From: To: **Eric Crampton** Subject: OTA Request to FECA

Date: Friday, 12 August 2022 11:15:59 AM

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image002.png

## Hello Eric,

Further to the email from Will Jensen last night, in relation to your request for evaluation materials, I also want to clarify why we determined the document from the consultant was not within scope of your original request, as I know this goes to the heart of your concern and subsequent complaint to the Ombudsman. I thought it would be helpful if I further explained the reason we took the approach we did.

Our view was that the work completed, including the presentation slides, did not constitute advice on the additionality of GIDI projects funded to date. The purpose of the commissioning was to ensure consistency across the financial information used to assess GIDI 2.0 applications and to advise on a more efficient and streamlined process (as per the scope of work contained in the consultancy services order with the consultant).

The information on 'additionality' included in the presentation was assessed as outside the scope of what was requested. It was given and received as the author's opinion and was not intended to inform EECA's current thinking on additionality. The reasons for this assessment included:

- The information results from analysis of financial information provided solely for the purposes of improving the application and assessment process
- This financial information was incomplete for the purpose of ever assessing the additionality of projects
- Assessing additionality is complex. EECA's view is additionality describes businesses' ability and appetite to invest in projects and whether Government investment would bring forward that investment. Advice on additionality would also need to take account of a range of other factors, including businesses' internal decision-making processes, their risk appetite, financial measures such as cost of capital, sector norms in decarbonisation decision-making etc.

We will be conducting a full and transparent evaluation of GIDI 1.0, including analysis of the additionality of projects informed by complete data, at a point at which a sufficient number of projects have been completed and can be properly assessed.

Therefore, we do not believe we have received advice on the additionality of projects funded through GIDI 1.0, nor conducted any associated evaluation, and hence why the material was not provided as part of your previous requests.

I also want to reinforce the point already made that we categorically did not make any attempt to deliberately withhold information that would have informed your submission on the Emissions Reduction Plan.

Your Sincerely,

## **Andrew Caseley**

## **Andrew Caseley**

Tāhūhū Rangapū / Chief Executive

2	
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