



## COVERSHEET

<b>Minister</b>	Hon Simon Watts	<b>Portfolio</b>	Energy
<b>Title of Cabinet paper</b>	Offshore renewable energy regime – Cost recovery proposals	<b>Date to be published</b>	14 May 2025

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
25 March 2025	<i>Offshore renewable energy regime – Cost recovery proposals</i>	Office of Minister for Energy
25 March 2025	Offshore renewable energy regime: Cost recovery proposals EXP-25-MIN-0022 Minute	Cabinet Office
25 March 2025	Cost Recovery Impact Statement: Offshore Renewable Energy Regime Cost Recovery	MBIE

### Information redacted

**NO**

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.



# Cabinet Expenditure and Regulatory Review Committee

## Minute of Decision

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

### Offshore Renewable Energy Regime: Cost Recovery Proposals

**Portfolio**                      **Energy**

On 25 March 2025, the Cabinet Expenditure and Regulatory Review Committee:

- 1        **noted** that in June 2024, the Cabinet Business Committee agreed:
  - 1.1      to the design of the Offshore Renewable Energy Regulatory Regime;
  - 1.2      that the regime would be fully cost recovered through application fees and levies;
  - 1.3      that the Ministry of Business, Innovation and Employment (MBIE) will be the regulator and administrator of the offshore renewable energy regime;

[CBC-24-MIN-0041]
- 2        **noted** the Offshore Renewable Energy Bill was introduced on 9 December 2024 and includes regulation-making powers to enable the regime to be fully cost recovered;
- 3        **noted** that the proposals in the paper under EXP-25-SUB-0022 depend on the passage of the Offshore Renewable Energy Bill;
- 4        **agreed** to an application fee for applying for a feasibility permit of \$130,000 (GST exclusive);
- 5        **agreed** to the following design features for the annual levies to be paid by feasibility permit holders:
  - 5.1      the levy amount will be set by a formula prescribed in regulations that is based on estimated total annual costs, divided equally between levy payers (those with a valid feasibility permit in the relevant fiscal year);
  - 5.2      the initial levy amount and any changes to it will be notified in the Gazette;
  - 5.3      the levy is to be paid within 30 days of a feasibility permit being granted for the first levy payment, and by 31 July each year thereafter;
  - 5.4      levies will be due for the full year, with no adjustments if the permit is only valid in part of the year;

- 5.5 there is a levy reconciliation process once costs have been confirmed that involves either invoicing or refunding levy payers to reflect the actual costs divided by the number of feasibility permit holders in the relevant fiscal year (or part of that fiscal year);
- 6 **noted** that the annual levy amount is expected to be initially set at \$480,000 (GST exclusive), divided amongst feasibility permit holders;
- 7 **invited** the Minister for Energy to issue drafting instructions to the Parliamentary Counsel Office to prepare regulations to give effect to the above decisions;
- 8 **authorised** the Minister for Energy to make decisions consistent with the policy in the paper under EXP-25-SUB-0022 on any issues which arise during the drafting process.

Sam Moffett  
Committee Secretary

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**Present:**

Rt Hon Christopher Luxon  
Rt Hon Winston Peters  
Hon David Seymour (Chair)  
Hon Nicola Willis  
Hon Chris Bishop  
Hon Brooke van Velden  
Hon Simeon Brown  
Hon Paul Goldsmith  
Hon Louise Upston  
Hon Judith Collins KC  
Hon Mark Mitchell  
Hon Simon Watts  
Hon Andrew Hoggard  
Hon Mark Patterson

**Officials present from:**

Office of the Prime Minister  
Office of the Chair  
Office of the Minister of Defence  
Officials Committee for EXP