



# Freight decarbonisation

## Workstream B: Decarbonisation Options Collation and Distribution

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### Background

Workstream B: Decarbonisation Options Collation and Distribution continues to build on previous work delivered by the Sustainable Business Council (SBC) as part of its Freight Group collaboration, which aimed to look at how members could come together in a whole-of-sector of approach to decarbonise heavy transport.

A key outcome of that work was the delivery of the [Low Carbon Freight Pathway](#). Since delivery of that pathway, SBC has had subsequent discussions with organisations on what they see as the key challenges and opportunities for decarbonising freight in their business.

The culmination of this work has identified a common challenge around a lack of easily accessible, reliable, and robust information acting as a key barrier for organisations looking to decarbonise their freight. Workstream B aims to provide a suite of information (toolbox) that participating members can use to scope, plan and justify freight decarbonisation options for their organisation.

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### Developing Workstream B: Decarbonisation Options Collation and Distribution

Lack of easily accessible, reliable, and robust information is a key barrier for organisations looking to decarbonise their freight. Workstream B aims to provide a suite of information (toolbox) that participating members can use to scope, plan and justify freight decarbonisation options for their organisation.



**This workstream would:**

- Take learnings from organisations who have embarked on their freight decarbonisation journey, summarise the findings and provide them in a central location for participating members to learn from.
- Research and review current and predicted future technologies (including availability, fuel pricing, equipment pricing and technical characteristics).
- Create a methodology for providing freight decarbonisation recommendations and information for a range of end users.
- Provide recommendations, including distance travelled variations, locations, freight type, payloads, infrastructure requirements etc. Also included will be type of equipment, type of fuel, operating cost, capital cost and emissions reduction.
- Provide a suite of tools to aid companies in their implementation of low carbon freight systems. These will include:
  - Pre-populated business cases to assist with internal sign off and funding.
  - \$ / Co2 benefit modelling.
  - Summary of potential funding sources, subsidies etc.
  - Recommended monitoring systems to quantify savings achieved by new technology.
  - Outline ongoing requirements for review and updates to ensure the information remains up to date.

<p><b>Information sources</b></p>	<p>To facilitate building this suite of information (toolbox), a range of information sources will be utilised, including:</p> <ul style="list-style-type: none"> <li>• SBC members who have embarked on their decarbonisation journey.</li> <li>• Low carbon fuel provision organisations.</li> <li>• Low carbon equipment suppliers.</li> <li>• Domestic/international research and case studies.</li> <li>• New Zealand governmental instruments such as policies, strategies, emission reduction mandates, Climate Change Commission advice etc</li> </ul>
<p><b>Key deliverables</b></p>	<ul style="list-style-type: none"> <li>• Kick off workshop</li> <li>• Monthly project meetings</li> <li>• Provision of information suite, including:           <ul style="list-style-type: none"> <li>○ Low carbon opportunity selection model (Excel-based).</li> <li>○ Sample business case.</li> <li>○ Funding summary.</li> <li>○ Provision of user guide and a training session for SBC members.</li> </ul> </li> </ul>
<p><b>Key tasks for the workstream</b></p>	<ul style="list-style-type: none"> <li>• Discuss and analyse learnings to date.</li> </ul>



	<ul style="list-style-type: none"> <li>• Review current and future market conditions regarding fuel supply with key participants.</li> <li>• Review current and future market conditions regarding equipment supply with key participants.</li> <li>• Review of existing data sources to be rolled into the suite of information.</li> <li>• Create a Microsoft excel technical and financial model to specify key decarbonisation metrics for a range of use options, including: <ul style="list-style-type: none"> <li>○ Recommended decarbonisation technology/methodology.</li> <li>○ Estimated emissions reduction.</li> <li>○ Estimated capital cost.</li> <li>○ Estimated operational cost.</li> <li>○ Provision of user guide and a training session for SBC members.</li> </ul> </li> </ul>
<b>Delivery time</b> (from commencement to output)	It is anticipated workstream B will take four months to complete once the kick off meeting has been held.
<b>Cost</b>	<p>There is uncertainty regarding the actual time that would be required, as such the figures below are indicative. Once we have confirmed the number of members who would like to participate and had an initial kick-off meeting, DETA will update the cost for delivery.</p> <p><b>Note:</b> we acknowledge that new information is appearing in the market constantly, and we therefore anticipate that the annual update would take place each year – cost indication has been included below.</p> <p>\$78,000 excl GST – delivery of toolkit (split between 10-15 group members)  \$10,000 excl GST - annual update</p> <p>Possible funding for this this study could potentially come from EECA’s Low Emissions Transport Fund. This will be investigated once we have established member interest.</p>
<b>Participating information partners</b>	<ul style="list-style-type: none"> <li>• MoT</li> <li>• Toitū Envirocare (technical guidance for reporting)</li> <li>• NZECS (system set up)</li> <li>• MfE (emission factors)</li> <li>• Waka Kotahi NZ Transport Agency</li> <li>• SBC members (and others where appropriate)</li> </ul>



<p><b>Member time commitment</b></p>	<p>Workstream B will follow a standard consultancy model with SBC’s technical delivery partner, DETA, liaising directly with participating members, rather than a significant collaboration which requires regular workshops. Therefore, participating members’ time commitment will be low. We will hold an initial meeting for DETA to understand your organisation’s status, opportunities, challenges and what you hope to obtain from the toolkit. The research will be updated every 6-12 months to make sure it stays current. This will be discussed with members once we know who will be involved.</p>
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**Engagement with this workstream presents a range of opportunities for your business, including:**

- Showcasing your organisation’s ongoing leadership in transitioning the freight sector.
- Joining a collaboration allowing you to split the consultancy cost between multiple organisations to produce the necessary research and analysis to give you the required information to take a business case to your board / executive.
- Removing the need to have internal capability within your organisation focusing on keeping up with new developments in freight decarbonisation.
- Participating as part of a group of businesses across the transport sector (supplier and consumer), learn from others within the working group.
- Supporting the delivery of your organisation’s net zero 2050 objectives.

