

Submission to:

**New Zealand Transport Agency**

on:

- **A Proposed Class 1 Licensing Exemption for BEV Trucks Up to 7,500kg**

Submitted: February 2025

To:

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## About VIA

The Imported Motor Vehicle Industry Association Incorporated (“VIA”) is the business association that represents the interests of the wider trade involved in importing, preparing, wholesaling, and retailing used vehicles imported from Japan, UK, and other jurisdictions.

Our members include importers, wholesalers, Japanese auction companies and exporters, shipping companies, inspection agencies, KSDPs<sup>1</sup>, ports companies, compliance shops and service providers to the trade, as well as retailers.

We provide legal and technical advice to the trade, and liaise closely with the relevant government departments, including Waka Kotahi (NZTA), Ministry of Transport, New Zealand Customs Service, Ministry for Primary Industries (MPI), Ministry of Consumer Affairs, Commerce Commission, EECA, MfE, etc.

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## Official Information Act 1982:

VIA has no objection to the release of any part of this statement of support under the Official Information Act 1982.

## Privacy Act 1993:

VIA has no objection to being identified as the submitter.

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<sup>1</sup> KSDP - key service delivery partner, organisations that are contracted or appointed by the Transport Agency to deliver regulatory products or services and who have sufficient market share and/or are of sufficient size and standing within an industry segment to be able to represent and influence the customer expectation of that industry segment.

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## Submission on the Proposed Class 1 Licensing Exemption for BEVs Up to 7,500 kg

### Introduction

VIA supports the intent of the proposed Class 1 licensing exemption for battery electric vehicles (BEVs) up to 7,500 kg Gross Laden Weight (GLW), acknowledging its potential to accelerate the adoption of low-emission vehicles and align with New Zealand's environmental objectives. However, VIA has significant concerns about specific limitations in the proposal that may impose unnecessary barriers to new entrants and innovation in the heavy vehicle market. VIA's recommendations aim to refine the proposal to ensure it is both practical and equitable, while maintaining road safety.

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### 1. Requiring a Diesel Equivalent Model is Unreasonable

VIA agrees with the proposer that mandating a BEV to have a diesel-equivalent model is both unnecessary and counterproductive. This requirement:

- Discriminates against new BEV manufacturers who do not produce diesel models, creating an artificial barrier to market entry.
- Limits innovation by discouraging manufacturers from designing purpose-built BEVs that leverage the unique benefits of electric drivetrains.
- Ignores the core issue: the weight of batteries, which is the primary reason BEVs exceed the 6,000 kg GLW threshold, is unrelated to the existence of a diesel counterpart.

**VIA Recommendation:** The exemption should apply to any BEV up to 7,500 kg GLW, provided it meets all applicable safety and compliance standards, without the need for a diesel equivalent.

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### 2. Braking Systems Should Be Judged on Performance, Not Equivalence

While BEVs differ from diesel vehicles in drivetrain design, the foundation brakes and brake operating systems are largely the same. Most BEVs in this weight category are equipped with advanced braking systems, such as Electronic Braking Systems (EBS), which align with *UN ECE R13* or equivalent international standards for heavy vehicles. Requiring BEVs to have braking systems identical to diesel models is unnecessary because:

- **Existing standards ensure safety:** Compliance with established performance standards, such as UN ECE R13, guarantees that braking systems meet rigorous safety requirements.
- **Technological compatibility:** BEVs often integrate regenerative braking systems in conjunction with conventional foundation brakes, and these systems are designed to complement, not replace, traditional braking functions.

**VIA Recommendation:** The exemption should focus on ensuring that all vehicles meet or exceed existing braking safety performance standards (e.g., UN ECE R13 or equivalent), rather than mandating equivalence with diesel vehicle systems. This approach ensures safety while allowing for innovation in BEV technology.

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### 3. Dimensions Are Already Governed by the VDAM Rule

The draft exemption's requirement that a BEV not exceed the dimensions of a diesel model in the 6,000 kg range appears unnecessary, as the **Vehicle Dimensions and Mass (VDAM) Rule** already regulates the overall size and weight of vehicles to ensure their safe operation on public roads. However, it is important to note that the VDAM Rule governs the **centre of gravity (CoG)** of a fully loaded vehicle but does not explicitly address CoG for the cab and chassis alone. Introducing CoG requirements specific to the cab and

chassis through this exemption would effectively alter the regulatory framework by stealth, creating additional complexity for compliance.

Requiring BEVs to conform to diesel equivalents for dimensions and CoG risks:

- **Regulatory duplication and ambiguity:** Manufacturers and operators already adhere to dimensional requirements under the VDAM Rule, and additional constraints could create unnecessary confusion.
- **Unintended introduction of new design standards:** A specific CoG requirement for cab and chassis vehicles could impose stealthy and unclear standards that diverge from current practices.

**VIA Recommendation:** The exemption should rely on the **VDAM Rule** to govern overall vehicle dimensions and CoG for loaded vehicles. Any additional requirements for cab and chassis CoG should be explicitly excluded to avoid unnecessary regulatory burden and potential misinterpretation of the exemption's scope.

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#### 4. NZTA Should Not Dictate Battery Placement

The requirement that batteries be “placed as low in the chassis as possible” is overly prescriptive and unnecessary. In most cases, the **centre of gravity (CoG) for BEVs** will already be **considerably lower than their diesel equivalents** due to the natural placement of heavy battery packs within the chassis. Vehicle manufacturers are best positioned to determine the most efficient and safe battery placement based on design considerations and performance standards. This requirement:

- **Is redundant given BEV design trends:** BEV configurations inherently favour low CoG placement for stability, making the stipulation unnecessary.
- **Is subjective and risks inconsistent interpretation:** “As low in the chassis as possible” is vague and could lead to variable enforcement.
- **Ignores existing safety standards:** Manufacturers already design vehicles to meet international stability and safety requirements, such as UN ECE R13 or equivalent.

**VIA Recommendation:** The exemption should focus on performance-based outcomes for vehicle stability, such as compliance with established safety and stability standards. Specific design mandates, like battery placement, should be left to manufacturers who are better equipped to optimise vehicle performance.

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#### 5. Addressing Driver Capability Concerns

While VIA acknowledges potential concerns about driver capability for vehicles over 6,000 kg GLW, we understand that the heavy vehicle sector generally supports this exemption for BEVs. This support reflects:

- The operational reality that BEVs in this weight category are typically designed for urban and regional delivery, which involves relatively low speeds and predictable routes.
- The presence of advanced safety features such as automatic emergency braking (AEB), electronic stability control (ESC), and lane departure warning (LDW), which mitigate risks associated with added mass.

**VIA Recommendation:** Defer to the expertise of the heavy vehicle sector, which supports the exemption. If further assurance is needed, consider introducing minimum experience requirements, a voluntary driver upskilling module, or a familiarisation session, to address any residual concerns.

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## 6. "No Broader Than Necessary" Clause

VIA recognizes NZTA's obligation under Section 168D(3)(a) of the Land Transport Act 1998 to ensure that exemptions are "no broader than is reasonably necessary." However, the proposed limitations (e.g., requiring a diesel equivalent) impose unreasonable barriers without demonstrable safety benefits. VIA contends that:

- The exemption, as modified above, would meet the intent of the law while avoiding unnecessary restrictions.
- Broadening the scope to all BEVs up to 7,500 kg GLW reflects the primary issue—managing the impact of battery weight—without sacrificing safety or innovation.

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## Conclusion

VIA supports the proposed exemption, subject to the following modifications:

1. Remove the requirement for a diesel-equivalent model.
2. Focus on safety performance standards for braking systems, rather than equivalence.
3. Defer to the VDAM Rule for dimensional compliance.
4. Eliminate prescriptive requirements for battery placement, relying on OEM expertise.
5. Consider voluntary driver upskilling for vehicles exceeding 6,000 kg GLW.

These changes will ensure the exemption remains fair, practical, and aligned with both safety and environmental objectives. VIA looks forward to collaborating with NZTA and industry stakeholders to finalize the exemption framework.

Our support does not extend to applying this exemption to passenger vehicles, SUVs, or recreational vehicles.



*Example of BEV vehicle on the left and equivalent sized diesel vehicle on the right.*

Thank you for considering our submission.