

Transferring the CREF and SEEC funds to EECA

Proposal for Change

20 November 2024

Te Kāwanatanga o Aotearoa New Zealand Government

Foreword from Justine Cannon and Dr Marcos Pelenur

Kia ora koutou,

The Community Renewable Energy Fund (CREF) and Support for Energy Education in Communities (SEEC) are administered by Ministry of Business Innovation and Employment (MBIE). SEEC funds use trusted third parties to deliver energy education services and low-cost efficiency improvements to low-income households, and communities affected by energy hardship. CREF provides targeted co-funding for solar PV and battery systems on civil defence and community buildings in regions most exposed to natural hazard risks, to lift resilience.

The Community Renewable Energy Fund was launched in 2023. It was established to support renewable energy projects that help communities access secure, renewable and more affordable energy.

The SEEC Programme was established following recommendations to government from the 2019 Electricity Price Review. It complements other initiatives across government, the community and private sector that focus on making homes warmer and more energy efficient.

SEEC has baseline funding, while the CREF is a time limited fund, currently set to run until 2027.

The responsibilities for both programmes have sat with MBIE for a combination of reasons, mostly because of capacity limits for the Energy Efficiency and Conservation Authority (EECA) to absorb the programmes in the past.

Consideration has been given to where administration for these funds best sits going forward and which agencies may be best placed to support future mahi to be undertaken associated with the funds. Both MBIE and Energy Efficiency and Conservation Authority both hold responsibilities for the Governments energy priorities. MBIE's core responsibilities are policy and oversight of the energy regulatory systems, while EECA's is for delivery of information and programmes relating to energy efficiency, energy conservation and the use of renewable energy.

On 11 November 2024 the Minister for Energy agreed that administration for CREF and SEEC would transfer from MBIE to EECA.

The basis for this decision is to achieve efficiencies and greater alignment for the delivery of SEEC and CREF with other energy funding programmes, which are primarily delivered by EECA. There are also opportunities to align these funds with other information provision and regulatory functions of EECA.

We are therefore proposing changes that reflect the decision to transfer the administration for CREF and SEEC to EECA, including the proposed disestablishment of some fixed term positions in the Community and Household Use team from MBIE, while establishing new positions in EECA.

We now invite your feedback on the proposed changes, including how we are giving effect to the transfer decision and its impact on your current position, noting that the decision to transfer responsibility has been made, and is not the subject of this consultation.

So, while this change process is different in nature to those you will have seen undertaken recently across MBIE, we want to be clear that you are our top priority throughout. MBIE and EECA are committed to supporting you through this transition by keeping you informed, answering your questions and considering your feedback on the proposed transition approach. We know CREF and SEEC have been successful because of your skills and expertise which will be critical to the success of this transition.

We acknowledge that this change proposal may not be the only change you are experiencing within work, or outside of it, and that change can present us with difficulties and challenges that will be unique to each person. Even if you agree with the change, it can impact you in ways you may not have expected.

Please consider what support you may need during the consultation process and discuss this with your people leader. Remember to be kind to yourself and your

colleagues during this time and seek support from the options available to you at MBIE, including regular check-ins with your people leader.

Thank you for the work that you do on making the CREF and SEEC successful. We look forward to reading your feedback and value the thought and energy you are contributing to this process.

Ngā mihi nui

Justine Cannon General Manager Energy Markets MBIE

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Chief Executive

EECA

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How to read this document

Scope of this change proposal

This document proposes changes to positions within the Energy Use Policy team in Energy Markets branch.

It is important to note that the focus of this consultation process is not on whether CREF and SEEC funding administration will transfer, but rather how it is proposed to give effect to that decision and the potential impacts of the transfer. Further information on what this could mean is provided within this proposal.

This proposal aims to minimise any disruption for our people and work in progress.

Understanding proposed changes to your position

If changes are proposed to your position this will be outlined in the proposal related to your team. Current and proposed organisational charts have been included at the end of the proposal to help demonstrate the impacts that proposed changes would have to the structure of your team. There is a summary table with more detail about proposed changes to individual positions and proposed new positions at the end of this document.

In addition, all employees that may be impacted by the proposal will receive a letter that outlines specific detail about their position and the proposed change process.

Proposed change process

Find out more about MBIE's proposed change process in Appendix 1. This determines how we classify the impact to our people, based on the proposed impacts to their position.

As part of this consultation process, you are invited to provide feedback on the proposed change process.

Let us know

The information included in this document reflects the organisational structure as recorded in MBIE systems on **12 November 2024**.

If you notice any inconsistencies in the organisational structure represented, please advise your people leader.

Providing feedback and indicative timeline

Your feedback is important to the success of any changes we make and will be carefully considered. You have a unique perspective about how we work and what opportunities exist to improve customer experiences and excel at our mahi.

MBIE wants to hear your feedback on this proposal as it affects our people, noting that the decision to move the administration for the CREF and SEEC has been made by the Minister. Specifically, we seek your feedback on how this proposal affects your current position.

You are also welcome to provide feedback even if you may not be directly impacted by the proposed change. Feedback can be provided individually or as a group.

Once the consultation period has closed, all feedback will be carefully considered by MBIE and EECA. Once final decisions are made, we will confirm the new structure, its impact on positions and the implementation process including the process for being offered roles within EECA if applicable.

As part of considering feedback there may be aspects of the proposal we want to consider changing. If as a result, there is a need for further consultation we will engage with those people affected and outline any change in process or timeframes.

Please provide your feedback to the change team: Kalinda.chembo@mbie.govt.nz

Indicative timeline

Activity	Indicative Timeline
Consultation opens	Wednesday, 20 November 2024
Consultation closes	Wednesday, 4 December 2024
Final decision communicated	Thursday, 12 December 2024
EECA make offers of employment	TBC (prior Christmas)
Proposed final day for impacted fixed term roles at MBIE	Friday, 31 January 2025
Proposed commencement date for impacted fixed term roles at EECA	Monday, 3 February 2025

Case for change

MBIE's Energy Markets branch has only taken on administration of the funds in recent years. Until 2020 the energy teams in the branch were primarily focussed on delivering energy policy advice and stewardship of the energy regulatory systems. The current delivery approach has been developed with limited resourcing and often sees staff juggling competing priorities between the core policy work of the branch, and the operational design and delivery of the funds.

EECA is an experienced delivery agent, with contracting and fund administration expertise. EECA also has dedicated operational policy capability to ensure service design is optimised. EECA also has several other funds with complementary outputs and focus. The most notable is the Warmer Kiwi Homes programme, which is highly complementary with the SEEC programme. SEEC providers often refer recipients of energy education to EECA, when they are also eligible for Warmer Kiwi Homes support. There may be opportunities to improve this alignment through co-location within EECA.

CREF is also well suited to be delivered by EECA. The programme entails substantial ongoing engagement with funding recipients and regional partners; and the negotiation, execution and monitoring of large numbers of contracts. For example round one had 69 funding agreements alone, and up to 150 additional sites are expected to be contracted in the current financial year. Co-locating CREF within EECA will make greater use of efficiencies from its contract management teams and systems.

There may also be opportunities to leverage the projects funded through to provide lessons for EECA to enhance their own understanding of the market and improve relevant information provision services.

Lastly both funds clearly fit within the legislative mandate of EECA to promote energy efficiency, energy conservation and use of renewable energy.

Proposal – Energy Use Policy Team

Why change is proposed

The Minister for Energy has now agreed that responsibility for administering the CREF and SEEC should transfer from MBIE to EECA. The best way to give effect to the decision is for the administrative responsibility to sit within the Delivery and Partnerships Group in EECA. The proposed change process outlined in this document is necessary to give effect to this decision.

MBIE and EECA recognise and value the range of skills and experiences of existing employees working on CREF and SEEC and want to maintain as much of that expertise as possible throughout the transition. For this to occur, we are proposing that EECA will make fixed term offers to those employees who are in positions proposed to be disestablished by MBIE.

The following changes are proposed within the Energy Use Policy team in MBIE:

Disestablish the following fixed term roles in MBIE which have a significant focus on administrating and supporting the CREF and SEEC:

- Team Leader Community and Household Use (fixed term)
- Senior Investment Advisor (fixed term)
- Senior Policy Advisor (fixed term)
- Fund Coordinator (fixed term)

Change of reporting line for the remaining positions that currently report to Team Leader Community and Household Use to the Manager Energy Use Policy:

- Senior Policy Advisor
- Policy Advisor

- Policy Advisor (FT)
- Associate Policy Advisor

These roles work on electricity consumer data policy, functions which will remain with MBIE.

The following changes are proposed within the Community and Household Use team in EECA:

Establish the following new fixed term role reporting to Group Manager, Delivery and Partnerships:

• Manager Community and Household Use (fixed term)

Establish the following new fixed term roles reporting to the Manager Community and Household Use:

- Senior Investment Advisor (fixed term)
- Senior Investment Advisor (fixed term)
- Fund Coordinator (fixed term)

The Delivery and Partnerships group in EECA currently has responsibility to administer other funds and funding agreements so this is a natural location for the team to be located.

Transition approach.

As a result of the decision to transfer administration for the CREF and SEEC funds to EECA, all associated activities will also transfer to EECA, including the following positions:

- Team Leader Community and Household Use (fixed term)
- Senior Investment Advisor (fixed term)
- Senior Policy Advisor (fixed term)

• Fund Coordinator (fixed term)

To support a smooth transition, it is proposed that incumbents in the listed positions are offered fixed term agreements with EECA effective from 3 February 2025.

This would be on:

- The same salary
- Terms and conditions which are broadly commensurate
- And same end dates as per MBIE fixed term agreement.

While our expectation is that the new structure will be implemented on 3 February 2025, the proposal to establish fixed term positions in EECA means there should be no expectation of ongoing employment with the EECA beyond the end of the new fixed term offer.

What the transition means for you

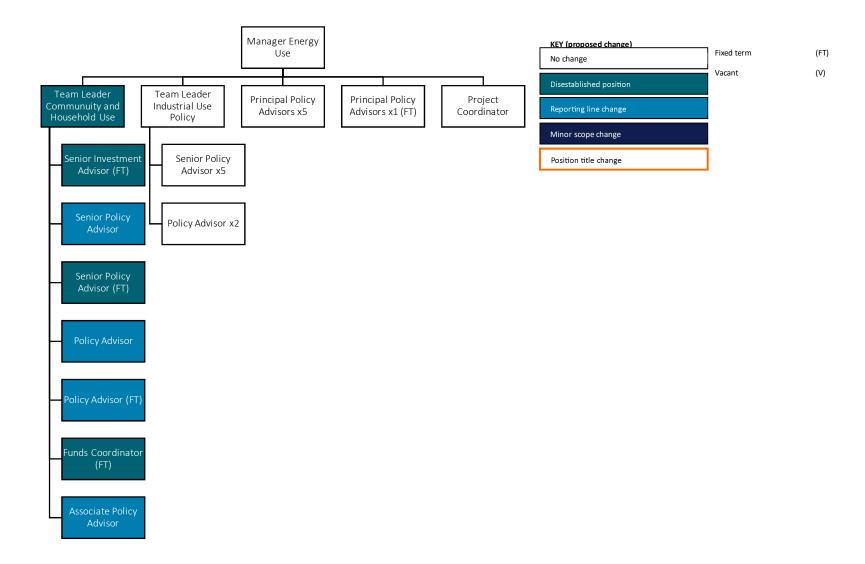
As a result of the decision to transfer responsibility for the CREF and SEEC, all of the associated activities will transfer to EECA. The relevant community and household energy use policy function will remain with MBIE. We note that some of the fixed term positions proposed to be disestablished from MBIE have at times also been working on broader policy matters, such as regional energy proposals, state sector energy use, energy hardship, and the ongoing delivery of the remaining Māori and Public Housing Renewable Energy Fund projects. It is proposed that this work will be absorbed by the remaining resources in the Energy Use Policy team.

For details of the proposed EECA structure and positions, please refer to the org chart on page 12 and tables on page 13.

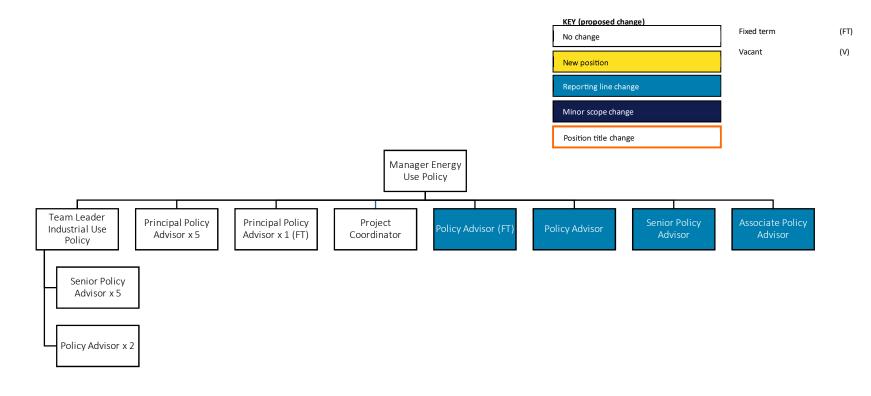
We ask you to consider the changes proposed.

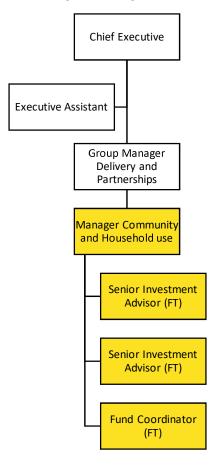
Organisational charts are provided on the following pages to demonstrate how proposed changes would impact current positions and reporting lines. More detail about proposed changes to individual positions and proposed new positions is provided at the end of this document. We welcome your thoughts on where this proposal could be strengthened to better deliver on the requirement to transfer responsibility for the function. If you believe there is an alternative to the changes proposed, please share your thoughts, and include how you see the alternative improving on desired outcomes.

Current organisational chart – Energy Use Policy Team, Energy Markets in MBIE

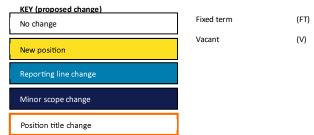


Proposal – (Energy Use Policy Team, Energy Markets, MBIE) organisational chart





Proposal – EECA Delivery and Partnerships Group



Proposed new positions within Delivery and Partnerships Group, EECA

Proposal	Position title	Fixed term end date	Reporting line	Group
Establish	Manager Community and Household Use (fixed term)	29 August 2025	Group Manager, Delivery and Partnerships	Delivery and Partnerships
Establish	Senior Investment Advisor (fixed term)	30 June 2026	Manager Community and Household Use	Delivery and Partnerships
Establish	Senior Investment Advisor (fixed term)	30 June 2027	Manager Community and Household Use	Delivery and Partnerships
Establish	Fund Coordinator (fixed term)	30 May 2025	Manager Community and Household Use	Delivery and Partnerships

Change of Reporting line

Proposal	Position title	Current Reporting line	New Reporting line
Change of Reporting	Senior Policy Advisor	Team Leader Community and Household Use Policy	Manager Energy Use Policy, Energy Use Policy team, Energy Markets
Change of Reporting	Policy Advisor	Team Leader Community and Household Use Policy	Manager Energy Use Policy, Energy Use Policy team, Energy Markets
Change of Reporting	Policy Advisor (FT)	Team Leader Community and Household Use Policy	Manager Energy Use Policy, Energy Use Policy team, Energy Markets

Proposal	Position title	Current Reporting line	New Reporting line
Change of Reporting	Associate Policy Advisor	Team Leader Community and Household Use	Manager Energy Use Policy, Energy Use Policy team, Energy Markets

Disestablished Positions

Proposal	Position title	Reporting line	Branch
Disestablish	Team Leader Community and Household Use (fixed term)	Manager Energy Use Policy	Energy Markets
Disestablish	Senior Investment Advisor (fixed term)	Team Leader Community and Household Use	Energy Markets
Disestablish	Senior Policy Advisor (fixed term)	Team Leader Community and Household Use	Energy Markets
Disestablish	Funds Coordinator (fixed term)	Team Leader Community and Household Use	Energy Markets

Appendix 1: Proposed change process

Consistent with MBIE's employment agreements and recruitment policy, the following information summarises the standard change processes which would apply to any changes confirmed as a result of this consultation process.

Reconfirmation

As part of the consultation process your substantive position may be proposed to be "reconfirmed". In these circumstances your substantive position in the proposed new structure is substantially the same as your current substantive position and you are the only person able to be reconfirmed to the role. Examples include - change in reporting line, title, a minor change in work content.

For reconfirmation to apply:

- The position description you are being reconfirmed into is the same (or substantially the same) as what you currently do, and
- Salary and other terms and conditions for the position are no less favourable, and
- Location of the position is in the same local area (note: this need not necessarily mean the same building and/or the same street).

If your substantive position is reconfirmed as part of the final structure, you will not need to take any action as you will automatically be reconfirmed into the position.

Redeployment

If you wish to apply for any other existing MBIE vacancies (i.e. vacancies that are being advertised separately to the change processes), this can be done via the MBIE careers site at any stage of the process.

If you are considered an affected employee, this will need to be indicated as part of your application as first consideration will always be given to affected employees over other applicants subject to them meeting the suitability requirements of the position. Where applicable, a panel interview will be used as a contributing selection tool to assess the demonstrated skills, experience and qualifications against the key accountabilities and person specifications as outlined in the position description. In situations where there is more than one affected employee who meets the suitability requirements of the position an assessment will be made of the employee who is best for the role.

Process for casual and fixed term employees.

Casual and fixed term employees, by the nature of their employment agreements, will not have access to the change processes set out above.

Offer of fixed term employment in EECA

EECA proposes to offer current impacted fixed term employees fixed term positions in the EECA structure.

This would be on:

- The same salary
- Terms and conditions which are broadly commensurate.
- and same end dates as per MBIE fixed term agreement.

Review process

If you disagree with the application of this process, including for example your reconfirmation into a position as part of the final structure, you have the right of review. This process is set out in your employment agreement. You are encouraged to raise any

Appendix 2: Support through change

Work is a big part of your life. During organisational change, it's normal to have feelings of uncertainty, shock, anger, frustration, confusion, scepticism, and impatience. Please ask for support when you need it and remember to be understanding towards your colleagues who may be feeling anxious or distracted. You can talk to your People Leader, colleagues and/or union representative or the People and Culture team.

Wellbeing support options

We recognise that change may be difficult and encourage you to reach out to your support network and draw on the resources available to you. You can:

- Talk to your People Leader
- Contact your union delegate or representative (<u>PSA</u>) / (<u>NUPE</u>)
- Reach out to the Wellbeing, Health and Safety Team
- Use our <u>Employee Assistance Programme</u>, which provides support for both work and personal life
- Call or text <u>1737</u> to access free counselling services from the national telehealth service

concerns with your People Leader at the earliest opportunity so these can be worked through with you on a case-by-case basis.

Learning support options

Focusing on your personal growth and development is a helpful way to direct your attention during times of change and uncertainty – to reinforce your skills and explore career interests.

There are plenty of resources and directories to explore within MBIE, including:

- <u>Learn@MBIE</u> our central learning platform that holds many free elearning courses, including a series of e-learning modules focused on <u>change</u>, suitable for all staff.
- <u>Percipio</u> the world's largest online learning library. To access Percipio, select 'team/enterprise subscription' and then enter 'MBIE' in the site name field.
- <u>MBIE's library</u> a large catalogue of books and scholarly works focused on subject expertise as well as broader skillsets like leadership capability.
- You can also reach out to People & Culture to discuss your development interests.

Career development support

Our Employee Assistance Programme can assist with general career advice and is available for self-referral. This also includes budgeting and financial advice, personal development and coaching and personal legal advice.



