



COVERSHEET

Minister	Hon Simeon Brown	Portfolio	Energy
Title of Cabinet paper	Gas Governance (Critical Contingency Management) Amendment Regulations 2024	Date to be published	25 March 2024

List of documents that have been proactively released

Date	Title	Author
February 2024	Gas Governance (Critical Contingency Management) Amendment Regulations 2024	Office of the Minister for Energy
15 February 2024	Gas Governance (Critical Contingency Management) Amendment Regulations 2024 LEG-24-MIN-0004 Minute	Cabinet Office

Information redacted

NO

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Cabinet Legislation Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Gas Governance (Critical Contingency Management) Amendment Regulations 2024

Portfolio Energy

On 15 February 2024, the Cabinet Legislation Committee:

- 1 **noted** that Firstgas plans to inject biomethane in a part of the gas transmission system that supplies consumers in the Taupō and Reporoa areas;
- 2 **noted** that Firstgas needs to lower operating pressure in this part of the gas transmission system to inject the biomethane;
- 3 **noted** that a critical contingency event would be declared once Firstgas reduces the pressure in part of the gas transmission system under the current thresholds set out in the Gas Governance (Critical Contingency Management) Regulations 2008;
- 4 **noted** that the Gas Industry Company has recommended that the Gas Governance (Critical Contingency Management) Regulations 2008 be amended to avoid a critical contingency event being declared due to planned operating changes;
- 5 **noted** that the Gas Industry Company has recommended the Gas Governance (Critical Contingency Management) Regulations 2008 be amended using the urgency process allowed in the Gas Act 1992 to make sure the change is in force by mid-March 2024;
- 6 **noted** that under sections 43J and 43ZP of the Gas Act 1992, the Minister for Energy (the Minister) must accept or reject the Gas Industry Company's recommendation for changes to gas governance regulations;
- 7 **noted** that the Minister has accepted the Gas Industry Company's recommendation to amend the Gas Governance (Critical Contingency Management) Regulations 2008 using the urgency process in the Gas Act 1992;
- 8 **noted** that the Gas Governance (Critical Contingency Management) Amendment Regulations 2024 (the Amendment Regulations) give effect to the Gas Industry Company's recommendation;
- 9 **noted** that in December 2023, the Minister instructed the Parliamentary Counsel Office to draft the Amendment Regulations to give effect to the Gas Industry Company's recommendation without reference to Cabinet because they were of a technical nature, and no new policy decisions were required;

- 10 **authorised** the submission to the Executive Council of the Gas Governance (Critical Contingency Management) Amendment Regulations 2024 [PCO 26067/7.0];
- 11 **noted** that a waiver of the 28-day rule is sought:
- 11.1 so that the Amendment Regulations can come into force on 8 March 2024;
- 11.2 on the grounds that the Amendment Regulations have little or no effect on the public;
- 12 **agreed** to waive the 28-day rule;
- 13 **noted** that the Amendment Regulations come into force on 8 March 2024;
- 14 **noted** the Gas Industry Company will make a further recommendation to the Minister about whether the Amendment Regulations should be revoked, replaced, or amended within six months of the amendments coming into effect.

Rebecca Davies
Committee Secretary

Present:

Rt Hon Winston Peters
Hon Simeon Brown (Chair)
Hon Tama Potaka
Hon Nicole McKee
Hon Casey Costello
Hon Simon Watts
Hon Andrew Bayly
Scott Simpson, MP (Senior National Whip)
Todd Stephenson, MP (ACT Whip)
Jamie Arbuckle, MP (New Zealand First Whip)

Officials present from:

Officials Committee for LEG
Office of the Leader of the House
Office of the Minister of Climate Change