



## Energy Portfolio Weekly Report

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<b>Week commencing:</b>	02/12/2024	<b>Priority:</b>	Medium
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	BRIEFING-REQ-0006741

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Recipient	Action sought
HON SIMEON BROWN MINISTER FOR ENERGY	Note the contents of this report

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Justine Cannon  
**General Manager**  
Energy Markets Branch  
Ministry of Business, Innovation and Employment

Privacy of natural persons

**29 November 2024**

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Minister's comments:

**Energy Portfolio  
Officials' Meeting Agenda  
3:30 pm – 4:30 pm Tuesday 3 December 2024**

Item	Subject	People	Oral Item / Paper #	Action Required
1.	<b>Confidential advice to Government</b>			
2.	CCUS	Sharon Corbett	Oral	Discussion
3.	Budget 2025	Rebecca Heerdegen	Oral	Discussion
4.	Weekly Report & Work Programme	Minister	Oral	Discussion
5.	Any other business	All	Oral	Discussion

**Ministry of Business, Innovation & Employment officials attending:**

Name	Position
Carolyn Tremain	Chief Executive and Secretary
Paul Stocks	Deputy Secretary, Building, Resources and Markets
Justine Cannon	General Manager, Energy Markets
Sharon Corbett	Policy Director, Energy Markets
Rebecca Heerdegen	Policy Director, Energy Markets
Jamie Kerr	Director, Energy Markets

## Key Updates

Title	Comment
<p><b>Implementing Electrify NZ</b></p> <p>Daniel Brown <small>Privacy of natural persons</small></p>	<p>You met with the Minister for Resource Management Reform on 15 October 2024 and agreed the policy for amendments to the National Policy Statements for Renewable Electricity Generation and Electricity Transmission, subject to further advice on some technical drafting matters. <b>Confidential advice to Government</b></p> <p>We provided an Electrify NZ programme update briefing on 21 November 2024, <b>Confidential advice to Government</b></p> <p>The Ministry for the Environment is working with the Parliamentary Counsel Office to complete the Amendment Paper to the Fast-track Bill. The Amendment Paper will be circulated to Ministers then lodged on 5 December ahead of direct consideration by Cabinet on 9 December 2024.</p>
<p><b>Offshore Renewable Energy</b></p> <p>Melanee Beatson <small>Privacy of natural persons</small></p>	<p>MBIE will provide you with a legislative statement and talking points next week to support the first reading of the Offshore Renewable Energy Bill (expected to be around 10 December 2024).</p> <p>You previously indicated that, following introduction of the Bill, you intended to proactively release relevant policy papers since the previous Cabinet decisions in June 2024. We are preparing the proactive release now.</p> <p><b>Confidential advice to Government</b></p>
<p><b>Regulations Review Committee: Complaint about the Electricity (Safety) Regulations 2010</b></p> <p>Hayden Fenwick <small>Privacy of natural persons</small></p>	<p>The Weekly Report for the week commencing 29/10/2024 (BRIEFING-REQ-0005370) advised you that the Regulations Review Committee (the Committee) is investigating a complaint about Regulation 80 of the Electricity (Safety) Regulations 2010 (the ESRs), which concerns the electrical safety of new and used electrical fittings and appliances.</p> <p>At the Committee’s invitation, MBIE and WorkSafe New Zealand (WorkSafe) as the energy safety regulator attended on Wednesday 13 November 2024 to hear the complainant’s oral submission.</p> <p>In response to the issues raised by the complainant and the Committee, MBIE and WorkSafe were able to clarify that the process in question (disabling and labelling a used electrical appliance) provides an acceptable but not mandatory means to meet the fundamental requirement of Regulation 80 that every new or used appliance must be “electrically safe”.</p> <p><b>Confidential advice to Government</b></p>

**Hazards from Trees**

Tamara Linnhoff

Privacy of natural persons

In order to complete the review of the Hazards from Trees Regulations, including measures to restrict planting near lines, as one final package, Confidential advice to Government



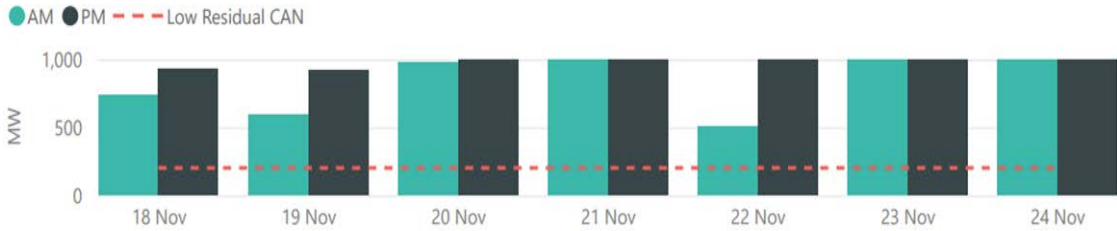
## Stakeholder Updates

Title	Comment
<p><b>Sumitomo pauses offshore wind activities in New Zealand</b></p> <p>Melanee Beatson <small>Privacy of natural persons</small></p>	<p>Sumitomo met with Deputy Secretary Paul Stocks (on your behalf) at the opening of Contact Energy's Tauhara Power Station on 22 November 2024, and with the Offshore Renewable Energy team on 25 November 2024. The meetings followed Sumitomo's 11 October letter to a group of Ministers, including the Prime Minister and you, seeking reconsideration of the Government's approach to revenue stabilisation for offshore renewable energy projects in New Zealand.</p> <p><b>Confidential advice to Government</b></p> <p>[Redacted]</p> <p>[Redacted]</p>
<p><b>solarZero put into liquidation</b></p> <p>Peter Bartlett <small>Privacy of natural persons</small></p>	<p>solarZero was put into liquidation on Tuesday 26 November 2024. The reasons for the liquidation are not yet clear, but it appears from media reporting to have been initiated by solarZero's owner Blackrock.</p> <p>At a customer base of around 15,000 homes, we understand solarZero represent around a quarter of the residential rooftop solar market.</p> <p>solarZero's business model involved installation and servicing of rooftop solar systems for a monthly fee, but they did not supply electricity directly. Customers needed their own retailer, the majority of which were with retailer Ecotricity. We therefore understand electricity accounts for solarZero customers continue to operate normally. Third party service vendor Verofi has been appointed as a replacement servicing entity while the liquidation is undertaken.</p> <p>solarZero had trialled, and in future intended to further monetise, using the network of rooftop solar systems as a virtual power plant (VPP) to offer to EDBs and other market participants as a way to reduce wholesale electricity or infrastructure costs. During this year's winter electricity market tightness, solarZero was able to offer 30MW of distributed generation back to the network.</p> <p>New Zealand Green Investment Finance (NZGIF) had also committed \$145m of financing to solarZero to help it expand <b>Commercial Information</b> [Redacted] It is not yet clear how or if this funding will be able to be recouped. The Minister of Finance and Minister for Climate Change are responsible shareholding Ministers for NZ GIF and we recommend media queries should be dealt with by their offices. Treasury is briefing shareholding Ministers.</p> <p>We also note that Ara Ake (funding for which sits in the Energy Portfolio) had in previous years provided some funding to solarZero to support a pilot of its VPP (the Winter Peak innovation Pilot). This programme has already concluded, and Ara Ake has no other projects involving active funding for solarZero.</p>

# Confidential advice to Government



## Other Updates

Title	Comment																								
<p><b>Gas security of supply</b></p> <p>Dominic Kebbell <small>Privacy of natural persons</small></p>	<p><b>The Gas Supply and Demand Study 2024</b></p> <p>GIC's <i>Gas Supply and Demand Study 2024</i> recently completed by EY was published on 28 November 2024. GIC regularly commissions supply and demand studies to provide insights about the gas sector to inform stakeholder decisions.</p> <p>The 2024 study looked at different potential scenarios in the gas sector to test a range of outcomes for supply and demand. GIC briefed you on what the study contains in their meeting with you on 26 November 2024.</p> <p>We are seeking further details about the study and its underlying assumptions from GIC. After we have received this information, we will provide you further advice on the study and its implications.</p> <p><b>Report on response to Maunganui critical contingency event</b></p> <p>In late September 2024, a regional critical contingency was declared because gas supply to the Maunganui gas gate was affected by a blockage in the transmission pipeline. As required under the <i>Gas Governance (Critical Contingency Management) Regulations 2008</i>, the gas critical contingency operator (CCO) has published its final performance report on the response to this event. The report found that the Transmission System Owner, Firstgas, and the CCO worked together effectively to manage the event. However, the report also found that:</p> <ul style="list-style-type: none"> <li>the Transmission System Owner should improve its provision of timely and accurate information to the CCO</li> <li>there is a need to define how curtailment requirements fit with gas distribution network owners' emergency response plans and processes.</li> </ul> <p>GIC will review the report's recommendations to determine any changes needed to enable better management any future critical contingency events.</p>																								
<p><b>Electricity security of supply</b></p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p><b>ELECTRICITY CAPACITY (for the week to Sunday 24 November 2024)</b></p> <p>Margins were healthy last week with residuals over 500 MW for all peaks. The lowest residual occurred on the morning peak of 22 November coinciding with low wind generation and the highest demand peak last week. Residual generation during this peak was 507 MW.</p> <p>Residuals for week to 10 November 2024 were above the preferred 200MW threshold.</p> <p><b>Lowest Residual Points - MW</b></p>  <table border="1"> <caption>Lowest Residual Points - MW</caption> <thead> <tr> <th>Date</th> <th>AM (MW)</th> <th>PM (MW)</th> </tr> </thead> <tbody> <tr> <td>18 Nov</td> <td>~700</td> <td>~900</td> </tr> <tr> <td>19 Nov</td> <td>~600</td> <td>~900</td> </tr> <tr> <td>20 Nov</td> <td>~900</td> <td>~900</td> </tr> <tr> <td>21 Nov</td> <td>~900</td> <td>~900</td> </tr> <tr> <td>22 Nov</td> <td>507</td> <td>~900</td> </tr> <tr> <td>23 Nov</td> <td>~900</td> <td>~900</td> </tr> <tr> <td>24 Nov</td> <td>~900</td> <td>~900</td> </tr> </tbody> </table> <p><i>Source: System Operator, Market Operations - Weekly Market Movements</i></p> <p>Forecast N-1-G margins are currently healthy for November and December.</p>	Date	AM (MW)	PM (MW)	18 Nov	~700	~900	19 Nov	~600	~900	20 Nov	~900	~900	21 Nov	~900	~900	22 Nov	507	~900	23 Nov	~900	~900	24 Nov	~900	~900
Date	AM (MW)	PM (MW)																							
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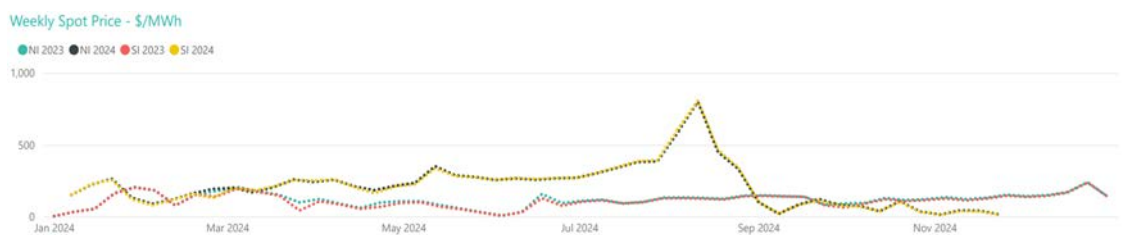




- Controlled hydro storage has increased since the October update, and sits at 134% of mean as of 20 November 2024.
- The risk curves for 2025 have reduced in this month's update, largely due to an increase in thermal generation capability via increased fuel (coal stockpile and gas storage levels at Ahuroa) as well as TCC now being available during 2025 (as signalled by Contact).
- None of the modelled SSTs cross the risk curves in 2024 or 2025.
- To realise this reduction in the 2025 risk position means increased thermal fuel capability being brought to market by participants contracting and trading activity. This can support an increased thermal generation response under any extended periods of low inflows.
- Continued focus on hydro storage and thermal fuel management ahead of winter 2025 is therefore key to reduce the security of supply risks for next year.

## WHOLESALE ELECTRICITY PRICES

### Weekly Spot Price (week ended 24 November 2024)



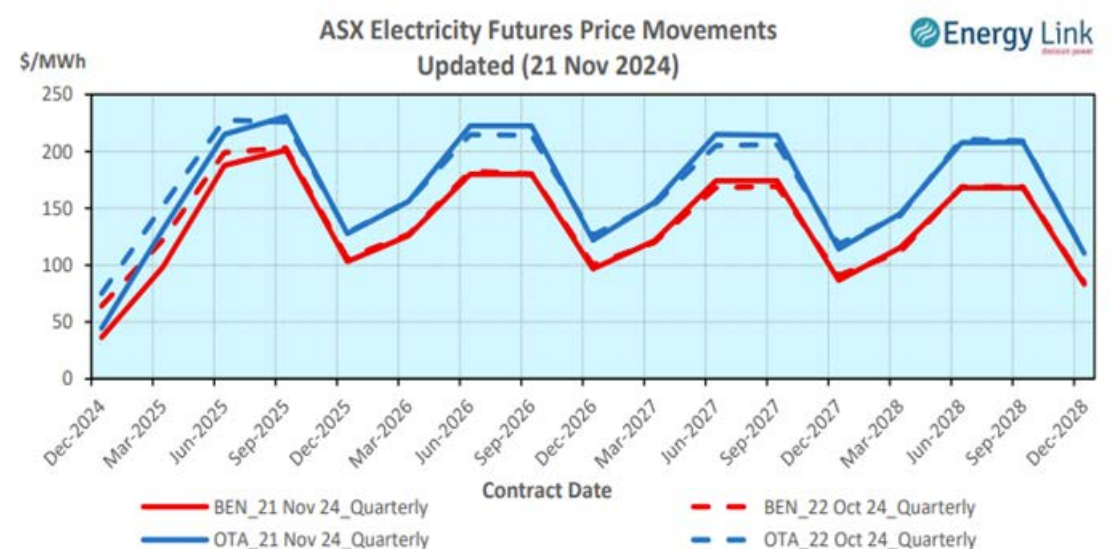
Source: System Operator, Market Operations - Weekly Market Movements

### Month-to date, 7-day average and Daily average spot prices (at Tuesday 26 November)

Node:	Month-to-date	7-day Avg	Daily Avg
Benmore	\$24.21	\$9.69	\$24.16
Haywards	\$27.58	\$11.92	\$30.90
Otahuhu	\$33.43	\$15.22	\$42.53

Source: Energy Link EnergyTrendz Daily

### ASX Electricity Futures Prices (as at 21 November 2024)



Source: Energy Link, Energy Trendz Weekly

**Weekly fuel price monitoring**

Maria Botes  
 Privacy of natural persons

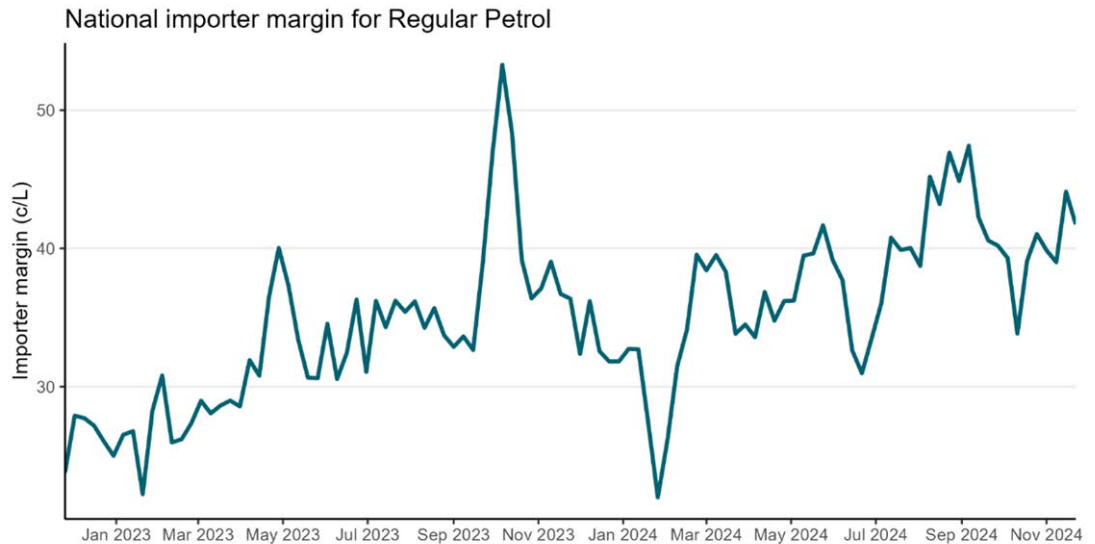
**International oil prices**

Crude oil prices increased in the week ending 22 November. This, combined with a weakening exchange rate, have contributed to a rise in importer costs.

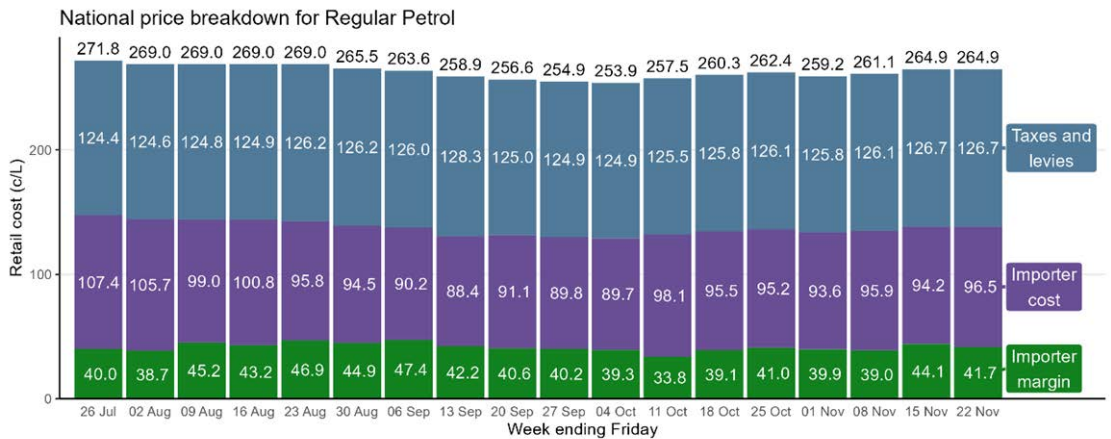
**National average fuel margins**

In the week ending 22 November, retail prices stayed steady for regular petrol, while importer margins decreased 2.4 c/L to 41.7 c/L.

National level importer margins for regular petrol over the past two years are shown below.



The price breakdown for the past four months is shown below.



**Auckland fuel margins**

In the week ending 22 November, retail prices stayed steady for regular petrol, while importer margins decreased 2.4 c/L to 40.8 c/L.

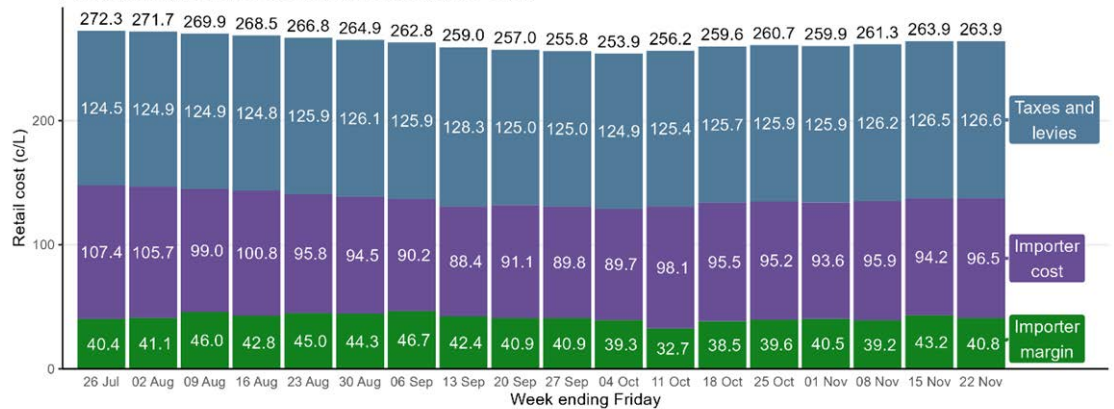
Importer margins for regular petrol in the Auckland region over the past two years are shown below. The dashed line shows the removal of the Auckland Regional Fuel Tax.

Auckland region importer margin for Regular Petrol



The price breakdown for the past four months is shown below.

Auckland region price breakdown for Regular Petrol



**Space weather risks to electricity system**

Tamara Linnhoff  
Privacy of natural persons

Last week, the media picked up on the National Emergency Management Agency (NEMA)’s Interim Response Plan for space weather from August 2024, with RNZ reporting that “Parts of power system could be out for 36 hours in event of extreme solar storm”. An updated response plan is due to be released on 4 December. MBIE is engaging with NEMA, the Electricity Authority and Transpower on managing the risks posed to the electricity system.

**Australian Government launches National Electricity Market wholesale market settings review**

Tamara Linnhoff  
Privacy of natural persons

The Australian Government has announced a review of the National Electricity Market (NEM) wholesale market settings by an independent expert panel, supported by the Department of Climate Change, Energy, the Environment and Water.

The purpose of the review is to recommend wholesale market settings to promote investment in firmed, renewable generation and storage capacity in the NEM following the conclusion of Capacity Investment Scheme tenders in 2027.

An expert panel will make actionable recommendations and prepare a roadmap, to support the development and staged implementation of reforms to the NEM wholesale market to support the achievement of Australia’s National Electricity Objectives to deliver reliable, competitively priced, safe and secure electricity services, supporting the long-term interests of consumers and prosperity of Australia’s economy.

From the Australian Financial review:

*The future National Electricity Market should ensure incentives exist to encourage generators to invest in new gas power plants as well as battery storage and pumped hydro, which will support weather-dependent wind and solar, said Tim Nelson, a former*

	<p><i>senior AGL Energy executive and one of four experts appointed to lead an overhaul of the markets' rules.</i></p> <p><i>The NEM was set up in 1998, when coal-fired power was the dominant energy source, but its rules remain largely unchanged, despite the huge growth of renewable energy. Changes are now rapidly needed to spur investment in new plants after the expiry of government subsidies that were expected to propel wind and solar towards 50 per cent of supply by the end of next year and as coal plants head for closure.</i></p> <p><i>Ideas such as a reserve of generation capacity operating outside the wholesale market may be considered, as well as other concepts used overseas or by capital-intensive industries, said Mr Nelson ahead of the announcement of the panel's appointment on Tuesday. "Nothing's off the table in a sense of considering what those mechanisms might look like," [..]</i></p> <p><i>The [review] has a tight timetable to make final recommendations to federal and state energy ministers at the end of next year. It must consider Australia's emissions reduction targets as well as the affordability and reliability of power.</i></p> <p><i>[..]while the Albanese government has ruled out subsidies for new gas plants, Mr Nelson said the terms of reference require the panel to have regard for the Australian Energy Market Operator's (AEMO) plan for the future grid. The Integrated System Plan (ISP) envisages a role for gas power alongside batteries and pumped hydro to firm renewables.</i></p> <p><i>"The critical thing for the review is to think about what the characteristics of that generation look like," [Mr Nelson] said, pointing to the need for firming generation to be switched on rapidly and have fuel that lets it produce for extended periods.</i></p>
<p><b>Jet fuel stockholding at Auckland Airport</b></p> <p>Dominic Kebbell  <small>Privacy of natural persons</small></p>	<p>On 24 November 2024, Cabinet agreed with the proposed regulation to impose a location-specific minimum stockholding obligation for jet fuel on fuel companies at Auckland Airport.</p> <p>The next step is to draft the regulations. <b>Confidential advice to Government</b></p> <p><b>[REDACTED]</b> We will keep you updated on progress.</p>

## Upcoming Ministerial Items

### 1. Upcoming Energy meetings

Meeting date	Meeting	Details
<b>Thursday 5 December 2024</b> 8:00 am – 8:30 am	Associate Minister of Energy, Hon Shane Jones	<b>Briefing Due:</b> N/A <b>Officials required:</b> Paul Stocks
<b>Thursday 5 December 2024</b> 12:45 pm – 1:15 pm	Gary Miles, CEO Gentrack	<b>Briefing Due:</b> 3 December 2024 <b>Officials required:</b> Justine Cannon
<b>Thursday 5 December 2024</b> 5:30 pm – 6:00 pm	Cathy Clennett Chair and Andrew Clennett CEO, Hiringa Energy	<b>Briefing Due:</b> 3 December 2024 <b>Officials required:</b> Melanee Beatson

### 2. Upcoming Briefings, Aides Memoires and Cabinet Papers

<b>Project:</b>	<b>Energy content for ERP2</b>	
The ERP is now due to be published in December 2024.		
<b>Project:</b>	<b>CCUS</b>	
Confidential advice to Government		
9 December 2024	Briefing	Talking points on Carbon Capture, Utilisation and Storage For ECO on 11 December 2024
<b>Project:</b>	<b>Fuel Security Study &amp; Fuel security plan</b>	
w/c 9 December 2024	Briefing	Summary of draft report
<b>Project:</b>	<b>Minimum stockholding obligations</b>	
w/c 16 December 2024	Briefing	Briefing: update on diesel stockholding consultation
<b>Project:</b>	<b>Electrify NZ: National direction package</b>	
Confidential advice to Government		
<b>Project:</b>	<b>Offshore renewable energy – Bill</b>	
w/c 2 December 2024	Briefing	Offshore Renewable Energy – Draft Legislative Statement and Talking Points

<b>Project:</b>	<b>Offshore renewable energy – regulations</b>	
w/c 16 December 2024	Briefing	Offshore Renewable Energy – Feasibility permit regulations policy decisions
Confidential advice to Government	[REDACTED]	
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	
[REDACTED]	[REDACTED]	[REDACTED]
<b>Projects:</b>	<b>Further briefings (not shown on the Ministerial Priorities Output Plan A3)</b>	
28 November 2024	Briefing	Further policy decisions for the Energy Efficiency and Conservation Amendment Bill
Confidential advice to Government	[REDACTED]	[REDACTED]
Confidential advice to Government	[REDACTED]	[REDACTED]

### 3. Written Parliamentary Questions

Due to Minister	Number	Member	Question
3 December 2024	77115	Duncan Webb	What appointments, if any, has he made or recommended in his capacity as Minister for Energy?
3 December 2024	77150	Hon Megan Woods	Is the government on track to replace all remaining coal boilers in public schools by 2025?

### 4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
2 December 2024	SB24-1273	Privacy of natural persons	Natural gas in NZ
5 December 2024	SB24-1352		Gas Retail Market Update
17 December 2024	SB24-1319		LNG Initiative
18 December 2024	SB24-1338		Nuclear energy
18 December 2024	SB24-1351		Electricity costs
20 December 2024	SB24-1355		Energy technology

## 5. Ministerial Official Information Act Requests

Due date to the office	Tracking number	Requester	Summary of request	Status	Sign Out Manager
6 December 2024	OIA24-415	Privacy of natural persons	Copies of documents	Initiation	Tamara Linnhoff
6 December 2024	OIA24-419		Copies of documents and meetings	Scoping	Zoreen Ali
11 December 2024	SB24-1329		New Zealand to generate more and new energy	Initiation	Peter Bartlett

## 6. Departmental Official Information Act Requests

Due date to the office	Tracking number	Requester	Summary of request	Status	Sign Out Manager
5 December 2024	REQ-0006166	Privacy of natural persons	SAF	Review	Dominic Kebbell
17 December 2024	REQ-0005796		Copies of documents	Initiation	Dominic Kebbell
17 December 2024	REQ-0006562		Copies of documents	Initiation	Sharon Corbett/ Scott Russell
19 December 2024	REQ-0006655		All communication with the Electricity Authority, including emails, presentations, briefings, and messages regarding the risk management review.	Initiation	Tamara Linnhoff

## 7. Output plan

Confidential advice to Government



Confidential advice to Government

Confidential advice to Government

Confidential advice to Government



## Energy Portfolio Weekly Report

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<b>Week commencing:</b>	09/12/2024	<b>Priority:</b>	Medium
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	BRIEFING-REQ-0007059

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Recipient	Action sought
HON SIMEON BROWN MINISTER FOR ENERGY	Note the contents of this report

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Justine Cannon  
**General Manager**  
Energy Markets Branch  
Ministry of Business, Innovation and Employment

Privacy of natural persons

**6 December 2024**

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Minister's comments:

**Energy Portfolio  
Officials' Meeting Agenda  
8:40 am – 9:40 am Monday 9 December 2024**

<b>Item</b>	<b>Subject</b>	<b>People</b>	<b>Oral Item / Paper #</b>	<b>Action Required</b>
1.	Gas Security	Justine Cannon	BRIEFING-REQ-0006948	Discussion
2.	Legislative work programme	Minister	Oral	Discussion
3.	Public Works Act	Daniel Brown	Oral	Discussion

**Confidential advice to Government**

5.	Weekly Report & Work Programme	Minister	Oral	Discussion
6.	Any other business	All	Oral	Discussion

**Ministry of Business, Innovation & Employment officials attending:**

<b>Name</b>	<b>Position</b>
Carolyn Tremain	Chief Executive and Secretary
Paul Stocks	Deputy Secretary, Building, Resources and Markets
Justine Cannon	General Manager, Energy Markets
Sharon Corbett	Policy Director, Energy Markets
Daniel Brown	Manager, Electrify NZ
Tamara Linnhoff	Manager, Electricity Generation, Infrastructure and Markets Policy
John McCabe	Team Leader, Electricity Generation, Infrastructure and Markets Policy

## Key Updates

Title	Comment
<p><b>Implementing Electrify NZ</b></p> <p>Daniel Brown <small>Privacy of natural persons</small></p>	<p>You met with the Minister for Resource Management Reform on 15 October 2024 and agreed the policy for amendments to the National Policy Statements for Renewable Electricity Generation and Electricity Transmission, subject to further advice on some technical drafting matters. Confidential advice to Government</p> <p>We provided an Electrify NZ programme update briefing on 21 November 2024, Confidential advice to Government</p> <p>On Monday 9 December 2024, Cabinet will consider the Amendment Paper to the Fast-track Bill. The Amendment paper will address comments raised through the independent commercial lawyer review and make policy changes including allowing specified electricity projects on high value conservation land, adding Crown Mineral permitting, adding listed projects, and making workability changes.</p>
<p><b>New permitting regime for offshore renewable energy</b></p> <p>Melanee Beatson <small>Privacy of natural persons</small></p>	<p>The Offshore Renewable Energy Bill is due to be introduced on Monday 9 December 2024. We have provided a draft legislative statement and talking points to support the first reading, which is expected to be on 17 December 2024.</p> <p>Confidential advice to Government</p>
<h1>Confidential advice to Government</h1>	
<p><b>Hazards from Trees</b></p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>Confidential advice to Government</p>

<p><b>Mid-point review of the phase-out of the LFC Regulations</b></p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>Confidential advice to Government</p>
<p><b>Updates to standards – Voltage range</b></p> <p>Peter Bartlett <small>Privacy of natural persons</small></p>	<p>Consultation on the expanding the voltage range closed on 29 November 2024. We are currently analysing the responses and aim to provide you with advice in January 2025 outlining the next steps.</p>

## Quarterly Reporting Update

Please provide any feedback by COB Monday 9 December 2024.

#	Action Item	Due Month	Delivery Update	Critical Contextual Information (if applicable)	Delivery Status
6	Introduce legislation to make it easier to build offshore wind farms.	Dec	The Offshore Renewable Energy Bill is expected to be introduced on 9 December and have a first reading before the House rises at the end of 2024.		<i>Probable</i>

## Stakeholder Updates

Title	Comment
<p><b>Transpower Security of Supply Review – Winter 2024 published</b></p> <p>Tamara Linnhoff  <small>Privacy of natural persons</small></p>	<p>Transpower has published a Winter 2024 Review – this explains the circumstances behind the security of supply risk experienced last winter, caused by the decline in hydro storage levels from May until late August, lower wind generation and insufficient thermal fuel availability.</p> <p>The reviews stresses that the risk for 2025 will be dependent on market trading and contracting to ensure sufficient resources are available - including fuel (thermal and hydro), generation capacity, and demand-side resources. It notes that peak capacity risks are no longer confined to winter months and will persist until there is sufficient investment in flexible resources such as batteries, demand response, and peaking generation.</p>
<p><b>Marlborough Lines solar farm starts generating</b></p> <p>Tamara Linnhoff  <small>Privacy of natural persons</small></p>	<p>Marlborough Lines Limited (MLL) 4MW Seaview Solar Farm generated electricity for the first time in November. It is currently the largest solar farm in the upper South Island and expected to generate about 6.5 GWh per year, enough to supply 800 homes. MLL’s larger 9MW solar farm in Ward was consented in August and is expected to be commissioned by Spring 2025. MLL is developing a portfolio of small to medium sized solar projects to reduce the region’s reliance on the national grid.</p>

# Confidential advice to Government

<p><b>Ecotricity now fully owned by Genesis</b></p> <p>Tamara Linnhoff  <small>Privacy of natural persons</small></p>	<p>Ecotricity is an electricity retailer. In the weekly report 18 November 2024 [BRIEFING-REQ-0006223 refers] <b>Confidential advice to Government</b></p> <p>At the time Ecotricity was 70 per cent owned by Genesis Energy. Genesis has now bought the remaining stake to fully own the retailer, however Ecotricity will continue to operate as its own brand with a focus on supporting Genesis’ Gen35 low-carbon strategy.</p>
<p><b>Transmission charges published, for 2025/2026 pricing year (from 1 April 2025)</b></p> <p>Tamara Linnhoff  <small>Privacy of natural persons</small></p>	<p>On Thursday 5 December 2024, Transpower notified grid-connected customers of new transmission charges, starting 1 April 2025 (for Pricing Year 2025/26). This pricing information will be made publicly available by Transpower from Thursday, 12 December.</p> <p>Compared to 2024/25, Transpower’s revenue recovered through the transmission pricing methodology will increase by \$136.5 million, or 16.2%. This uplift reflects the recent Commerce Commission decision to increase Transpower’s revenue over the next regulatory period (2025-2030, known as RCP4) due to higher interest rates, inflation and electrification.</p> <p>Of note is an average increase of 14.9% for industrial load customers. <b>Commercial Information</b></p> <ul style="list-style-type: none"> <li>■ [Redacted]</li> <li>■ [Redacted]</li> <li>■ [Redacted]</li> </ul>



# Confidential advice to Government



## Other Updates

Title	Comment																																
<p><b>Transfer of MBIE Energy Market funds to Energy Efficiency &amp; Conservation Authority (EECA)</b></p> <p>Scott Russell <small>Privacy of natural persons</small></p>	<p>On 11 November 2024, you agreed that the administration of the Community Renewable Energy Fund (CREF) and Support for Energy Education in Communities (SEEC) programme would transfer from MBIE Energy Markets branch to EECA.</p> <p>Officials are informing relevant stakeholders (such as funding recipients) of your decision this week via email. We expect the transfer to be completed in early February 2025.</p>																																
<p><b>MartinJenkins evaluation of the Support for Energy Education in Communities (SEEC) programme</b></p> <p>Scott Russell <small>Privacy of natural persons</small></p>	<p>Earlier in 2024, MBIE Energy Markets commissioned MartinJenkins to undertake an external evaluation of the SEEC Programme to deliver a cost-benefit analysis, an evaluation the current FY2023/24 funding round, and provide reporting and evaluation insights to inform future fund delivery. We intend to publish and share the now completed evaluation with SEEC providers and key stakeholders this week.</p> <p><b>Key findings are set out below, please advise if you would like to receive a copy of the evaluation.</b> <span style="float: right;"><b>Yes / No</b></span></p> <p><u>Key findings</u></p> <p>The evaluation found that SEEC delivers a positive return on investment. MartinJenkins have assessed this on a very conservative estimate, due to the poor quality of historical reporting data captured.</p> <p>The table below sets out the benefits in dollar-terms. Societal returns includes co-funding leveraged by providers, and shows \$1.70 benefit for \$ invested. The returns on the Government investment are higher at \$2.21.</p> <table border="1" data-bbox="373 1137 1287 1429"> <thead> <tr> <th>Measure</th> <th>Total societal result including co-funding</th> <th>Government-only funding result</th> </tr> </thead> <tbody> <tr> <td>Benefit-Cost Ratio</td> <td>1.70</td> <td>2.21</td> </tr> <tr> <td>Net Present Value</td> <td>\$5.7 million</td> <td>\$7.6 million</td> </tr> <tr> <td>Internal Rate of Return</td> <td>14%</td> <td>21%</td> </tr> </tbody> </table> <p>SEEC performs well when compared to the benefit cost ratio (BCR) of other similar programmes, such as Warmer Kiwi Homes and the Healthy Homes Initiatives:</p> <table border="1" data-bbox="373 1554 1430 1951"> <thead> <tr> <th>Programme evaluation</th> <th>BCR</th> <th>Notes</th> </tr> </thead> <tbody> <tr> <td>SEEC</td> <td>1.70</td> <td>Or 2.21 based on government funding only</td> </tr> <tr> <td>HHI (Pierse et al, 2022)</td> <td>1.27</td> <td></td> </tr> <tr> <td>WKH (Fyfe et al, 2022)</td> <td>1.89</td> <td>Conventional BCR</td> </tr> <tr> <td>Warm Up NZ: Heat Smart (Grimes et al, 2012)</td> <td>3.9</td> <td>Central estimate. Range of 2.6-4.6</td> </tr> <tr> <td rowspan="2">Proposed healthy homes standards (NZIER 2018)</td> <td>1.34</td> <td>Heating capacity to be able to achieve and maintain 18°C</td> </tr> <tr> <td>1.28</td> <td>Heating capacity to be able to achieve 20°C</td> </tr> </tbody> </table>	Measure	Total societal result including co-funding	Government-only funding result	Benefit-Cost Ratio	1.70	2.21	Net Present Value	\$5.7 million	\$7.6 million	Internal Rate of Return	14%	21%	Programme evaluation	BCR	Notes	SEEC	1.70	Or 2.21 based on government funding only	HHI (Pierse et al, 2022)	1.27		WKH (Fyfe et al, 2022)	1.89	Conventional BCR	Warm Up NZ: Heat Smart (Grimes et al, 2012)	3.9	Central estimate. Range of 2.6-4.6	Proposed healthy homes standards (NZIER 2018)	1.34	Heating capacity to be able to achieve and maintain 18°C	1.28	Heating capacity to be able to achieve 20°C
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	<p>The evaluation also provided valuable insights and direction to better target future SEEC funding to achieve a significantly higher return of investment, such as targeting larger households to maximise benefits.</p> <p>The evaluation found that SEEC delivers value in several ways including providing energy education and advice, efficient devices, and minor repairs. The evaluation also notes SEEC providers are successful in generating additional referrals to hard-to-reach households that would not have otherwise happened (for example to Warmer Kiwi Homes and the Healthy Homes Initiative).</p> <p>The energy education provided to households through SEEC also helps unlock additional benefits from other programmes. For example, showing people how to use their heat pump correctly maximises the benefits of heat pumps provided through the Warmer Kiwi Homes. The evaluation noted that New Zealand’s poor housing stock remains the main barrier to releasing benefits of energy education.</p> <p>The evaluation made three key recommendations:</p> <ol style="list-style-type: none"> <li>1. Develop a strategic long-term plan for delivering SEEC funding.</li> <li>2. Optimise the return on investment by targeting funding to a smaller number of proven providers, who demonstrate that their delivery model is aligned with the success factors described in the evaluation report.</li> <li>3. Improve monitoring and reporting.</li> </ol> <p>The transfer of SEEC to EECA in early 2025 provides an excellent opportunity to implement these recommendations, while leveraging EECA’s existing fund delivery expertise. EECA will look to implement these recommendations in advance of launching the FY2024/25 funding round in the New Year.</p>
<p><b>Gas security of supply</b></p> <p>Dominic Kebbell  <small>Privacy of natural persons</small></p>	<p><b>Tariki gas field drilling results</b></p> <p>On 2 December 2024, New Zealand Energy Corp. (NSEC) announced that preliminary results from the latest Tariki-5A drilling campaign confirm there is significant additional producible gas remaining in the field.</p> <p>The drilling occurred from a sidetrack well, a different point to the primary well, as previous drilling of the latter (undertaken in October) had not encountered the gas reservoir as expected.</p> <p>In its announcement, NSEC stated that it expects the reservoir to be able to deliver at least 10 terajoules/day, which is sufficient to exceed the requirements of its 2PJ gas sales agreement with Genesis Energy.</p> <p><b>Todd Energy drilling programme 2025</b></p> <p>At the Taranaki Energy Resource Forum on 27 November 2024, Todd Energy (Todd) announced a new drilling programme for 2025 at its Mangahewa onshore oil and gas field. Todd’s chief executive, Mark Macfarlane, stated that “depending on the success of this programme, future development and further appraisal of existing fields will be considered”.</p> <p>Mr Macfarlane also said Todd is keeping open the option of developing its offshore Karewa Taranaki permit for natural gas supply if “economics and regulations make it viable”.</p>

## ELECTRICITY GENERATION

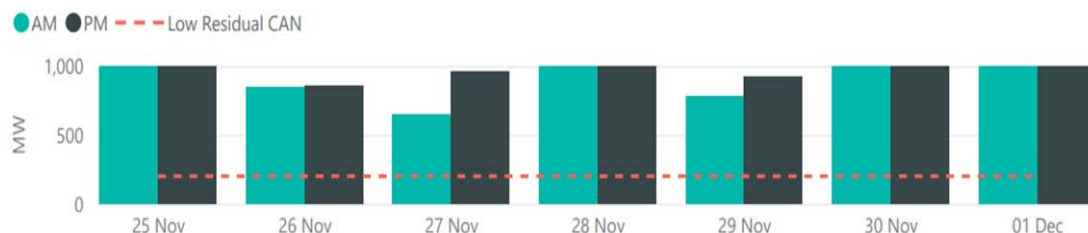
Renewable sources (hydro, geothermal and wind) provided 99% of New Zealand’s electricity supply during the morning of Thursday 5 December (Source: Transpower’s em6 Electricity Market Overview)

## ELECTRICITY CAPACITY (for the week to Sunday 1 December 2024)

Residual generation margins remained healthy last week with residuals over 600 MW for all peaks. The lowest residual of 647 MW occurred on the morning peak of 27 November coinciding with low wind generation and highest demand peak.

Residuals for week to 1 December 2024 were above the preferred 200 MW threshold.

### Lowest Residual Points - MW



Source: System Operator, Market Operations - Weekly Market Movements

Forecast N-1-G margins are currently healthy.

The N-1-G margin is sufficient to meet peak demand in the look-ahead through to end of January 2025:

### NZGB Look-Ahead (excluding next 7 days)



Source: System Operator, Market Operations - Weekly Market Movements

## ENERGY (HYDRO) STORAGE RELATIVE TO MEAN (for the week to 1 December 2024)

National hydro storage has dropped from 132% to 129% of average for this time of year. South Island storage dropped from 132% to 129% of its historical mean, while North Island storage dropped from 131% to 128%.

## ENERGY (HYDRO) STORAGE LEVEL BY MAJOR LAKE

Wednesday 4 December 2024

### UPSTREAM

#### Water

		Last	Δ	Previous	Change	1 Day	1 Week
Hydro system storage	% LT avg	129.2%	▼	129.4%	-0.2%	-0.2%	-2.6%
Pukaki - Meridian	% full	86.3%	▲	85.9%	+0.4%	+0.4%	+1.7%
Manapouri - Meridian	% full	66.1%	▼	68.9%	-2.8%	-2.8%	-12.2%
Tekapo - Genesis	% full	93.4%	▼	93.8%	-0.4%	-0.4%	-1.1%
Hawea - Contact	% full	94.4%	▲	93.9%	+0.5%	+0.5%	-0.9%
Taupo - Mercury	% full	82.1%	-	82.1%	0.0%	0.0%	-3.6%

Source: Enerlytica

## ELECTRICITY ('ENERGY') SUPPLY RISK (at 1 December 2024)

The level of 'energy risk' is measured by hydro storage levels relative to the electricity risk status curves.

### New Zealand Energy Risk



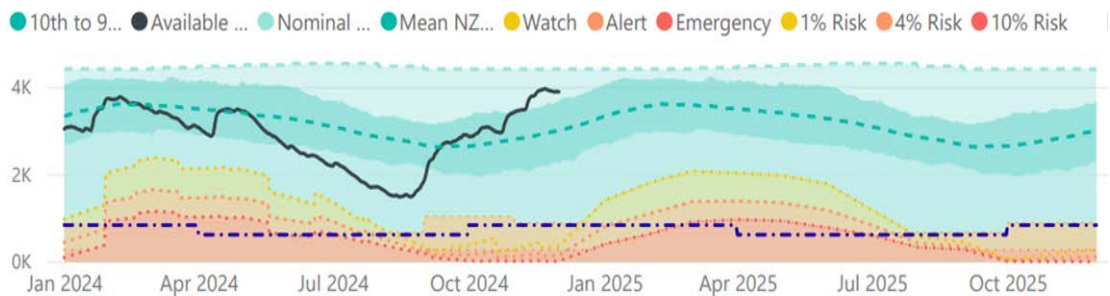
### South Island Energy Risk



Normal Watch Alert Emergency

New Zealand controlled energy storage is above average for this time of year:

### New Zealand Electricity Risk Status Curves (Available GWh)



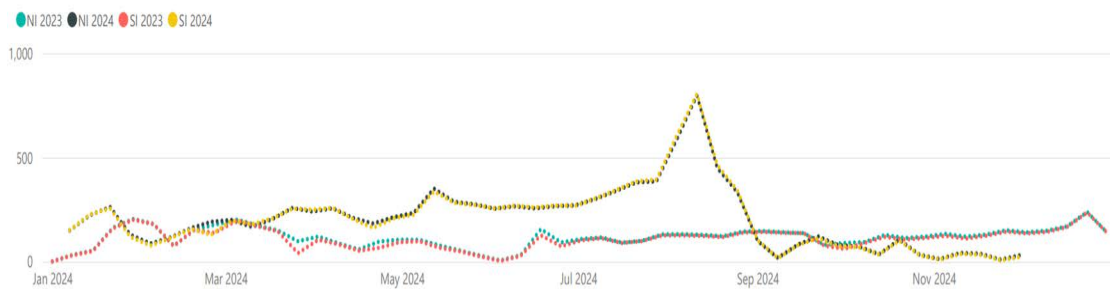
The System Operator last updated the electricity risk curves (ERC) on 22 November 2024. Commentary on that update is in the Weekly Report of 29 November 2024 [BRIEFING-REQ-0006741 refers]. The next ERC update is expected approximately the end of December.

Source: System Operator, Market Operations - Weekly Market Movements

## WHOLESALE ELECTRICITY PRICES

### Weekly Spot Price (week ended 1 December 2024)

#### Weekly Spot Price - \$/MWh



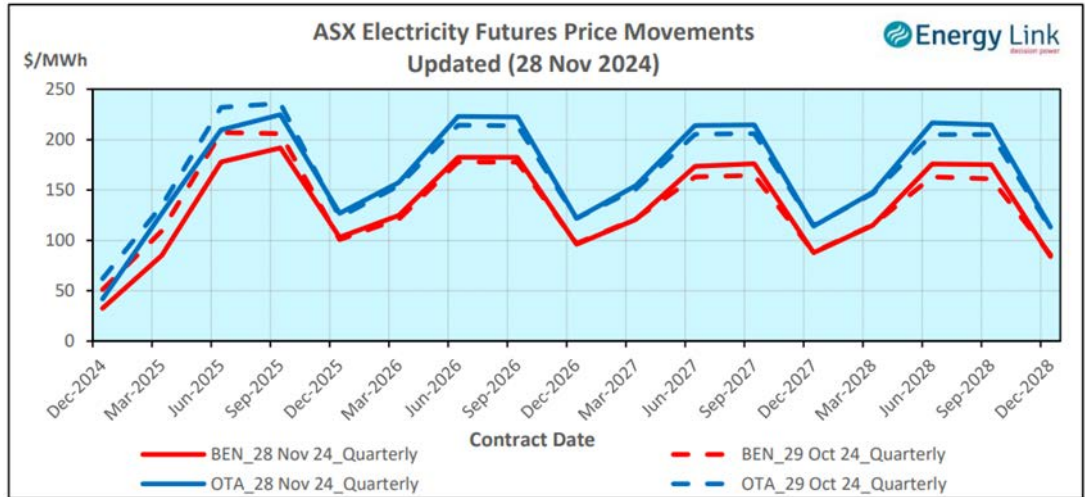
Source: System Operator, Market Operations - Weekly Market Movements

### Month-to-date, 7-day average and daily average spot prices (at Monday 2 December 2024)

Node:	Month-to-date	7-day Avg	Daily Avg
Benmore	\$43.97	\$29.83	<b>\$50.54</b>
Haywards	\$48.07	\$39.13	<b>\$56.33</b>
Ōtāhuhu	\$58.11	\$47.39	<b>\$71.00</b>

Source: Energy Link, Energy Trendz Daily

**ASX Electricity Futures Prices (as at 28 November 2024)**



Source: Energy Link, Energy Trendz Weekly

**Weekly fuel price monitoring**

Maria Botes  
Privacy of natural persons

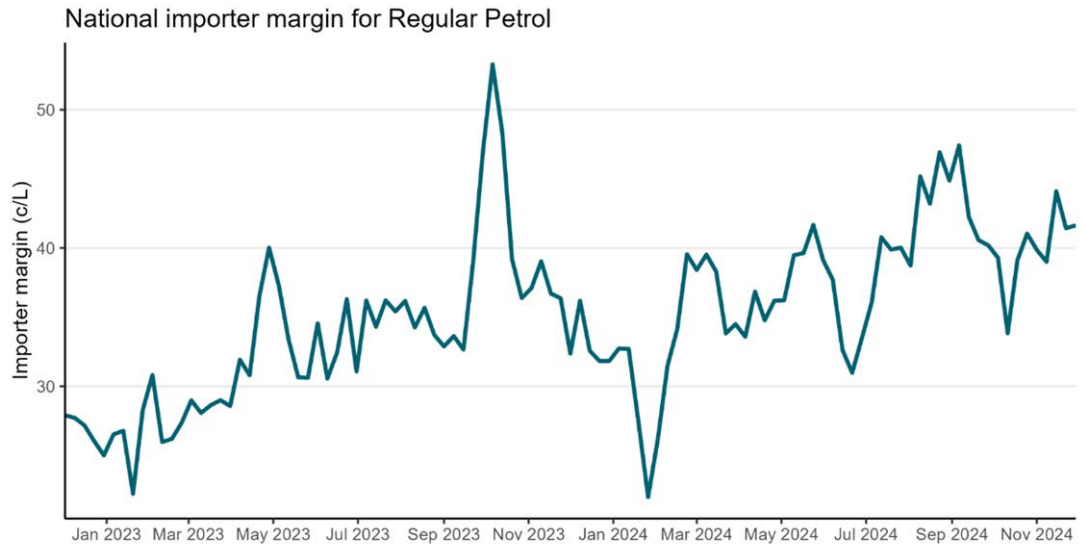
**International oil prices**

Crude oil prices decreased slightly in the week ending Friday 29 November, reducing importer costs slightly.

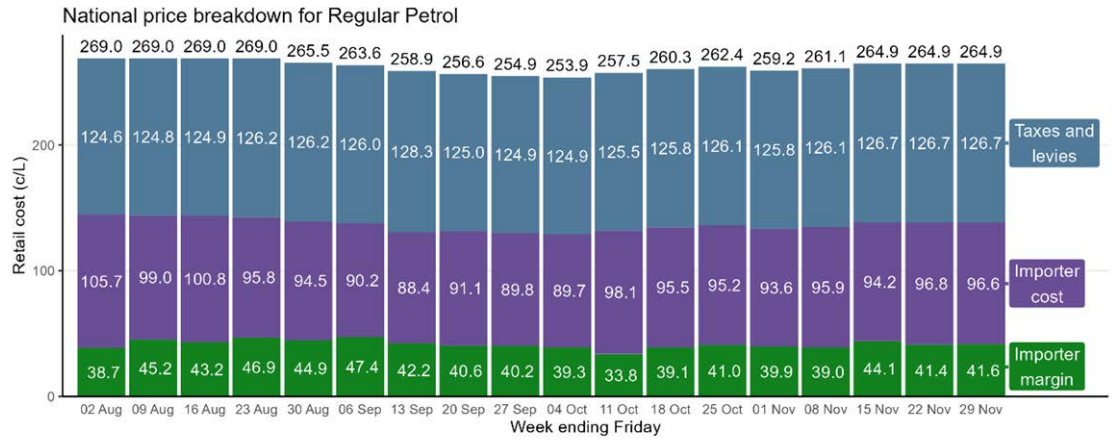
**National average fuel margins**

In the week ending Friday 29 November, retail prices stayed steady for regular petrol, while importer margins increased 0.2 c/L to 41.6 c/L.

National level importer margins for regular petrol over the past two years are shown below.



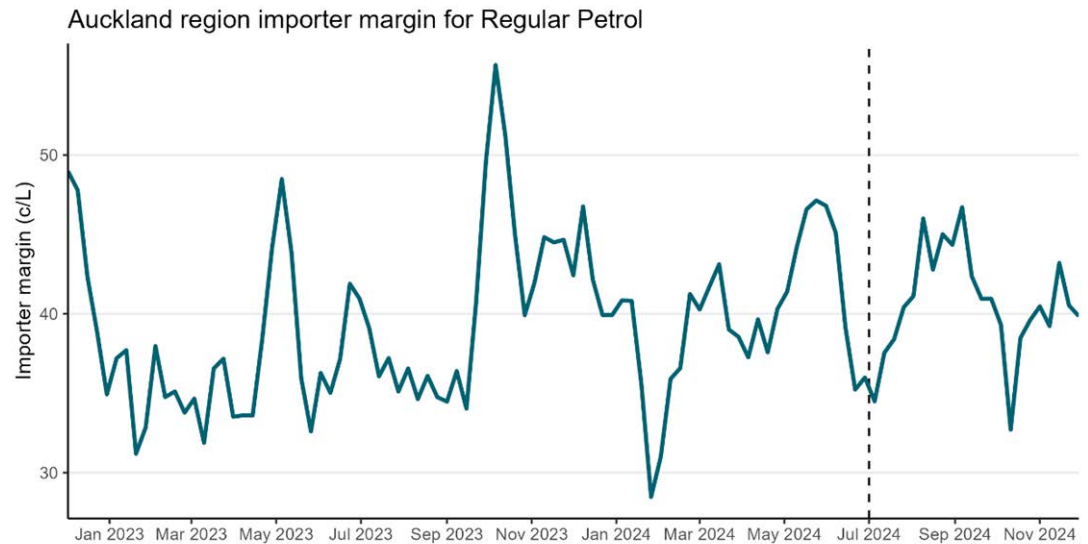
The price breakdown for the past four months is shown below.



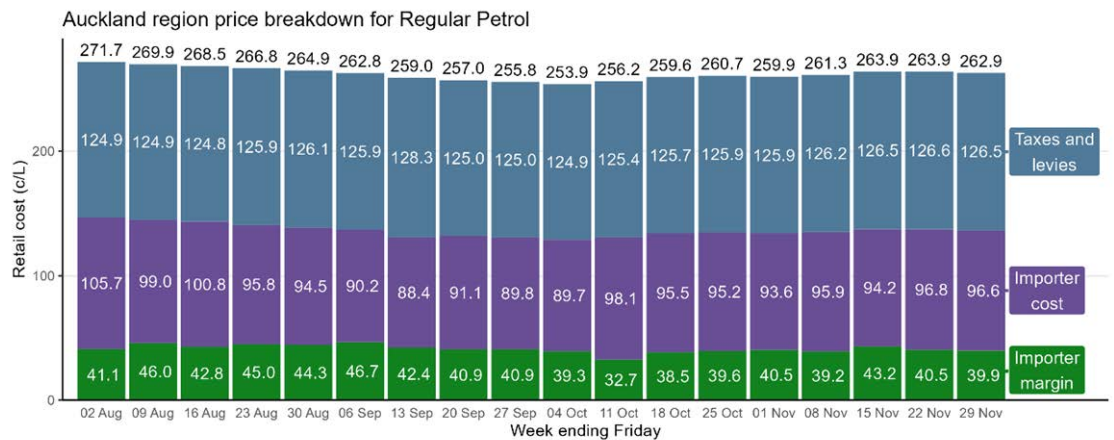
**Auckland fuel margins**

In the week ending Friday 29 November, retail prices decreased by 1.0 c/L for regular petrol, while importer margins decreased 0.7 c/L to 39.9 c/L.

Importer margins for regular petrol in the Auckland region over the past two years are shown below. The dashed line shows the removal of the Auckland Regional Fuel Tax.



The price breakdown for the past four months is shown below.



<p><b>Regulatory Systems Amendment Bill</b></p> <p>Tamara Linnhoff  <small>Privacy of natural persons</small></p>	<p>The Economic Development Science and Innovation (EDSI) Committee is considering the Regulatory Systems (Economic Development) Amendment Bill, which includes amendments to the Electricity Industry Act 2010. Confidential advice to Government</p> <p>Confidential advice to Government</p>
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<p><b>Release of monthly gas production figures for October 2024</b></p> <p>Amapola Generosa  <small>Privacy of natural persons</small></p>	<p>We will be publishing the October 2024 update of our monthly oil and gas production data on the MBIE website on Thursday 12 December. This shows that net production of natural gas in October 2024 was 9.07 PJ, down 3% on September 2024 levels (9.66 PJ) and down 22% on October 2023 net production. Contributing to this was lower production from the Maui and Pohokura fields in October 2024. This is the lowest monthly net production of natural gas observed since February 1985.</p> <p>We publish this data regularly, on the second Thursday of each month. Data for a given month is available 6 weeks after month-end. This data gives a more comprehensive view of gas production than other public sources (such as what is published on the Gas Industry Company’s website) as we collect data from all gas field operators in New Zealand and can capture information on gas that is delivered through private pipelines.</p>
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# Commercial Information

<p><b>Energy Quarterly release</b></p> <p>Amapola Generosa  <small>Privacy of natural persons</small></p>	<p>MBIE will release the latest New Zealand Energy Quarterly (NZEQ) on Thursday 12 December 2024. The NZEQ provides quarterly data and analysis on energy supply, demand, prices, and associated greenhouse gas emissions. This release covers data from 01 July to 30 September 2024.</p> <p>Unless stated otherwise, all changes are in comparison to the September 2023 quarter.</p> <p><b>Electricity generation</b></p> <ul style="list-style-type: none"> <li>• Electricity generation from hydro fell 16.6 per cent to 5,584 GWh with below average inflows in the first half of the quarter. This was the lowest level of hydro generation in a September quarter since 2001, and the third lowest September on record.</li> <li>• Quarterly generation from both geothermal and wind reached record highs of 2,363 GWh and 1,094 GWh respectively. Contributing to this was new capacity additions over the past year including the geothermal Tauhara Power Station and the Harapaki Wind Farm.</li> <li>• Wind conditions across the September 2024 quarter were generally favourable with generation from wind up 17.8 per cent. This follows periods of relatively low wind generation in early August.</li> </ul>
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	<ul style="list-style-type: none"> <li>• The quarter saw increased reliance on coal, and diesel at times, to ensure that electricity demand was met. Electricity generation from coal was up 157 per cent, contributing to a 31 per cent in emissions from electricity generation.</li> <li>• The share of electricity generation from renewable sources fell to 81.1 per cent. This was relatively unchanged from the June 2024 quarter (81.3 per cent), and down on the September 2023 quarter (84.1 per cent).</li> </ul> <p><b>Demand</b></p> <ul style="list-style-type: none"> <li>• National electricity consumption fell 2.5 per cent, with electricity use in the industrial sector down 10.2 per cent. Contributing to this was Meridian Energy calling on its demand response agreement with New Zealand Aluminium Smelters.</li> <li>• Non-energy use of gas was down 57 per cent as Methanex (the country’s largest user of gas) idled all their New Zealand production facilities. This took effect in mid-August with only one plant being restarted at the end of October.</li> </ul> <p><b>Energy supply</b></p> <ul style="list-style-type: none"> <li>• Net gas production fell 22 per cent to 30.05 PJ to its lowest level for a September quarter since 1983.</li> <li>• Coal imports increased 375 kilotonnes (366 per cent), following Genesis Energy’s announcement in May 2024 that they would start rebuilding the stockpile at the Huntly Power Station.</li> <li>• Coal exports were down 59 per cent from the June 2024 quarter following the closure of a tunnel on the rail line between the Stockton Mine and Lyttleton Port.</li> </ul> <p><b>Next Steps</b></p> <p>Energy Quarterly will be released on 12 December 2024 with a coinciding media release. Associated communications material will be provided to your office 24 hours prior to release.</p>
<p><b>ERP2 update</b></p> <p>Scott Russell  <small>Privacy of natural persons</small></p>	<p>ERP2 is on track for release in December 2024. On further review, the Minister of Climate Change requested changes to the energy chapter to include reference to supercritical geothermal energy and raise the prominence of work to enable energy efficiency and a smarter electricity system. As a result:</p> <ul style="list-style-type: none"> <li>• "enabling energy efficiency and a smarter electricity system" is included in the list of key actions and policies (alongside Electrify NZ, enabling CCUS and enabling woody bioenergy)</li> <li>• The chapter includes a new section on supercritical geothermal: <ul style="list-style-type: none"> <li>○ "New Zealand is a rich source of geothermal energy, which is used for electricity generation. Currently most geothermal wells are drilled to a maximum depth of around 3.5 kilometres, but it may be possible to access more energy if wells are drilled deeper.</li> </ul> <p>Through the Regional Infrastructure Fund, the Government will invest in exploring the potential of supercritical geothermal technology (SCGT). SCGT could unlock more geothermal energy for New Zealand and further reduce reliance on fossil fuels in later budget periods."</p> </li> </ul> <p>We will provide your office with energy-specific communications material ahead of the launch.</p>

## Upcoming Ministerial Items

### 1. Upcoming Energy meetings

Meeting date	Meeting	Details
<b>Wednesday 11 December 2024</b> 10:30 am – 10:50 am	EECA CEO and management (Regular meeting)	<b>Briefing Due:</b> N/A <b>Officials required:</b> Justine Cannon
<b>Wednesday 11 December 2024</b> 10:50 am – 11:10 am	Electricity Authority CEO and management (Regular meeting)	<b>Briefing Due:</b> N/A <b>Officials required:</b> Justine Cannon
<b>Wednesday 11 December 2024</b> 11:10 am – 11:30 am	Transpower CEO and management (Regular meeting)	<b>Briefing Due:</b> N/A <b>Officials required:</b> Justine Cannon
<b>Wednesday 11 December 2024</b> 4:00 pm – 4:30 pm	Sandeep Mahawar, Senior Vice President, Head of Region Asia and Thomas Thorkildsen Chief Commercial officer, Höegh	<b>Briefing Due:</b> 9 December 2024 <b>Officials required:</b> Justine Cannon
<b>Wednesday 11 December 2024</b> 4:30 pm – 5:00 pm	Mark Dunphy, Co-owner Greymouth Petroleum	<b>Briefing Due:</b> 9 December 2024 <b>Officials required:</b> Bruce Parks
<b>Wednesday 11 December 2024</b> 5:00 pm – 6:00 pm	Energy stakeholders	<b>Talking points due:</b> 9 December 2024 <b>Officials required:</b> Justine Cannon
<b>Thursday 12 December 2024</b> 10:00 am – 10:20 am	Jeff Schlichting, Founder & Managing Director and Kate Binns COO, Helios Energy	<b>Briefing Due:</b> 10 December 2024 <b>Officials required:</b> Justine Cannon

### 2. Upcoming Briefings, Aides Memoires and Cabinet Papers

<b>Project:</b>	<b>Energy content for ERP2</b>	
The ERP is now due to be published in December 2024.		
<b>Project:</b>	<b>CCUS</b>	
Confidential advice to Government		
9 December 2024	Briefing	Talking points on Carbon Capture, Utilisation and Storage For ECO on 11 December 2024

<b>Project:</b>	<b>Fuel Security Study &amp; Fuel security plan</b>	
w/c 9 December 2024	Briefing	Summary of draft report
<b>Project:</b>	<b>Minimum stockholding obligations</b>	
w/c 16 December 2024	Briefing	Briefing: update on diesel stockholding consultation
<b>Project:</b>	<b>Hazards from Trees – regulations</b>	
Confidential advice to Government		
<b>Project:</b>	<b>Energy Strategy</b>	
Confidential advice to Government		
<b>Projects:</b>	<b>Further briefings (not shown on the Ministerial Priorities Output Plan A3)</b>	
Confidential advice to Government		
Confidential advice to Government		
12 December 2024	Aide Memoir	Separation of the UK Electricity System Operator (ESO)
18 December 2024	Briefing	2025 Legislation Programme – Energy portfolio
Q1 2025 - Date TBC	Briefing	Helios Operator Status application
Q1 2025 – date TBC	Briefing and draft Cabinet paper	Seeking a decision on proposal to expand the permitted voltage range for electrical supply

### 3. Written Parliamentary Questions

None this week.

### 4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
12 December 2024	SB24-1367	Privacy of natural persons	NZ's energy system
17 December 2024	SB24-1319		LNG Initiative
18 December 2024	SB24-1338		Nuclear energy
18 December 2024	SB24-1351		Electricity costs
20 December 2024	SB24-1355		Energy technology
16 January 2025	SB24-1361		Floating Power Solution - Provision of Electric Power
16 January 2025	SB24-1369		V2H/G charging
16 January 2024	SB24-1370		LNG development

## 5. Ministerial Official Information Act Requests

Due date to the office	Tracking number	Requester	Summary of request	Status	Sign Out Manager
11 December 2024	SB24-1329	Privacy of natural persons	New Zealand to generate more and new energy	Initiation	Peter Bartlett
12 December 2024	OIA24-491		Correspondence on the domestic component of NZ's 2 <sup>nd</sup> Nationally Determined Contribution	Initiation	Zoreen Ali

## 6. Departmental Official Information Act Requests

Due date to the office	Tracking number	Requester	Summary of request	Status	Sign Out Manager
17 December 2024	REQ-0005796	Privacy of natural persons	Copies of documents	Initiation	Dominic Kebbell
19 December 2024	REQ-0006655		All communication with the Electricity Authority, including emails, presentations, briefings, and messages regarding the risk management review.	Initiation	Tamara Linnhoff

## 7. Output plan

Confidential advice to Government

Confidential advice to Government

Confidential advice to Government

Confidential advice to Government





## Energy Portfolio Weekly Report

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<b>Week commencing:</b>	16/12/2024	<b>Priority:</b>	Medium
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	BRIEFING-REQ-0007357

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Recipient	Action sought
HON SIMEON BROWN MINISTER FOR ENERGY	Note the contents of this report

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Justine Cannon  
**General Manager**  
Energy Markets Branch  
Ministry of Business, Innovation and Employment

Privacy of natural persons

**13 December 2024**

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Minister's comments:

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**Energy Portfolio  
Officials' Meeting Agenda  
3:30pm – 4:30pm Tuesday 17 December 2024**

<b>Item</b>	<b>Subject</b>	<b>People</b>	<b>Oral Item / Paper #</b>	<b>Action Required</b>
1.	Security of supply	Justine Cannon	Oral	Discussion
2.	Electricity Competition Taskforce	Paul Stocks Peter Bartlett Sharon Corbett	Event Briefing: REQ-0007111	Discussion
3.	Confidential advice to Government	John McCabe Tamara Linnhoff	Oral	Discussion
4.	Weekly Report & Work Programme	Minister	Oral	Discussion
5.	Any other business	All	Oral	Discussion


**Ministry of Business, Innovation & Employment officials attending:**

<b>Name</b>	<b>Position</b>
Carolyn Tremain	Chief Executive and Secretary (Tentative)
Paul Stocks	Deputy Secretary, Building, Resources and Markets
Justine Cannon	General Manager, Energy Markets
Sharon Corbett	Policy Director, Energy Markets
Peter Bartlett	Director, Sector Engagement
Tamara Linnhoff	Electricity Generation, Infrastructure and Markets Policy
John McCabe	Team Leader, Electricity Generation, Infrastructure and Markets Policy

## Key Updates

Title	Comment
<p><b>Implementing Electrify NZ</b></p> <p>Daniel Brown  <small>Privacy of natural persons</small></p>	<p>You met with the Minister for Resource Management Reform on 15 October 2024 <small>Confidential advice to G</small></p> <p>[Redacted]</p> <p>The Resource Management (Consenting and Other System Changes) Amendment Bill was introduced on 9 December. This Bill implements a number of Electrify NZ commitments around resource consent timeframes, duration and lapse periods.</p> <p>The Fast-track Approvals Bill completed Committee of the Whole House on 11 December 2024 and is scheduled for Third Reading and commencement in the week commencing 16 December 2024.</p>
<p><b>Review of Electricity Market Performance</b></p> <p>Sharon Corbett  <small>Privacy of natural persons</small></p>	<p>You received a briefing on 12 December providing an update on the Review, including the key milestones and target timelines. We are well-advanced with the process to engage experts for the three specialist advisor roles to undertake the Review: the Lead Reviewer, NZ Expert and two Peer Reviewers.</p> <p>Tenders under the Request for Proposal process closed 11 December and the Evaluation Panel has been convened to consider the proposals received. You will receive an Aide Memoire with an update on the procurement process and next steps on 18 December.</p>
<p><b>Hazards from Trees</b></p> <p>Tamara Linnhoff  <small>Privacy of natural persons</small></p>	<p>Confidential advice to Government</p> <p>[Redacted]</p>
<p><b>Review of Phase-out of LFC Regulations</b></p> <p>Tamara Linnhoff  <small>Privacy of natural persons</small></p>	<p>Confidential advice to Government</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>Confidential advice to Government</p> <p>[Redacted]</p>

## Stakeholder Updates

Title	Comment
<p><b>Helios - operator status application</b></p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>Helios have applied for operator status for their Edgecumbe Solar Project (2024) Limited Partnership. We sent you a briefing on 12 December recommending you approve this application, as there are no controversial aspects.</p>
<p><b>Meeting with growers to discuss industrial allocation and resource consents for greenhouse gas emissions</b></p> <p>Scott Russell <small>Privacy of natural persons</small></p>	<p>MBIE and MfE officials are meeting with greenhouse growers next Wednesday 18 December to discuss their concerns with industrial allocation and the national direction on process heat, as requested by your office following your 27 November meeting [BRF-0004003 refers].</p> <p>We understand that growers are particularly concerned that the national direction on process heat has a deadline of 26 January 2025 to apply for resource consents for their existing assets. MfE has advised that the RMA provides for an additional 6 months for applicants to apply for consents after this deadline and EECA is reaching out to advise industry on this.</p> <p><b>Confidential advice to Government</b></p> 
<h1>Confidential advice to Government</h1>	
<p><b>Joint venture announcement – global offshore renewable energy company</b></p> <p>Melanee Beatson <small>Privacy of natural persons</small></p>	<p>JERA, the Japanese parent company of Parkwind (which is exploring investigating offshore wind in Taranaki), has entered into a 50/50 joint venture with bp to create a new offshore wind company: JERA Nex bp.</p> <p>The JERA Nex bp venture is expected to be finalised later in 2025 and has up to \$5.8 billion in capital commitments planned through 2030 (13GW net project capacity potential). It will be among the top five largest offshore wind platforms globally, operating across nine international markets.</p> <p>Parkwind’s New Zealand Country Manager commented that “the offshore wind industry is at a pivotal moment, and our joint venture is designed to provide the strength, resilience, and scale required to secure and deliver on our ambitious pipeline in an unpredictable market.”</p>
<p><b>Highview Power – Liquid air compression batteries</b></p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>MBIE officials met with Senior Executive team of Highview Power, a UK-based developer of grid-scale batteries. The same team will seek to meet with you in February.</p> <p>Highview builds liquid air compression batteries. The technology uses excess renewable energy to compress and cryogenically liquify air at minus-200°C. This is stored, then re-gasified (expanded) - the expansion drives turbines generating electricity. As initial compression requires an energy input Highview seeks to site units alongside grid-scale solar.</p> <p>Highview’s ‘long-duration’ refers to 6-12 hours of output. This covers capacity shortages and within-day periods when renewable generation (e.g. wind) drops. It also provides grid stability support (e.g. frequency keeping).</p>

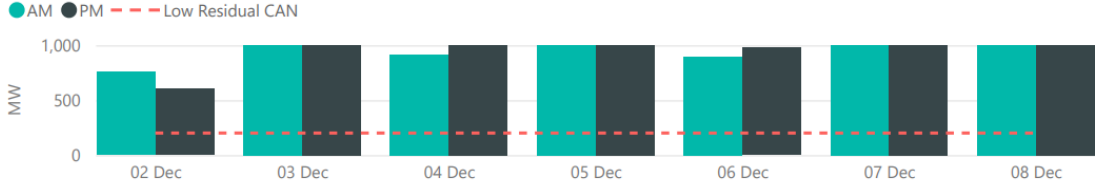
	<p>Highview is part owned by the UK government. Other investors include Goldman Sachs, Centrica (ex-British gas), Rio Tinto and the Lego family. Confidential advice to Government</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>This technology may be a viable substitute for gas peakers for short-duration cover/firming. Confidential advice to Government</p> <p>[Redacted]</p>
<p><b>Electricity Retailers Association launch social media campaign</b></p> <p>Scott Russell  <small>Privacy of natural persons</small></p>	<p>The Electricity Retailers Association (ERANZ) has launched a social media campaign to help consumers understand their power bill better. This will include information about the makeup of bills and why consumers pay what they do.</p> <p>The social media campaign will run on Facebook, Youtube and TVNZ+ from now until the end of January 2025 and will also encourage people to learn more about electricity savings on the EnergyMate website. Additionally, the campaign encourages those struggling to pay their bills to reach out to their electricity company and seek out support.</p> <p>MBIE officials intend to meet ERANZ in the new year to discuss the campaign.</p>

**Current appointments**

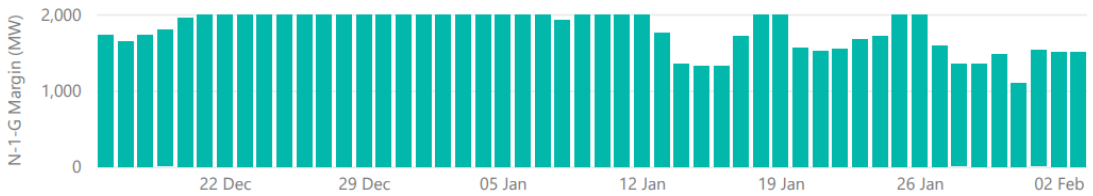
Confidential advice to Government

[Redacted]

## Other Updates

Title	Comment																								
<p><b>Gas security of supply</b></p> <p>Sharon Corbett  <small>Privacy of natural persons</small></p>	<p><b>Greymouth Petroleum drilling operation</b></p> <p>Greymouth Petroleum (Greymouth) has announced that a new well at its Turangi petroleum mining permit has produced ‘material’ gas flows which will result in “increased gas volumes available to the market, enhancing security of supply”.</p> <p>Drilling operations started at this well in September, and this is the fourth successful well drilled by Greymouth this year. Greymouth has stated this find bodes well for further drilling in the area, and it has announced it will start drilling a fifth well during the week starting 16 December 2024. The company anticipates drilling a similar number of wells in 2025.</p> <p><b>Frank Energy exiting gas retail market</b></p> <p>Frank Energy announced last week that it will not supply customers with gas or LPG from 1 March 2025 as it becomes an electricity-only retailer. Gas Industry Company figures show that Frank Energy, which is owned by Genesis Energy, was the retailer for approximately 15,800 active gas connections in November 2024. Frank Energy has advised customers wanting to continue to use gas to explore switching to another retailer. If customers don’t take any action, they will be transferred to Genesis Energy and placed on a Flexi-Plan.</p> <p><b>Short unplanned outage at Kupe Production Station</b></p> <p>On 11 December 2024, the Kupe Production Station had an unplanned outage due to an issue with a piece of equipment needed for its operation. Kupe is operated by Beach Energy and supplies gas to Genesis. On 12 December 2024, Beach Energy announced the Kupe outage was resolved and that operations had resumed.</p>																								
<p><b>Electricity security of supply</b></p> <p>Tamara Linnhoff  <small>Privacy of natural persons</small></p>	<p><b>ELECTRICITY SUPPLY RELIABILITY</b></p> <p>One of the two circuits (Pole 2) on the HVDC system tripped at 8:18 am Thursday 12 December and was out of service for about one hour. Prices diverged across the two islands, then rebalanced once the Pole was reactivated. At the time of writing the cause is unknown.</p> <p><b>ELECTRICITY CAPACITY (for the week to Sunday 8 December 2024)</b></p> <p>Margins were healthy last week with all peak residuals over 600 MW, so well over the 200MW threshold. The lowest residual occurred on the evening peak of 2 December coinciding with relatively low wind generation. Residual generation during this peak was 604 MW.</p> <p><b>Lowest Residual Points - MW</b></p>  <table border="1"> <caption>Lowest Residual Points - MW Data</caption> <thead> <tr> <th>Date</th> <th>AM (MW)</th> <th>PM (MW)</th> </tr> </thead> <tbody> <tr> <td>02 Dec</td> <td>~750</td> <td>~600</td> </tr> <tr> <td>03 Dec</td> <td>~950</td> <td>~850</td> </tr> <tr> <td>04 Dec</td> <td>~850</td> <td>~800</td> </tr> <tr> <td>05 Dec</td> <td>~900</td> <td>~850</td> </tr> <tr> <td>06 Dec</td> <td>~800</td> <td>~750</td> </tr> <tr> <td>07 Dec</td> <td>~850</td> <td>~800</td> </tr> <tr> <td>08 Dec</td> <td>~850</td> <td>~800</td> </tr> </tbody> </table> <p><i>Source: System Operator, Market Operations - Weekly Market Movements</i></p> <p>Forecast N-1-G margins are currently healthy for the rest of December and January. The N-1-G margin is sufficient to meet peak demand in the look-ahead through to end of January 2025:</p>	Date	AM (MW)	PM (MW)	02 Dec	~750	~600	03 Dec	~950	~850	04 Dec	~850	~800	05 Dec	~900	~850	06 Dec	~800	~750	07 Dec	~850	~800	08 Dec	~850	~800
Date	AM (MW)	PM (MW)																							
02 Dec	~750	~600																							
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06 Dec	~800	~750																							
07 Dec	~850	~800																							
08 Dec	~850	~800																							

NZGB Look-Ahead (excluding next 7 days)



Source: System Operator, Market Operations - Weekly Market Movements

**ENERGY (HYDRO) STORAGE RELATIVE TO MEAN (for the week to 8 December)**

National hydro storage increased slightly from 129% to 130% of average for this time of year. South Island storage increased from 129% to 130% of its historical mean, while North Island storage remained at 129%.

**ENERGY (HYDRO) STORAGE LEVEL BY MAJOR LAKE**

Wednesday 11 December 2024

**UPSTREAM**

**Water**

Hydro system storage	% LT avg	129.5%	▲	129.3%	+0.2%
Pukaki - Meridian	% full	92.1%	▲	91.7%	+0.4%
Manapouri - Meridian	% full	75.0%	▲	67.2%	+7.8%
Tekapo - Genesis	% full	97.0%	▲	96.6%	+0.4%
Hawea - Contact	% full	94.0%	▼	94.4%	-0.4%
Taupo - Mercury	% full	84.3%	▲	83.6%	+0.7%

	Last	Δ	Previous	Change	1 Day	1 Week

Source: Enerlytica

**ELECTRICITY ('ENERGY') SUPPLY RISK (at 8 December)**

The level of 'energy risk' is measured by hydro storage levels relative to the electricity risk status curves.

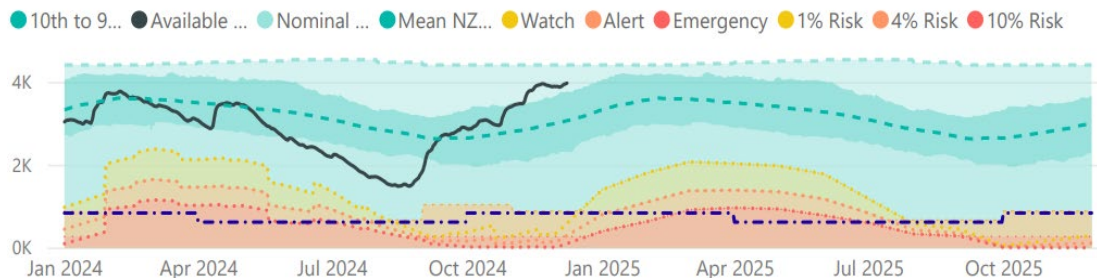
New Zealand Energy Risk

South Island Energy Risk



New Zealand controlled energy storage is above average for this time of year:

New Zealand Electricity Risk Status Curves (Available GWh)

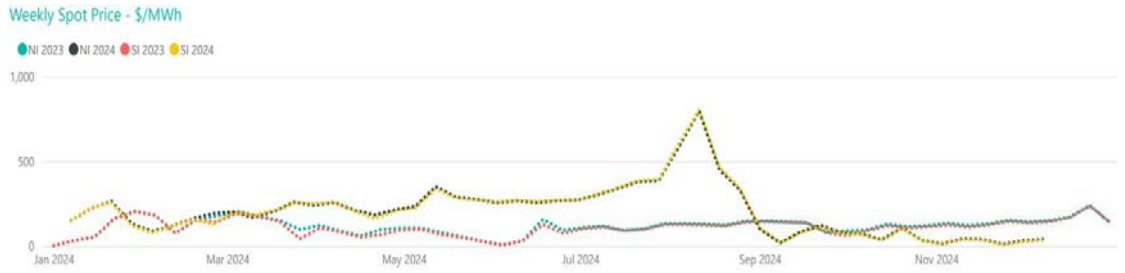


The System Operator last updated the electricity risk curves (ERC) on 22 November 2024. Commentary on that update is in the Weekly Report of 29 November 2024 [BRIEFING-REQ-0006741 refers]. The next ERC update is expected approximately the end of December.

Source: System Operator, Market Operations - Weekly Market Movements

**WHOLESALE ELECTRICITY PRICES**

**Weekly Spot Price (week ended 8 December 2024)**



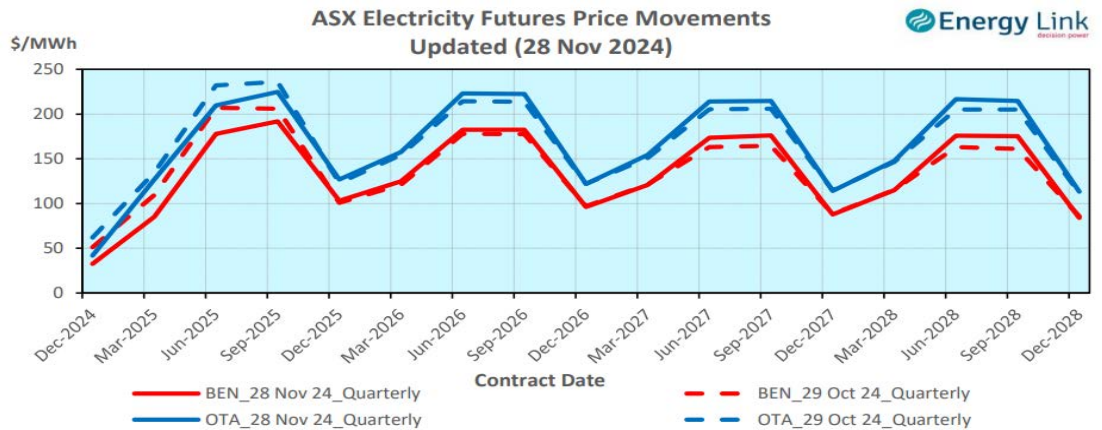
Source: System Operator, Market Operations - Weekly Market Movements

**Month-to date, 7-day average and Daily average spot prices (at Monday 9 December)**

Node:	Month-to-date	7-day Avg	Daily Avg
Benmore	\$34.31	\$31.55	<b>\$29.82</b>
Haywards	\$38.65	\$35.96	<b>\$31.48</b>
Ōtāhuhu	\$50.26	\$48.02	<b>\$42.60</b>

Source: Energy Link EnergyTrendz Daily

**ASX Electricity Futures Prices (as at 28 November 2024)**



Source: Energy Link, Energy Trendz Weekly

**Weekly fuel price monitoring**

Maria Botes  
Privacy of natural persons

**International oil prices**

Crude oil prices decreased slightly in the week ending Friday 6 December, resulting in slightly lower importer costs.

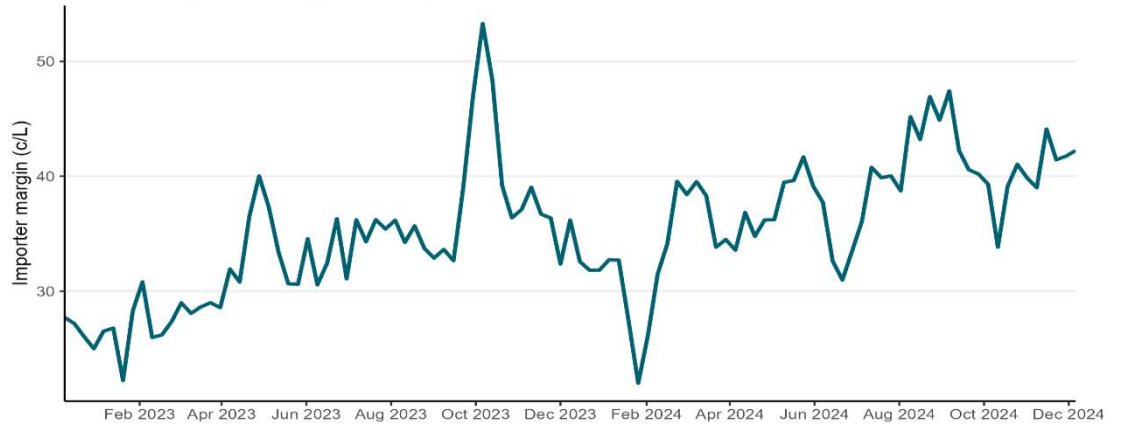
**National average fuel margins**

In the week ending Friday 6 December, retail prices stayed constant for regular petrol, while importer margins increased 0.5 c/L to 42.2 c/L.

National level importer margins for regular petrol over the past two years are shown below.

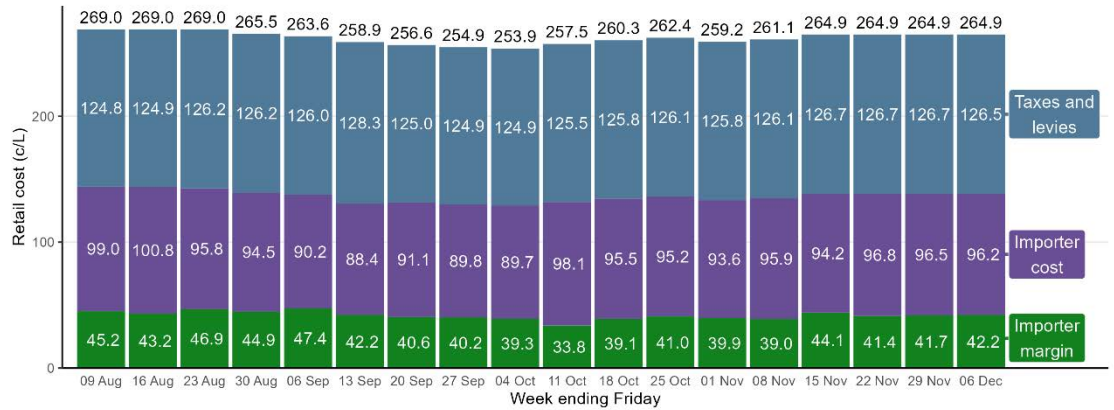


National importer margin for Regular Petrol



The price breakdown for the past four months is shown below.

National price breakdown for Regular Petrol



**Auckland fuel margins**

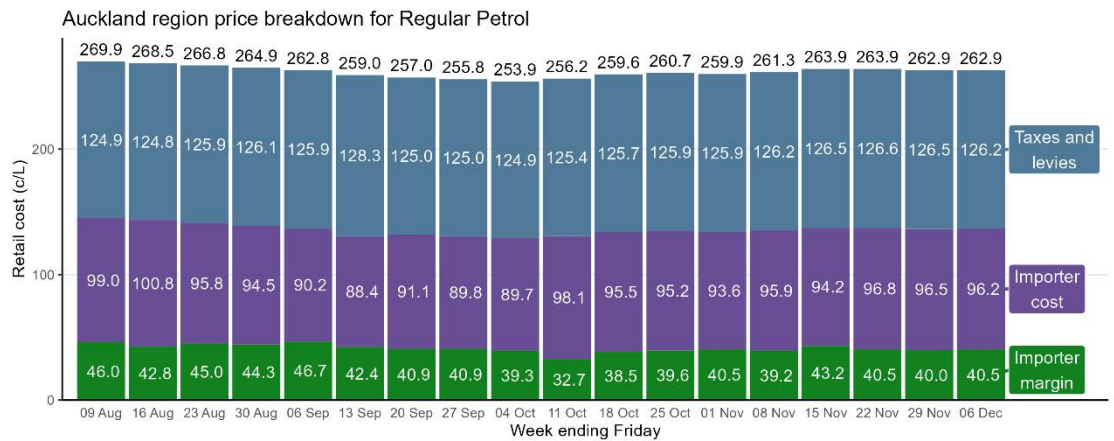
In the week ending Friday 6 December, retail prices stayed constant for regular petrol, while importer margins increased 0.5 c/L to 40.5 c/L.

Importer margins for regular petrol in the Auckland region over the past two years are shown below. The dashed line shows the removal of the Auckland Regional Fuel Tax.

Auckland region importer margin for Regular Petrol



The price breakdown for the past four months is shown below.



**EECA 2025/26 levy consultation**

Jacqui Bassett  
Privacy of natural persons

The Energy Efficiency and Conservation Authority (EECA) has informed us that it plans to commence its 2025/26 levy consultation on 20 December 2024, and it will close on 21 January 2025. EECA has signalled it will consult on a proposed increase to its levy funding of \$2.959m (14.6%). This would increase EECA’s levy funding from \$20.300m to \$23.259m. This aligns with previous advice to you.

EECA has informed us that it will shortly provide you with a briefing, and its levy consultation document, prior to consulting on its proposed 2025/26 levy.

We expect EECA will provide you with a further briefing in late January/early February 2025 that will include a summary of the submissions received during the levy consultation and seek a decision from you on any funding increase for the 2025/26 financial year at that point. This typically then feeds into the Crown’s Budget process. We would also expect to provide you with advice in February 2025 on EECA’s funding request.

# Confidential advice to Government

**Biennial Transparency Report**

Scott Russell  
Privacy of natural persons

The Minister of Climate Change is planning to release New Zealand's first Biennial Transparency Report on 18 December. This report is required under the Paris agreement and details progress towards New Zealand’s commitments.

MBIE officials contributed portions of the Energy Content and there is significant overlap with the emissions reduction plan.

Media requests on this are expected to be directed towards the Minister of Climate Change.

## Upcoming Ministerial Items

### 1. Upcoming Energy meetings

Meeting date	Meeting	Details
<b>Wednesday 18 December 2024</b> 11:00am – 11:30am	James Kilty, PowerCo	<b>Briefing Due:</b> 16 December 2024 <b>Officials required:</b> Justine Cannon
<b>Wednesday 18 December 2024</b> 11:30am – 11:50am	Electricity Authority and Commerce Commission	<b>Briefing Due:</b> 15 December 2024 <b>Officials required:</b> Justine Cannon

### 2. Upcoming Briefings, Aides Memoires and Cabinet Papers

Project:	Minimum stockholding obligations	
w/c 16 December 2024 (for January consideration)	Briefing	Update on diesel stockholding consultation
Project:	Review of phase-out of LFC regulations	
Confidential advice to Government		
Project:	Hazards from Trees	
Confidential advice to Government		
Project:	Updates to Standards	
Late January 2025	Briefing and draft Cabinet paper	Amending the Electricity (Safety) Regulations 2010 to expand the voltage range
Projects:	Further briefings (not shown on the Ministerial Priorities Output Plan A3)	
17 December 2024	Aide Memoire	Separation of the UK Electricity System Operator (ESO)
18 December 2024	Briefing	2025 Legislation Programme – Energy portfolio
Confidential advice to Government		
Confidential advice to Government		
18 December	Aide Memoire	Update on the Electricity Performance Review

**Confidential advice to Government**

### 3. Written Parliamentary Questions

None this week.

### 4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
16 December 2024	SB24-1375	Privacy of natural persons	Electromagnetic radiation – Genesis Energy
16 December 2024	SB24-1379		North Rakaia Project
17 December 2024	SB24-1319		LNG Initiative
18 December 2024	SB24-1338		Nuclear energy
18 December 2024	SB24-1351		Electricity costs
20 December 2024	SB24-1355		Energy technology
16 January 2025	SB24-1384		Fossil fuels as an energy source
16 January 2025	SB24-1361		Floating Power Solution - Provision of Electric Power
16 January 2025	SB24-1369		V2H/G charging
16 January 2025	SB24-1397		220kV Line to Kaitaia
16 January 2025	SB24-1386		V2G and V2H
16 January 2025	SB24-1370		LNG development

### 5. Ministerial Official Information Act Requests

Due date to the office	Tracking number	Requester	Summary of request	Status	Sign Out Manager
9 January 2024	OIA24-495	Privacy of natural persons	Copies of papers	Initiation	Tamara Linnhoff

### 6. Departmental Official Information Act Requests

Due date to the office	Tracking number	Requester	Summary of request	Status	Sign Out Manager
17 December 2024	REQ-0005796	Privacy of natural persons	Copies of documents	Initiation	Sharon Corbett
19 December 2024	REQ-0006655		All communication with the Electricity Authority, including emails, presentations, briefings, and messages regarding the risk management review.	Initiation	Tamara Linnhoff

Due date to the office	Tracking number	Requester	Summary of request	Status	Sign Out Manager
16 January 2025	REQ-0006919	Privacy of natural persons	Copies of documents	Initiation	Scott Russell
21 January 2025	REQ-0007147		Copies of documents	Initiation	Cullum

## 7. Output plan

Confidential advice to Government

Confidential advice to Government

Confidential advice to Government



Confidential advice to Government



## Energy Portfolio Weekly Report

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<b>Week commencing:</b>	23/12/2024	<b>Priority:</b>	Medium
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	BRIEFING-REQ-0007762

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Recipient	Action sought
<b>HON SIMEON BROWN MINISTER FOR ENERGY</b>	<b>Note</b> the contents of this report

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Justine Cannon  
**General Manager**  
Energy Markets Branch  
Ministry of Business, Innovation and Employment

Privacy of natural persons

**20 December 2024**

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Minister's comments:

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## Key Updates

Title	Comment
<p><b>Implementing Electrify NZ</b></p> <p>Daniel Brown <small>Privacy of natural persons</small></p>	<p>You met with the Minister for Resource Management Reform on 15 October 2024 <small>Confidential advice to Government</small></p> <p>[Redacted]</p> <p>Ministers also recently agreed the policy design for EV charging infrastructure national direction.</p> <p>The Resource Management (Consenting and Other System Changes) Amendment Bill was introduced on 9 December. This Bill implements a number of Electrify NZ commitments around resource consent timeframes, duration and lapse periods.</p> <p>The Fast-Track Approvals Bill passed its third reading on 17 December 2024.</p>
<p><b>New permitting regime for offshore renewable energy</b></p> <p>Melanee Beatson <small>Privacy of natural persons</small></p>	<p>Following the first reading of the Offshore Renewable Energy Bill on 17 December 2024, the Select Committee has called for written submissions on the Bill by 6 February 2025.</p> <p><b>Confidential advice to Government</b></p> <p>[Redacted]</p>
<p><b>Hazards from Trees</b></p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p><b>Confidential advice to Government</b></p> <p>[Redacted]</p> <p>[Redacted]</p>
<p><b>Review of the phase-out of the LFC regulations</b></p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p><b>Confidential advice to Government</b></p> <p>[Redacted]</p> <p>[Redacted]</p>
<p><b>Security of Electricity Supply</b></p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p><b>Confidential advice to Government</b></p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p>

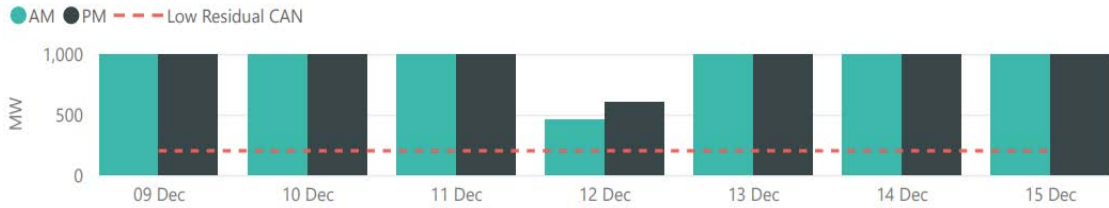
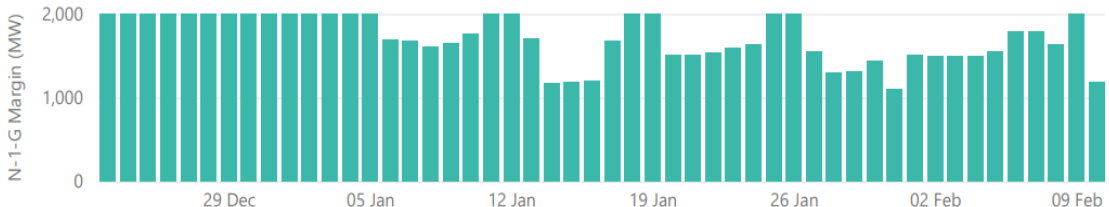
## Stakeholder Updates

Title	Comment
<p><b>Mercury Northland wind farm</b></p> <p>Tamara Linnhoff  <small>Privacy of natural persons</small></p>	<p>Mercury Energy has confirmed it will construct the Kaiwaikawe Wind Farm near Dargaville. The \$287 million 77 MW development will be the first wind farm in Northland and is planned to generate 221 GWh per annum, enough to power about 27,000 homes or the equivalent of almost every occupied dwelling in the Whangarei district.</p> <p>Construction will start in January 2025, with first generation expected in mid-2026, and full generation by the end of 2026. The project brings Mercury’s financial commitment to new renewable generation to over \$1b over two years.</p>
<p><b>New Energy legislation in Switzerland – supporting renewables and improved electricity security of supply</b></p> <p>Tamara Linnhoff  <small>Privacy of natural persons</small></p>	<p>Switzerland’s new energy legislation comes into force on 1 January 2025. This aims to lessen the country's dependence on energy imports to reduce security of supply risk.</p> <p>The law aims for fast and a six-fold expansion of Switzerland's own electricity production from hydropower, solar, wind and biomass. It includes funding instruments as well as new regulations for generation, transmission and storage. The new law includes:</p> <ul style="list-style-type: none"> <li>• A new rule that new buildings with a footprint over 300 m2 must install solar panels.</li> <li>• Faster implementation of 16 hydro generation projects (these already have planning consent and a final investment decision): 13 existing power plants will be expanded, and three new dams will be built in the Alps.</li> <li>• A new mandatory hydropower reserve.</li> <li>• A new funding mechanism for hydro and wind generation and certain solar and biomass systems, that provides a guaranteed minimum income for developers in return for a limit on revenues, limiting price impacts for consumers. The Swiss approach aligns with measures used in the UK and elsewhere to incentivise specific technologies or capacity.</li> </ul> <p>The Swiss government is currently developing a new requirement for mandatory fossil fuel reserves.</p>

# Confidential advice to Government



## Other Updates

Title	Comment																																																																																																																
<p><b>Gas security of supply</b></p> <p>Sharon Corbett <small>Privacy of natural persons</small></p>	<p><b>OMV no longer pursuing sale of its New Zealand assets</b></p> <p>On 17 December 2024, OMV announced that it is no longer pursuing the sale of its New Zealand assets, which will remain part of OMV’s Exploration and Production portfolio. OMV owns 100 per cent of Maui and the majority of the Pohokura gas fields.</p> <p><b>Further outage at Kupe</b></p> <p>On 13 December 2024, the Kupe Production Station had a further unplanned outage while the equipment that caused the outage on 11 December 2024 is inspected. Kupe is operated by Beach Energy and supplies gas to Genesis. As of 18 December 2024, the station was still shutdown for repairs on the required equipment. Beach Energy estimates the current outage will continue until 28 December 2024, with a reduction in gas production of 42 TJ/day. Also, we understand that Beach Energy will need to complete a full repair of the equipment next year, which may mean Kupe has to be shutdown for a period of some weeks.</p>																																																																																																																
<p><b>Electricity security of supply</b></p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p><b>ELECTRICITY CAPACITY (for the week to Sunday 15 December 2024)</b></p> <p>The lowest national residual last week was 455 MW during the morning peak on 12 December. This coincided with an unplanned HVDC outage resulting in reduced transfer capability. Margins were healthy for all other peaks with over 600 MW available.</p> <p>Residuals for week to 15 December 2024 were well above the preferred 200MW threshold.</p> <p><b>Lowest Residual Points - MW</b></p>  <table border="1"> <caption>Lowest Residual Points - MW</caption> <thead> <tr> <th>Date</th> <th>AM (MW)</th> <th>PM (MW)</th> </tr> </thead> <tbody> <tr> <td>09 Dec</td> <td>~1000</td> <td>~1000</td> </tr> <tr> <td>10 Dec</td> <td>~1000</td> <td>~1000</td> </tr> <tr> <td>11 Dec</td> <td>~1000</td> <td>~1000</td> </tr> <tr> <td>12 Dec</td> <td>455</td> <td>~600</td> </tr> <tr> <td>13 Dec</td> <td>~1000</td> <td>~1000</td> </tr> <tr> <td>14 Dec</td> <td>~1000</td> <td>~1000</td> </tr> <tr> <td>15 Dec</td> <td>~1000</td> <td>~1000</td> </tr> </tbody> </table> <p><i>Source: System Operator, Market Operations - Weekly Market Movements</i></p> <p>Forecast N-1-G margins are currently healthy for the rest of December and January.</p> <p>The N-1-G margin is sufficient to meet peak demand in the look-ahead through to start of February 2025:</p> <p><b>NZGB Look-Ahead (excluding next 7 days)</b></p>  <table border="1"> <caption>N-1-G Margin (MW) - Look-Ahead</caption> <thead> <tr> <th>Date</th> <th>N-1-G Margin (MW)</th> </tr> </thead> <tbody> <tr><td>29 Dec</td><td>~2000</td></tr> <tr><td>30 Dec</td><td>~2000</td></tr> <tr><td>31 Dec</td><td>~2000</td></tr> <tr><td>01 Jan</td><td>~2000</td></tr> <tr><td>02 Jan</td><td>~2000</td></tr> <tr><td>03 Jan</td><td>~2000</td></tr> <tr><td>04 Jan</td><td>~2000</td></tr> <tr><td>05 Jan</td><td>~2000</td></tr> <tr><td>06 Jan</td><td>~1800</td></tr> <tr><td>07 Jan</td><td>~1800</td></tr> <tr><td>08 Jan</td><td>~1800</td></tr> <tr><td>09 Jan</td><td>~1800</td></tr> <tr><td>10 Jan</td><td>~1800</td></tr> <tr><td>11 Jan</td><td>~1800</td></tr> <tr><td>12 Jan</td><td>~2000</td></tr> <tr><td>13 Jan</td><td>~1800</td></tr> <tr><td>14 Jan</td><td>~1200</td></tr> <tr><td>15 Jan</td><td>~1200</td></tr> <tr><td>16 Jan</td><td>~1200</td></tr> <tr><td>17 Jan</td><td>~1200</td></tr> <tr><td>18 Jan</td><td>~1800</td></tr> <tr><td>19 Jan</td><td>~2000</td></tr> <tr><td>20 Jan</td><td>~1800</td></tr> <tr><td>21 Jan</td><td>~1800</td></tr> <tr><td>22 Jan</td><td>~1800</td></tr> <tr><td>23 Jan</td><td>~1800</td></tr> <tr><td>24 Jan</td><td>~1800</td></tr> <tr><td>25 Jan</td><td>~2000</td></tr> <tr><td>26 Jan</td><td>~2000</td></tr> <tr><td>27 Jan</td><td>~1800</td></tr> <tr><td>28 Jan</td><td>~1800</td></tr> <tr><td>29 Jan</td><td>~1800</td></tr> <tr><td>30 Jan</td><td>~1800</td></tr> <tr><td>31 Jan</td><td>~1800</td></tr> <tr><td>01 Feb</td><td>~1800</td></tr> <tr><td>02 Feb</td><td>~1800</td></tr> <tr><td>03 Feb</td><td>~1800</td></tr> <tr><td>04 Feb</td><td>~1800</td></tr> <tr><td>05 Feb</td><td>~1800</td></tr> <tr><td>06 Feb</td><td>~1800</td></tr> <tr><td>07 Feb</td><td>~1800</td></tr> <tr><td>08 Feb</td><td>~1800</td></tr> <tr><td>09 Feb</td><td>~1200</td></tr> </tbody> </table> <p><i>Source: System Operator, Market Operations - Weekly Market Movements</i></p> <p><b>ENERGY (HYDRO) STORAGE RELATIVE TO MEAN (for the week to 15 December)</b></p> <p>National hydro storage edged up from 130% to 134% of the historic mean last week. South Island hydro storage also rose from 130% to 135% and North Island storage increased from 129% to 131%.</p>	Date	AM (MW)	PM (MW)	09 Dec	~1000	~1000	10 Dec	~1000	~1000	11 Dec	~1000	~1000	12 Dec	455	~600	13 Dec	~1000	~1000	14 Dec	~1000	~1000	15 Dec	~1000	~1000	Date	N-1-G Margin (MW)	29 Dec	~2000	30 Dec	~2000	31 Dec	~2000	01 Jan	~2000	02 Jan	~2000	03 Jan	~2000	04 Jan	~2000	05 Jan	~2000	06 Jan	~1800	07 Jan	~1800	08 Jan	~1800	09 Jan	~1800	10 Jan	~1800	11 Jan	~1800	12 Jan	~2000	13 Jan	~1800	14 Jan	~1200	15 Jan	~1200	16 Jan	~1200	17 Jan	~1200	18 Jan	~1800	19 Jan	~2000	20 Jan	~1800	21 Jan	~1800	22 Jan	~1800	23 Jan	~1800	24 Jan	~1800	25 Jan	~2000	26 Jan	~2000	27 Jan	~1800	28 Jan	~1800	29 Jan	~1800	30 Jan	~1800	31 Jan	~1800	01 Feb	~1800	02 Feb	~1800	03 Feb	~1800	04 Feb	~1800	05 Feb	~1800	06 Feb	~1800	07 Feb	~1800	08 Feb	~1800	09 Feb	~1200
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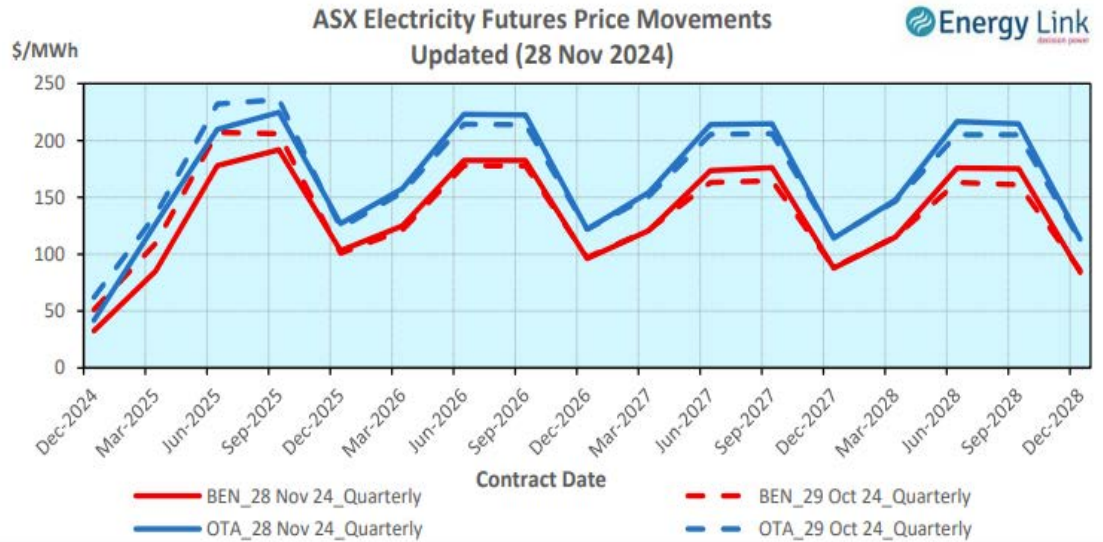
**Month-to date, 7-day average and Daily average spot prices (at Tuesday 17 December)**

Node:	Month-to-date	7-day Avg	Daily Avg
Benmore	\$30.34	\$26.82	<b>\$23.75</b>
Haywards	\$48.20	\$64.41	<b>\$25.35</b>
Ōtāhuhu	\$59.26	\$75.53	<b>\$31.37</b>

Source: Energy Link EnergyTrendz Daily

**ASX Electricity Futures Prices**

(as at 28 November 2024, a more recent update is not yet available)



Source: Energy Link, Energy Trendz Weekly

**Weekly fuel price monitoring**

Maria Botes  
 Privacy of natural persons

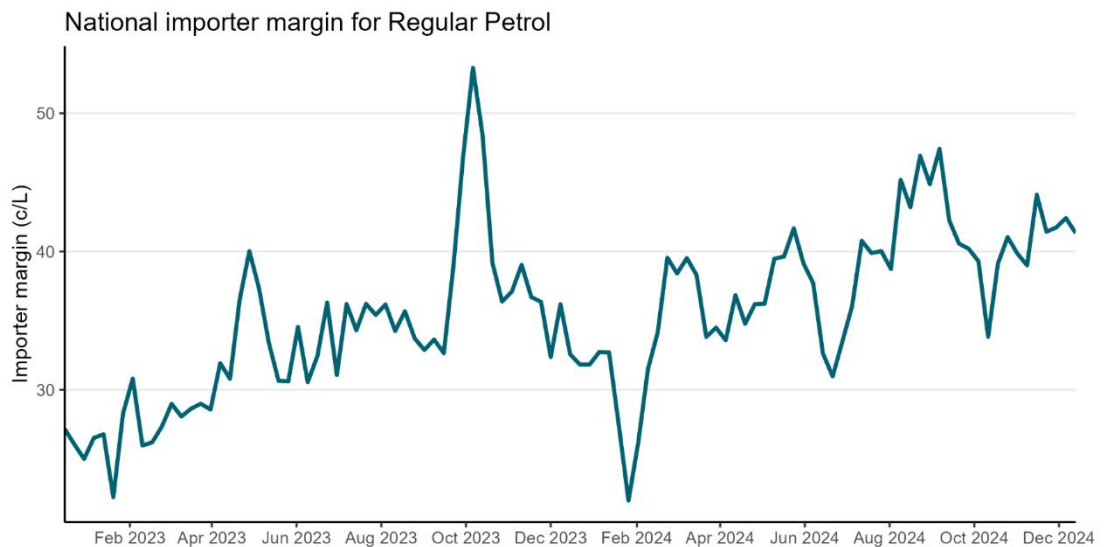
**International oil prices**

Crude oil prices increased slightly in the week ending 13 December. This, combined with a decrease in the exchange rate, resulted in increased importer costs.

**National average fuel margins**

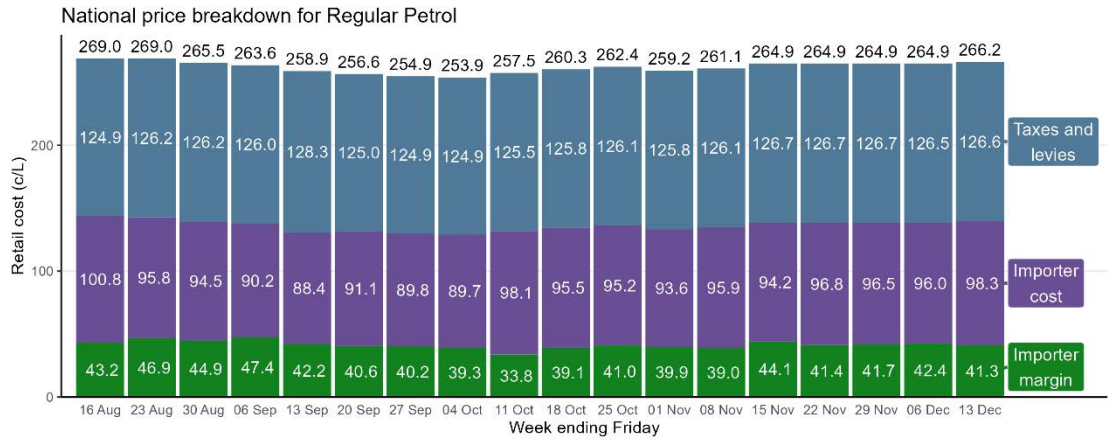
In the week ending 13 December, retail prices increased by 1.3 c/L for regular petrol, while importer margins decreased 1.1 c/L to 41.3 c/L.

National level importer margins for regular petrol over the past two years are shown below.





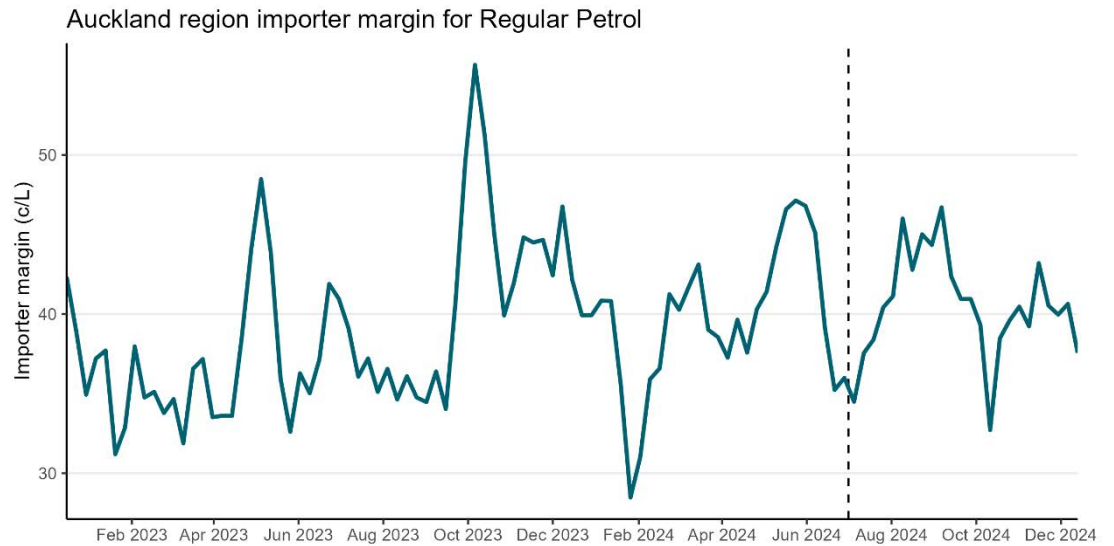
The price breakdown for the past four months is shown below.



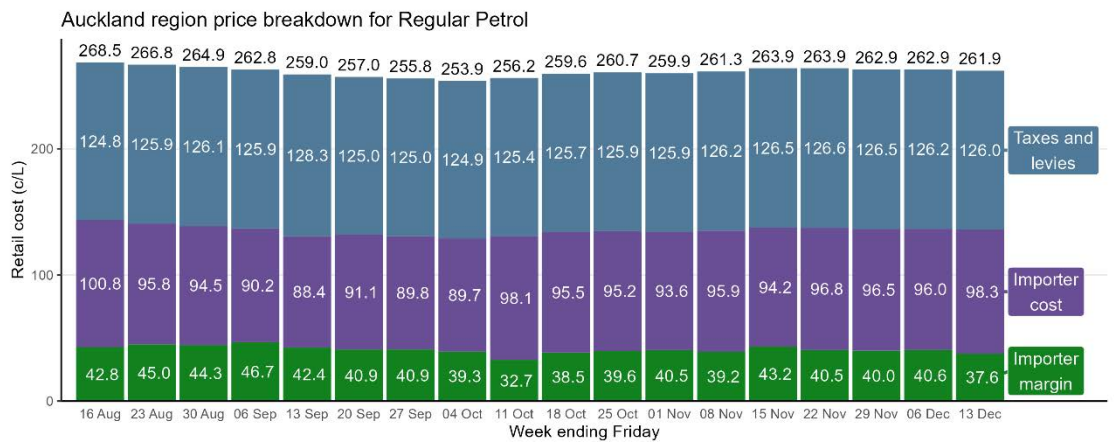
**Auckland fuel margins**

In the week ending 13 December, retail prices decreased by 1.0 c/L for regular petrol, while importer margins decreased 3.1 c/L to 37.6 c/L.

Importer margins for regular petrol in the Auckland region over the past two years are shown below. The dashed line shows the removal of the Auckland Regional Fuel Tax.



The price breakdown for the past four months is shown below.



## Upcoming Ministerial Items

### 1. Upcoming Energy meetings

None this week.

### 2. Upcoming Briefings, Aides Memoires and Cabinet Papers

<b>Project:</b>	<b>Review of phase-out of LFC regulations</b>	
Confidential advice to Government		
<b>Project:</b>	<b>Hazards from Trees</b>	
Confidential advice to Government		
<b>Project:</b>	<b>Fuel Security Study &amp; Fuel Security Plan</b>	
January 2025	Briefing	Summary of draft report
<b>Project:</b>	<b>Minimum stockholding obligations</b>	
January 2025	Briefing	Briefing: update on diesel stockholding consultation
<b>Project:</b>	<b>Updates to Standards</b>	
30 January 2025	Briefing and draft Cabinet paper	Amending the Electricity (Safety) Regulations 2010 to expand the voltage range
<b>Project:</b>	<b>Offshore Renewable Energy - Regulations</b>	
January 2025	Briefing	Policy decisions on regulations
<b>Projects:</b>	<b>Further briefings (not shown on the Ministerial Priorities Output Plan A3)</b>	
Confidential advice to Government		
Confidential advice to Government		
Confidential advice to Government		

### 3. Written Parliamentary Questions

None this week.

#### 4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
16 January 2025	SB24-1361	Privacy of natural persons	Floating Power Solution - Provision of Electric Power
16 January 2025	SB24-1369		V2H/G charging
16 January 2025	SB24-1370		LNG development
16 January 2025	SB24-1384		Fossil fuels as an energy source
16 January 2025	SB24-1386		V2G and V2H
16 January 2025	SB24-1397		220kV Line to Kaitaia
23 January 2025	SB24-1403		Piped Gas
28 January 2025	SB24-1415		Power prices

#### 5. Ministerial Official Information Act Requests

Due date to the office	Tracking number	Requester	Summary of request	Status	Sign Out Manager
9 January 2024	OIA24-495	Privacy of natural persons	Copies of papers	Initiation	Tamara Linnhoff
21 January 2025	OIA24-506		Copies of papers	Initiation	Callum Thorpe

#### 6. Departmental Official Information Act Requests

Due date to the office	Tracking number	Requester	Summary of request	Status	Sign Out Manager
16 January 2025	REQ-0006919	Privacy of natural persons	Copies of documents	Initiation	Scott Russell
21 January 2025	REQ-0007147		Copies of documents	Initiation	Callum Thorpe

#### 7. Output plan

Confidential advice to Government

Confidential advice to Government

Confidential advice to Government

Confidential advice to Government