giving a learned view on important issues, independent of any commercial interest.

Executive Summary

IPENZ has previously recommended the compulsory publication of vehicles' expected life cycle energy costs at point of sale and as such strongly supports the intention of government to convey fuel economy information to vehicle purchasers.

As indicated in our previous submission on the fuel economy labelling scheme, we consider it vital that the methodology used to determine fuel consumption data provides a fuel consumption value that can be compared across the fleet and that such information is clearly conveyed.

We do not seek to speak to this submission but are happy to meet to provide further explanation of our views.

Submission

The following points are our responses to the specific features of the scheme.

1. Mandatory for all vehicle dealers

We support the proposed application of the scheme to all traders.

2. Star rating system

We support the proposed comparative star rating.

3. Additional consumer information

We support the proposals (as outlined at the Vehicle Fuel Labelling Scheme Workshop) and recommend that the annual fuel cost takes Road User Charges into consideration to avoid misrepresenting the like costs associated with operating diesel vehicles.

4. Information on *Fuelsaver*

We support the proposal for the labelling to be based on the *Fuelsaver* website.

5. Online sales

We strongly support the intention that the proposed scheme will apply to all online sales. We consider this important as we understand that the decision to purchase a particular vehicle, or vehicle model, is often made before the purchaser first sees the vehicle and as such physical labelling on the vehicle itself will not be sufficient in isolation.

In addition, we note that vehicle fuel economy is only one of the performance specifications in which the Government and public appear to be interested. Consequently it seems appropriate for information to be provided regarding global emissions performance (for example, CO₂ emissions), local air quality emissions performance and fuel compatibility (such as fuel specification, including biofuels compatibility).

Conclusion

We strongly support mandatory labelling as a way to reduce the escalating demand for transport fuels and associated problems. As such, we support the intention of government to convey fuel economy information to vehicle purchasers via the Fuel Economy Labelling Scheme.

We consider it vital that the methodology used provides a fuel consumption value that can be compared across the fleet and that the information is presented in a way that can be easily interpreted by the general public and compared across the spectrum of vehicles for sale.