



## Energy Portfolio Weekly Report

|                                 |               |                         |                      |
|---------------------------------|---------------|-------------------------|----------------------|
| <b>Week commencing:</b>         | 05/05/2025    | <b>Priority:</b>        | Medium               |
| <b>Security classification:</b> | In Confidence | <b>Tracking number:</b> | BRIEFING-REQ-0013310 |

| Recipient                              | Action sought                           |
|----------------------------------------|-----------------------------------------|
| HON SIMON WATTS<br>MINISTER FOR ENERGY | <b>Note</b> the contents of this report |

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

Privacy of natural persons

**2 May 2025**

Minister's comments:

**Energy Portfolio  
Officials' Meeting Agenda  
11:10 am – 11:55 am Tuesday 6 May 2025**

| Item | Subject                                               | People                           | Oral Item / Paper #  | Action Required |
|------|-------------------------------------------------------|----------------------------------|----------------------|-----------------|
| 1.   | <b>Confidential advice to Government</b>              |                                  |                      |                 |
| 2.   | Review of Electricity Market Performance              | Justine Cannon<br>Sharon Corbett | Oral                 | Discussion      |
| 3.   | Contingent hydro storage                              | Gareth Wilson<br>Tamara Linnhoff | BRIEFING-REQ-0013361 | Discussion      |
| 4.   | Gas: constrained supply and overview of work underway | Dominic Kebbell                  | BRIEFING-REQ-0009089 | Discussion      |
| 5.   | Weekly Report & Work Programme                        | Minister                         | Oral                 | Discussion      |
| 6.   | Any other business                                    | All                              | Oral                 | Discussion      |

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

| Name            | Position                                          |
|-----------------|---------------------------------------------------|
| 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                       |
| Dominic Kebbell | Manager, Gas and Fuel Supply Policy               |
| Tamara Linnhoff | Manager, Electricity Policy                       |
| Gareth Wilson   | Strategic Policy Advisor, Electricity Policy      |

Key Updates

| Title                                                                                                                    | Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div>Implementing Electrify NZ</div> <div>Daniel Brown</div> <div>Privacy of natural persons</div>                       | <p>Cabinet has confirmed proposals for the replacement RMA legislation and next steps for RMA national direction – including the National Policy Statements for Renewable Electricity Generation and Electricity Networks. Further Cabinet decisions on the final detail of national direction are scheduled by early May 2025, prior to release of a discussion document.</p> <p>The Resource Management (Consenting and Other System Changes) Amendment Bill is currently before Select Committee. We expect the revision-tracked version of the Bill, which incorporates changes from the Departmental Report, to be provided to the Committee in the near future.</p> <p>An update on renewable energy projects applying for Fast-track consents is provided in the Stakeholder Updates section below. As requested at the Officials’ meeting on 28 April, we also have asked Fast-track applicants for feedback on possible improvements to the applications process for you to pass on to the Minister for Infrastructure.</p>                                                                                      |
| <div>Electricity (Hazards from Trees) Regulations</div> <div>Tamara Linnhoff</div> <div>Privacy of natural persons</div> | <p>Cabinet has agreed to the Phase 2 amendments. We are currently preparing drafting instructions for PCO.</p> <p>Cabinet authorised you to make further decisions on what factors will be considered by lines owners when assessing the likelihood and impact of trees falling on lines. We are developing a shortlist of relevant factors and will commence targeted engagement with key stakeholders on these within the next two weeks, to ensure that the factors are workable and fit for purpose before these are proposed to you.</p> <p>The following steps will then be to consult on an exposure draft, then progress with draft amended Regulations to LEG Committee.</p> <p>You have asked about whether the Phase 2 amendments (the creation of a Notice power for trees that pose a medium- or high-hazard, and height restrictions on new planting) apply to urban areas. The Notice power does apply. The planting restriction does not, as this would risk ‘bare’ areas of berms and gardens. This matter was considered in February [BRIEFING-REQ-0008017] and agreed by Cabinet on 14 April 2025.</p> |

International relations

# International relations

## Key actions tracker

| Action and outcome                                                                                                                                                     | Updates (if any)                                                                                                                                                                            | Status and upcoming milestones                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| <b>Electricity Market Review</b><br>Independent review to advise on the impact of market structure, design, and rules on the electricity systems' performance          | Confidential advice to Government                                                                                                                                                           |                                                                           |
| <b>Energy Competition Taskforce</b><br>Joint EA and Commerce Commission investigation of options to improve competition and enable consumers to manage usage and costs | <i>1A Slewing (firm generation) for PPAs:</i> The EA received 22 submissions on its 1A paper, an update paper is currently being prepared to be reviewed by the EA board for release.       | <b>On track</b><br>Consultation on level playing field measures underway. |
|                                                                                                                                                                        | <i>1B Standardised flexibility contracts:</i> Initial offer rounds held. EA is monitoring liquidity (or lack of).                                                                           |                                                                           |
|                                                                                                                                                                        | <i>1C+D sharing flexibility and level playing field measures:</i> Consultation commenced 27 February the deadline for submissions has been extended by 2 weeks to 7 May.                    |                                                                           |
|                                                                                                                                                                        | <i>2A+B+C Better compensating household power injection and time of use plans:</i> Consultation closed 26 March, and the EA is now reviewing submissions. Confidential advice to Government |                                                                           |
|                                                                                                                                                                        | <i>2D Better compensating industrial demand response:</i> EA/Commission team is working up options for Taskforce then EA Board consideration, ahead of potential consultation.              |                                                                           |
| <b>Carbon Capture and Storage (CCS)</b><br>Creating an enabling regulatory regime for CCS which could improve the economics of gas production                          | Confidential advice to Government                                                                                                                                                           |                                                                           |
| Confidential advice to Government                                                                                                                                      |                                                                                                                                                                                             |                                                                           |
| <b>Contingent hydro storage</b><br>Confidential advice to Government                                                                                                   | Commercial Information                                                                                                                                                                      | <b>On track</b><br>Confidential advice to Government                      |
| <b>Consumer demand response and Solar</b><br>Develop package to improve consumer energy outcomes.                                                                      | Following your feedback, we will develop the agreed package and provide you a further briefing on timing and a proposed communications approach.                                            | <b>On track</b>                                                           |

| Action and outcome                                                                                                                                                                  | Updates (if any)                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Status and upcoming milestones                                                                           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| improve access to finance and reduce install costs for rooftop solar and battery                                                                                                    | In regard to the issue of prescribed electrical work, Worksafe has indicated it may be possible to issue a clarification on the regulations to make it easier for installers. We will meet with SEANZ and Worksafe to discuss this further.                                                                                                                                                                                                                                  |                                                                                                          |
| <b>Rooftop solar and household batteries' impact on prices</b><br>Modelling the impact of rooftop solar and household batteries                                                     | Work is underway to model the impact of higher uptake of rooftop solar and household batteries on electricity prices. This work is underway, focussing on wholesale-price impacts as rooftop displaces other forms of generation.<br><br>You have recently asked for this analysis to also capture the impact of higher uptake on distribution network costs. This analysis is more complex: scoping this work is underway.                                                  | <b>On track</b>                                                                                          |
| <b>Permitted Voltage Range</b><br>Changing regulations to expand the permitted fluctuation range on low voltage electricity networks to permit more solar injection and EV charging | EXP approved the policy decision on Tuesday 25 March. Drafting is underway.<br><br>We are also working with your office on a joint press release between you and the Minister for Building and Construction which will include this item and his work on building consents for solar, and associated communications. Your office has now indicated this announcement is likely after Budget 2025.                                                                            | <b>Delayed</b><br>Drafting is on track. PR is now scheduled for after Budget 2025.                       |
| <b>Electricity (Hazards from Trees) Regulations</b>                                                                                                                                 | On 29 April you announced the package of amendments at the ERANZ/ENA Networking Event. We are currently preparing drafting instructions for PCO.                                                                                                                                                                                                                                                                                                                             | <b>On track</b><br>Preparing drafting instructions                                                       |
| <b>Energy Strategy</b><br>Developing a public-facing strategy that will set out the Government's role in creating an energy system that is fit for the future.                      | <b>Confidential advice to Government</b>                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>On track</b>                                                                                          |
| <b>Offshore Renewable Energy</b>                                                                                                                                                    | We are working with PCO on the RT version of the Bill, which is due to be presented to select committee on 8 May 2025.<br><br>We are scheduled to meet with iwi/hapū and community representatives in Taranaki on 7 May 2025 as part of targeted consultation on the feasibility permit regulations and the terms of the first round. We are planning a workshop on the targeted consultation with developers on 8 May 2025.<br><br><b>Confidential advice to Government</b> | <b>On track</b><br>RT version of the Bill to be presented on 8 May 2025.                                 |
| <b>Crown energy PPAs</b><br>Exploring the use of government energy demand to support development of energy projects                                                                 | Following the security of energy supplies cabinet paper, we will provide you a briefing in May with policy advice and options on the scope of this work programme.                                                                                                                                                                                                                                                                                                           | <b>On track</b>                                                                                          |
| <b>Electricity and Gas Safety Standards</b><br>Updating more than 400 references to international standards in the regulations. This includes new standards for                     | You will receive a briefing on the energy safety aspects of your portfolio from MBIE's Health and Safety policy team.<br><br>There has been a delay drafting the standards updates, caused by difficulties PCO had with accessing the standards. This has now been resolved and while PCO has been working on what it can in the meantime, this has added time to complete the work given that                                                                               | <b>Delayed</b><br>Regulations considered by LEG and then gazetted in June, as opposed to May previously. |

| Action and outcome                                                                                                                                                                                                                                                                                                                                                     | Updates (if any)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Status and upcoming milestones |
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| solar and EV chargers, reducing costs.                                                                                                                                                                                                                                                                                                                                 | there are over 400 citations to be drafted in the two sets of regulations. WorkSafe also needs to be consulted on technical input before the regulations are ready.<br><br>We now expect you to receive a paper to confirm regulations through the Cabinet Legislation Committee in May, for Gazettal in June.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                |
| <b>Hydrogen regulations</b><br>Delivering Hydrogen Action Plan commitment to amend safety regulations to enable hydrogen.                                                                                                                                                                                                                                              | <b>Confidential advice to Government</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | On track                       |
| <b>Hydrogen exports</b>                                                                                                                                                                                                                                                                                                                                                | We have included a more detailed item earlier in this report.<br>We are awaiting further advice from Obayashi on whether New Zealand's certification approach is fit for purpose for exports.<br>In your meeting with the Hydrogen Industry Leadership Group the Hydrogen Council also noted it is considering whether to establish a private certification scheme. We will engage with the Council on this work.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | On track                       |
| <b>Woody Bioenergy</b><br>Investigating barriers to the development of the domestic supply chain and export opportunities for woody bioenergy.                                                                                                                                                                                                                         | We provided you a briefing on 17 April outlining outcomes and emerging themes of targeted stakeholder engagement.<br><b>Confidential advice to Government</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | On track                       |
| <b>Led by other Ministerial portfolios</b>                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                |
| <b>Public EV Charging Funding Model</b><br>Governments funding model for public EV charging (to concessional loans)                                                                                                                                                                                                                                                    | Funding changes were announced on 27 April. EECA and NIFFCo are now working through transfer of responsibilities. We are also jointly drafting a last cabinet paper to change the relevant financial appropriations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | On track                       |
| <b>Led by the Electricity Authority</b>                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                |
| <b>Electricity pipeline updates</b>                                                                                                                                                                                                                                                                                                                                    | The EA provided information to you on its generation pipeline dataset on 28 March and will provide the next update in its fortnightly report on 15 May.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Ongoing                        |
| <b>Led by Transpower</b>                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                |
| <b>Transpower's Connections Queue for Generation – improvements to increase project throughput</b><br>Run rate to start investigations (queue) up by 50% in 2025, in 2024. 17 investigation projects started this year, and 7 projects moved to delivery in 2025.<br><br>Decrease of 10 projects in queue since January.<br>6 new applications received since January. | <b>Improving throughput:</b><br>Work continuing to implement:<br><ul style="list-style-type: none"> <li>Stage-gating within investigation phase – sub-stages identified, assessing how to implement to maintain readiness</li> <li>Right-sizing investigations to meet customer needs and risk appetite - ongoing</li> </ul> Initial work started on:<br><ul style="list-style-type: none"> <li>Standard equipment lists for standardised designs for greenfield substations – progressing</li> <li>Customer led investigation and delivery – scoping options</li> <li>Prioritisation options within the queue (based on security of supply) – options developed for consideration</li> </ul> <b>Improving transparency:</b> <ul style="list-style-type: none"> <li>Updated connection project status for April published on website in a new format to increase transparency</li> <li><a href="https://www.transpower.co.nz/connections/connection-data">https://www.transpower.co.nz/connections/connection-data</a></li> </ul> | Ongoing                        |

| Action and outcome                                                                                                                                                                                                                                                                                  | Updates (if any)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Status and upcoming milestones |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
|                                                                                                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>Formalising guidelines for “on hold” projects – will publish when complete.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                |
| <b>Industry developments</b>                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                |
| <b>Potential commercial deals to enhance winter security of supply</b> <ul style="list-style-type: none"> <li>Methanex gas deal</li> <li>Potential industry actions to improve security of supply including Huntly (Heads of Agreement) firming contracts</li> <li>Demand response deals</li> </ul> | <p><b>[Commercial in Confidence: Methanex gas deal:</b></p> <p>On 30 April Genesis reported no new arrangements have been entered into this week, but that it remains in regular contact with Methanex in relation to what additional flexible gas may be available. Genesis confirmed its plant is close to fully fuelled (coal and gas) for the winter months with only a very small amount of spare capacity (which they are open to making available to other participants for tolling arrangements on a BYO fuel basis).</p> <p>As reported on 14 April:</p> <p>Methanex report they are talking bi-weekly to Contact about a shutdown period in May/June. They are also in discussions with Genesis about the role they could play in any potential shutdown.</p> <p>Methanex has previously reported that it continues to provide gas into the market that exceeds its minimum plant operating rate and that negotiations are continuing about a full shutdown of its last remaining plant to free up more gas.]</p> <p><b>[Commercial in Confidence: Huntly-backed contracts for 2026 onwards:</b></p> <p>On 30 April Genesis reported no material update, but negotiations remain on track.]</p> <p><b>Demand response deals:</b></p> <p>As reported on 3 March (with no change): The NZAS demand response tranches of 25MW; 50MW and 100MW are available to Meridian to call on this year. NZAS has also agreed to cap its production this winter at 50MW below maximum.</p> <p>We are not aware of any wider demand response deals under negotiation.</p> | Ongoing                        |
| <b>Gas exploration updates</b>                                                                                                                                                                                                                                                                      | <p>Todd report the first two new wells at Mangahewa are competed and drilling has started on the third well. The final development work on the new wells won't be completed until June which is when gas flows will be known. It is expected the gas will be available to the market in August or September.</p> <p>As reported on 14 April:</p> <p>Greymouth completed one new well at Turangi in January and started a second at the end of February which should be completed shortly. We understand they are planning two further wells later in the year. As a private company Greymouth does not routinely release drilling results to the market.</p> <p>As reported on 31 March:</p> <p>The new well at Pohokura (OMV) is delivering below expectations (10 TJ/day against expectations of 25-30 TJ/day – adding around 3.5% to gas production of 260TJ/day).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Ongoing                        |

| Title                                                                                                                          | Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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| <p><b>Energy projects being considered for Fast-track approvals</b></p> <p>Daniel Brown<br/>Privacy of natural persons</p>     | <p><i>Projects listed in the Fast-track legislation</i></p> <p><b>Commercial Information</b></p> <p><i>Projects not listed in the Fast-track legislation</i></p> <ul style="list-style-type: none"> <li>• Helios Energy has applied to have its Grampians 300 MW solar farm considered for Fast-track. You provided comments to the Minister for Infrastructure in April 2025 on this project. The Minister for Infrastructure will make the final decision on whether the project should be Fast-tracked.</li> <li>• Contact Energy has submitted application forms to the EPA to have its Southland windfarm considered for Fast-track. The Minister for Infrastructure is now seeking comments from you and other Ministers on whether it should be Fast-tracked. We are preparing comments jointly with MFE.</li> </ul> <p><b>Commercial Information</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <p><b>Genesis update on January 2026 retirement of third Rankine</b></p> <p>Tamara Linnhoff<br/>Privacy of natural persons</p> | <p>You have asked for information on refurbishment plans for the third Huntly Rankine unit. Genesis has signalled that Huntly Unit 2 (the 'third Rankine') is scheduled to retire in January 2026. In an email to officials on 30 April Genesis said Unit 2 is due for recertification in February 2026, is no longer needed to support Genesis's portfolio, and a commercial return cannot be achieved through the energy only market <u>without</u> long-term contracts.</p> <p>Recertification involves a major refurbishment programme taking several months, costs tens of millions of dollars and is not currently in Genesis's capital plans. It says it is prioritising the build of renewables to manage the forecast gas decline, and that operating a third Rankine requires a major and ongoing commitment to additional staff. It would need to be confident of a commercial return for the Board to approve the investment in plant and people.</p> <p>Genesis considers the unit "ideally placed to provide national energy security" however long-term capacity contracts with a third party (or parties) will be necessary to extend this unit's lifetime. Genesis says it needs certainty by mid-2025, to ensure it is available in winter 2026. Some industry stakeholders consider this messaging is designed to encourage counterparties to progress the Huntly 'head of agreement' negotiations.</p> |
| <p><b>Port of Tauranga – restrictions on coal import capability due to resource consent conditions</b></p>                     | <p>You have asked about whether coal imports are restricted through the Port of Tauranga, and we understand this may have been relayed by Manawa Energy as potentially being related to the Bay of Plenty Regional Council's proposal to sell down its share in the Port.</p> <p>On 30 April Genesis explained to MBIE it is currently experiencing constraints to coal import capability through Port of Tauranga, due to resource consent conditions at the Port limiting emissions of dust to air.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

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|                                                                                                                                                              | <p>However, this does not currently materially limit its ability to get fuel to Huntly, as it can rely more heavily on shipments trucked from the Ports of Auckland. Accordingly, Genesis considers there are no security of supply considerations arising from the issue this winter.</p> <p>Genesis is engaging with the Port of Tauranga and consent authorities to relieve the constraint. Genesis explains it takes actions (and incurs not inconsiderable cost) to manage any dust associated with stored coal at the Port. This involves dampening the coal with thousands of litres of water to prevent any impact on air quality.</p> <p>Genesis also reported that they consider their challenge has nothing to do with any potential ownership changes.</p> <p>You are meeting with Quayside Holdings (the investment arm of Bay of Plenty Regional Council) on 8 May. The above information has been provided to DIA for inclusion in the supporting event briefing.</p> |
| <p><b>Information from UK regulator on approach to permitting proposed interconnections</b></p> <p>Tamara Linnhoff</p> <div>Privacy of natural persons</div> | <p>Ofgem (the electricity market regulator in the UK) has provided Transpower information on its processes for managing prospective HVDC interconnections.</p> <p>Ofgem does not permit interconnections to be established on a purely market basis. Instead, it has a bespoke regulatory framework which assesses:</p> <ul style="list-style-type: none"><li>• project maturity to become operational by the end of 2032</li><li>• socio-economic welfare impacts</li><li>• system operability and balancing market impacts</li><li>• decarbonisation</li><li>• security of supply, and</li><li>• hard to monetise impacts.</li></ul> <p>Ofgem can veto a project proceeding if it fails this assessment. The most recent assessment in 2024, rejected six out of seven interconnector applications.</p>                                                                                                                                                                            |

Current appointments

Confidential advice to Government

## Other Updates

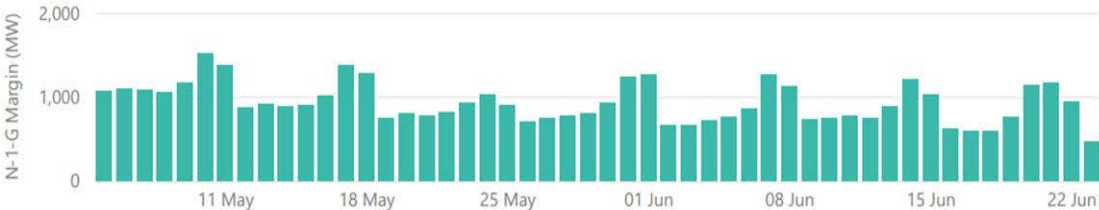
| Title                                                                                                                              | Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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| <p><b>Spain &amp; Portugal electricity system outage</b></p> <p>Tamara Linnhoff<br/> <small>Privacy of natural persons</small></p> | <p>Spain and Portugal experienced a power outage that blacked out large parts of both countries and parts of southern France. The outage started at 11:33am Western European summer time, affecting an estimated 40-45 million people across both countries.</p> <p>Following grid separation from France, massive disconnection of generation took place, with all thermal, nuclear and hydro disconnecting. At its peak, approximately half of the power demand in Spain had to be disconnected to balance the system, with the load reportedly dropping from around 25,000 MW to 12,400 MW within a very short timeframe, according to Spanish grid operator Red Eléctrica de España (REE).</p> <p>By mid-afternoon the Spanish operator said that it had started to recover voltage in the north, south and west of the Iberian Peninsula. This recovery process (known as black start) must be carried out gradually connecting generation in tranches, to avoid overloading parts of the grid.</p> <p>Extra generation provided via Spain's connection with France proved vital in the process: switching Spain from an exporter to an importer of power. Hydropower facilities also played a crucial role in the early restoration phases and combined cycle gas plants were brought online next.</p> <p>The cause remains unknown, and investigations are underway by relevant authorities and national grid system operators. Speculation of a potential cyberattack has been largely ruled out by both Spanish and Portuguese authorities.</p> <p>Portugal's grid operator Redes Energéticas Nacionais (REN) has identified a probable cause stating: <i>"Due to extreme temperature variations in the interior of Spain, there were anomalous oscillations in the very high voltage lines (400 kV), a phenomenon known as 'induced atmospheric vibration'. These oscillations caused synchronisation failures between the electrical systems, leading to successive disturbances across the interconnected European network."</i></p> <p>This apparently caused a cascade failure in Spain's electricity system which spread through interconnectors to Portugal and to the south of France, when frequency dropped below 50 Hz. According to Bruegel (a Brussels think tank), while interconnectors allowed the cascade failure to spread, they also make it easier for Black Start by providing more generation to call on. Source: <a href="https://www.theguardian.com/business/2025/apr/28/spain-and-portugal-power-outage-cause-cyber-attack-electricity">https://www.theguardian.com/business/2025/apr/28/spain-and-portugal-power-outage-cause-cyber-attack-electricity</a></p> <p>We recently advised you on the processes in New Zealand to manage a similar cascade failure risk (BRIEFING-REQ-0012003 - Managing single points of failure in the electricity system refers). We note New Zealand does not experience the same temperature range variance that may have caused this event. Hence our risk from such an episode is likely much lower, though we expect Transpower will rigorously study this issue and take any action if appropriate.</p> |

ELECTRICITY CAPACITY (for the week to Sunday 27 April 2025)

Residual generation margins were healthy last week, with over 1,500 MW of residual available during all peaks. This is due to high thermal unit commitment for this time of year as hydro storage remains below average. The lowest residual was 1,548 MW on the evening of Tuesday 22 April.

The N-1-G margin is sufficient to meet peak demand in the look-ahead to the mid-June 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 27 April)

National hydro storage increased from 79% to 80% of the historic mean last week. South Island hydro storage also increased from 79% to 80%, while North Island storage dropped from 82% to 71% of the historic mean for this time of year. National storage still sits just below the 10th percentile.

At the time of writing (30 April) it is raining, so we expect hydro levels to improve.

ELECTRICITY ('ENERGY') SUPPLY RISK (at 27 April)

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

New Zealand Energy Risk



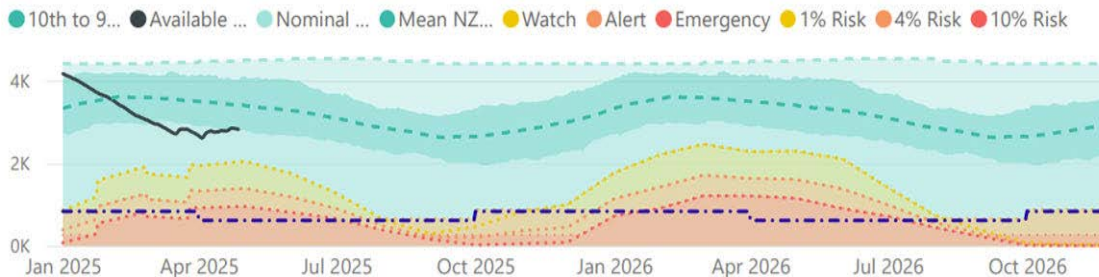
South Island Energy Risk



Normal Watch Alert Emergency

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

New Zealand Electricity Risk Status Curves (Available GWh)

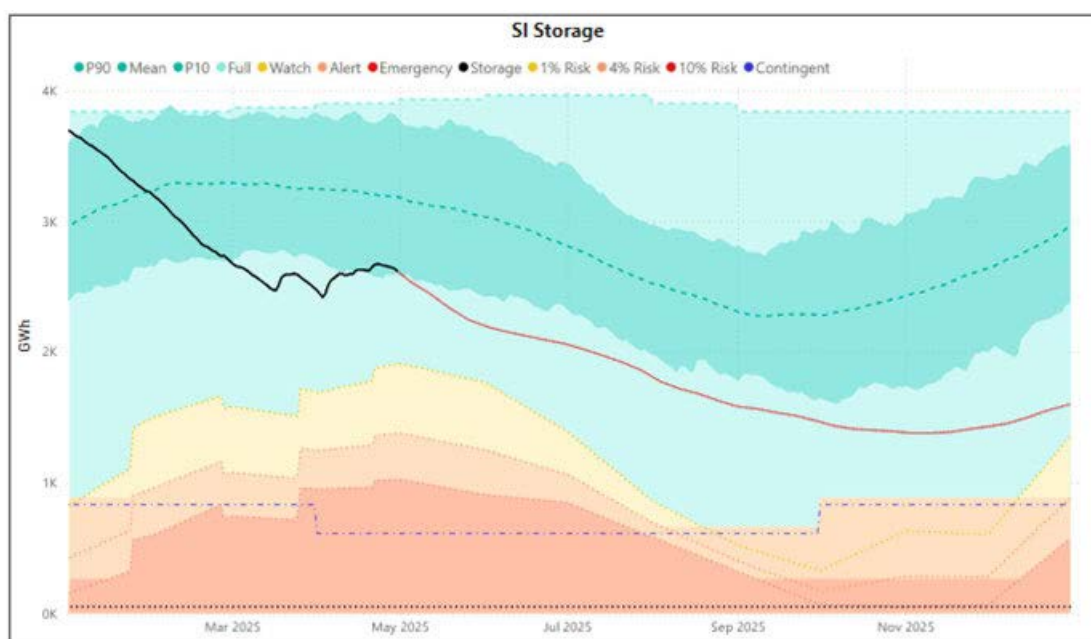
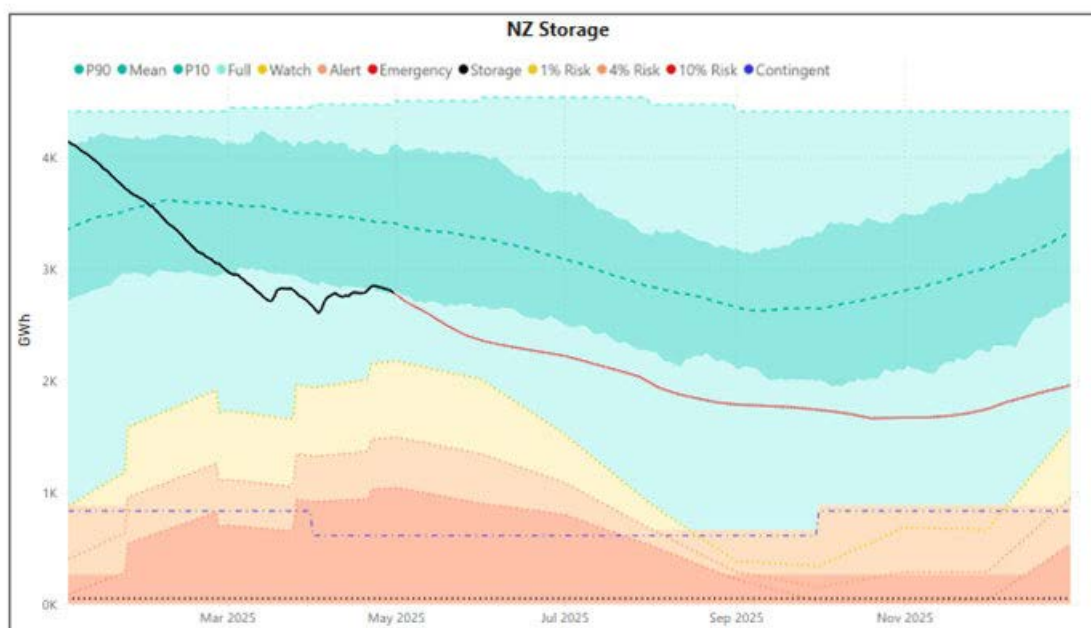


Source: System Operator, Market Operations - Weekly Market Movements

**You have asked us to report on the number of days until the NZ system hits energy risk curves – if it does not rain.** In response, Transpower have provided the following charts. These charts show the actual storage position (black line) **to 30 April** compared to the worst-case simulated storage trajectory (SST, red line).

The SST is created using the lowest inflow each week over the past 93 years of historic records. This is highly unlikely to eventuate, Transpower models this red line 'to prepare for the worst.'

The SSTs are extended until they cross the ERCs and provide an estimated time until further action would be taken to address security of supply. The actions differ at Watch, Alert or Emergency status (BRIEFING-REQ-0008374).



The table below shows the number of days until each curve would be crossed, based on worst case inflows. These are not a forecast of future inflows but should be used as a guide to the maximum time available before it needs to rain.

**Storage is not projected to cross the Alert or Emergency Curves in 2025 even if worst-case inflows occur:**

**Worst case inflows - Time to cross successive curves**

| Region | Date Watch | Time to Watch | Date Alert | Time to Alert | Date Emergency | Time to Emergency |
|--------|------------|---------------|------------|---------------|----------------|-------------------|
| NZ     | N/A        | N/A           | N/A        | N/A           | N/A            | N/A               |
| SI     | N/A        | N/A           | N/A        | N/A           | N/A            | N/A               |

**The ERCs and worst-case inflows line was created 10 April.** The worst-case inflows line has been translated to start from current storage and reflects improved storage in recent weeks. This may differ from other regular security of supply reporting.

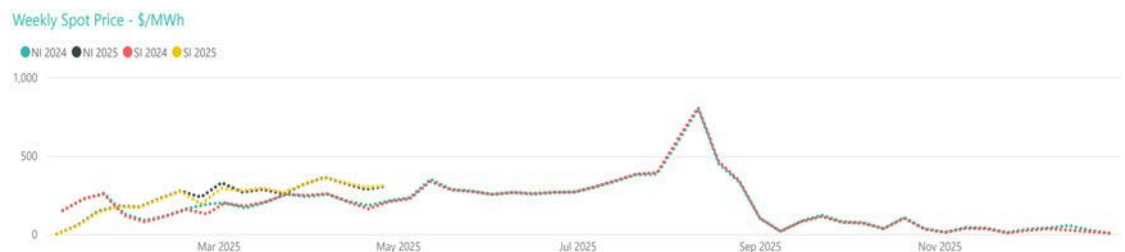
**Actual storage is as at 30 April.**

#### **TRANSPOWER'S APRIL ERCs WERE CALCULATED 10 APRIL BUT PUBLISHED 30 APRIL**

- The ERCs calculated on 10 April for 2025 and 2026 have increased relative to the March ERCs, projecting a slightly higher risk level. That increase was largely due to a decrease in forecasted gas supply.
- However, since the most recent rain, Transpower has calculated that the situation has improved again - with increasing hydro storage in recent weeks. This 'better news' is not incorporated into the ERCs published on 30 April.
- Transpower has explained to MBIE that as at 1 May, it considers no SSTs approach the Alert curve or the boundary of contingent storage. This (as usual) assumes the market supplements the existing coal stockpile and gas availability for electricity generation to maintain increased thermal generation during low hydro inflows.
- *The ERCs may under-estimate risk:*
  - o Consistent with the SOSFIP the ERCs also assume Methanex will operate one train at 80 TJ/day. Recent operation has been reported as lower at ~50-52 TJ/day with estimates of ~15-20 TJ/day of gas being on-sold for generation.
  - o Genesis have recently indicated potential retirement of a Huntly Rankine unit in early 2026 via their FY25 Q3 Performance Report. This month's ERCs and SSTs assume 3 Rankine units are available in 2026. Transpower will consider the potential impact of a Rankine unit exiting in 2026 as part of next month's update.
- *The ERCs may over-estimate risk:*
  - o The ERCs assume coal will be replenished at its maximum import capability. The gap between the firm contracted coal and the assumed maximum import capability from May through to the end of October is equivalent to 105 kT of additional coal orders.
- The market is responding to the low hydro storage with the gap between contracted thermal fuels and forecast fuel available for generation reducing. Continued focus on hydro storage management and ensuring sufficient backup thermal fuel availability will support an increased thermal generation response under extended periods of low inflows over winter.

#### **WHOLESALE ELECTRICITY PRICES**

##### **Weekly Spot Price (week ended 27 April 2025)**



Source: System Operator, Market Operations - Weekly Market Movements

|                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                        | <p><b>ASX Electricity Futures Prices (latest available update 25 April 2025)</b></p> <p>ASX Electricity Futures Price Movements<br/>Updated (25 Apr 2025)</p> <p>Source: Energy Link, Energy Trendz Weekly</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <p><b>Consumer Data Right – Update on targeted consultation and next steps</b></p> <p>Scott Russell<br/>Privacy of natural persons</p> | <p>MBIE undertook two weeks of targeted consultation in April with potentially affected parties of a CDR for the electricity sector, including representatives from Meridian, Mercury, Contact, UDL, ENA, Cortexo, ERANZ, Octopus, Consumer NZ, and Smart Power. Confidential advice to Government</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p>                                                                                                                                                                                                                                                                    |
| <p><b>Monthly Oil and Gas production data</b></p> <p>Amapola Generosa<br/>Privacy of natural persons</p>                               | <p>We will be publishing the March 2025 update of our monthly oil and gas production data on Thursday 8 May. This shows that net production of natural gas in March 2025 was 9.03 PJ, up 10% on February 2025 levels (8.21 PJ) and down 9% on March 2024 net production.</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 capture information on gas that is delivered through private pipelines.</p> |

## Upcoming Ministerial Items

### 1. Upcoming Energy meetings

| Meeting date                                     | Meeting                        | Details                                                                      |
|--------------------------------------------------|--------------------------------|------------------------------------------------------------------------------|
| <b>Monday 5 May 2025</b><br>5:15 pm – 6:00 pm    | Meeting with Andy Foster MP    | <b>DIA Leading Briefing</b><br><b>Officials required:</b> Melanee Beatson    |
| <b>Wednesday 7 May 2025</b><br>1:45 pm – 3:15 pm | Vising NZAS at Tiwai point     | <b>Briefing Due:</b> 1 May 2025<br><b>Officials required:</b> N/A            |
| <b>Thursday 8 May 2025</b><br>12:45 pm – 1:05 pm | ComCom Fortnightly meeting     | <b>Briefing Due:</b> N/A<br><b>Officials required:</b> Justine Cannon        |
| <b>Thursday 8 May 2025</b><br>1:05 pm – 1:25 pm  | EA fortnightly meeting         | <b>Briefing Due:</b> N/A<br><b>Officials required:</b> Justine Cannon        |
| <b>Thursday 8 May 2025</b><br>1:25 pm – 1:45 pm  | Transpower Fortnightly meeting | <b>Briefing Due:</b> N/A<br><b>Officials required:</b> Justine Cannon        |
| <b>Thursday 8 May 2025</b><br>3:30 pm – 4:00 pm  | Meeting with SEANZ             | <b>Briefing Due:</b> 2 May 2025<br><b>Officials required:</b> Peter Bartlett |

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

Information to be publically released shortly

# Information to be publically released shortly

### 3. Written Parliamentary Questions

None this week.

### 4. Ministerial Correspondence received

| Due date    | Tracking number | Correspondent              | Summary of Correspondence |
|-------------|-----------------|----------------------------|---------------------------|
| 5 May 2025  | SW25-137        | Privacy of natural persons | Green Solar credit        |
| 5 May 2025  | SW25-138        |                            | Gas supply                |
| 12 May 2025 | SW25-139        |                            | Steward Island power      |
| 12 May 2025 | COR1393         |                            | Biodiesel                 |

### 5. Output plan

Confidential advice to Government

Confidential advice to Government



## Energy Portfolio Weekly Report

**Week commencing:** 12/05/2025

**Priority:** Medium

**Security classification:** In Confidence

**Tracking number:** BRIEFING-REQ-0013713

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**Recipient**

**HON SIMON WATTS  
MINISTER FOR ENERGY**

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**Action sought**

**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

**9 May 2025**

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Minister's comments:

**Energy Portfolio  
Officials' Meeting Agenda  
11:30 am – 12:30 pm Tuesday 13 May 2025**

| Item | Subject                                                     | People                                      | Oral Item / Paper #  | Action Required |
|------|-------------------------------------------------------------|---------------------------------------------|----------------------|-----------------|
| 1.   | May report back on security of supply                       | Justine Cannon<br>John Scott<br>Andy Knight | BRIEFING-REQ-0013801 | Discussion      |
| 2.   | ORE permitting and competing uses in the marine environment | Justine Cannon<br>Bruce Parkes              | BRIEFING-REQ-0012873 | Discussion      |
| 3.   | Gas Security Response Group                                 | Dominic Kebbell                             | BRIEFING-REQ-001335  | Discussion      |
| 4.   | EV charging consultation                                    | Scott Russell                               | BRIEFING-REQ-0012074 | Discussion      |
| 5.   | NZEECS                                                      | Scott Russell                               | BRIEFING-REQ-0009038 | Discussion      |
| 6.   | Weekly Report & Work Programme                              | Minister                                    | Oral                 | Discussion      |
| 7.   | Any other business                                          | All                                         | Oral                 | Discussion      |

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

| Name              | Position                                          |
|-------------------|---------------------------------------------------|
| Carolyn Tremain   | Chief Executive and Secretary (Tentative)         |
| Andy Knight       | Chief Executive, Gas Industry Company             |
| Paul Stocks       | Deputy Secretary, Building, Resources and Markets |
| Justine Cannon    | General Manager, Energy Markets                   |
| Rebecca Heerdegen | Policy Director, Energy Markets                   |
| John Scott        | Policy Director, Energy Markets                   |
| Dominic Kebbell   | Manager, Gas and Fuel Supply Policy               |
| Scott Russell     | Manager, Energy Use Policy                        |

## Key Updates

| Title                                                                                                                   | Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Implementing Electrify NZ</b></p> <p>Daniel Brown<br/>Privacy of natural persons</p>                              | <p>Cabinet has confirmed proposals for the replacement RMA legislation and next steps for RMA national direction – including the National Policy Statements for Renewable Electricity Generation and Electricity Networks. Further Cabinet decisions on the final detail of national direction were approved at ECO Committee on 7 May 2025, prior to release of a discussion document in late May 2025.</p> <p>The Resource Management (Consenting and Other System Changes) Amendment Bill is currently before Select Committee. The revision-tracked version of the Bill, which incorporates changes from the Departmental Report, is currently being finalised.</p> <p>As requested at the Officials’ meeting on 28 April 2025, we have asked Fast-track applicants for feedback on possible improvements to the applications process for you to pass on to the Minister for Infrastructure. Key findings from this consultation are presented in the stakeholder updates section below. We also provide below an update on stakeholder suggestions to improve Fast-track and RMA processes.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <p><b>New permitting regime for offshore renewable energy</b></p> <p>Melanee Beatson<br/>Privacy of natural persons</p> | <p><b>Consultation on the feasibility permit regulations and scope of the first round is underway.</b> This week we met with iwi, developers, and other stakeholders with an operational role in the regime to discuss their feedback. <b>Free and frank opinions</b></p> <p>[Redacted]</p> <p><b>Consultation on regulations and scope with additional agencies</b><br/>As part of our consultation on the regulations, we would also like to share the draft regulations with Maritime New Zealand, the Environmental Protection Authority and Environment Southland (which has been engaged on the regime throughout its development and will have an interest in the regulations even if Southland is not included in the first round). We need your approval to do this.</p> <p><b>Action: Agree that officials share the draft feasibility permit regulations with Maritime New Zealand, Environment Southland, and the Environmental Protection Authority</b></p> <p style="text-align: right;"><b>Agree / disagree</b></p> <p><b>Select Committee update</b><br/>The revision-tracked version of the Bill was presented to the Transport and Infrastructure Committee on 8 May 2025. <b>Confidential advice to Government</b></p> <p>[Redacted]</p> <p><b>Wave technology in New Zealand</b><br/>We also met a representative from a Māori business interested in developing wave technology in New Zealand. We will engage further with this business to understand its stage of development and when it is likely to be ready to apply for a feasibility permit.</p> |

|                                                                                                                |                                          |
|----------------------------------------------------------------------------------------------------------------|------------------------------------------|
| <p><b>Review of electricity market performance</b></p> <p>Sharon Corbett</p> <p>Privacy of natural persons</p> | <p>Confidential advice to Government</p> |
|----------------------------------------------------------------------------------------------------------------|------------------------------------------|

## Key actions tracker

| Action and outcome                                                                                                                                                     | Updates (if any)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Status and upcoming milestones                                                                                                                                                                                                                                                                           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Electricity Market Review</b><br>Independent review to advise on the impact of market structure, design, and rules on the electricity systems' performance          | Confidential advice to Government                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                          |
| <b>Energy Competition Taskforce</b><br>Joint EA and Commerce Commission investigation of options to improve competition and enable consumers to manage usage and costs | <i>1A Sleeving (firm generation) for PPAs:</i> The EA plans to send you its 1A Update paper on 16 May (the no-surprises approach) ahead of its publication on 28 May. This will confirm the EA's decision to roll in consideration of better access to PPAs under the level playing field (LPF) workstream (1CD) – as it considers that non-discrimination measures (if progressed) are the best way to encourage more and faster new generation investment.<br><br>MBIE have provided our view to the EA: we consider that using a <i>principles-based</i> level playing field approach to support/encourage new generation will require (and rely heavily on) effective monitoring and enforcement. | <b>On track</b><br><br>The EA intends to send you, on 6 May, its Update paper on 1A Sleeving (firm generation) for PPAs) and its 2D 'Roadmap' paper on better compensating industrial flexibility (demand response).<br><br>The EA is reviewing submissions on its 1CD level playing field consultation. |
|                                                                                                                                                                        | <i>1B Standardised flexibility contracts:</i> Initial offer rounds held. EA is monitoring liquidity (or lack of).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                          |
|                                                                                                                                                                        | <i>1C+D sharing flexibility and level playing field measures:</i> Consultation closed 7 May: the EA is reviewing submissions and aims for Task Force endorsement mid-June then EA Board decisions late June.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                          |
|                                                                                                                                                                        | <i>2A+B+C Better compensating household power injection and time of use plans:</i> Consultation closed 26 March, and the EA is now reviewing submissions. Confidential advice to Government                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                          |
|                                                                                                                                                                        | <i>2D Better compensating industrial flexibility (demand response):</i> You can expect to receive an advance copy of the EA's 'Roadmap' paper on 16 May ahead of EA consultation release on 28 May. In parallel the EA is developing an issues paper relating to industrial flexibility emergency reserve, Confidential advice to Government                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                          |
| <b>Carbon Capture and Storage (CCS)</b><br>Creating an enabling regulatory regime for CCS which could improve the economics of gas production                          | Confidential advice to Government                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                          |

| Action and outcome                                                                                                                                                                  | Updates (if any)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Status and upcoming milestones                                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
|                                                                                                                                                                                     | bespoke regime as previously agreed to. MfE will brief you further on this option and how it would work later in May 2025. This is likely to include advice that overall ministerial responsibility should reside with the Minister of RMA reform and the Minister of Climate Change.                                                                                                                                                                                                                   |                                                                              |
| Confidential advice to Government                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                              |
| <b>Contingent hydro storage</b><br>Confidential advice to Government                                                                                                                | Confidential advice to Government                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | On track                                                                     |
| <b>Consumer demand response and Solar</b><br>Develop package to improve consumer energy outcomes, improve access to finance and reduce install costs for rooftop solar and battery  | Following your feedback, we will develop the agreed package and provide you a further briefing on timing and a proposed communications approach.<br><br>In regard to the issue of prescribed electrical work, Worksafe has indicated it may be possible to issue a clarification on the regulations to make it easier for installers. We will meet with SEANZ and Worksafe to discuss this further.                                                                                                     | On track                                                                     |
| <b>Rooftop solar and household batteries' impact on prices:</b><br>Modelling the impact of rooftop solar and household batteries: wholesale level and distribution-level impacts    | Work is underway to model the impact of higher uptake of rooftop solar and household batteries on electricity prices. This work is focussing on wholesale-price impacts as rooftop displaces other forms of generation.<br><br>You have recently asked for this analysis to also capture the impact of higher uptake on distribution network costs. This analysis is substantially more complex: scoping this work is underway across a number of possible experts, including engagement with Rewiring. | On track                                                                     |
| <b>Permitted Voltage Range</b><br>Changing regulations to expand the permitted fluctuation range on low voltage electricity networks to permit more solar injection and EV charging | EXP approved the policy decision on Tuesday 25 March. Drafting is underway.<br><br>We are also working with your office on a joint press release between you and the Minister for Building and Construction which will include this item and his work on building consents for solar, and associated communications. Your office has now indicated this announcement is likely after Budget 2025.                                                                                                       | On track<br>Drafting is on track. PR is now scheduled for after Budget 2025. |
| <b>Electricity (Hazards from Trees) Regulations</b>                                                                                                                                 | We are currently preparing drafting instructions for PCO and will shortly commence engagement with a limited set of stakeholders on the treefall hazard risk assessment factors.                                                                                                                                                                                                                                                                                                                        | On track<br>Preparing drafting instructions                                  |
| <b>Energy Strategy</b><br>Developing a public-facing strategy that will set out the Government's role in creating an energy system that is fit for the future.                      | Confidential advice to Government                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                              |

| Action and outcome                                                                                                                                                                                     | Updates (if any)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Status and upcoming milestones                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| <b>Offshore Renewable Energy</b>                                                                                                                                                                       | The revised-tracked version of the Bill was presented to the Select Committee on 8 May 2025. Our consultation on feasibility permit regulations is underway and we are working with the regulator on implementation planning.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>On track</b>                                                                                          |
| <b>Crown energy PPAs</b><br>Exploring the use of government energy demand to support development of energy projects                                                                                    | Following the security of energy supplies cabinet paper, we will provide you a briefing in May with policy advice and options on the scope of this work programme.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>On track</b>                                                                                          |
| <b>Electricity and Gas Safety Standards</b><br>Updating more than 400 references to international standards in the regulations. This includes new standards for solar and EV chargers, reducing costs. | You will receive a briefing on the energy safety aspects of your portfolio from MBIE's Health and Safety policy team.<br><br>There has been a delay drafting the standards updates, caused by difficulties PCO had with accessing the standards. This has now been resolved and while PCO has been working on what it can in the meantime, this has added time to complete the work given that there are over 400 citations to be drafted in the two sets of regulations. WorkSafe also needs to be consulted on technical input before the regulations are ready.<br><br>We now expect you to receive a paper to confirm regulations through the Cabinet Legislation Committee in May, for Gazettal in June. | <b>Delayed</b><br>Regulations considered by LEG and then gazetted in June, as opposed to May previously. |
| <b>Hydrogen regulations</b><br>Delivering Hydrogen Action Plan commitment to amend safety regulations to enable hydrogen.                                                                              | <b>Confidential advice to Government</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>On track</b>                                                                                          |
| <b>Hydrogen exports</b>                                                                                                                                                                                | (As per previous update:) We are awaiting further advice from Obayashi on whether New Zealand's certification approach is fit for purpose for exports.<br><br>In your meeting with the Hydrogen Industry Leadership Group the Hydrogen Council also noted it is considering whether to establish a private certification scheme. We will engage with the Council on this work.                                                                                                                                                                                                                                                                                                                                | <b>On track</b>                                                                                          |
| <b>Woody Bioenergy</b><br>Investigating barriers to the development of the domestic supply chain and export opportunities for woody bioenergy.                                                         | We provided you a briefing on 17 April outlining outcomes and emerging themes of targeted stakeholder engagement.<br><b>Confidential advice to Government</b><br><br><br><br><br><br><br><br>We have also provided an update below on the comment Genesis has made to the market about their plans for woody biomass use.                                                                                                                                                                                                                                                                                                                                                                                     | <b>On track</b>                                                                                          |
| <b>Led by other Ministerial portfolios</b>                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                          |
| <b>Public EV Charging Funding Model</b><br>Governments funding model for public EV charging (to concessional loans)                                                                                    | Funding changes were announced on 27 April. EECA and NIFFCo are now working through transfer of responsibilities. We are also jointly drafting a last cabinet paper to change the relevant financial appropriations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>On track</b>                                                                                          |

| Action and outcome                                                                                                                                                                                                                                                                                                                                                         | Updates (if any)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Status and upcoming milestones |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| <b>Led by the Electricity Authority</b>                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                |
| <b>Electricity pipeline updates</b>                                                                                                                                                                                                                                                                                                                                        | The EA provided information to you on its generation pipeline dataset on 28 March and will provide the next update in its fortnightly report on 15 May.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Ongoing                        |
| <b>Led by Transpower</b>                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                |
| <b>Transpower's Connections Queue for Generation – improvements to increase project throughput</b><br>Run rate to start generation investigations (queue) up by 50% in 2025, on 2024. 17 investigation projects started and 7 projects moved to delivery in 2025.<br><br>Decrease of 10 projects in queue since January.<br><br>6 new applications received since January. | <b>Improving throughput:</b><br>Work continuing to implement: <ul style="list-style-type: none"> <li>Stage-gating within investigation phase – some customers starting consenting/property elements earlier pre-investigation (while they wait in queue)</li> <li>Right-sizing investigations to meet customer needs and risk appetite</li> <li>Developed criteria for assessing project readiness throughout the end-to-end process.</li> </ul> Initial work started on: <ul style="list-style-type: none"> <li>Standard equipment lists for standardised designs for greenfield substations – progressing</li> <li>Customer led investigation and delivery – scoping options</li> <li>Prioritisation options within the queue (based on security of supply) – progressing</li> <li>The first project using the Digital Substation is committed – more to follow. Digital Substation is quicker to deliver as part of a GXP/GIP build.</li> </ul> <b>Improving transparency:</b> <ul style="list-style-type: none"> <li>Updated connection project status for April published on website in a new format to increase transparency<br/> <a href="https://www.transpower.co.nz/connections/connection-data">https://www.transpower.co.nz/connections/connection-data</a></li> <li>Formalising guidelines for “on hold” projects.</li> </ul> | Ongoing                        |
| <b>Industry developments</b>                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                |
| <b>Potential commercial deals to enhance winter security of supply</b> <ul style="list-style-type: none"> <li>Methanex gas deal</li> <li>Potential industry actions to improve security of supply including Huntly (Heads of Agreement) firming contracts</li> <li>Demand response deals</li> </ul>                                                                        | <b>Methanex gas deal:</b><br>Contact has announced an 8-week agreement with Methanex and Genesis have indicated they are close to an agreement.<br><b>Commercial Information</b><br>[REDACTED]<br>[REDACTED]<br>[REDACTED]<br><b>Demand response deals:</b><br>As reported on 3 March (with no change): The NZAS demand response tranches of 25MW; 50MW and 100MW are available to Meridian to call on this year. NZAS has also agreed to cap its production this winter at 50MW below maximum. We are not aware of any wider demand response deals under negotiation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Ongoing                        |
| <b>Gas exploration updates</b>                                                                                                                                                                                                                                                                                                                                             | Todd report the first two new wells at Mangahewa are competed and drilling has started on the third well. The final development work on the new wells won't be completed until June which is when gas flows will be known. It is expected the gas will be available to the market in August or September.<br><br>As reported on 14 April:<br>Greymouth completed one new well at Turangi in January and started a second at the end of February which should be                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Ongoing                        |

| Action and outcome | Updates (if any)                                                                                                                                                                                                                                                                                                                                                                                      | Status and upcoming milestones |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
|                    | <p>completed shortly. We understand they are planning two further wells later in the year. As a private company Greymouth does not routinely release drilling results to the market.</p> <p>As reported on 31 March:</p> <p>The new well at Pohokura (OMV) is delivering below expectations (10 TJ/day against expectations of 25-30 TJ/day – adding around 3.5% to gas production of 260TJ/day).</p> |                                |

## Stakeholder Updates

| Title                                                                                                            | Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Contact and Genesis secure gas from Methanex</b></p> <p>Tamara Linnhoff<br/>Privacy of natural persons</p> | <p>On 7 May 2025 Contact announced its agreement with Methanex to purchase ~2.8PJ of gas over an eight-week period, starting immediately. The structure includes a combination of buy and swap arrangements with buy pricing referenced to the electricity market. The purchase has been partially underwritten by sales to third party wholesale electricity market participants.</p> <p>The additional fuel supply (combined with the Ahuroa Gas Storage Facility (AGS)) will support Contact to run its Taranaki Combined Cycle gas-fired power station (TCC) alongside the gas peaking units at Stratford through winter 2025, as required. This will consume TCC's remaining operating hours. Contact, as indicated previously, still expects to close TCC immediately after winter 2025.</p> <p>On 8 May 2025 Genesis also announced an agreement with Methanex. Their arrangement is a put option under which Methanex will sell a quantity of gas to Genesis if it is available (i.e. there is a quantity of gas contracted to Methanex that will go unused as a consequence of the shutdown because it is not committed to other parties, and other parties do not wish to buy it). As such, the volume over which Genesis has an option is not firm gas. Genesis noted that it is currently all but fully fuelled for winter, the arrangement is ultimately to support Methanex's shutdown in the interest of broader security of system supply. In the event put gas becomes available to Genesis it will largely displace coal for electricity generation.</p> <p>Together, the 1.26PJ of gas represents approximately 500GWH of energy over 2 months.</p> |
| <p><b>Genesis bioenergy update</b></p> <p>Scott Russell<br/>Privacy of natural persons</p>                       | <p>Genesis Energy head of biomass development David Binnie recently shared an update on its biomass supply intentions with <i>Energy News</i> in an article from Thursday 8 May 2025.</p> <p>Genesis aims to secure an annual supply of 300,000 tonnes of biomass fuel by 2028, to replace coal used at the Huntly Power Station. Genesis is exploring pellet supply from a range of 'consortia', comprising a mix of torrefied wood pellets (ie, from Foresta and Carbona), and white wood pellets (ie, from Nature's Flame). Genesis expects to have more to say by the end of this year (if not sooner) on whether these consortia are likely to be successful.</p> <p>Binnie says that having a diverse range of models and processes will help to de-risk the project, by betting on a range of technology types. While torrefied pellets are preferred for their density and compatibility with existing coal infrastructure, there are just two torrefied wood pellets in operation globally, meaning there is no proven off-the-shelf technology solution. Genesis has recently visited a torrefied wood pellet facility in Finland (one of two operating globally). By contrast, white wood pellets are highly mature and widely traded.</p> <p>Genesis says its demand for biomass could serve as an anchor for pellet production facilities which could service wider demand both domestically and in export markets.</p>                                                                                                                                                                                                                                   |

|                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Applicant feedback on Fast-track process</b></p> <p>Daniel Brown<br/><small>Privacy of natural persons</small></p>                   | <p>We have collated feedback from energy companies that have applied for Fast-track approvals. We have prepared detailed feedback for your office to pass to the office of the Minister for Infrastructure. The most significant themes from feedback were:</p> <p><b>Free and frank opinions</b></p> <p>You may wish to raise suggestions for improving the Fast-track system if you meet with the Minister for Resource Management reform as recommended below.</p> |
| <p><b>Other stakeholder suggestions for RM and Fast-track reform</b></p> <p>Daniel Brown<br/><small>Privacy of natural persons</small></p> | <p>Stakeholders have also raised other potential RMA / Fast-track related changes including:</p> <p><b>Confidential advice to Government</b></p>                                                                                                                                                                                                                                                                                                                      |

|                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Commerce Commission clears Contact's acquisition of Manawa</b></p> <p>Tamara Linnhoff<br/>Privacy of natural persons</p>    | <p>On 7 May 2025 the Commerce Commission granted clearance for Contact Energy to acquire up to 100 percent of the shares in Manawa Energy. The Commission initially raised concerns, but after further investigation found that the acquisition is unlikely to substantially lessen market competition. The Commission decided the acquisition was <u>not likely</u> to:</p> <ul style="list-style-type: none"> <li>• affect the supply of shaped hedges on the market (as Manawa barely supplies these)</li> <li>• increase the ability and incentive for Contact to increase spot electricity prices</li> <li>• increase coordination between generators.</li> </ul> <p>Contact purchasing 100 per cent of Manawa shares will make it the second-largest generator in the country, with a 25 per cent market share.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <p><b>Temporary high spot electricity prices in part of Hawke's Bay</b></p> <p>Tamara Linnhoff<br/>Privacy of natural persons</p> | <p>On 7 May 2025 the spot market settled at high levels in a part of the Hawke's Bay – for some periods over \$2000/MWh. Transpower explained:</p> <ul style="list-style-type: none"> <li>• this was the market responding to a planned maintenance outage of the Redclyffe-Whakatu 220kV circuit in the region</li> <li>• more Hawkes' Bay load was served over the 110kV network, but the lower capacity on that network means higher priced local generation from Waikaremoana needed to be dispatched</li> <li>• some load in the region was still being met from parts of the 220kV network not on outage and the high prices are just on parts served from the 110kv network</li> <li>• This is the market operating as designed to deal with physical constraints and ensure an uninterrupted supply to consumers when outages are needed.</li> </ul> <p>High wholesale prices are generally smoothed out over time in retail contracts. In situations like this, prices are very sensitive to small changes in load so we may see retailers in the region shift load away from peak periods to avoid the price spike.</p> <p>The major industrial user Pan Pac Forest Products Ltd is supplied from different 220kV circuits in the region, so will not be affected by these high prices even if it is buying on the spot market.</p> |
| <p><b>Transpower launches consultation on HVDC investment</b></p> <p>Tamara Linnhoff<br/>Privacy of natural persons</p>           | <p>On 7 May 2025 Transpower released a further consultation on upgrades to the High Voltage Direct Current (HVDC) Cook Strait electricity link.</p> <p>Transpower proposes an investment of up to \$1.4 billion: its preferred option is replacing the three existing high-voltage cables and adding a fourth cable, boosting capacity from the current 1200 megawatts to 1400 MW. It also plans to upgrade the cable terminal stations and control systems to improve resilience and capacity.</p> <p>This consultation follows two consultations on this topic last year. If progressed (and approved by the Commission) construction of the new infrastructure would start in 2030 and it would be in operation the following year. Transpower would then recover the costs through transmission charges, spread over the expected life of the assets.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

Current appointments

Confidential advice to Government

Upcoming appointments

Confidential advice to Government

Other Updates

| Title                                                                                              | Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div>Gas security of supply</div> <div>Dominic Kebbell</div> <div>Privacy of natural persons</div> | The National Business Review has reported that OMV, which owns the Maui gas field, 74 per cent of the Pohokura gas field and 69 per cent of the Maari oil field, has written off \$395.5 million from the value of its production assets. OMV said this asset value reduction was due to expected lower production volumes, with the write off driving a reported net loss for OMV New Zealand of approximately \$225m for the year to December 2024. OMV had previously sought to sell off its New Zealand assets, but it stopped this sales process in December 2024 last year after failing to find a buyer. |
| <div>Coal supply</div> <div>Tamara Linnhoff</div> <div>Privacy of natural persons</div>            | <div>Confidential advice to Government</div> <div></div> <div></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

## Electricity security of supply

Tamara Linnhoff

Privacy of natural persons

### ELECTRICITY CAPACITY (for the week to Sunday 4 May)

Residual generation margins remained healthy last week. Residual generation was less than 1000 MW for the Thursday 1 May evening peak only. Thermal unit commitment remains high for this time of year as hydro storage remains below average, aiding capacity margins.

The N-1-G margin is sufficient to meet peak demand in the look-ahead through to end of June 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 4 May)

National hydro storage has dropped from 83% to 81% of average for this time of year. South Island storage dropped to 83% from 81%, while North Island storage increased from 76% to 78%. At the time of writing (8 May) current rainfall is not included in these figures.

### ELECTRICITY ('ENERGY') SUPPLY RISK (at 4 May)

The level of 'energy risk' is measured by hydro storage levels relative to the electricity risk status curves. Energy risk remains in the normal range.

New Zealand Energy Risk



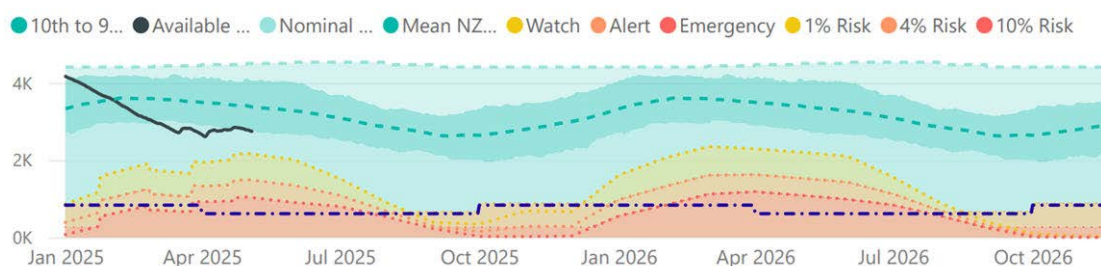
South Island Energy Risk



Normal Watch Alert Emergency

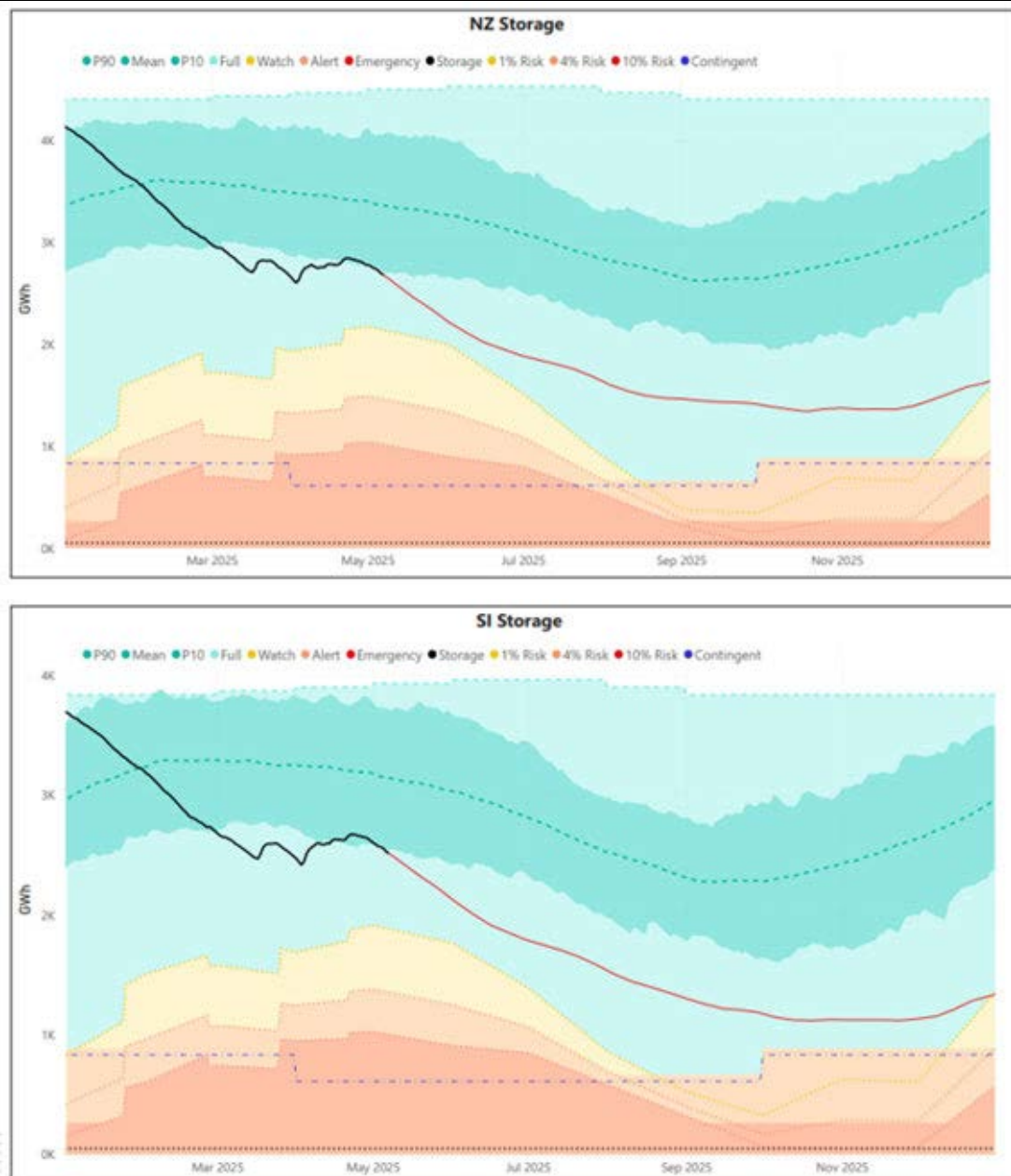
New Zealand controlled energy storage is below average for this time of year:

New Zealand Electricity Risk Status Curves (Available GWh)



The System Operator last updated the ERCs on 30 April 2025. Commentary on that update is in the Weekly Report of 5 May 2025. The next ERC update is expected at the end of May.

**You have asked us to report on the number of days until the NZ system hits energy risk curves – if it does not rain.** In response, Transpower have provided the following charts. These charts show the actual storage position (black line) to 7 May compared to the worst-case simulated storage trajectory (SST, red line).



The table below shows the number of days until each curve would be crossed, based on worst case inflows. These are not a forecast of future inflows but should be used as a guide to the maximum time available before it needs to rain.

**New Zealand storage is still not projected to cross the Alert or Emergency Curves in 2025 even if worst-case inflows occur. South Island storage under worst case inflows is now projected to cross the Watch curve at the end of December 2025:**

**Worst case inflows - Time to cross successive curves**

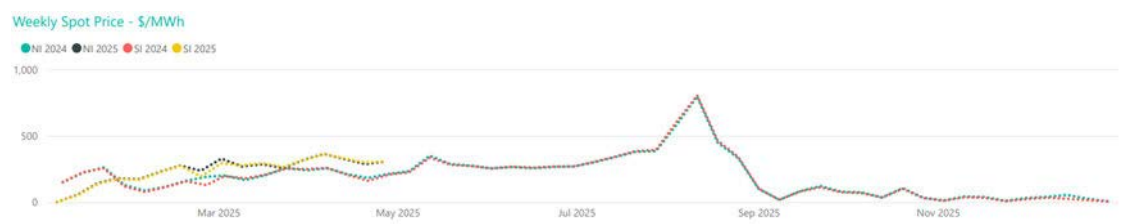
| Region | Date Watch | Time to Watch | Date Alert | Time to Alert | Date Emergency | Time to Emergency |
|--------|------------|---------------|------------|---------------|----------------|-------------------|
| NZ     | N/A        | N/A           | N/A        | N/A           | N/A            | N/A               |
| SI     | 30/12/2025 | 237           | N/A        | N/A           | N/A            | N/A               |

**The ERCs and worst-case inflows line was created 10 April.** The worst-case inflows line has been translated to start from current storage and reflects improved storage in recent weeks. Transpower has highlighted that this analysis reflects actual storage is as at 7 May. Also, it does not reflect Contact's 7 May announcement that it has acquired gas from Methanex, nor Genesis' announced regarding retirement of one Rankine (if Huntly HOA longer term thermal contracts are not signed). Transpower plans to reflect these changes in the May ERCs.

Source: System Operator, Market Operations - Weekly Market Movements

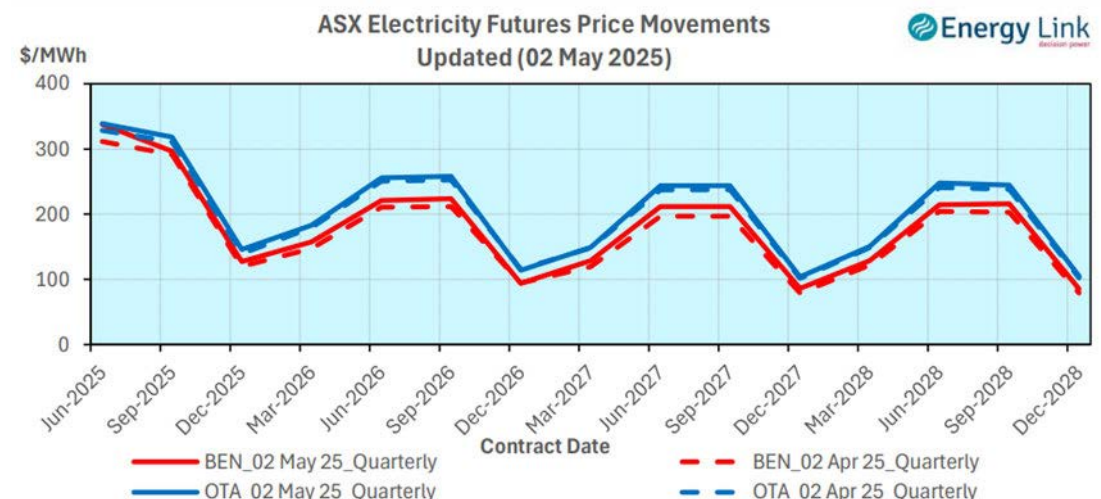
## WHOLESALE ELECTRICITY PRICES

### Weekly Spot Price (week ended 4 May)



Source: System Operator, Market Operations - Weekly Market Movements

### ASX Electricity Futures Prices (at last available update 2 May)



Source: Energy Link, Energy Trendz Weekly

## Number of registered EVs in New Zealand and their charger types

Peter Bartlett

Privacy of natural persons

At your recent meeting with ChargeNet, you were interested in the breakdown of different charger cable types in electric vehicles.

There are currently over 116,000 light passenger battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEV) registered in New Zealand. There is no readily available data on the types of chargers in the fleet, however, based on the make/model of these we estimate the vast majority have Type 2 chargers for slow alternating current (AC) charging at home, work, and destination sites (ie supermarkets). For fast direct current (DC) charging at public charging stations, these EVs with Type 2 chargers have additional connector types, either CCS (combined charging system) connectors, generally for European vehicles; or CHAdeMO connectors, generally for Japanese imports. A small number of registered EVs appear to use Type 1 chargers for slow AC charging with CHAdeMO connectors for DC fast charging. The different types of charger connectors are shown below.

|                                                                                                                                            | <div><div><div>AC (slow charging) Types</div><div>DC (fast charging) Types</div></div><div><div>TYPE 1</div><div>CHAdeMO</div></div><div><div>TYPE 2</div><div>CCS TYPE 2</div></div></div> <div><div>Japan (Nissan Leaf)</div><div>EU (most other EVs)</div></div> <p>Most public charging stations (eg ChargeNet, BP, Z, JOLT) are designed for fast DC charging with both CCS and CHAdeMO connector types. Some charging stations (eg ChargeNet or Meridian) support slow AC charging with Type 2 chargers at destination sites (e.g. supermarkets and shopping areas).</p> <p>You also asked about Type 2 chargers between Auckland and Hamilton. Currently, there are four EV charging locations between Auckland and Hamilton: Huntly, Te Kuwata and Hampton charging stations are owned by WEL Networks; and Pokeno charging station is owned by Counties Energy. All these charging stations allow DC charging and only the Huntly charging station supports AC charging with Type 2 charger.</p>                       |                                               |                            |                         |        |                                  |       |                                       |       |                                                |     |                        |       |                                 |    |                   |        |                            |       |
|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|----------------------------|-------------------------|--------|----------------------------------|-------|---------------------------------------|-------|------------------------------------------------|-----|------------------------|-------|---------------------------------|----|-------------------|--------|----------------------------|-------|
| <p><b>Number of solar systems installed in New Zealand as at 31 March 2025 (less than 10kW size)</b></p> <p>Peter Bartlett</p> <div></div> | <p>You recently asked us to include a monthly update on solar system numbers in the Weekly report. We will now include this information monthly.</p> <p>The table below shows the total number of ICPs in New Zealand with solar systems less than 10kW for each category as at 31 March 2025. Data is drawn from the Electricity Authority’s public Electricity Market Information (EMI) website.</p> <table><tr><th>Category (solar system size: less than 10 kW)</th><th>ICP Count (as at 31 March)</th></tr><tr><td>Residential solar (all)</td><td>63,944</td></tr><tr><td>Residential solar (with battery)</td><td>8,355</td></tr><tr><td>Small, Medium Enterprises solar (all)</td><td>2,241</td></tr><tr><td>Small, Medium Enterprises solar (with battery)</td><td>155</td></tr><tr><td>Commercial solar (all)</td><td>1,439</td></tr><tr><td>Commercial solar (with battery)</td><td>65</td></tr><tr><td>Total (solar all)</td><td>67,624</td></tr><tr><td>Total (solar with battery)</td><td>8,575</td></tr></table> | Category (solar system size: less than 10 kW) | ICP Count (as at 31 March) | Residential solar (all) | 63,944 | Residential solar (with battery) | 8,355 | Small, Medium Enterprises solar (all) | 2,241 | Small, Medium Enterprises solar (with battery) | 155 | Commercial solar (all) | 1,439 | Commercial solar (with battery) | 65 | Total (solar all) | 67,624 | Total (solar with battery) | 8,575 |
| Category (solar system size: less than 10 kW)                                                                                              | ICP Count (as at 31 March)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                               |                            |                         |        |                                  |       |                                       |       |                                                |     |                        |       |                                 |    |                   |        |                            |       |
| Residential solar (all)                                                                                                                    | 63,944                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                               |                            |                         |        |                                  |       |                                       |       |                                                |     |                        |       |                                 |    |                   |        |                            |       |
| Residential solar (with battery)                                                                                                           | 8,355                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                               |                            |                         |        |                                  |       |                                       |       |                                                |     |                        |       |                                 |    |                   |        |                            |       |
| Small, Medium Enterprises solar (all)                                                                                                      | 2,241                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                               |                            |                         |        |                                  |       |                                       |       |                                                |     |                        |       |                                 |    |                   |        |                            |       |
| Small, Medium Enterprises solar (with battery)                                                                                             | 155                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                               |                            |                         |        |                                  |       |                                       |       |                                                |     |                        |       |                                 |    |                   |        |                            |       |
| Commercial solar (all)                                                                                                                     | 1,439                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                               |                            |                         |        |                                  |       |                                       |       |                                                |     |                        |       |                                 |    |                   |        |                            |       |
| Commercial solar (with battery)                                                                                                            | 65                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                               |                            |                         |        |                                  |       |                                       |       |                                                |     |                        |       |                                 |    |                   |        |                            |       |
| Total (solar all)                                                                                                                          | 67,624                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                               |                            |                         |        |                                  |       |                                       |       |                                                |     |                        |       |                                 |    |                   |        |                            |       |
| Total (solar with battery)                                                                                                                 | 8,575                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                               |                            |                         |        |                                  |       |                                       |       |                                                |     |                        |       |                                 |    |                   |        |                            |       |

|                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Enabling hydrogen</b></p> <p>Peter Bartlett<br/>Privacy of natural persons</p>                                                                                 | <p>Following your meeting with the Hydrogen Industry Leadership Group (HILG) on 30 April we have a number of actions underway:</p> <ul style="list-style-type: none"> <li>• We have had an initial meeting with the CE of the Hydrogen Council to better understand some proposals in the HILG report on policy actions you were provided. We are now working to arrange a meeting between the HILG and officials to discuss their proposals in detail and provide feedback.</li> <li>• We have liaised with EECA regarding the proposed changes to the Low Emissions Heavy Vehicle Fund regarding hydrogen vehicles. We understand EECA has provided you a briefing on changes to this Fund. Depending on the timing of your decisions, there may be an opportunity to announce changes in your speech at the Hydrogen Summit on 28 May.</li> <li>• Confidential advice to Government</li> <li>• We are preparing materials to support your attendance and keynote address at the Hydrogen Summit on 28 May. We will provide materials to your office on 15 May.</li> </ul> <p>We will provide further updates to you following our meeting with the HILG and confirming when consultation on changes to regulations has begun.</p> |
| <p><b>Energy Efficiency and Conservation (Energy Flexibility and Regulatory Improvements) Amendment Bill</b></p> <p>Scott Russell<br/>Privacy of natural persons</p> | <p>Confidential advice to Government</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p><b>Solar power from space and wireless transmission</b></p> <p>Tamara Linnhoff<br/>Privacy of natural persons</p>                                                 | <p>Recent media reports show developments on harnessing solar power from space and sending wirelessly it to Earth. Japan is soon expecting to launch a small satellite with solar panels which will transmit a very small amount of power (1kW) wirelessly back to Earth from an altitude of 400km.</p> <p>Auckland based company EMROD has also been exploring wireless power transmission locally with support from Callaghan Innovation. Their intent is to be able to wirelessly transmit large amounts of power over long distances. Their next stage after prototyping the technology is developing demonstration models for sale.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

## Upcoming Ministerial Items

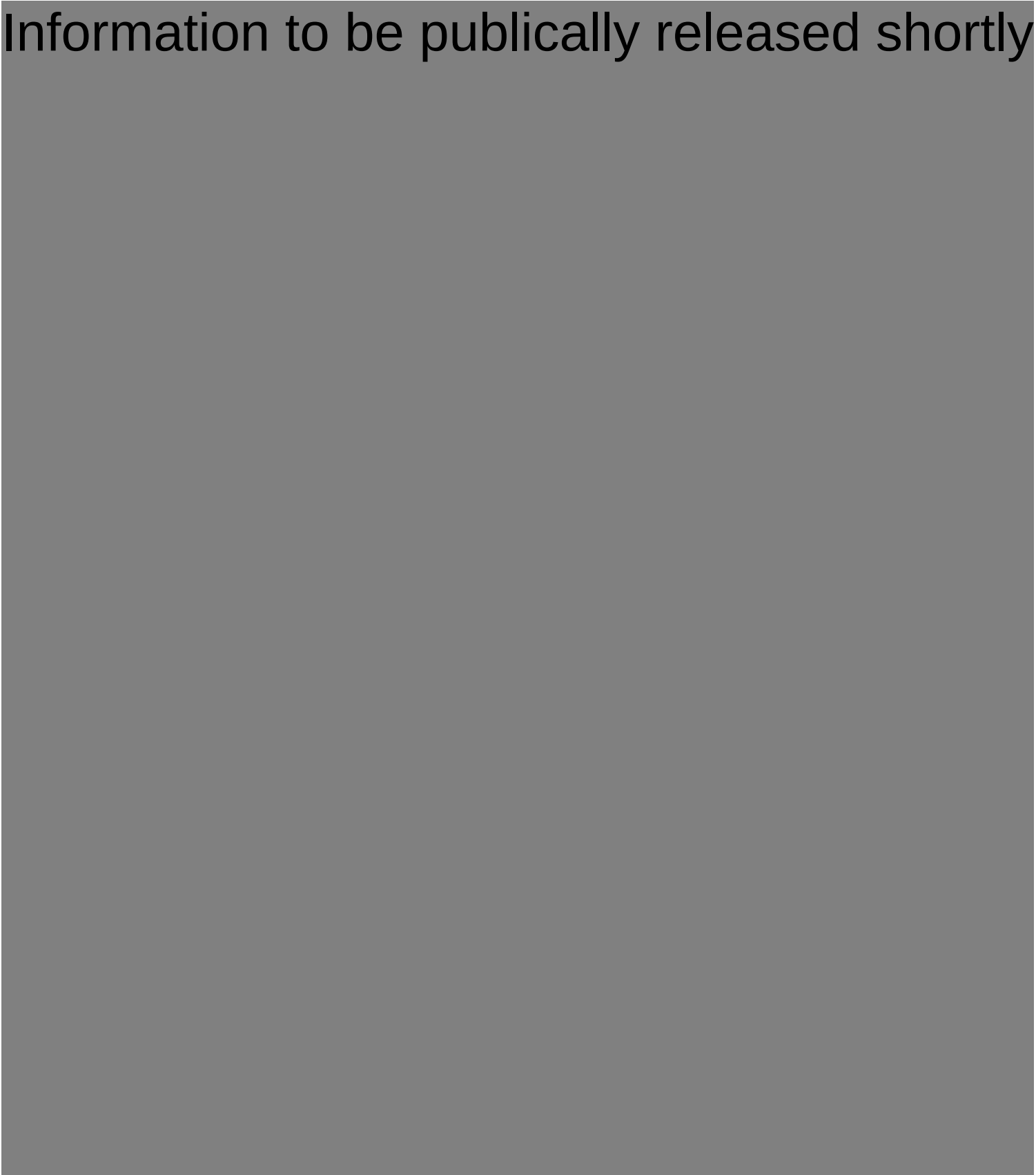
### 1. Upcoming Energy meetings

| Meeting date                                        | Meeting                                        | Details                                                                                                                        |
|-----------------------------------------------------|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| <b>Tuesday 13 May 2025</b><br>4:15 pm – 4:45 pm     | EcoBulb                                        | <b>Briefing Due:</b> 7 May 2025<br><b>Officials required:</b> Scott Russell                                                    |
| <b>Tuesday 13 May 2025</b><br>5:00 pm – 5:30 pm     | Electricity Networks Aotearoa                  | <b>Briefing Due:</b> 6 May 2025<br><b>Officials required:</b> Justine Cannon                                                   |
| <b>Wednesday 14 May 2025</b><br>12:00 pm – 12:30 pm | John Carnegie, Energy Resources Aotearoa       | <b>Briefing Due:</b> 8 May 2025<br><b>Officials required:</b> Justine Cannon                                                   |
| <b>Wednesday 14 May 2025</b><br>12:00 pm – 12:30 pm | Z Energy                                       | <b>Briefing Due:</b> 8 May 2025<br><b>Officials required:</b> Dominic Kebbell                                                  |
| <b>Wednesday 14 May 2025</b><br>5:30 pm – 6:30 pm   | Are Ake & Ghost Dynamics                       | <b>Briefing Due:</b> 12 May 2025<br><b>Officials required:</b> Tamara Linnhoff                                                 |
| <b>Wednesday 14 May 2025</b><br>7:00 pm – 8:00 pm   | Infrastructure and Investment Minister's Group | <b>Briefing Due:</b> 12 May 2025<br><b>Officials required:</b> Paul Stocks                                                     |
| <b>Thursday 15 May 2025</b><br>11:30 pm – 12:00 pm  | Meeting with Clarus                            | <b>Briefing Due:</b> 13 May 2025<br><b>Officials required:</b> Justine Cannon, John Scott                                      |
| <b>Thursday 15 May 2025</b><br>2:00 pm – 3:30 pm    | Visit to EcoGas                                | <b>Briefing Due:</b> 13 May 2025<br><b>Officials required:</b> NA                                                              |
| <b>Friday 16 May 2025</b><br>11:30 am – 12:30 pm    | Gas Security Response Group                    | <b>Briefing Due:</b> 12 May 2025<br><b>Officials required:</b> Paul Stocks, Justine Cannon, Rebecca Heerdegen, Dominic Kebbell |

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

Information to be publically released shortly

Information to be publically released shortly



### 3. Written Parliamentary Questions

| Due to Minister | Number | Member              | Question                                                                                                                                                                                                                         |
|-----------------|--------|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 13 May 2025     | 22128  | Francisco Hernandez | What government resources, if any, have been spent in the Minister's departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, on a pay equity claim that will be halted, if any? |

### 4. Ministerial Correspondence received

| Due date    | Tracking number | Correspondent              | Summary of Correspondence                                                |
|-------------|-----------------|----------------------------|--------------------------------------------------------------------------|
| 12 May 2025 | COR1393         | Privacy of natural persons | Biodiesel                                                                |
| 16 May 2025 | SW25-139        |                            | Steward Island power                                                     |
| 21 May 2025 | SW25-125        |                            | Electricity company profit                                               |
| 21 May 2025 | SW25-140        |                            | Electricity charge increases                                             |
| 21 May 2025 | SW25-141        |                            | Electricity Infrastructure                                               |
| 21 May 2025 | SW25-143        |                            | Energy solution proposal                                                 |
| 21 May 2025 | SW25-144        |                            | Data collection on electricity company profit margins                    |
| 21 May 2025 | SW25-145        |                            | Profit margins                                                           |
| 21 May 2025 | SW25-146        |                            | Energy company margin days and the number of households in energy stress |
| 21 May 2025 | SW25-148        |                            | Energy company margin days and the number of households in energy stress |
| 21 May 2025 | SW25-149        |                            | Data collection on electricity company profit margins                    |
| 21 May 2025 | SW25-153        |                            | Electricity Authority data collection                                    |
| 21 May 2025 | SW25-154        |                            | Charges are more than the cost of my power use                           |
| 21 May 2025 | SW25-155        |                            | Electricity data collection and power prices                             |
| 21 May 2025 | SW25-157        |                            | Possible viable domestic gas production idea                             |
| 21 May 2025 | SW25-158        |                            | Energy buy back pricing                                                  |
| 21 May 2025 | SW25-159        |                            | Reducing electricity costs to unlock growth                              |

### 5. Output plan

Confidential advice to Government

Confidential advice to Government



## Energy Portfolio Weekly Report

|                                 |               |                         |                      |
|---------------------------------|---------------|-------------------------|----------------------|
| <b>Week commencing:</b>         | 19/05/2025    | <b>Priority:</b>        | Medium               |
| <b>Security classification:</b> | In Confidence | <b>Tracking number:</b> | BRIEFING-REQ-0014005 |

| Recipient                              | Action sought                    |
|----------------------------------------|----------------------------------|
| HON SIMON WATTS<br>MINISTER FOR ENERGY | Note the contents of this report |

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

Privacy of natural persons

**16 May 2025**

Minister's comments:

# Energy Portfolio Officials' Meeting Agenda

11:10 am – 11:55 am Tuesday 20 May 2025

| Item | Subject                        | People          | Oral Item / Paper # | Action Required |
|------|--------------------------------|-----------------|---------------------|-----------------|
| 1.   | Board Appointment              | Michael Bird    | Oral                | Discussion      |
| 2.   | <b>Free and frank opinions</b> |                 |                     |                 |
| 3.   | Gas Security Response Group    | Dominic Kebbell | Oral                | Discussion      |
| 4.   | EV Charging consultation       | Scott Russell   | BREFING-REQ-0012074 | Discussion      |
| 5.   | NZEECS                         | Scott Russell   | BRIEFING-REQ-009038 | Discussion      |
| 6.   | Weekly Report & Work Programme | Minister        | Oral                | Discussion      |
| 7.   | Any other business             | All             | Oral                | Discussion      |

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

| Name            | Position                                           |
|-----------------|----------------------------------------------------|
| Carolyn Tremain | Chief Executive and Secretary (Tentative)          |
| Paul Stocks     | Deputy Secretary, Building, Resources and Markets  |
| Justine Cannon  | General Manager, Energy Markets                    |
| Michael Bird    | General Manager, Entity Performance and Investment |
| Dominic Kebbell | Manager, Gas and Fuel Supply Policy                |
| Scott Russell   | Manager, Energy Use Policy                         |

## Key Updates

| Title                                                                                                                                      | Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Implementing Electrify NZ</b><br><br>Daniel Brown<br><small>Privacy of natural persons</small>                                          | <p>Cabinet has confirmed proposals for the replacement RMA legislation and next steps for RMA national direction – including the National Policy Statements for Renewable Electricity Generation and Electricity Networks. Further decisions on the final detail of national direction have been approved by Cabinet, prior to release of a discussion document in late May 2025.</p> <p>The Resource Management (Consenting and Other System Changes) Amendment Bill is currently before Select Committee. The revision-tracked version of the Bill, which incorporates changes from the Departmental Report, is currently being finalised.</p> <p>You have requested a meeting with the Minister for Resource Management Reform to discuss interactions between resource management reform and the Electrify NZ programme.</p> |
| <b>New permitting regime for offshore renewable energy</b><br><br>Melanee Beatson<br><small>Privacy of natural persons</small>             | <p>Confidential advice to Government</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Implementation timing for Energy Competition Task Force Package 2</b><br><br>Scott Russell<br><small>Privacy of natural persons</small> | <p>Confidential advice to Government</p> <p>[Redacted]</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

Confidential advice to Government

Confidential advice to Government

## Key actions tracker

| Action and outcome                                                                                                                                                         | Updates (if any)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Status and upcoming milestones                                                                                                                                                                                                                                                                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Electricity Market Review</b><br><br>Independent review to advise on the impact of market structure, design, and rules on the electricity systems' performance          | Confidential advice to Government                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                             |
| <b>Energy Competition Taskforce</b><br><br>Joint EA and Commerce Commission investigation of options to improve competition and enable consumers to manage usage and costs | <i>1A Slewing (firm generation) for PPAs:</i> On 15 May the EA sent you its 1A Update paper ahead of publication on 28 May. This will confirm the EA's decision to roll in consideration of better access to PPAs under the level playing field (LPF) workstream (1CD) – as it considers that non-discrimination measures (if progressed) are the best way to encourage more and faster new generation investment.<br><br>MBIE have provided our view to the EA: we consider that using a <i>principles-based</i> level playing field approach to support/encourage new generation will require (and rely heavily on) effective monitoring and enforcement. | <b>On track</b><br><br>On 15 May the EA sent you its Update paper on 1A Slewing (firm generation) for PPAs) and its 2D 'Roadmap' paper on better compensating industrial flexibility (demand response), ahead of publication on 28 May.<br><br>The EA is reviewing submissions on its 1CD level playing field consultation. |
|                                                                                                                                                                            | <i>1B Standardised flexibility contracts:</i> Initial offer rounds held. EA is monitoring liquidity (or lack of).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                             |
|                                                                                                                                                                            | <i>1C+D sharing flexibility and level playing field measures:</i> The EA is reviewing consultation submissions and aims for EA Board decisions late June.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                             |
|                                                                                                                                                                            | <i>2A+B+C Better compensating household power injection and time of use plans:</i> Consultation closed 26 March, and the EA is now reviewing submissions. Confidential advice to Government                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                             |
|                                                                                                                                                                            | <i>2D Better compensating industrial flexibility (demand response):</i> On 15 May the EA sent you its 2D consultation on a 'Roadmap for industrial demand flexibility' ahead of publication on 28 May. In parallel the EA is developing an issues paper relating to industrial flexibility emergency reserve, Confidential advice to Government                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                             |
| <b>Carbon Capture and Storage (CCS)</b><br><br>Creating an enabling regulatory regime for CCS which could improve the economics of gas production                          | Confidential advice to Government                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                             |

| Action and outcome                                                                                                                                                                            | Updates (if any)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Status and upcoming milestones                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Confidential advice to Government                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                       |
| <p><b>Contingent hydro storage</b></p> <p>Confidential advice to Government</p> <p>[Redacted]</p> <p>[Redacted]</p>                                                                           | <p>Confidential advice to Government</p> <p>[Redacted]</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <p>On track</p> <p>Confidential advice to Gover</p> <p>[Redacted]</p> |
| <p><b>Consumer demand response and Solar</b></p> <p>Develop package to improve consumer energy outcomes, improve access to finance and reduce install costs for rooftop solar and battery</p> | <p>Following your feedback, we will develop the agreed package and provide you a further briefing on timing and a proposed communications approach.</p> <p>In regard to the issue of prescribed electrical work, Worksafe has indicated it may be possible to issue a clarification on the regulations to make it easier for installers. We will meet with SEANZ and Worksafe to discuss this further.</p> <p>We have been meeting retail banks to better understand the availability and uptake of their finance options for solar and household electrification.</p> | <p>On track</p>                                                       |

| Action and outcome                                                                                                                                                                      | Updates (if any)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Status and upcoming milestones                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| <b>Rooftop solar and household batteries' impact on prices:</b><br><br>Modelling the impact of rooftop solar and household batteries: wholesale level and distribution-level impacts    | <p>Work is underway to model the impact of higher uptake of rooftop solar and household batteries on electricity prices. This work is focussing on wholesale-price impacts as rooftop displaces other forms of generation.</p> <p>You have recently asked for this analysis to also capture the impact of higher uptake on distribution network costs. This analysis is substantially more complex: scoping this work is underway across a number of possible experts, including engagement with Rewiring.</p> | <b>On track</b>                                                                                |
| <b>Permitted Voltage Range</b><br><br>Changing regulations to expand the permitted fluctuation range on low voltage electricity networks to permit more solar injection and EV charging | <p>EXP approved the policy decision on Tuesday 25 March. Drafting is underway.</p> <p>We are also working with your office on a joint press release between you and the Minister for Building and Construction which will include this item and his work on building consents for solar, and associated communications. Your office has now indicated this announcement is likely after Budget 2025.</p>                                                                                                       | <b>On track</b><br><br>Drafting is on track.<br><br>PR is now scheduled for after Budget 2025. |

## Confidential advice to Government

|                                                                                                                                                                    |                                                                                                                                                                                                                               |                                                   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| <b>Energy Strategy</b><br><br>Developing a public-facing strategy that will set out the Government's role in creating an energy system that is fit for the future. | Confidential advice to Government                                                                                                                                                                                             | <b>On track</b><br><br>Targeted engagement in May |
| <b>Offshore Renewable Energy</b>                                                                                                                                   | The revised-tracked version of the Bill was presented to the Select Committee on 8 May 2025. Our consultation on feasibility permit regulations is underway and we are working with the regulator on implementation planning. | <b>On track</b>                                   |
| <b>Crown energy PPAs</b><br><br>Exploring the use of government energy demand to support development of energy projects                                            | Following the security of energy supplies cabinet paper, we will provide you a briefing in May with policy advice and options on the scope of this work programme.                                                            | <b>On track</b>                                   |

| Action and outcome                                                                                                                                                                                         | Updates (if any)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Status and upcoming milestones                                                                               |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| <b>Electricity and Gas Safety Standards</b><br><br>Updating more than 400 references to international standards in the regulations. This includes new standards for solar and EV chargers, reducing costs. | <p>You will receive a briefing on the energy safety aspects of your portfolio from MBIE's Health and Safety policy team.</p> <p>There has been a delay drafting the standards updates, caused by difficulties PCO had with accessing the standards. This has now been resolved and while PCO has been working on what it can in the meantime, this has added time to complete the work given that there are over 400 citations to be drafted in the two sets of regulations. WorkSafe also needs to be consulted on technical input before the regulations are ready.</p> <p>We now expect you to receive a paper to confirm regulations through the Cabinet Legislation Committee in May, for Gazettal in June.</p> | <b>Delayed</b><br><br>Regulations considered by LEG and then gazetted in June, as opposed to May previously. |
| <b>Hydrogen regulations</b><br><br>Delivering Hydrogen Action Plan commitment to amend safety regulations to enable hydrogen.                                                                              | <p><b>Confidential advice to Government</b></p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>We provided speaking points for your keynote speech at the H2 2 Zero Summit on 28 May 2025.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>On track</b>                                                                                              |
| <b>Hydrogen exports</b>                                                                                                                                                                                    | <p>(As per previous update:) We are awaiting further advice from Obayashi on whether New Zealand's certification approach is fit for purpose for exports.</p> <p>In your meeting with the Hydrogen Industry Leadership Group the Hydrogen Council also noted it is considering whether to establish a private certification scheme. We will engage with the Council on this work.</p>                                                                                                                                                                                                                                                                                                                                | <b>On track</b>                                                                                              |
| <b>Woody Bioenergy</b><br><br>Investigating barriers to the development of the domestic supply chain and export opportunities for woody bioenergy.                                                         | <p>We will brief you in May on a proposed woody bioenergy work programme.</p> <p><b>Confidential advice to Government</b></p> <p>[REDACTED]</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>On track</b>                                                                                              |
| <b>Led by other Ministerial portfolios</b>                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                              |
| <b>Public EV Charging Funding Model</b><br><br>Governments funding model for public EV charging (to concessional loans)                                                                                    | <p>Funding changes were announced on 27 April. EECA and NIFFCo are now working through transfer of responsibilities. We are also jointly drafting a last cabinet paper to change the relevant financial appropriations.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>On track</b>                                                                                              |
| <b>Led by the Electricity Authority</b>                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                              |
| <b>Electricity pipeline updates</b>                                                                                                                                                                        | <p>The EA provided information to you on its generation pipeline dataset on 28 March and has signalled it will provide the next update in its fortnightly report on 15 May.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Ongoing</b>                                                                                               |

| Action and outcome                                                                                                                                                                                                                                                                                                                                                                    | Updates (if any)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Status and upcoming milestones |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| Led by Transpower                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                |
| <p><b>Transpower's Connections Queue for Generation – improvements to increase project throughput</b></p> <p>Run rate to start generation investigations (queue) up by 50% in 2025, on 2024. 17 investigation projects started and 7 projects moved to delivery in 2025.</p> <p>Decrease of 10 projects in queue since January.</p> <p>6 new applications received since January.</p> | <p><b>Improving throughput:</b></p> <p>Work continuing to implement:</p> <ul style="list-style-type: none"> <li>• Stage-gating within investigation phase – some customers starting consenting/property elements earlier pre-investigation (while they wait in queue)</li> <li>• Right-sizing investigations to meet customer needs and risk appetite</li> <li>• Developed criteria for assessing project readiness throughout the end-to-end process.</li> </ul> <p>Initial work started on:</p> <ul style="list-style-type: none"> <li>• Standard equipment lists for standardised designs for greenfield substations – progressing</li> <li>• Customer led investigation and delivery – scoping options</li> <li>• Prioritisation options within the queue (based on security of supply) – progressing</li> <li>• The first project using the Digital Substation is committed – more to follow. Digital Substation is quicker to deliver as part of a GXP/GIP build.</li> </ul> <p><b>Improved transparency:</b></p> <ul style="list-style-type: none"> <li>• Updated connection project status for April published on website in a new format to increase transparency <a href="https://www.transpower.co.nz/connections/connection-data">https://www.transpower.co.nz/connections/connection-data</a></li> <li>• Formalising guidelines for “on hold” projects.</li> </ul> | Ongoing                        |
| Industry developments                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                |
| <p><b>Potential commercial deals to enhance winter security of supply</b></p> <ul style="list-style-type: none"> <li>• Methanex gas deal</li> <li>• Potential industry actions to improve security of supply including Huntly (Heads of Agreement) firming contracts</li> <li>• Demand response deals</li> </ul>                                                                      | <p><b>Methanex gas deal:</b></p> <p>Contact announced an 8-week agreement with Methanex and Genesis announced an agreement to take gas under a ‘put’ option, if required by Methanex. Further, Meridian announced that it had entered a ‘swaption’ and contract for difference with Contact that supports the gas deal. This appears to be similar arrangements to last years’ Methanex deal in August.</p> <p><b>[Commercial in Confidence: Huntly-backed contracts for 2026 onwards:</b></p> <p>On 7 May Genesis reported no material update, the process remains on track, and further engagement with the Commerce Commission is planned. The Commission confirmed it would be meeting Genesis on 15 May (its first meeting on this matter).]</p> <p><b>Confidential advice to Government</b></p> <p><b>Demand response deals:</b></p> <p>As reported on 3 March (with no change): The NZAS demand response tranches of 25MW; 50MW and 100MW are available to Meridian to call on this year. NZAS has also agreed to cap its production this winter at 50MW below maximum. We are not aware of any wider demand response deals under negotiation.</p>                                                                                                                                                                                                                       | Ongoing                        |

| Action and outcome      | Updates (if any)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Status and upcoming milestones |
|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| Gas exploration updates | <p>Todd reports the first two new wells at Mangahewa have been completed and drilling has started on the third well. The final development work on the new wells will not be completed until June 2025, which is when gas flows will be known. It is expected the gas will be available to the market in August or September 2025.</p> <p>Greymouth completed one new well at Turangi in January and started a second at the end of February. We understand they are planning two further wells later in the year. As a private company Greymouth does not routinely release drilling results to the market.</p> | Ongoing                        |

## Stakeholder Updates

| Title                                                                                             | Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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| <p><b>Transpower's Te Kanapu report</b></p> <p>Tamara Linnhoff<br/>Privacy of natural persons</p> | <p>You asked us to look at the assumption in Transpower's Te Kanapu Report that the future grid will be 1.5x or 2x bigger than the status quo.</p> <p>The Te Kanapu report notes that the 'accelerated electrification' scenario from Transpower's 2020 Te Mauri Hiko report charted a 68% increase in demand to 2050. This scenario is broadly consistent with scenarios developed by other agencies including MBIE and is referred to in the 2024 Government Policy Statement on Electricity.</p> <p>The schematic on page 6 of Te Kanapu is illustrative and is not drawn to scale. It indicates that advances in innovation are expected to reduce the grid capacity that would be needed without such advances. It does not assume or estimate the scale of that reduction but indicates that the Grid Blueprint will include analysis of that effect.</p> <p>The text below the schematic on page 6 explains that Transpower will be analysing the opportunities from technologies that enable smarter and more efficient use of the grid. Page 8 of the report notes that Transpower's future scenarios will reflect much greater roles for demand-side flexibility and consumer energy resources – electricity consumers' resources that generate or store electricity, or items that can use electricity flexibly and increase or reduce electricity demand as needed.</p> <p>Transpower will be developing its Grid Blueprint over 2025 and 2026, with a focus on wide engagement and developing a clear evidence base for investment guided by new scenario modelling.</p> <p>Relatedly, you have requested further information and data on Transpower's consideration of non-network solutions (NNS) – Transpower is collating this information.</p> |
| <p><b>StatsNZ Housing Report</b></p> <p>Scott Russell<br/>Privacy of natural persons</p>          | <p>Confidential advice to Government</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |



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|-------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                               | <p>Confidential advice to Government</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <p><b>Follow-up from your meeting with Ecobulb on regulating LEDs</b></p> <p>Scott Russell<br/>Privacy of natural persons</p> | <p>On Tuesday 13 May 2025, you met with Ecobulb where you discussed energy efficiency and LED uptake, including the potential to use minimum energy performance standards (MEPS) under the Equipment Energy Efficiency (E3) programme.</p> <p>A MEPS for LEDs has previously been considered by Cabinet but have not progressed, due in part to known issues with inefficient regulatory processes with the New Zealand by the Energy Efficiency (Energy Using Products) Regulations 2002 and the Energy Efficiency and Conservation Act 2000. We will be providing you with a draft Energy Efficiency and Conservation (Energy Flexibility and Regulatory Improvements) Amendment Bill in the coming months which aims to streamline regulatory processes so we can adopt MEPS (and labels) more quickly and keep pace with Australia.</p> <p>The E3 programme is a long-standing initiative between the Australian and New Zealand Governments that jointly develops regulatory proposals for energy using products to increase equipment energy efficiency in the trans-Tasman market. We provided you with a joint EECA / MBIE briefing [BRIEFING-REQ-0009162] in March that included background information on E3. This has been resent to your office.</p>                                                                                       |
| <p><b>Innovation and Non-Traditional Solutions Allowance (INTSA)</b></p> <p>Scott Russell<br/>Privacy of natural persons</p>  | <p>You requested further information on the INTSA as part of your meeting with EcoBulb.</p> <p>Electricity Distribution Businesses (EDBs) that are regulated by the Commerce Commission (ComCom) are incentivised to deliver the most efficient solution for their electricity lines service in a technology agnostic manner. This means they can choose to spend their allowances on flexibility or energy efficiency solutions if they consider it is in the long-term interests of consumers.</p> <p>As part of DPP4, ComCom's new Innovation and Non-Traditional Solutions Allowance (INTSA) adds to these incentives and enables EDBs to access additional revenue to trial new ideas that might deliver further savings, before using their core revenue to roll out these new technologies once they are proven.</p> <p>The INTSA scheme opened from 1 April 2025, and ComCom has already received one application. Distributors have signalled many more applications are likely this year. ComCom expects most projects to be flexibility related such as batteries or flex services.</p> <p>There are no barriers to energy efficient projects being included in the INTSA, however, we understand EDBs are likely to prioritise their spend on projects that will deliver the greatest efficiencies to the lines service for consumers.</p> |

**Glucina Alloys risks closing due to gas issues, as reported in the media**

Scott Russell  
Privacy of natural persons

As reported in Business Desk on Thursday 15 May, the aluminium recycling foundry Glucina Alloys has said it may need to close due to tight gas supply.

Glucina Alloys currently has a gas contract with Genesis Energy, which is due to expire in September 2026. After this date it has been told it will only be able to get short-term gas contracts at a much higher cost, if at all. It is considering switching to alternative fuels. While electricity is not considered commercially viable due to high upfront and ongoing costs, there may be potential to switch to waste oil. Glucina turns scrap into refined ingots for manufacturers, including NZ Steel.

This relates to the advice provided in BRIEFING-REQ-0009089 which outlined potential economic impacts and security risks faced by industrial and critical gas users due to constrained gas supply.

**Current appointments**

Confidential advice to Government

**Upcoming appointments**

Confidential advice to Government

## Other Updates

| Title                                                                                              | Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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| <p><b>GIC quarterly report</b></p> <p>Dominic Kebbell<br/>Privacy of natural persons</p>           | <p>On 9 May 2025, Gas Industry Company (GIC) provided your office its Quarterly Report for the period ended March 2025. It will be published on GIC's website by 16 May 2025. The report states there is insufficient gas available to supply the industrial, commercial and petrochemical sectors as much as they have consumed in the past and a greater proportion of gas will be used to generate electricity. There is, however, sufficient gas to meet residential demand.</p> <p>The report notes that as part of its work programme, GIC is analysing models for addressing the constrained gas supply. These will cover the extent gas will be needed for power generation and the implications of redirecting gas for this purpose. GIC is also looking into the costs of fuel switching from gas to consumers.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Electricity security of supply</b></p> <p>Tamara Linnhoff<br/>Privacy of natural persons</p> | <p><b>System Operator Security of Supply Assessment 2025</b></p> <p>Transpower is seeking feedback on its draft security of supply assessment (SOSA) annually. A summary of the content is as follows:</p> <ul style="list-style-type: none"> <li>• <b>The Security of supply outlook has worsened:</b> <ul style="list-style-type: none"> <li>○ Projections fall below the lower security standard by next year (Winter 2026) - when considering only those new supply projects that are existing and committed. This is despite a reduction in the demand forecast and is mostly due to the reduction in expected gas supply and because the generation pipeline is mostly wind and solar.</li> <li>○ When including all consented projects, the margin falls below the security standards in 2032.</li> </ul> </li> <li>• <b>What does this mean for the electricity industry?</b> <ul style="list-style-type: none"> <li>○ <b>Short-term (1-2 years):</b> <ul style="list-style-type: none"> <li>▪ The downgrade in available gas and limited new supply that can be brought online in the short-term highlights the importance of heightened focus on maximising the availability and capability of existing assets. This means ensuring sufficient energy is available to respond to dry year risks through a combination of more conservative hydro storage management, and contracting arrangements that enable thermal back-up fuel supply and generation, and longer-duration demand response.</li> <li>▪ The introduction of batteries will help manage peak capacity risks. Until enough new, firm, flexible resources come online we will need sufficient commitment of existing generation (including slower-start thermals) and demand response to reduce capacity risks.</li> <li>▪ Asset owners (including generators, grid and distribution network owners) should accelerate supply connections generally and should work with the Authority and MBIE to consider prioritising firm energy and firm, flexible capacity resources.</li> </ul> </li> <li>○ <b>Longer-term (&gt; 2 years):</b> <ul style="list-style-type: none"> <li>▪ The increased electrification of the economy requires investment in new generation, batteries, and demand response to come online at a rapid rate to ensure the energy and capacity margins are above the standards.</li> <li>▪ This risk is exacerbated by the risk of an accelerated reduction in gas supply available for electricity generation (whether due to a fall in total gas availability or gas being used by industrials) and means the industry should consider alternatives that can ensure security margins are maintained.</li> </ul> </li> </ul> </li> </ul> |

- Delay in these new resources entering the market will put strain on existing resources, impacting the ability to manage energy and capacity challenges and the affordability of electricity supply for consumers. To reduce this risk, asset owners (including generators and grid and distribution network owners) should continue to accelerate new supply connecting to the grid, prioritising firm energy and firm, flexible capacity resources.

### ELECTRICITY CAPACITY (for the week to Sunday 11 May)

Residual generation margins remained healthy last week. On Monday 5 May, the evening peak had residual generation of 891 MW, the only time last week when it was below 1000 MW. Thermal unit commitment remains high for this time of year as hydro storage remains below average, aiding capacity margins.

The N-1-G margin is sufficient to meet peak demand in the look-ahead through to early July 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 11 May)

National hydro storage increased to 88% of the seasonal mean this week, up from 81% the week prior. South Island hydro storage increased from 81% to 88%, and North Island storage increased from 78% to 100%. This puts national storage at roughly the 22nd percentile, higher than it has been since February.

### ELECTRICITY ('ENERGY') SUPPLY RISK (at 11 May)

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

New Zealand Energy Risk



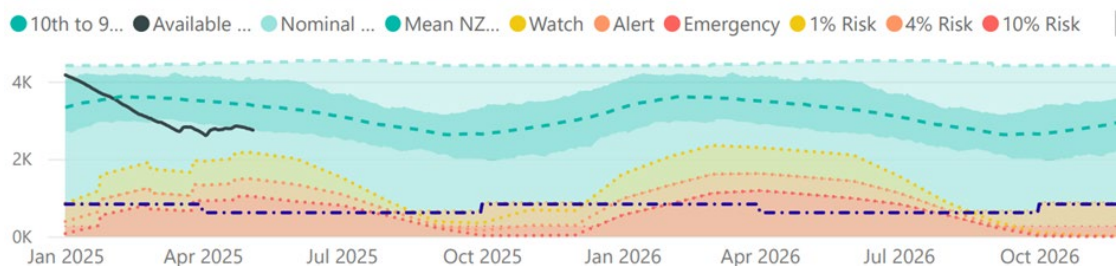
South Island Energy Risk



Normal Watch Alert Emergency

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

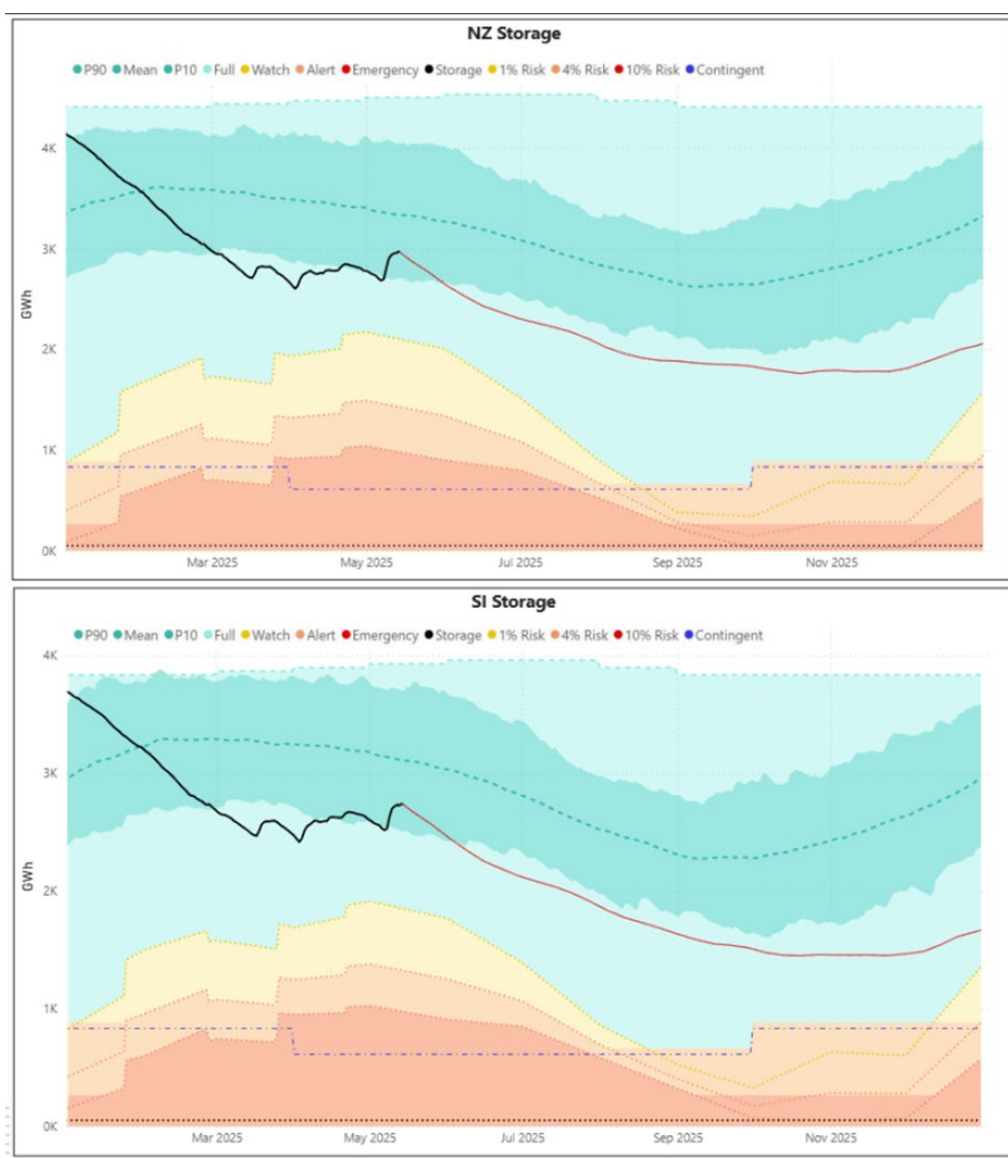
New Zealand Electricity Risk Status Curves (Available GWh)



The System Operator last updated the ERCs on 30 April 2025. Commentary on that update is in the Weekly Report of 5 May 2025. The next ERC update is expected at the end of May.

**You have asked us to report on the number of days until the NZ system hits energy risk curves – if it does not rain.** In response, Transpower have provided the following charts.

These charts show the actual storage position (black line) to **14 May** compared to the worst-case simulated storage trajectory (SST, red line).



The table below shows the number of days until each curve would be crossed, based on worst case inflows. These are not a forecast of future inflows but should be used as a guide to the maximum time available before it needs to rain.

**New Zealand storage is not projected to cross the Alert or Emergency Curves in 2025 even if worst-case inflows occur. South Island storage under worst case inflows is projected to cross the Watch curve at the end of December 2025:**

**Worst case inflows - Time to cross successive curves**

| Region | Date Watch | Time to Watch | Date Alert | Time to Alert | Date Emergency | Time to Emergency |
|--------|------------|---------------|------------|---------------|----------------|-------------------|
| NZ     | N/A        | N/A           | N/A        | N/A           | N/A            | N/A               |
| SI     | N/A        | N/A           | N/A        | N/A           | N/A            | N/A               |

**The ERCs and worst-case inflows line were calculated using input data as of 10 April (though published on 30 April). As agreed, the worst-case inflows line has been translated to start from current storage (14 May) and reflects improved storage since 10 April. This means signalled risk may differ from other regular security of supply reporting. Actual storage is as at 14 May.**

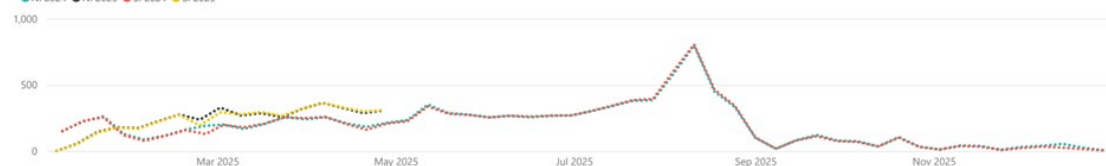
*Source: System Operator, Market Operations - Weekly Market Movements*

## WHOLESALE ELECTRICITY PRICES

### Weekly Spot Price (week ended 11 May)

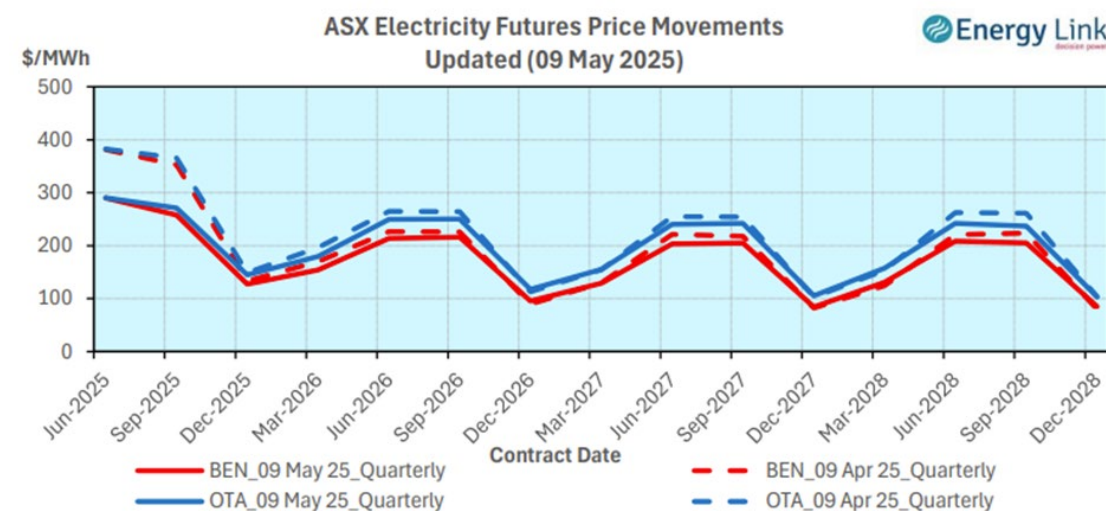
Weekly Spot Price - \$/MWh

● NI 2024 ● NI 2025 ● SI 2024 ● SI 2025



Source: System Operator, Market Operations - Weekly Market Movements

### ASX Electricity Futures Prices (at last available update 9 May)



Source: Energy Link, Energy Trendz Weekly

## Information on the H2Global auction scheme

Melanie Beatson  
Privacy of natural persons

You asked for more information on the European H2Global auction scheme, to understand whether there are opportunities for New Zealand to export hydrogen to Europe in 2025.

We are not aware of any private hydrogen and derivatives export projects ready to export to Germany within the 2025 round. For example, Obayashi's export project is focused on export to Singapore. New Zealand-based firms could participate in future rounds once a suitable project is developed.

### Further detail on H2 Global

H2Global is a "double-auction" mechanism designed to support import of green hydrogen and its derivatives into Europe through aggregation and price supports. An intermediary (Hintco) competitively procures hydrogen from exporting countries, and then competitively tenders sales to businesses within Europe. The difference between purchase and sales price is subsidised, with €5.86 bn committed to date, mainly by the German government but also by the Dutch, Australian and Canadian governments.

In December 2024 Hintco announced it would open a second round of auctions, through a *global* lot (€567m) and four *regional* lots (€484m each). New Zealand is part of the South America and Oceania lot. H2Global is also planning to run specific lots for Australia, Canada, and Europe with co-funding from partner countries (e.g. Australia and Germany intend to negotiate a €400 million funding window). New Zealand is unlikely to secure a country-specific window given our likely low volumes, and doing so would require significant Government co-funding.

Bids need to meet qualifying criteria, including minimum project size, start date, and bidder technical and financial capability. Fuels provided must meet EU regulations, including proving the renewability according to the EU RED Delegated Acts and achieving at least 73% GHG emissions savings at delivery point, compared to steam reformed hydrogen, verified through a voluntary certification scheme recognised by the European Commission (such as CertifHy).

## Upcoming Ministerial Items

### 1. Upcoming Energy meetings

| Meeting date                                        | Meeting                                                | Details                                                                                         |
|-----------------------------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <b>Tuesday 20 May 2025</b><br>4:30 pm – 5:15 pm     | Institute of Directors                                 | <b>Briefing Due:</b> N/A<br><b>Officials required:</b> NA                                       |
| <b>Tuesday 20 May 2025</b><br>5:30 pm – 5:50 pm     | Comcom Fortnightly meeting                             | <b>Briefing Due:</b> N/A<br><b>Officials required:</b> Justine Cannon                           |
| <b>Tuesday 20 May 2025</b><br>5:50 pm – 6:10 pm     | EA Fortnightly meeting                                 | <b>Briefing Due:</b> N/A<br><b>Officials required:</b> Justine Cannon                           |
| <b>Tuesday 20 May 2025</b><br>6:10 pm – 6:30 pm     | Transpower Fortnightly meeting                         | <b>Briefing Due:</b> N/A<br><b>Officials required:</b> Justine Cannon                           |
| <b>Wednesday 21 May 2025</b><br>11:45 am – 12:15 pm | Whakatane mill with Minister McClay and Minister Jones | <b>Briefing Due:</b> 15 May 2025<br><b>Officials required:</b> Justine Cannon, Scott Russell    |
| <b>Wednesday 21 May 2025</b><br>12:15 pm – 1:00 pm  | EECA Officials                                         | <b>Briefing Due:</b> 12 May 2025<br><b>Officials required:</b> Rebecca Heerdegen, Scott Russell |
| <b>Wednesday 21 May 2025</b><br>1:00 pm – 1:30 pm   | Channel Infrastructure                                 | <b>Briefing Due:</b> 16 May 2025<br><b>Officials required:</b> Dominic Kebbell                  |
| <b>Wednesday 21 May 2025</b><br>3:30 pm – 4:00 pm   | OMV New Zealand with Minister Jones                    | <b>Briefing Due:</b> 19 May 2025<br><b>Officials required:</b> Justine Cannon                   |
| <b>Wednesday 21 May 2025</b><br>4:30 pm – 5:30 pm   | Independent Electricity Retailers                      | <b>Briefing Due:</b> 12 May 2025<br><b>Officials required:</b> Justine Cannon, Tamara Linnhoff  |
| <b>Wednesday 21 May 2025</b><br>6:00 pm – 6:30 pm   | Sam Wevers, Lunar Energy                               | <b>Briefing Due:</b> 15 May 2025<br><b>Officials required:</b> Scott Russell                    |

Information to be publically released shortly

3. Written Parliamentary Questions

| Due to Minister | Number | Member         | Question                                                                                                                                                                                            |
|-----------------|--------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 19 May          | 22871  | Dr Megan Woods | Further to WPQ 2024 (2025), will the government be proceeding with an Energy Strategy; if so, when will this be released?                                                                           |
| 19 May          | 22881  | Dr Megan Woods | Has the Minister or his office or officials requested the independent reviewers of electricity market performance to present to and discuss their draft report with two independent peer reviewers? |

| Due to Minister | Number | Member         | Question                                                                                                                                                                          |
|-----------------|--------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 19 May          | 22882  | Dr Megan Woods | Have the independent reviewers of electricity market performance provided MBIE, Ministers or Ministers' offices an opportunity to comment on a draft report; if so, on what date? |
| 19 May          | 22883  | Dr Megan Woods | Have the independent reviewers of electricity market performance tested any preliminary views with target stakeholders; if so which stakeholders and on what views?               |
| 19 May          | 22884  | Dr Megan Woods | Does he still expect to receive the electricity market review final reports in June of 2025?                                                                                      |
| 19 May          | 22885  | Dr Megan Woods | Has he received the draft report of the review of electricity market performance, and if so on what date?                                                                         |

#### 4. Ministerial Correspondence received

| Due date    | Tracking number | Correspondent              | Summary of Correspondence                                                            |
|-------------|-----------------|----------------------------|--------------------------------------------------------------------------------------|
| 21 May 2025 | SW25-140        | Privacy of natural persons | Electricity charge increases                                                         |
| 21 May 2025 | SW25-141        |                            | Electricity Infrastructure                                                           |
| 21 May 2025 | SW25-143        |                            | Energy solution proposal                                                             |
| 21 May 2025 | SW25-146        |                            | Energy company margin days and the number of households in energy stress             |
| 21 May 2025 | SW25-148        |                            | Energy company margin days and the number of households in energy stress             |
| 21 May 2025 | SW25-149        |                            | Data collection on electricity company profit margins                                |
| 21 May 2025 | SW25-155        |                            | Electricity data collection and power prices                                         |
| 21 May 2025 | SW25-157        |                            | Possible viable domestic gas production idea                                         |
| 21 May 2025 | SW25-158        |                            | Energy buy back pricing                                                              |
| 21 May 2025 | SW25-159        |                            | Reducing electricity costs to unlock growth                                          |
| 23 May 2025 | SW25-168        |                            | Reconsenting hydro power station and consenting new renewable distributed generation |
| 28 May 2025 | SW25-17         |                            | Kaipara Tidal Magnetohydrodynamic (MHD) Energy proposal                              |
| 28 May 2025 | SW25-163        |                            | Electricity supply and price                                                         |
| 28 May 2025 | SW25-166        |                            | Spain/Portugal power blackout                                                        |
| 29 May 2025 | SW25-52         |                            | Roof solar power                                                                     |
| 29 May 2025 | SW25-184        |                            | EV charging stations                                                                 |

|             |          |                            |                                                                                                                   |
|-------------|----------|----------------------------|-------------------------------------------------------------------------------------------------------------------|
| 29 May 2025 | SW25-185 | Privacy of natural persons | Maximising efficiency/consumer choice through EV charging support (National Infrastructure Funding and Financing) |
| 29 May 2025 | SW25-191 |                            | Update to 2010 Electrical (Safety) Regulations                                                                    |
| 29 May 2025 | SW25-192 |                            | Power pricing                                                                                                     |
| 29 May 2025 | SW25-193 |                            | Power                                                                                                             |
| 4 June 2025 | SW25-32  |                            | Unfair energy policy                                                                                              |
| 4 June 2025 | SW25-46  |                            | NZ electricity system is flawed                                                                                   |
| 4 June 2025 | SW25-51  |                            | Subsidize installation of solar panels                                                                            |
| 4 June 2025 | SW25-181 |                            | Meridian Energy refusal to provide market pricing                                                                 |
| 4 June 2025 | SW25-182 |                            | Electricity contracts and pricing                                                                                 |
| 6 June 2025 | SW25-20  |                            | Plausible energy solutions                                                                                        |

## 5. Output plan

Confidential advice to Government

Confidential advice to Government



## Energy Portfolio Weekly Report

|                                 |               |                         |                      |
|---------------------------------|---------------|-------------------------|----------------------|
| <b>Week commencing:</b>         | 26/05/2025    | <b>Priority:</b>        | Medium               |
| <b>Security classification:</b> | In Confidence | <b>Tracking number:</b> | BRIEFING-REQ-0014390 |

| Recipient                              | Action sought                    |
|----------------------------------------|----------------------------------|
| HON SIMON WATTS<br>MINISTER FOR ENERGY | Note the contents of this report |

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

Privacy of natural persons

**23 May 2025**

Minister's comments:

**Energy Portfolio  
Officials' Meeting Agenda  
2:00 pm – 2:30 pm Monday 26 May 2025**

| Item | Subject                                  | People          | Oral Item / Paper #  | Action Required |
|------|------------------------------------------|-----------------|----------------------|-----------------|
| 1.   | <b>Confidential advice to Government</b> |                 |                      |                 |
| 2.   | Gas Reserves Release                     | Dominic Kebbell | Oral                 | Discussion      |
| 3.   | EDB Efficiency                           | Tamara Linnhoff | BRIEFING-REQ-0013881 | 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 (Tentative)                   |
| Paul Stocks       | Deputy Secretary, Building, Resources and Markets           |
| Justine Cannon    | General Manager, Energy Markets                             |
| Rebecca Heerdegen | Policy Director, Energy Markets                             |
| John Scott        | Policy Director, Energy Markets                             |
| Tamara Linnhoff   | Manager, Electricity Generation, Infrastructure and Markets |

## Key Updates

| Title                                                                                                                                      | Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Implementing Electrify NZ</b><br><br>Daniel Brown<br><small>Privacy of natural persons</small>                                          | <p>Cabinet has confirmed proposals for the replacement RMA legislation and next steps for RMA national direction – including the National Policy Statements for Renewable Electricity Generation and Electricity Networks. Further decisions on the final detail of national direction have been approved by Cabinet, prior to release of a discussion document on 29 May 2025.</p> <p>The Resource Management (Consenting and Other System Changes) Amendment Bill is currently before Select Committee. The revision-tracked version of the Bill, which incorporates changes from the Departmental Report, is currently being finalised.</p> <p>You have requested a meeting with the Minister for Resource Management Reform to discuss interactions between resource management reform and the Electrify NZ programme.</p>                                                                                                                                                               |
| <b>New permitting regime for offshore renewable energy</b><br><br>Melanee Beatson<br><small>Privacy of natural persons</small>             | <p>The Transport and Infrastructure Select Committee considered the commentary on the Offshore Renewable Energy Bill on 22 May 2025. Confidential advice to Government</p> <p>[REDACTED]</p> <p>Targeted consultation closes this week on feasibility permit regulations and the scope of the first round.</p> <p>We met with Ngaru Wave Energy, a business exploring the deployment of wave technology in New Zealand, to discuss its interest in seeking a feasibility permit for a small (15MW) wave energy development. We will keep you updated on their level of readiness to apply for a permit. When the company is ready, we could initiate a further round, focusing on wave technology.</p> <p>Note, regulations and operational guidance currently focus on offshore wind, as the most advanced technology, so we would need to review any changes required to accommodate a different technology and smaller-scale projects (including the implications for cost recovery).</p> |
| <b>Regulatory Operating Guidelines for Lakes Manapōuri and Te Anau</b><br><br>Tamara Linnhoff<br><small>Privacy of natural persons</small> | <p>You received advice on changes to the operating guidelines on 13 May 2025 (BRIEFING-REQ-0013298). The Guardians and Meridian have each confirmed no further changes will be jointly recommended this year, and Meridian requested the agreed changes are enacted swiftly.</p> <p><b>We have provided a Gazette Notice for you to sign that will confirm the changes. Once signed, we will work with your office to publish as soon as possible, so the changes can take effect.</b></p> <p>Separately, the Te Anau Boating Club has written to you expressing concerns about the permitted minimum levels of Lake Te Anau being lowered. A response is being prepared, clarifying that the extreme minimum level of the Lake is not being lowered.</p>                                                                                                                                                                                                                                    |
| <b>Officials meeting with Hydrogen Industry Leadership Group</b><br><br>Melanee Beatson<br><small>Privacy of natural persons</small>       | <p>On 12 May 2025, MBIE, Ministry of Transport and EECA officials met with the Hydrogen Industry Leadership Group (HILG) to discuss the recommendations in its Priority Actions report. This meeting was a follow-up action from your meeting with the HILG on 30 April 2025, to provide the HILG an opportunity to explain the background to the recommendations and for officials to advise on alignment of the recommendations with the Government's current policy programmes.</p> <p>Officials indicated that some actions recommended by the HILG were currently underway (such as changes to the Low Emissions Heavy Vehicle fund criteria and safety regulations) with more information on these areas likely to be provided soon. We also indicated where</p>                                                                                                                                                                                                                       |

|                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                     | <p>some recommendations were inconsistent with government policy (e.g. changes to ETS revenues and National Policy Statements) or are part of long-term work programmes and so are unlikely to see significant change in the next one to two years (e.g. reviewing Transport rules).</p> <p>The HILG indicated it would provide an updated list of recommended policy actions following their meetings with you and officials in the coming weeks. We will provide you advice on suggested responses when this is received. We are anticipating the HILG will set out its top priority was measures to stimulate the market for low-emissions hydrogen vehicles, such as through changes to depreciation rules or other measures such as subsidies. You may wish to respond directly to this. To date the Government has indicated, including through the Hydrogen Actions Plan, its focus is on supporting industry investment and does not intend to provide new funding or subsidies.</p> <p>We also requested the HILG provide officials any further detail they had on some items, where the role of government or issue they seek to address are not clear – such as what support may be needed for certification schemes, or the particular updates it is seeking to the New Zealand-Japan hydrogen MOU.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <p><b>Crown energy PPAs</b></p> <p>Liz Palmer</p> <p>Privacy of natural persons</p> | <p><b><i>Gas supply to critical government services</i></b></p> <p>We approached the market with a Request for Proposals (RFP) to meet government agencies' ongoing needs for gas supply from 1 October 2025, when the current contract expires. We have received a promising long term commercial proposal, which we are now evaluating.</p> <p>We expect to have more clarity by June on securing an ongoing collective gas supply arrangement for government agencies. This will ensure critical government services continue without disruption and is the priority given the market conditions.</p> <p>We sought interest through the RFP from the gas industry on partnering with Government for longer-term objectives for the energy market, including increasing energy supply through new generation and alternative fuels, such as renewable gas; and market-led innovative approaches and solutions. We did not have any proposals come through the RFP process, although one respondent did endorse the Government's long-term approach to the gas supply market.</p> <p><b><i>Long-term power purchase agreements (PPA) and similar options</i></b></p> <p>MBIE's NZ Government Procurement policy team is developing a briefing on options for leveraging procurement to support energy outcomes (due 29 May). This will provide more detail on how we plan to investigate the feasibility of a Government-backed PPA for electricity, including timing. MBIE is proposing to take a two-stage approach:</p> <ol style="list-style-type: none"> <li>1. <b><i>Publishing a Request for Information (Rfi)</i></b> open to the energy market seeking information about potential long term partnership options with government, potentially leveraging the governments energy use or through other mechanisms to underwrite energy projects. This is an opportunity for the Government to demonstrate that it is open to market-led and innovative approaches and solutions. The market can inform us what they could offer and what they would be seeking from government, with indications of the demand and structure of an agreement.</li> <li>2. <b><i>Assess information and advise on options to establish a Government PPA</i></b> Once we receive the Rfi proposals, we will have a good indication of what the market wants and can offer, particularly the extent to which they can create new investment, supply and additionality over and above what is being generated. If new and significant investment in generation could be achieved, the Government can pursue establishing PPAs with those interested parties.</li> </ol> |

Confidential advice to Government

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

## Key actions tracker

| Action and outcome                                                                                                                                                     | Updates                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Status and upcoming milestones                                                                                                                                                                                                                                                                                               |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Electricity Market Review</b><br>Independent review to advise on the impact of market structure, design, and rules on the electricity systems' performance          | <b>Confidential advice to Government</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                              |
| <b>Energy Competition Taskforce</b><br>Joint EA and Commerce Commission investigation of options to improve competition and enable consumers to manage usage and costs | <b>1A Sleeving (firm generation) for PPAs:</b> On 15 May the EA sent you its 1A Update paper ahead of publication on 28 May. This will confirm the EA's decision to roll in consideration of better access to PPAs under the level playing field (LPF) workstream (1CD) – as it considers that non-discrimination measures (if progressed) are the best way to encourage more and faster new generation investment. MBIE have provided our view to the EA: we consider that using a <i>principles-based</i> level playing field approach to support/encourage new generation will require (and rely heavily on) effective monitoring and enforcement.<br><b>Confidential advice to Government</b> | <b>On track</b><br><br>On 15 May the EA sent you its Update paper on 1A Sleeving (firm generation) for PPAs) and its 2D 'Roadmap' paper on better compensating industrial flexibility (demand response), ahead of publication on 28 May.<br><br>The EA is reviewing submissions on its 1CD level playing field consultation. |
|                                                                                                                                                                        | <b>1B Standardised flexibility contracts:</b> Initial offer rounds held. EA is monitoring liquidity (or lack of) and developing advice for its Board on next steps. <b>Confidential advice to Government</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                              |
|                                                                                                                                                                        | <b>1C+D sharing flexibility and level playing field measures:</b> The EA is reviewing consultation submissions and aims for EA Board decisions late June.<br>On 21 May you met with independent retailers <b>Confidential advice to Government</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                              |
|                                                                                                                                                                        | <b>2A+B+C Better compensating household power injection and time of use plans:</b> Consultation closed 26 March, and the EA is now reviewing submissions. <b>Confidential advice to Government</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                              |
|                                                                                                                                                                        | <b>2D Better compensating industrial flexibility (demand response):</b> On 15 May the EA sent you its 2D consultation on a 'Roadmap for industrial demand flexibility' ahead of publication on 28 May. In                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                              |

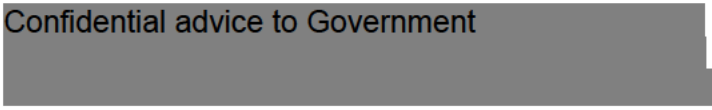
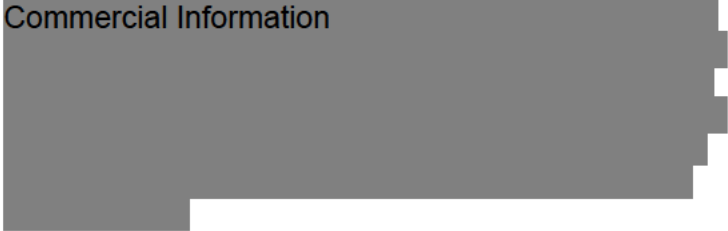
| Action and outcome                                                                                                                                                                 | Updates                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Status and upcoming milestones           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|
|                                                                                                                                                                                    | parallel the EA is developing an issues paper relating to industrial flexibility emergency reserve, Confidential advice to Government                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                          |
| <b>Carbon Capture and Storage (CCS)</b><br>Creating an enabling regulatory regime for CCS which could improve the economics of gas production                                      | Confidential advice to Government                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                          |
| Confidential advice to Government                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                          |
| <b>Contingent hydro storage</b><br>Confidential advice to Government                                                                                                               | Confidential advice to Government                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | On track<br>Confidential advice to Gover |
| <b>Consumer demand response and Solar</b><br>Develop package to improve consumer energy outcomes, improve access to finance and reduce install costs for rooftop solar and battery | We are continuing to progress actions identified as part of our advice on solar installation costs and barriers including: engaging with EECA on consumer information (including recently received solar on farms advice), updates to safety standards, announcement of voltage range changes and engagement with banks to better understand finance options.<br><br>We have asked WorkSafe to prioritise resource with regards to clarifying prescribed electrical work following your feedback to progress this.<br><br>We will provide follow up advice on all workstreams in due course. | On track                                 |
| <b>Rooftop solar and household batteries' impact on prices:</b><br>Modelling the impact of rooftop solar and household batteries: wholesale level and distribution-level impacts   | Work is underway to model the impact of higher uptake of rooftop solar and household batteries on electricity prices. This work is focussing on wholesale-price impacts as rooftop displaces other forms of generation.<br><br>You recently asked for this analysis to also capture the impact of higher uptake on distribution network costs. This analysis is substantially more complex: we are refining the scope of this work with a preferred expert, in collaboration with Rewiring.                                                                                                  | On track                                 |

| Action and outcome                                                                                                                                                                  | Updates                                                                                                                                                                                                                                                                                                          | Status and upcoming milestones                                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| <b>Permitted Voltage Range</b><br>Changing regulations to expand the permitted fluctuation range on low voltage electricity networks to permit more solar injection and EV charging | EXP approved the policy decision on Tuesday 25 March. Drafting is underway.<br>We are also working with your office on a joint press release between you and the Minister for Building and Construction which will include this item and his work on building consents for solar, and associated communications. | <b>On track</b><br>Drafting is on track.<br>PR is now scheduled for June. |

Confidential advice to Government

|                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                  |                 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| <b>Energy Strategy</b><br>Developing a public-facing strategy that will set out the Government's role in creating an energy system that is fit for the future. | Confidential advice to Government                                                                                                                                                                                                                                                                                                |                 |
| <b>Offshore Renewable Energy</b>                                                                                                                               | Select Committee has considered revised-tracked version of the Bill and report back is expected 17 June 2025. Our consultation on feasibility permit regulations is underway and we are working with the regulator on implementation planning.                                                                                   | <b>On track</b> |
| <b>Crown energy PPAs</b><br>Exploring the use of government energy demand to support development of energy projects                                            | As above:<br><b>Gas supply to critical government services</b><br>As above, MBIE's NZ Government Procurement has received a promising long term commercial proposal, which the team are now evaluating. We expect to have more clarity by June on securing an ongoing collective gas supply arrangement for government agencies. | <b>On track</b> |

Confidential advice to Government

| Action and outcome                                                                                                                                                                                                                                                    | Updates                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Status and upcoming milestones                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| <b>Electricity and Gas Safety Standards</b><br>Updating more than 400 references to international standards in the regulations. This includes new standards for solar and EV chargers, reducing costs.                                                                | You will receive a briefing on the energy safety aspects of your portfolio from MBIE's Health and Safety policy team.<br>There has been a delay drafting the standards updates, caused by difficulties PCO had with accessing the standards. This has now been resolved and while PCO has been working on what it can in the meantime, this has added time to complete the work given that there are over 400 citations to be drafted in the two sets of regulations. WorkSafe also needs to be consulted on technical input before the regulations are ready.<br>We now expect you to receive a paper to confirm regulations through the Cabinet Legislation Committee and Gazettal in June. | <b>Delayed</b><br>Regulations considered by LEG and then gazetted in June, as opposed to May previously. |
| <b>Hydrogen regulations</b><br>Delivering Hydrogen Action Plan commitment to amend safety regulations to enable hydrogen.                                                                                                                                             | We provided you and the Minister for Workplace Relations and Safety draft consultation materials for approval on 24 April.<br><b>Confidential advice to Government</b><br><br>We provided speaking points for your keynote speech at the H2 2 Zero Summit on 28 May 2025. These include noting you intend changes to regulations and announcing changes you have agreed to the Low Emissions Heavy Vehicle Fund.                                                                                                                                                                                            | <b>On track</b>                                                                                          |
| <b>Hydrogen exports</b>                                                                                                                                                                                                                                               | (As per previous update:) We are awaiting further advice from Obayashi on whether New Zealand's certification approach is fit for purpose for exports.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>On track</b>                                                                                          |
| <b>Woody Bioenergy</b><br>Investigating barriers to the development of the domestic supply chain and export opportunities for woody bioenergy.                                                                                                                        | We will brief you in the week commencing 2 June on a proposed woody bioenergy work programme.<br><b>Commercial Information</b><br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>On track</b>                                                                                          |
| <b>Led by other Ministerial portfolios</b>                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                          |
| <b>Public EV Charging Funding Model</b><br>Governments funding model for public EV charging (to concessional loans)                                                                                                                                                   | Funding changes were announced on 27 April. EECA and NIFFCo are now working through transfer of responsibilities. We are also jointly drafting a last cabinet paper to change the relevant financial appropriations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>On track</b>                                                                                          |
| <b>Led by the Electricity Authority</b>                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                          |
| <b>Electricity pipeline updates</b>                                                                                                                                                                                                                                   | The EA will provide information to you on its generation pipeline dataset, monthly.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>Ongoing</b>                                                                                           |
| <b>Led by Transpower</b>                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                          |
| <b>Transpower's Connections Queue for Generation – improvements to increase project throughput</b><br><br>Run rate to start generation investigations (queue) up by 50% in 2025, on 2024. 17 investigation projects started and 7 projects moved to delivery in 2025. | <b>Transpower have provided the following update:</b><br><b>Improving throughput:</b><br><b>Work continuing to implement:</b> <ul style="list-style-type: none"> <li>Stage-gating within investigation phase – starting work elements earlier pre-investigation for some customers where resources are available (while they wait in queue).</li> <li>Right-sizing investigations to meet customer needs and risk appetite.</li> </ul>                                                                                                                                                                                                                                                        | <b>Ongoing</b>                                                                                           |

| Action and outcome                                                                                                                                                                                                                                                                                         | Updates                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Status and upcoming milestones |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| <p>Decrease of 10 projects in queue since January.</p> <p>6 new applications received since January.</p>                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>Criteria for assessing project readiness throughout the end-to-end process are now being applied to investigations projects.</li> </ul> <p><b>Initial work started on:</b></p> <ul style="list-style-type: none"> <li>Standard equipment lists for standardised designs for greenfield substations – progressing.</li> <li>Customer led investigation and delivery – options scoped, assessing implementation requirements.</li> <li>Prioritisation options within the queue (based on security of supply) – progressing.</li> </ul> <p><b>Resourcing improvements:</b></p> <ul style="list-style-type: none"> <li>Optimising work award processes to engineering consultants (EC'S) to improve utilisation and to support EC's growing their resources. Using firms outside our EC panel (10 on panel) where they have resource availability.</li> <li>Increasing use of direct award of projects below \$200k, bundling of projects, and award of larger projects further into the future.</li> <li>Awarding more work (as a programme) than can be delivered per EC so available resource isn't lost when delays occur.</li> </ul> <p><b>Improved transparency:</b></p> <ul style="list-style-type: none"> <li>Updated connection project status for April published on website in a new format to increase transparency <a href="https://www.transpower.co.nz/connections/connection-data">https://www.transpower.co.nz/connections/connection-data</a></li> <li>Formalising guidelines for "on hold" projects..</li> </ul> |                                |
| <b>Industry developments</b>                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                |
| <p><b>Potential commercial deals to enhance winter security of supply</b></p> <ul style="list-style-type: none"> <li>Methanex gas deal</li> <li>Potential industry actions to improve security of supply including Huntly (Heads of Agreement) firming contracts</li> <li>Demand response deals</li> </ul> | <p><b>Methanex gas deal:</b></p> <p><i>As reported on 19 May (with no change):</i> Contact announced an 8-week agreement with Methanex and Genesis announced an agreement to take gas under a 'put' option, if required by Methanex. Further, Meridian announced that it had entered a 'swaption' and contract for difference with Contact that supports the gas deal. This appears to be similar arrangements to last years' Methanex deal in August.</p> <p><b>Huntly-backed contracts for 2026 onwards:</b></p> <p>Commercial Information</p> <p>[REDACTED]</p> <p>Confidential advice to Government</p> <p>[REDACTED]</p> <p><b>Demand response deals:</b></p> <p><i>As reported on 3 March (with no change):</i> The NZAS demand response tranches of 25MW; 50MW and 100MW are available to Meridian to call on this year. NZAS has also agreed to cap its production this winter at 50MW below maximum. We are not aware of any wider demand response deals under negotiation.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Ongoing                        |

| Action and outcome      | Updates                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Status and upcoming milestones |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| Gas exploration updates | <p>Todd reports the first two new wells at Mangahewa have been completed and drilling has started on a third well. The final development work on the new wells will not be completed until June 2025, which is when gas flows will be known. It is expected the gas will be available to the market in August or September 2025.</p> <p>Greymouth completed one new well at Turangi in January and started a second at the end of February. We understand they are planning two further wells later in the year. As a private company Greymouth does not routinely release drilling results to the market.</p> | Ongoing                        |

Stakeholder Updates

| Title                                                                                                                               | Comment                           |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| <div>Meridian to replace five more transformers at Manapouri</div> <div>Tamara Linnhoff</div> <div>Privacy of natural persons</div> | Confidential advice to Government |

Current appointments

Confidential advice to Government

Upcoming appointments

Confidential advice to Government

## Other Updates

| Title                                                                                                                        | Comment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Annual gas critical contingency training exercise</b></p> <p>Dominic Kebbell<br/>Privacy of natural persons</p>        | <p>The gas sector has just run a training exercise to test the critical contingency management plan (CCMP) put in place by the gas transmission system owner Firstgas. The exercise, run by the critical contingency operator (CCO), an independent service provider, must be conducted every year. It is an important part of making sure plans for dealing with a critical contingency event are robust and that industry participants are prepared. The event is a desktop exercise with formal notices and communications sent out, but no physical actions affecting equipment or gas supplies are carried out.</p> <p>This year's exercise took place on 21 May 2025 and the scenario was Firstgas' North pipeline in Glen Eden, Auckland being damaged by a third party resulting in a large gas release. This was a simulation of a regional event affecting North Auckland and Northland, with bands 0 to 6 in the affected area directed to curtail gas use. This would require curtailment from a wide number of gas users, from large users (such as large industrial users) to small commercial users. Critical care providers and residential users would not be directed to curtail gas use under this scenario.</p> <p>The CCO must provide the Gas Industry Company a report about the effectiveness of the CCMP and any changes needed. We will update you on the findings of the report.</p> |
| <p><b>Gas security of supply</b></p> <p>Dominic Kebbell<br/>Privacy of natural persons</p>                                   | <p><b>Transpower to continue to operate emsTradepoint</b></p> <p>On 19 May 2025, Transpower announced it will continue to own and operate emsTradepoint for the foreseeable future. emsTradepoint provides an electronic trading platform to trade gas and carbon products. emsTradepoint is particularly important for the gas market as it currently provides the only trading platform in the spot market.</p> <p>In May 2024, Transpower announced its intention to close emsTradepoint by September 2024, saying the platform was not part of its core business. However, it continued to operate the platform after it was unable to find a buyer.</p> <p>In its most recent announcement, Transpower Chief Executive James Kilty said Transpower still has not received any viable offers and that Transpower is best placed to continue to operate the platform. He also said that "emsTradepoint plays an important role in New Zealand's gas and carbon markets through delivering price and trading transparency" and that this has become increasingly important, given the accelerated decline in gas availability over the last 12 to 18 months.</p>                                                                                                                                                                                                                                              |
| <p><b>Advice on the proposed Regulatory Systems Amendment Bill</b></p> <p>Dominic Kebbell<br/>Privacy of natural persons</p> | <p>On 12 June 2025 you will receive advice on some minor, technical and non-contentious amendments in the Energy portfolio that we recommend be included in the next set of Regulatory Systems Amendment Bills (RSABs). Parliament recently passed two Regulatory Systems Amendment Acts that amended legislation administered by MBIE. The next set of MBIE RSABs are being led by the Minister of Commerce and Consumer Affairs although you will need to agree to the matters within the Energy portfolio.</p> <p>RSABs are omnibus Bills that contain minor improvements to legislation. They typically include amendments which reduce unnecessary compliance burdens, and clarify and update statutory provisions, address duplication, gaps, errors and inconsistencies or respond to the changing environment. Proposed amendments include minor changes requested by the EA that we consider meet the criteria for inclusion.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

## Electricity security of supply

Tamara Linnhoff

Privacy of natural persons

Transpower is seeking feedback on its draft (annual) 2025 Security of Supply Assessment (SOSA). A summary of the content was provided in the 19 May Weekly report.

### ELECTRICITY CAPACITY (for the week to Sunday 18 May)

Residual generation margins remained healthy last week. Each peak had residuals over 1,000 MW due to high thermal unit commitment. Thermal unit commitment remains high for this time of year as hydro storage remains below average, aiding capacity margins.

The N-1-G margin is sufficient to meet peak demand in the look-ahead through to early July 2025:

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



### ENERGY (HYDRO) STORAGE RELATIVE TO MEAN (for the week to 18 May)

Following substantial rainfall, New Zealand's total hydro storage increased to 92% of the seasonal mean this week, up from 88% the week prior. South Island hydro storage increased from 88% to 91%, and North Island storage increased from 100% to 106%.

### ELECTRICITY ('ENERGY') SUPPLY RISK (at 18 May)

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

#### New Zealand Energy Risk



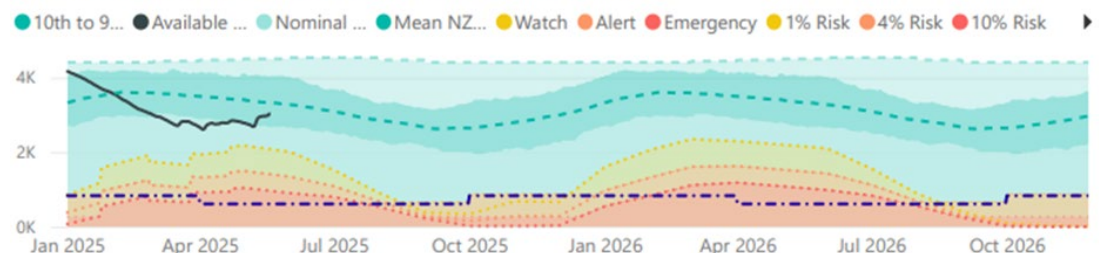
#### South Island Energy Risk



Normal Watch Alert Emergency

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

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

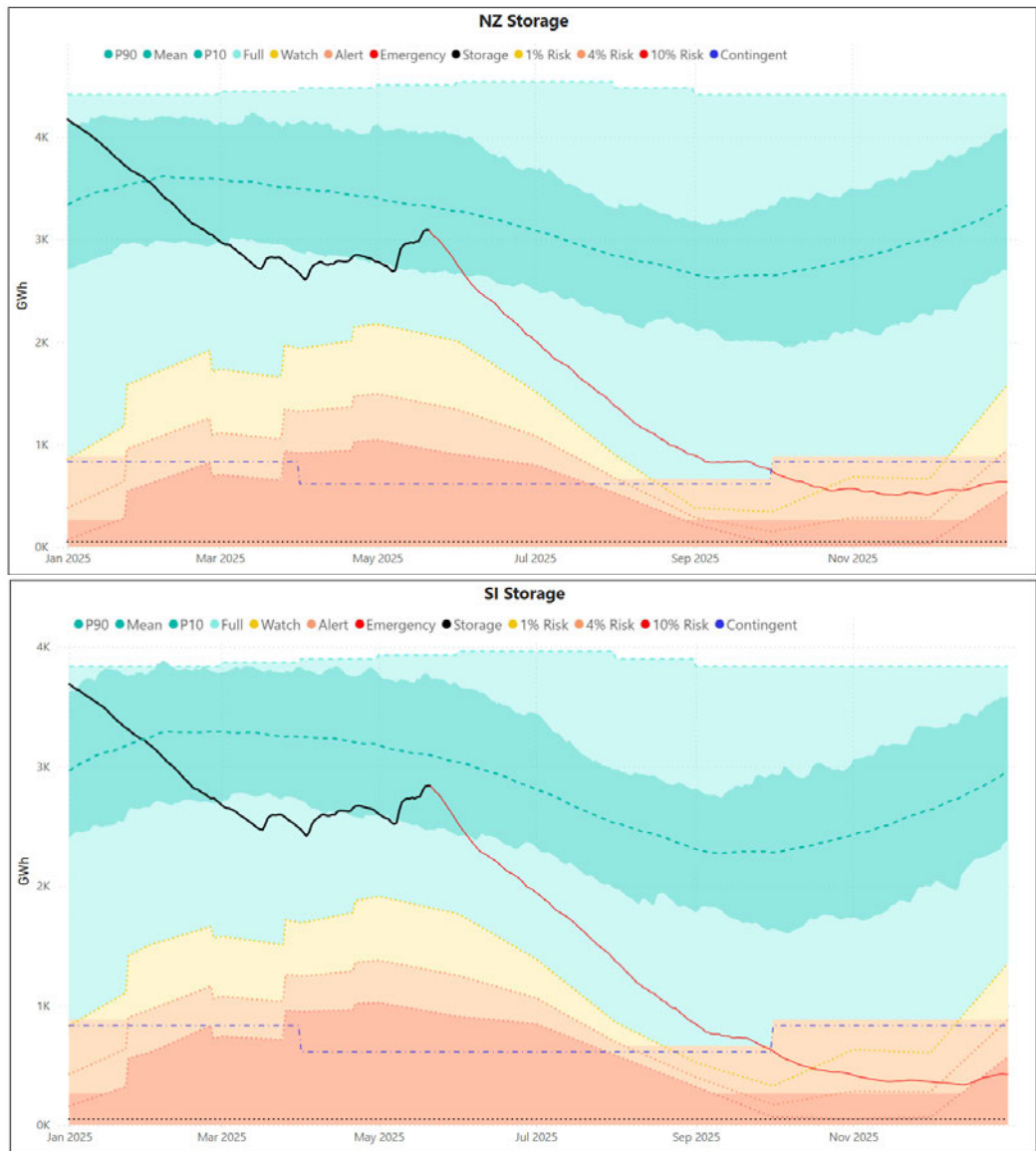


The System Operator last updated the ERCs on 30 April 2025, and will next update late May.

**You have asked us to report on the number of days until the NZ system hits energy risk curves – if it does not rain.** In response, Transpower have provided the following charts. The

**black line** tracks New Zealand's hydro storage position and the **red line** shows the worst-case simulated storage trajectory (SST) up until **21 May**.

The



above ERCs were calculated using input data as of 10 April (though published on 30 April). The worst-case SST line was calculated using inflow data starting from 21 May (this is an update on last week’s charts which relied on inflow data starting at 10 April). The worst-case inflows line has been translated to start from current storage (21 May) and reflects improved storage since 10 April: this means signalled risk in these charts may differ from other regular security of supply reporting. Actual storage is as at 21 May.

**These projections do not yet take account of the Contact-Methanex gas deal and improved hydro storage on the ERCs and SSTs.** The next (30 May) update of the ERCs and SSTs will include the effect of these positive changes to conditions.

**Worst case inflows - Time to cross successive curves**

| Region | Date Watch | Time to Watch | Date Alert | Time to Alert | Date Emergency | Time to Emergency |
|--------|------------|---------------|------------|---------------|----------------|-------------------|
| NZ     | 1/10/2025  | 133           | 1/10/2025  | 133           | N/A            | N/A               |
| SI     | 27/09/2025 | 129           | 27/09/2025 | 129           | 20/12/2025     | 213               |

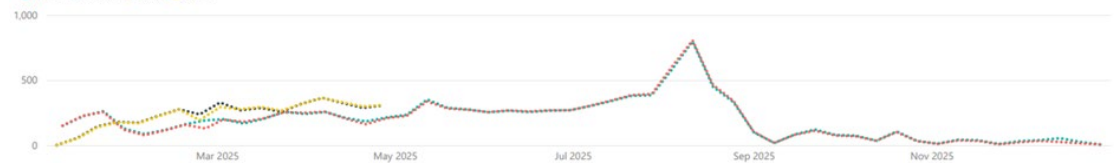
This week, the worst-case SST crosses the boundary of contingent storage step up on 1 October. If this were to be the case on 1 July it would trigger consultation to consider whether to make contingent storage easier to access **and highlights the importance to security of supply in resolving the ‘shadow’ Tekapo constraint for winter 2025.**

## WHOLESALE ELECTRICITY PRICES

### Weekly Spot Price (week ended 18 May)

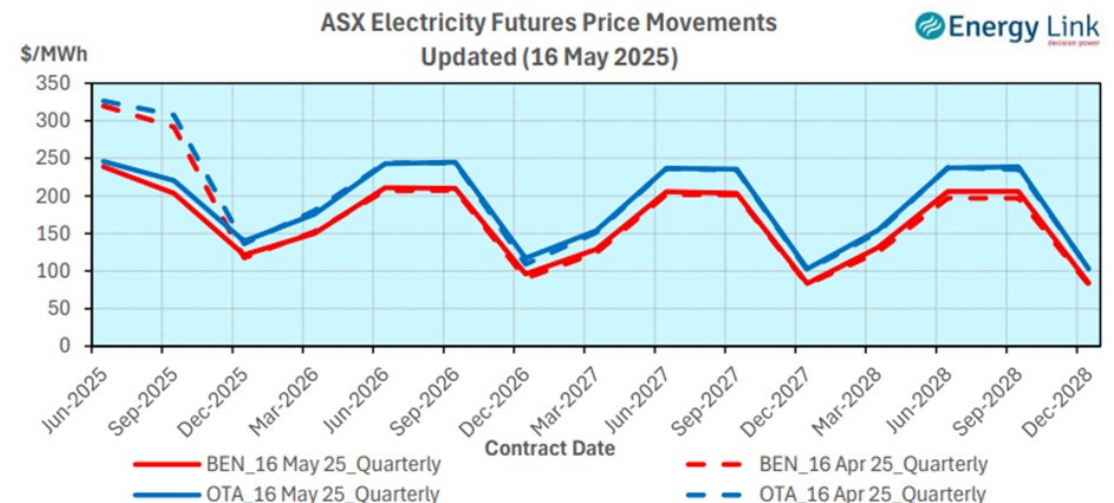
Weekly Spot Price - \$/MWh

● NI 2024 ● NI 2025 ● SI 2024 ● SI 2025



Source: System Operator, Market Operations - Weekly Market Movements

### ASX Electricity Futures Prices (at last available update 16 May)



Source: Energy Link, Energy Trendz Weekly

## 2025 release of New Zealand petroleum reserves data

Amapola Generosa

Privacy of natural persons

We will be releasing the latest data on New Zealand's petroleum reserves at 10.45am on Thursday 5 June 2025. This provides information on New Zealand's oil, natural gas, and LPG reserves as at 1 January 2025. Information is also published on expected gas production, providing an indication of the overall gas supply picture to 2075. As result, natural gas is generally the focus of these releases.

The annual publication of this information is a Tier One government statistics release. As a Tier One statistic, the reserves data must be released in accordance with Statistics NZ's Principles and Protocols for Official Statistics. These protocols apply to market sensitive releases such as employment, inflation, and unemployment statistics. This means the reserves data is fully embargoed until the release, and we are only able to brief you on this up to 24 hours ahead of the release time.

We will provide you with the following material on 4 June 2025:

1. an embargoed copy of the release
2. a technical data-focussed briefing setting out the reserve figures that will be publicly released
3. a second briefing containing advice on any implications for the gas market more generally
4. suggested Q&As regarding the release.

This release is expected to receive more attention than usual due to the heightened interest in the gas supply outlook.

| <p><b>Number of solar systems installed in New Zealand as at 30 April 2025 (less than 10kW size)</b></p> <p>Scott Russell<br/><small>Privacy of natural persons</small></p> | <p>The table below shows the total number of ICPs in New Zealand with solar systems less than 10kW for each category as at 30 April 2025. It also shows change in numbers from the previous month, March 2025.</p> <p>Data is drawn from the Electricity Authority’s public Electricity Market Information (EMI) website.</p> <table><tr><th>Category (solar system size: less than 10 kW)</th><th>ICP Count (as at 30 April 2025)</th><th>increase from March 2025</th></tr><tr><td>Residential solar (all)</td><td>63,986</td><td>42</td></tr><tr><td>Residential solar (with battery)</td><td>8,366</td><td>11</td></tr><tr><td>Small, Medium Enterprises solar (all)</td><td>2,243</td><td>2</td></tr><tr><td>Small, Medium Enterprises solar (with battery)</td><td>155</td><td>0</td></tr><tr><td>Commercial solar (all)</td><td>1,439</td><td>0</td></tr><tr><td>Commercial solar (with battery)</td><td>65</td><td>0</td></tr><tr><td>Total (solar all)</td><td>67,668</td><td>44</td></tr><tr><td>Total (solar with battery)</td><td>8,586</td><td>11</td></tr></table> | Category (solar system size: less than 10 kW) | ICP Count (as at 30 April 2025) | increase from March 2025 | Residential solar (all) | 63,986 | 42 | Residential solar (with battery) | 8,366 | 11 | Small, Medium Enterprises solar (all) | 2,243 | 2 | Small, Medium Enterprises solar (with battery) | 155 | 0 | Commercial solar (all) | 1,439 | 0 | Commercial solar (with battery) | 65 | 0 | Total (solar all) | 67,668 | 44 | Total (solar with battery) | 8,586 | 11 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|---------------------------------|--------------------------|-------------------------|--------|----|----------------------------------|-------|----|---------------------------------------|-------|---|------------------------------------------------|-----|---|------------------------|-------|---|---------------------------------|----|---|-------------------|--------|----|----------------------------|-------|----|
| Category (solar system size: less than 10 kW)                                                                                                                               | ICP Count (as at 30 April 2025)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | increase from March 2025                      |                                 |                          |                         |        |    |                                  |       |    |                                       |       |   |                                                |     |   |                        |       |   |                                 |    |   |                   |        |    |                            |       |    |
| Residential solar (all)                                                                                                                                                     | 63,986                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 42                                            |                                 |                          |                         |        |    |                                  |       |    |                                       |       |   |                                                |     |   |                        |       |   |                                 |    |   |                   |        |    |                            |       |    |
| Residential solar (with battery)                                                                                                                                            | 8,366                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 11                                            |                                 |                          |                         |        |    |                                  |       |    |                                       |       |   |                                                |     |   |                        |       |   |                                 |    |   |                   |        |    |                            |       |    |
| Small, Medium Enterprises solar (all)                                                                                                                                       | 2,243                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 2                                             |                                 |                          |                         |        |    |                                  |       |    |                                       |       |   |                                                |     |   |                        |       |   |                                 |    |   |                   |        |    |                            |       |    |
| Small, Medium Enterprises solar (with battery)                                                                                                                              | 155                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 0                                             |                                 |                          |                         |        |    |                                  |       |    |                                       |       |   |                                                |     |   |                        |       |   |                                 |    |   |                   |        |    |                            |       |    |
| Commercial solar (all)                                                                                                                                                      | 1,439                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 0                                             |                                 |                          |                         |        |    |                                  |       |    |                                       |       |   |                                                |     |   |                        |       |   |                                 |    |   |                   |        |    |                            |       |    |
| Commercial solar (with battery)                                                                                                                                             | 65                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 0                                             |                                 |                          |                         |        |    |                                  |       |    |                                       |       |   |                                                |     |   |                        |       |   |                                 |    |   |                   |        |    |                            |       |    |
| Total (solar all)                                                                                                                                                           | 67,668                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 44                                            |                                 |                          |                         |        |    |                                  |       |    |                                       |       |   |                                                |     |   |                        |       |   |                                 |    |   |                   |        |    |                            |       |    |
| Total (solar with battery)                                                                                                                                                  | 8,586                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 11                                            |                                 |                          |                         |        |    |                                  |       |    |                                       |       |   |                                                |     |   |                        |       |   |                                 |    |   |                   |        |    |                            |       |    |
| <p><b>Drafting the amendments to the Gas Governance Rules</b></p> <p>Dominic Kebbell<br/><small>Privacy of natural persons</small></p>                                      | <p>On 29 January 2025, you agreed to the recommendation from the Gas Industry Company on amendments to the Gas Governance Rules [BRIEFING-REQ-0006720 refers]. The changes relate to the industry rules for enabling customers to switch efficiently between competing retailers and the allocation and reconciliation of downstream gas quantities.</p> <p>We updated you on timing in the Weekly Report of 7 April 2025. Since then, there has been a further delay in timing, and GIC is now aiming to finalise the draft amendments by the end of July 2025.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                               |                                 |                          |                         |        |    |                                  |       |    |                                       |       |   |                                                |     |   |                        |       |   |                                 |    |   |                   |        |    |                            |       |    |
| <p><b>Innovation and Non-Traditional Solutions Allowance</b></p> <p>Scott Russell<br/><small>Privacy of natural persons</small></p>                                         | <p>You have requested assurances that the Commerce Commissions (ComCom) Innovation and Non-Traditional Solutions Allowance (INTSA) is technology agnostic.</p> <p>INTSA, like the rest of ComCom’s regime, is technology agnostic. There are no specific constraints or requirements to use a specific type of technology. INTSA projects are likely to consist of a mix of a wide range of technologies including flexibility, energy efficiency, and Artificial Intelligence supported assessments of asset condition. As ComCom’s regime incentivises EDBs to seek efficiency gains, it is likely EDBs will focus their INTSA projects on the technologies that can help them drive the greatest efficiencies. We will continue to engage with the ComCom as more INTSA proposals are submitted.</p>                                                                                                                                                                                                                                                                          |                                               |                                 |                          |                         |        |    |                                  |       |    |                                       |       |   |                                                |     |   |                        |       |   |                                 |    |   |                   |        |    |                            |       |    |

**Non-Transmission Solutions**

Tamara Linnhoff

Privacy of natural persons

Following advice on Supporting non-network solutions for Transmission infrastructure(BRIEFING-REQ-0012349), you have asked three questions about Transpower's consideration of non-network solutions (or non-transmission solutions (NTS)). Transpower has provided the following responses:

***1) How many resources does Transpower have dedicated to NTS? Incl expert advisory groups technical teams?***

Transpower has people from many parts of the business involved in our work on non-transmission solutions, including in Energy Market Services (EMS) Development, Markets, Operations Management, and Grid Investment. Some of these people work on the planning and investment aspects, seeking technical possibilities for NTS to support our work or defer investment. Some work on the practical enablement (i.e., how can this solution work on the power system and with grid operations in real life, in real time).

Others work in the adjacent area of Flexibility Services, which helps providers to manage and coordinate resources and services to support a NTS. Transpower has undertaken trials and pilots to develop procedures and test visibility and protocols. A dedicated Flexibility Services Manager is part of their Strategy Division.

They have engaged external resource to refresh their Grid Support Contract in anticipation of a final decision from the Commerce Commission that would see Transpower having approved deferral funding for the first time, which they will seek to use for a NTS for the major work programme in the western Bay of Plenty.

***2) What analysis of other advanced countries using NTS has been done/is underway?***

Transpower was involved in, and provided feedback to [this 2025 ENA report on DSO models](#) through the Future Networks Forum, which looked at the US, UK and Australia as comparisons. Future Networks Forum, which looked at the US, UK and Australia as comparisons. Most countries are not advanced in NTS and are equally interested in our approach here in NZ, as an islanded nation with 29 connected lines companies and a vertically and horizontally integrated energy market with nodal pricing.

***3) Do existing Transpower assessment processes bias traditional poles/wires vs NTS?***

No, the Capex Input Methodology process formally requires Transpower to actively seek NTS through consultation on viable and economic NTS options. They have done this for many years. These consultations, submissions, cross-submissions and final proposals are in evidence on their website.

Up to this point, there has not been a viable solution submitted that is economic and therefore meets the investment test Transpower is set by the Commerce Commission as a regulated entity. However, as the price of batteries has declined, NTS have reached the point where they now become potentially economic. Transpower are beginning to see an indication of this in the recent industrial-scale battery investments in the private sector, which are all relatively recent commitments.

Transpower's western Bay of Plenty proposal to the Commerce Commission is their latest approach to seeking alternatives to transmission investment in traditional assets. They are hopeful the Commission's draft decision of 3 April 2025 (which would deliver up to \$2.5m for NTS to defer our investment) will stand in its final decision, which is expected in June. (More about the western Bay of Plenty work [here](#).)

|                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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| <p><b>2+2 next steps on Sustainable Aviation Fuel</b></p> <p>Dominic Kebbell<br/>Privacy of natural persons</p>                | <p>At a recent meeting with Z Energy you asked us for an update on New Zealand's participation in the Jet Zero Council. This was in relation to the 2024 Australia – New Zealand 2+2 Finance and Climate Dialogue, at which you and Minister Willis agreed with your Australian counterparts to:</p> <ol style="list-style-type: none"> <li>1. investigate the conditions required to develop a regional sustainable aviation fuel (SAF) industry and explore opportunities for the regional production of SAF; and</li> <li>2. invite New Zealand aviation companies and representatives to join the Jet Zero Council, established by Minister Catherine King, to strengthen trans-Tasman expert advice on decarbonising aviation.</li> </ol> <p>Ministry of Transport officials are leading this work.</p> <p>On advice from Minister Meager (Associate Minister of Transport), you and Minister Willis have agreed for Bioenergy Australia (a member of the Jet Zero Council) to lead the above work through a working group. This working group will sit under the Low Carbon Fuel Alliance of Australia and New Zealand (part of Bioenergy Australia).</p> <p>The Ministry of Transport will nominate New Zealand aviation industry members to be involved in this work. Officials will provide further advice on how New Zealand's Sustainable Aviation Aotearoa and this working group could work together.</p> <p>Australia has signalled its interest in creating a domestic industry for sustainable aviation fuel production. Ahead of the 2025 2+2 meeting, officials will provide further advice to you on next steps.</p> |
| <p><b>Hardship Measures Report</b></p> <p>Scott Russell<br/>Privacy of natural persons</p>                                     | <p>Officials will soon be updating the MBIE website and reaching out to key stakeholders to inform them the Energy Hardship Measures Report will be completed and released before the end of the year. There will also be an item on this in the next Energy Use Newsletter from MBIE. We can provide reactive lines if your office receives any media queries.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <p><b>Delay to briefing on options to support critical gas users</b></p> <p>Dominic Kebbell<br/>Privacy of natural persons</p> | <p>Confidential advice to Government</p> <p>[REDACTED]</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

## Upcoming Ministerial Items

### 1. Upcoming Energy meetings

| Meeting date                                        | Meeting                                                      | Details                                                                                                      |
|-----------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| <b>Monday 26 May 2025</b><br>3:30 pm – 5:00 pm      | Electrify Queenstown                                         | <b>Briefing Due:</b> 14 May 2025<br><b>Officials required:</b> N/A                                           |
| <b>Monday 26 May 2025</b><br>5:00 pm – 5:45 pm      | Stephen Batstone                                             | <b>Briefing Due:</b> N/A<br><b>Officials required:</b> N/A                                                   |
| <b>Monday 26 May 2025</b><br>6:00 pm – 7:30 pm      | Electrify Queenstown – Private Dinner                        | <b>Briefing Due:</b> 14 May 2025<br><b>Officials required:</b> N/A                                           |
| <b>Tuesday 27 May 2025</b><br>8:15 am – 9:30 am     | Clyde Dam Visit                                              | <b>Briefing Due:</b> 20 May 2025<br><b>Officials required:</b> N/A                                           |
| <b>Tuesday 27 May 2025</b><br>10:05 am – 11:20 am   | Pioneer Energy Visit at Roaring Meg Power Station            | <b>Briefing Due:</b> 21 May 2025<br><b>Officials required:</b> N/A                                           |
| <b>Tuesday 27 May 2025</b><br>11:45 am – 1:00 pm    | Rewiring Aotearoa Electric Orchard visit                     | <b>Briefing Due:</b> 23 May 2025<br><b>Officials required:</b> N/A                                           |
| <b>Tuesday 27 May 2025</b><br>5:00 pm – 6:00 pm     | Speaking at Carbon and Energy Professionals Conference (CEP) | <b>Speech due:</b> 14 May 2025<br><b>Briefing Due:</b> 19 May 2025<br><b>Officials required:</b> N/A         |
| <b>Wednesday 28 May 2025</b><br>8:30 am – 10:00 am  | Speaking at New Zealand Hydrogen Council H2 ZERO Summit 2025 | <b>Speech due:</b> 14 May 2025<br><b>Briefing Due:</b> 21 May 2025<br><b>Officials required:</b> Nick Mercer |
| <b>Wednesday 28 May 2025</b><br>10:00 am – 11:00 am | Visiting Thundergrid                                         | <b>Briefing Due:</b> 20 May 2025<br><b>Officials required:</b> Kathryn Rush                                  |
| <b>Wednesday 28 May 2025</b><br>1:15 pm – 1:45 pm   | Meeting Utilities Disputes                                   | <b>Briefing Due:</b> 20 May 2025<br><b>Officials required:</b> Scott Russell                                 |
| <b>Wednesday 28 May 2025</b><br>2:00 pm – 2:30 pm   | Todd Corporation                                             | <b>Briefing Due:</b> 22 May 2025<br><b>Officials required:</b> Justine Cannon                                |
| <b>Thursday 29 May 2025</b><br>8:15 am – 8:45 am    | Google X Tapestry                                            | <b>Briefing Due:</b> 22 May 2025<br><b>Officials required:</b> Tamara Linnhoff, Peter Bartlett               |
| <b>Thursday 29 May 2025</b><br>9:30 am – 10:30 am   | Vector Limited Board Meeting                                 | <b>Briefing Due:</b> 26 May 2025<br><b>Officials required:</b> N/A                                           |

| Meeting date                              | Meeting                     | Details                                              |
|-------------------------------------------|-----------------------------|------------------------------------------------------|
| Friday 30 May 2025<br>9:30 am – 10:30 am  | Eastland Generation Visit   | Briefing Due: 21 May 2025<br>Officials required: N/A |
| Friday 30 May 2025<br>11:00 am – 12:00 pm | Rangitaiki Solar Farm visit | Briefing Due: 21 May 2025<br>Officials required: N/A |

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

Information to be publically released shortly

# Information to be publically released shortly

## 3. Written Parliamentary Questions

| Due to Minister | Number | Member         | Question                                                                                                                                                                                |
|-----------------|--------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 28 May          | 24217  | Dr Megan Woods | What advice, if any, has he received on imports of LNG?                                                                                                                                 |
| 28 May          | 24218  | Dr Megan Woods | Does he believe, as his predecessor Simeon Brown did, that an LNG terminal will be in place by the winter of 2026 by the latest?                                                        |
| 28 May          | 24221  | Dr Megan Woods | What work, if any, relating to storage is part of his focus on winter 2026?                                                                                                             |
| 28 May          | 24222  | Dr Megan Woods | How much new electricity generation has been committed to in 2025, if any, as a result of the government's commitment to "removing the barriers for more investment in new generation"? |

## 4. Ministerial Correspondence received

| Due date    | Tracking number | Correspondent              | Summary of Correspondence                                                                                         |
|-------------|-----------------|----------------------------|-------------------------------------------------------------------------------------------------------------------|
| 28 May 2025 | SW25-17         | Privacy of natural persons | Kaipara Tidal Magnetohydrodynamic (MHD) Energy proposal                                                           |
| 28 May 2025 | SW25-163        |                            | Electricity supply and price                                                                                      |
| 28 May 2025 | SW25-166        |                            | Spain/Portugal power blackout                                                                                     |
| 29 May 2025 | SW25-52         |                            | Roof solar power                                                                                                  |
| 29 May 2025 | SW25-184        |                            | EV charging stations                                                                                              |
| 29 May 2025 | SW25-185        |                            | Maximising efficiency/consumer choice through EV charging support (National Infrastructure Funding and Financing) |
| 29 May 2025 | SW25-191        |                            | Update to 2010 Electrical (Safety) Regulations                                                                    |
| 29 May 2025 | SW25-192        |                            | Power pricing                                                                                                     |
| 29 May 2025 | SW25-193        |                            | Power                                                                                                             |
| 4 June 2025 | SW25-32         |                            | Unfair energy policy                                                                                              |
| 4 June 2025 | SW25-46         |                            | NZ electricity system is flawed                                                                                   |
| 4 June 2025 | SW25-51         |                            | Subsidize installation of solar panels                                                                            |
| 4 June 2025 | SW25-181        |                            | Meridian Energy refusal to provide market pricing                                                                 |
| 4 June 2025 | SW25-182        |                            | Electricity contracts and pricing                                                                                 |

|             |          |                            |                            |
|-------------|----------|----------------------------|----------------------------|
| 4 June 2025 | SW25-201 | Privacy of natural persons | Low User Charges           |
| 6 June 2025 | SW25-20  |                            | Plausible energy solutions |
| 9 June 2025 | SW25-213 |                            | Energy affordability       |
| 9 June 2025 | SW25216  |                            | Te Wai smelter             |

## 5. Output plan

Confidential advice to Government

Confidential advice to Government