



## COVERSHEET

<b>Minister</b>	Hon Simeon Brown	<b>Portfolio</b>	Energy
<b>Title of Cabinet paper</b>	Offshore Renewable Energy Regulatory Regime Offshore Renewable Energy Bill: Approval for Introduction	<b>Date to be published</b>	20 December 2024

<b>List of documents that have been proactively released</b>		
<b>Date</b>	<b>Title</b>	<b>Author</b>
November 2024	Offshore Renewable Energy Bill: Approval for Introduction	Office of the Minister for Energy
November 2024	Offshore Renewable Energy Bill: Approval for Introduction LEG-24-MIN-0235	Cabinet Office
13 June 2024	2324-3049 Offshore renewable energy regime – offences, penalties, powers and appeals	MBIE
20 June 2024	2324-3446 Offshore Renewable Energy regulatory regime – permit variations	MBIE
25 July 2024	2324-4013 Offshore renewable energy - update on progress and establishment of a developer working group	MBIE
8 August 2024	2425-0577 Accelerated timing for Offshore Renewable Energy Bill and Hydrogen Action Plan	MBIE
19 August 2024	2425-0725 Engagement with iwi on the offshore renewable energy regulatory regime	MBIE
23 August 2024	2425-0230 Offshore renewable energy regulatory regime – decommissioning obligations	MBIE
23 August 2024	2324-3448 Offshore renewable energy regulatory regime – transmission infrastructure	MBIE
18 October 2024	BRIEFING-REQ-0004369 Offshore Renewable Energy Bill – draft Cabinet paper seeking approval for introduction and agreement to related policies	MBIE
7 November 2024	BRIEFING-REQ-0005576 Offshore Renewable Energy Bill – updated Cabinet paper seeking approval for introduction	MBIE
June 2024	Offshore Renewable Energy Regulatory Regime: Policy Decisions	Office of the Minister for Energy
June 2024	Offshore Renewable Energy Regulatory Regime: Policy Decisions Minute of Decision CBC-24-MIN-0041	Cabinet Office

May 2024	Offshore Renewable Energy Regulatory Regime	Office of the Minister for Energy
May 2024	Offshore Renewable Energy Regulatory Regime Minute of Decision ECO-24-MIN-0062	Cabinet Office

**Information redacted**

**YES**

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

- a. Privacy of natural persons
- b. Confidential advice to Government



# BRIEFING

## Accelerated timing for Offshore Renewable Energy Bill

Out of scope

<b>Date:</b>	8 August 2024	<b>Priority:</b>	Medium
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	2425-0577

Action sought		
	Action sought	Deadline
Hon Simeon Brown <b>Minister for Energy</b>	<p><b>Agree</b> to a timeline for Cabinet to consider the introduction of the Offshore Renewable Energy Bill.</p> <p><b>Agree</b> that establishment of the offshore renewable energy developer working group can commence prior to policy decisions being announced.</p>	14 August 2024

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Melanee Beatson	Manager, Offshore Renewable Energy and Hydrogen Policy	Privacy of natural persons	
Poppy Haynes	Principal Advisor, Offshore Renewable Energy	04 897 6688	

The following departments/agencies have been consulted

**Minister's office to complete:**

- |   |  |
|---|--|
| <input type="checkbox"/> Approved             | <input type="checkbox"/> Declined            |
| <input type="checkbox"/> Noted                | <input type="checkbox"/> Needs change        |
| <input type="checkbox"/> Seen                 | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn           |

**Comments**



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### Purpose

To seek decisions on timing for the Offshore Renewable Energy Bill and provide advice <sup>Out of scope</sup> <sub>Out of scope</sub> noting your request for an accelerated timeframe <sup>Out of scope</sup> <sub>Out of scope</sub>

### Recommended action

The Ministry of Business, Innovation and Employment recommends that you:

- a <sup>Out of scope</sup> <sub>Out of scope</sub>
- b **Note** that MBIE and the Parliamentary Counsel Office are working at pace to deliver to the existing, and ambitious, timeline of delivering a complete Offshore Renewable Energy (ORE) Bill for Cabinet Consideration and introduction to the House in December *Noted*
- c **Agree** to:
  - i. retain the planned Cabinet Legislation Committee date of 5 December, and explore ways to minimise the risk of not securing Cabinet time, i.e. engaging with the Leader of the House and Cabinet Office on ways to ensure introduction of the legislation in 2024 and/or going direct to Cabinet on 2 December (**MBIE preferred option**) *Agree / Disagree*
  - Or
  - ii. accelerate the timing of Cabinet Legislation Committee consideration to 14 (or 21) November 2024, noting that MBIE and PCO would strive to meet the timeline, but there are risks and trade-offs that would need to be managed *Agree / Disagree*
- d **Agree** that MBIE can commence establishment of the developer working group prior to the announcement of Cabinet decisions on the ORE regime, to help us keep on track with the development of regulations and implementation material. *Agree / Disagree*

Privacy of natural persons

Melanee Beatson  
**Manager, Offshore Renewable Energy and  
Hydrogen Policy**  
Energy Markets, MBIE  
08 / 08 / 2024

Hon Simeon Brown  
**Minister for Energy**  
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## Background

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1. You have requested accelerated timelines for Cabinet consideration of:
  - a. [Out of scope]
  - b. the Offshore Renewable Energy (ORE) Bill (from 5 December to 14 November 2024).
2. We understand that this is to ensure that:
  - a. [Out of scope] considered in 2024, as the last Cabinet meetings of the year tend to have full agendas, and
  - b. the ORE Bill can be introduced and referred to Select Committee this year (as House time is expected to be in high demand).

[Out of scope]

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[Out of scope]

## Offshore Renewable Energy Bill timing

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5. We understand the importance of introducing the ORE Bill and referring it to Select Committee in 2024, to enable the regime to be in place by mid-2025.<sup>1</sup> To minimise the chances of delayed introduction we could work to an earlier Cabinet committee date, but this would increase risks for delivery of the regime. We discuss these risks further below.
6. We understand you would like to align the timing of Cabinet Legislation Committee (LEG) consideration with a Bill in one of your other portfolios scheduled for consideration on 14 November 2024. Bringing forward Cabinet consideration to 14 November 2024 would reduce drafting time by a further three weeks.

### The existing timeline is already ambitious for delivering a completed Bill


7. As you are aware, we have already worked with Parliamentary Counsel Office (PCO) to compress the drafting time to four and a half months (compared to the usual six months for a new regime like the ORE regime). Under the current timeline, the earliest the Bill could be referred to Select Committee is 12 December 2024.<sup>2</sup>
8. We have been making good progress on the Bill, but the current timeline is ambitious and the Bill may be not quite complete by introduction. This was a known risk given the already compressed timeline.

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<sup>1</sup> The ORE Bill is currently assigned a priority category 5 (to proceed to select committee by the end of 2024). You were recently advised to recommend retaining this category as part of the formal process to reassess items on the Legislation Programme [briefing 2425-0478 refers].

<sup>2</sup> Note this is earlier than previously advised (17 December 2024).

## An accelerated timeline would increase risks for overall delivery of the regime

9. We have discussed the proposed accelerated timeline with PCO. If you choose to bring forward Cabinet dates, MBIE and PCO will work together to deliver as complete a Bill as possible within that timeframe. There are, however, risks and trade-offs that increase as drafting time is reduced, which we would need to manage. Most significantly:
  - a. Confidential advice to Government 
  - b. There is potential for misalignment with relevant provisions being drafted for the Fast-track Approvals Bill (relating to Iwi engagement and inclusions of ORE projects) and amendments to the Crown Minerals Act 1991 relating to decommissioning. An accelerated timeline could mean the ORE Bill gets ahead of these Bills, despite needing to follow their policy approach they establish. Drafting that does not align on introduction could further complicate the Select Committee process.
10. An alternative option would be to bring forward LEG to 21 November 2024, which would help to avoid requiring Cabinet consideration in December but would still reduce drafting time by two weeks.

## On balance we recommend retaining the current timeline and recommend ways to reduce the risk of not securing Cabinet time

11. We recommend maintaining the current drafting timeline, as this gives the best chance of achieving overall timelines for implementation of the regime. We understand this needs to be balanced against the risk of not securing Cabinet Committee time. This risk could be mitigated by engaging with the Leader of the House and Cabinet Office on ways to ensure the Bill can be introduced and referred to Select Committee in 2024. We can work with your office to provide context or information to assist in those discussions.
12. Another option would be to take the paper directly to Cabinet, which would enable the Bill to be introduced and referred to Select Committee earlier in December, with less impact on overall time to complete the Bill. This requires approval of the Prime Minister.
13. PCO agrees with MBIE's view that preserving the current timeline gives the best chance of delivering a high-quality Bill for introduction that is largely complete. Operating to a tighter timeframe may compromise the quality of the Bill and result in more difficult progress through the House.
14. **Table 1** below summarises the options. **Annex 1** contains a table with the dates for key milestones for the existing and accelerated timelines.

**Table 1: Summary of options for Cabinet and first reading dates for the ORE Bill**

	<b>Cabinet committee consideration</b>	<b>Cabinet confirmation and Bill introduced*</b>	<b>First reading and referral to Select Committee**</b>
<b>Most accelerated timeline</b> <i>3 weeks less drafting time</i>	14 November	18 November	21 November
<b>Accelerated timeline</b> <i>2 weeks less drafting time</i>	21 November	25 November	10 December
<b>Direct to Cabinet</b> <i>1 week less drafting time</i>	NA	2 December	10 December
<b>Existing timeline</b>	5 December	9 December	12 December***

\*Assuming the Bill is introduced on the same day it is confirmed at Cabinet

\*\*Assuming the House is not sitting under urgency. If the House is sitting under urgency, the first reading could occur immediately after introduction

\*\*\*Note this is earlier than previously advised

## **Commencing establishment of the developer working group**

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15. We briefed you on the establishment of an offshore renewable energy developer working group in July 2024 [briefing 2324-4013 refers]. The purpose of the group is to provide technical expertise to support and speed up development of regulations and implementation material to enable opening of the first round as soon as possible after the Bill is passed.
16. You agreed to the establishment of the group, which we signalled would occur shortly after the announcement of policy decisions on the regime. The announcement was scheduled for early August but was subsequently postponed and we are working with your office to set a new date.
17. We now seek approval to commence the establishment of the group ahead of the announcement, to help us to keep this work on track. This process can begin without officials revealing any of the unannounced Cabinet decisions on the regime.

## **Next steps**

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18. If you agree to retain the existing timeline for the ORE Bill, we recommend engaging with the Leader of the House and Cabinet Office on ways to ensure the Bill can be introduced and referred to Select Committee in 2024 (including on the option of going direct to Cabinet).
19. If you agree for us to commence establishment of the developer working group now, we will invite expressions of interest from developers and the NZ Wind Energy Association and aim to have the first meeting as soon as possible.
20. We will provide a briefing shortly on commencing engagement with iwi.

## **Annexes**

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Annex 1: Comparison of timelines

## Annex 1: Comparison of timelines

Step	Existing timeline	Most accelerated timeline
Draft ORE Bill received (partial as based on policy decisions made to date)	22 July	22 July
Finalise advice and seek Minister's decisions on outstanding policy	August	August
Drafting: <ul style="list-style-type: none"> <li>• Complete first full draft of the Bill</li> <li>• Resolve policy issues that arise during drafting</li> <li>• Complete redrafts and prepare final draft Bill for quality assurance, Bill of Rights Act vet, and departmental and Ministerial consultation</li> </ul>	Now – 31 October (13 weeks)	Now – 14 October (10 weeks) <i>Could extend to 11 or 12 weeks if use alternative accelerated option</i>
Briefing to Minister seeking approval to go to Ministerial consultation with final draft: <ul style="list-style-type: none"> <li>• Cabinet paper</li> <li>• Departmental Disclosure Statement</li> <li>• Bill</li> </ul>	31 October – 5 November (4 working days)	14 – 17 October (4 working days)
Departmental consultation and Ministerial consultation	6 – 13 November (6 working days)	18 – 25 October (6 working days)
Incorporate departmental and Ministerial feedback	14 – 18 November (3 working days)	28 – 31 October (3 working days due to Labour Day)
Minister's final consideration and approval to lodge	19 – 27 November (7 working days)	1 – 6 November (4 working days)
Lodge	10am, 28 November	10am, 7 November
LEG consideration / Cabinet confirmation	5 / 9 December	14 / 18 November (3 weeks earlier)
Bill introduced <i>Assuming the Bill is introduced on the same day it is confirmed at Cabinet</i>	9 December	18 November
First reading and referred to Select Committee <i>Assuming the House is not sitting under urgency</i>	12 December	21 November (3 weeks earlier)