



Energy Portfolio Weekly Report

Week commencing: 03/06/2025

Priority: Medium

Security classification: In Confidence

Tracking number: BRIEFING-REQ-0014794

Recipient

Action sought

**HON SIMON WATTS
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

29 May 2025

Minister's comments:

**Energy Portfolio
Officials' Meeting Agenda
11:00 am – 12:00 pm Wednesday 4 June 2025**

Item	Subject	People	Oral Item / Paper #	Action Required
1.	Confidential advice to Government			
2.	Engagement with Japan	Peter Bartlett Peter Kell (MFAT)	Oral	Discussion
3.	Weekly Report & Work Programme	Minister	Oral	Discussion
4.	Any other business	All	Oral	Discussion

Ministry of Business, Innovation & Employment officials attending:

Name	Position
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
Peter Kell (MFAT)	Unit Manager, Economic Diplomacy and Policy

Key Updates

Title	Comment
<div>Implementing Electrify NZ</div> <div>Daniel Brown</div> <div>Privacy of natural persons</div>	<p>Consultation on updated RMA national direction, including renewable electricity and electricity networks direction, commenced on 29 May 2025. Consultation will run for 8 weeks, and officials will workshop the proposals with stakeholders over this period. We will keep you updated on any key feedback from the sector.</p> <p>The Resource Management (Consenting and Other System Changes) Amendment Bill is currently before Select Committee and should be enacted by late August 2025. This Bill implements some Electrify NZ proposals including one-year consent decisions for renewable energy projects, and default 35-year consent durations.</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 – timing is yet to be confirmed.</p> <p>An update on Fast-track projects is provided below in the stakeholder updates section.</p>
<div>Confidential advice to Government</div> <div>Confidential advice to Government</div>	
<div>Operating Guidelines for Lakes Manapōuri and Te Anau</div> <div>Tamara Linnhoff</div> <div>Privacy of natural persons</div>	<p>Your Notice confirming the revision to the Operating Guidelines for Lakes Manapōuri and Te Anau is scheduled to be Gazetted after financial markets close on Friday 30th May.</p> <p>Officials and your office are preparing communications materials for early next week explaining the benefits of the changes and thanking the Guardians and Meridian for their roles in recommending them. Transpower has been notified, as from next week, this new limit can be taken into account for their Energy Risk Curve modelling.</p>

Supplementary information on biogas Dominic Kebbell Privacy of natural persons	<p>We provided advice on biogas (BRIEFING-REQ-0013290) on 12 May 2025. You requested additional information on the scale and potential growth of international biogas markets. We have provided this in the table annexed at the end of this report.</p> <p>Following your site visit at the Ecogas Reporoa facility on Thursday 15 May, you wanted to know their timeline for scaling up. Ecogas provided us with the following response:</p> <p><i>We hope the third plant, which will be in the lower North Island area, will be progressed in the next five years. We are unable to provide anything beyond this as it would be speculation. The Christchurch organic processing facility is expected to become operational from the end of 2026.</i></p>
Group regarding impact of gas issues on industrials Justine Cannon Privacy of natural persons	<p>Following the Gas Security Response Group meeting on Friday 16 May you asked for a small group to continue work regarding medium and large-scale industrials.</p> <p>We have been working with potential participants and have scheduled to meet this coming week. Some have suggested one area where a multi-lateral meeting may be useful is to understand which gas using industrials may be at risk and the size of the problem.</p>

Key actions tracker

Action and outcome	Updates	Status and upcoming milestones
Electricity Market Review Independent review to advise on the impact of market structure, design, and rules on the electricity systems' performance	Confidential advice to Government	
Energy Competition Taskforce Joint EA and Commerce Commission investigation of options to improve competition and enable consumers to manage usage and costs	1A Sleeving (firm generation) for PPAs: On 28 May the EA published its 1A Update paper. 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.	On track On 28 May the EA published its Update paper on 1A Sleeving (firm generation) for PPAs) and its 2D 'Roadmap' paper on better compensating industrial flexibility (demand response). The EA is reviewing submissions on its 1CD level playing field consultation.
	1B Standardised flexibility contracts: Initial offer rounds held. EA is monitoring liquidity (or lack of) and developing advice for its Board on next steps.	
	1C+D sharing flexibility and level playing field measures: The EA is reviewing consultation submissions,	

Action and outcome	Updates	Status and upcoming milestones
	<p>Free and frank opinions</p> <p>2A+B+CAp Better compensating household power injection and time of use plans: Consultation closed 26 March, and the EA is now reviewing submissions. Code change decisions expected in June 2025.</p> <p>2D Better compensating industrial flexibility (demand response): On 28 May the EA published its 'Roadmap for industrial demand flexibility'. In parallel the EA is developing an issues paper relating to industrial flexibility emergency reserve, aiming for publication in July.</p>	
Carbon Capture and Storage (CCS) Creating an enabling regulatory regime for CCS which could improve the economics of gas production	<p>At the end of March, you and the Minister for RMA reform and the Minister for the Environment agreed to a legislative approach for CCS that would involve the creation of bespoke legislation setting out the requirements that a CCS project must meet to gain approval. This would dovetail with and work alongside the current resource and marine consenting system.</p> <p>Since then, we have done further work with MfE on the detailed design of the regime. MfE officials consider that the most straightforward way to enable CCS is to use the new resource management regime being developed rather than establishing a bespoke regime as previously agreed to. MfE will brief you further on this option and how it would work this week.</p>	On track MfE will shortly provide a briefing setting out the detailed approach to the regulation of CCS.

Confidential advice to Government

Confidential advice to Government

Consumer demand response and Solar Develop package to improve consumer energy outcomes, improve access to finance and reduce install costs for rooftop solar and battery	<p>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.</p> <p>Confidential advice to Government</p>	On track
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Action and outcome	Updates	Status and upcoming milestones
Rooftop solar and household batteries' impact on prices: Modelling the impact of rooftop solar and household batteries: wholesale level and distribution-level impacts.	<p>Work is near completion 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. We expect to receive a draft report from the contractor in early June.</p> <p>You recently asked for this analysis to also capture the impact of higher uptake on distribution network costs. This analysis is substantially more complex but working with Rewiring we have have contracted an expert to undertake this modelling. We are also liaising with Rewiring to commission work on the flow-through impact of cost changes at the wholesale, transmission and distribution charge components into retail bills.</p>	On track
Permitted Voltage Range 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.</p>	On track Drafting is on track. PR is now scheduled for June.
Electricity (Hazards from Trees) Regulations Phase 2 instructions to PCO and targeted engagement on Risk assessment factors underway Advice on planting restrictions in urban areas on Council land	<p>We are currently preparing drafting instructions for PCO.</p> <p>Targeted engagement with a limited set of interested stakeholders began on Monday 26 May and will include an in-person workshop mid-June. This will inform the final list of factors used to assess the impact and likelihood of a tree falling on an adjacent line.</p> <p>Free and frank opinions</p>	On track Preparing drafting instructions Targeted engagement on risk factors for the Treefall Hazard Notice power
Energy Strategy 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	
Offshore Renewable Energy	<p>Select Committee has considered revised-tracked version of the Bill. It is due to meet on 5 June 2025 (although this might be pushed back a week), before reporting back on 17 June 2025.</p> <p>Following targeted consultation on the feasibility permit regulations and the scope of the first round, we are working on the next stage of advice to support the first round. We are also working to support the regulator on implementation planning.</p>	On track

Confidential advice to Government

Confidential advice to Government

Electricity and Gas Safety Standards Updating more than 400 references to international standards in the regulations. This includes new standards for solar and EV chargers, reducing costs.	Delays to Cabinet paper There have been some unexpected delays to drafting the standards update, as further technical input from WorkSafe was needed, as well as the time taken to draft the over 400 references. We now expect the changes to be considered by Cabinet Legislation Committee in June, with Gazettal in July and the regulations coming into effect from August. PCO has noted it will be able to meet these dates.	Delayed Regulations considered by LEG in June and then gazetted in July, as opposed to June previously planned.
Hydrogen regulations 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. We have received your agreement to begin consultation. We are still awaiting confirmation of the WRS Minister's agreement. You may wish your Office to follow up with the WRS Minister's Office. The H2 2 Zero Summit was held 28-29 May 2025.	Delayed
Hydrogen exports	Confidential advice to Government	On track
Woody Bioenergy 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. Confidential advice to Government	On track
Led by other Ministerial portfolios		
Public EV Charging Funding Model 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. Confidential advice to Government	On track
Led by the Electricity Authority		
Electricity pipeline updates	The EA will provide information to you on its generation pipeline dataset, monthly.	Ongoing
Led by Transpower		

Action and outcome	Updates	Status and upcoming milestones
<p>Transpower's Connections Queue for Generation – improvements to increase project throughput</p> <p>Run rate to start generation investigations (queue) up by 50% in 2025, on 2024. 22 investigation projects started and 7 projects moved to delivery in 2025.</p> <p>Decrease of 14 projects in queue since January.</p> <p>6 new applications received since January.</p>	<p><i>Transpower have provided the following update:</i></p> <p>Improving throughput:</p> <p>Work continuing to implement:</p> <ul style="list-style-type: none"> • Stage-gating within investigation phase – starting work elements earlier pre-investigation for some customers where resources are available (while they wait in queue). • Right-sizing investigations to meet customer needs and risk appetite. • Criteria for assessing project readiness throughout the end-to-end process are now being applied to investigations projects and also to projects in the queue to ensure they are sufficiently defined and developed. <p>Initial work started on:</p> <ul style="list-style-type: none"> • Standard equipment lists for standardised designs for greenfield substations – progressing • Customer led investigation and delivery – options scoped, assessing implementation requirements. • Prioritisation options within the queue (based on security of supply) – progressing. <p>Resourcing improvements:</p> <ul style="list-style-type: none"> • 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. • Increasing use of direct award of projects below \$200k, bundling of projects, and award of larger projects further into the future. • Awarding more work (as a programme) than can be delivered per EC so available resource isn't lost when delays occur. <p>Improved transparency:</p> <ul style="list-style-type: none"> • Updated connection project status for May published on website in a new format to increase transparency. https://www.transpower.co.nz/connections/connection-data • Formalising guidelines for "on hold" projects. 	Ongoing
Industry developments		
<p>Potential commercial deals to enhance winter security of supply</p> <ul style="list-style-type: none"> • Methanex gas deal • Potential industry actions to improve security of supply including Huntly (Heads of Agreement) firming contracts • Demand response deals 	<p>Confidential advice to Government</p> <p>[Redacted]</p> <p>Commercial Information</p> <p>[Redacted]</p>	<p>Confidential advice to Government</p> <p>[Redacted]</p>

Action and outcome	Updates	Status and upcoming milestones
	<p>Commercial Information</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>Confidential advice to Government</p> <p>[REDACTED]</p> <p>Confidential advice to Government</p> <p>[REDACTED]</p> <p><i>Demand response deals:</i></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>	
Gas exploration updates	<p>As previously reported, Todd reports the first of 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 2025 and started a second at the end of February 2025. We understand they are planning two further wells later this year. As a private company Greymouth does not routinely release drilling results to the market.</p>	Ongoing

Title	Comment
<h1>Commercial Information</h1>	
<p>Independent retailers call for primary legislation to implement corporate separation</p> <p>Tamara Linnhoff</p> <div></div>	<p>On 21 May you met with independent retailers and asked officials for advice on the independent retailers’ competition-related complaints to the Commission and EA and how these have been handled to date. We are collating this information.</p> <p>You also invited the independent retailers to share their views on what needs to happen to clarify the problem definition via improved market monitoring, and on actions the government should take.</p> <p>The independent retailers wrote to you on 23 May and recommended using primary legislation to implement corporate separation (which is softer than full ownership separation) and highlight their view aligns with the OECD’s 2024 advice.</p> <p>The independent retailers also call for:</p> <ul style="list-style-type: none">• Improved market monitoring• Stronger market making requirements (that gentailers are mandated to offer a wider range of risk management products, such as peak or flexible options, and extended for a minimum duration of six years• Government to create an incentive for investment in flexible generation.

MEUG document on challenges relating to hedging in the electricity market

Tamara Linnhoff
Privacy of natural persons

The Major Electricity Users' Group (MEUG) has released a document - '*Hedging in the electricity market – a large user perspective*', which addresses its views on significant challenges in New Zealand's electricity market.

The document notes that wholesale electricity prices have been high for six years, peaking in winter 2024 and that these prices have led to business closures, job losses, and regional economic harm.

MEUG comments: "*There seems to be a considerable risk premium built into the ASX futures prices beyond simply the next one to two years, which is impacting decisions around hedging. We need to solve the root problem - the lack of firming and competition issues.*"

MEUG comments that long-term affordable options available for large users to manage risk are limited when viewed in the context of these six years. MEUG believes that parts of the sector assume that large industrials are not open to hedging products, but as MEUG notes hedge contracts often price in dry-year risk premiums (for every month of the contract term) making them expensive and locking in uncompetitive prices.

MEUG argues that changes to date, such as improving the stress testing regime have diverted focus away from the key issues affecting businesses. MEUG would like to see an assessment of:

- Whether the hedges are being offered are based on affordable and internationally competitive prices. Also, are the terms of the contracts fair and in line with consumer expectations.
- What does "internationally competitive prices" mean? What hedge prices do our manufacturing competitors in other relevant countries pay?
- Whether medium and long term hedge prices are aligned with the levelised cost of energy or the long run marginal cost of generation, rather than ASX futures price which have increased significantly in recent years.

Commercial Information

Commercial Information

Commercial Information

Japan and Korea phase down biomass feed-in tariffs

Scott Russell
Privacy of natural persons

Japan and Korea announced in March 2025 and December 2024 respectively that they will end subsidies for new biomass power plants.

Japan and Korea are key potential markets for New Zealand woody bioenergy exporters (alongside Europe), and their generous subsidies have been important in stimulating woody bioenergy trade since their inception in 2012 in both countries. Nature's Flame currently exports 50,000 tonnes of white wood pellets to Japan, but is looking to instead find domestic customers due to thin export margins, while new entrants Oceania, Carbona and Foresta are exploring export-oriented business models (mainly targeting Japan) to supplement domestic anchor customers like Genesis.

Japan's phase-down applies to new biomass power plants from FY2026 and does not affect existing feed-in tariff (FIT) contracts (which are typically 20 years). Japanese officials consider longer term that biomass will not be commercially sustainable without ongoing government support, and are therefore focused on Japan building other forms of renewable energy generation that is self-sustaining (such as solar and wind). Biomass demand may still continue to be driven by supply for power plants with existing FIT contracts, tightening emissions standards on coal boilers, and other sectors such as steel.

From January 2025, Korea will not issue renewable energy certificates (RECs) to any new biomass power plants, while RECs for imported wood pellets in existing plants will be phased down or out. Domestic wood pellets will still receive the same level of support as before the reforms. Korea's programme has disproportionately benefited biomass generation over other generation types, and driven significant import activity, particularly from Vietnam.

Germany Cooperation Roadmap

Peter Bartlett
Privacy of natural persons

At your meeting with German Ambassador Menzenbach on 9 April 2025, you signalled interest in refreshing the 2022 Roadmap for the Germany/ New Zealand Energy Dialogue.

International relations

Auckland Airport

Dominic Kebbell
Privacy of natural persons

Auckland Airport is currently consulting on its 2025 Master Plan, which outlines a 25-year vision on the airport's development, including infrastructure upgrades and utility relocations.

The Joint User Hydrant Installation (JUHI), where jet fuel is stored at the airport before it goes into aircraft, is currently located by the domestic terminal. The lease for this site is due in 2035 and the Airport has expressed that it wants to move it and make it bigger to keep pace with increasing jet fuel demand.

The current JUHI is owned by the three major fuel companies, bp, Mobil and Z Energy, in a joint-venture agreement. Auckland Airport has said that fuel companies are not willing to make investments in infrastructure upgrades. Other options include investment by Auckland Airport or a third part operator, where the fuel companies pay a tolling fee (similar to how Marsden Point terminal is run).

We will continue to monitor the fuel resilience at the airport.

Update on Fast-track projects (in commercial confidence)




Daniel Brown
Privacy of natural persons

Commercial Information

Confidential advice to Government

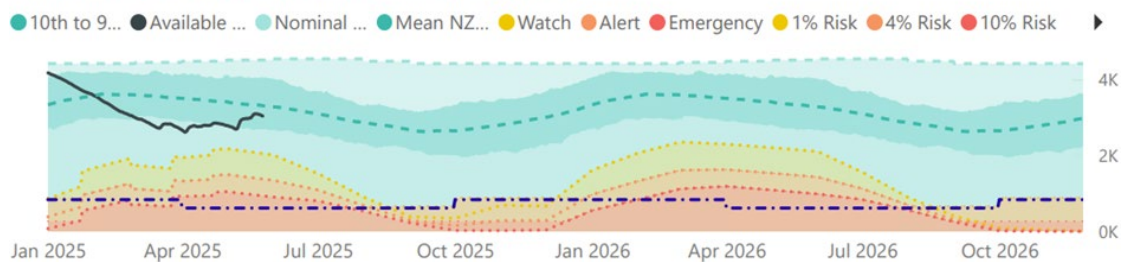
Confidential advice to Government

Title	
<div>Offshore Renewable Energy – Follow-up on Danish round</div> <div>Melanee Beatson</div> <div>Privacy of natural persons</div>	<p>You have requested information on the recent failed offshore wind permit round in Denmark. The deadline for bids on the first 3 GW of Denmark’s 6GW offshore wind plan expired on 5 December 2024 without any bids received for any of the three offshore windfarms in the North Sea put out to tender.</p> <p>Public reporting on the issue highlights a range of factors that resulted in the lack of bids. Overall, the key issue was the tender process did not provide the industry with sufficient financial certainty to develop. In particular:</p> <ul style="list-style-type: none">• Development costs have been rising, including through higher interest rates and supply chain bottlenecks, which has made project economics more challenging.• The round did not offer revenue stabilisation, such as Contracts for Difference (CfD), or subsidies for e.g. for transmission infrastructure. Developers noted this gives less long-term financial certainty on the income they can make over the life of the project – which is exacerbated when selling into increasingly renewable and intermittent energy systems.• There were some other factors that were a disincentive to investment – e.g. the tender required the state to have a 20% ownership stake in each project and a ‘golden share’ for major decisions regarding investment and profit. <p>The key takeaway from public reporting was that large developers wanted long term financial certainty – particularly through government interventions in the market that give clarity about costs and future prices.</p> <p>The Danish Government has subsequently announced it will re-open a bid process in the near future – with approximately €3.7 billion allocated for state support to projects, and insurance coverage of up to €7.4 billion for a contracts for difference model.</p>

<p>UK government launches consultation on how to assess which LDES projects should be supported via its next offering of CfD support</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>The UK government has identified that long duration energy storage (LDES) is a scarce but necessary resource in its electricity market: no new LDES has been built in Great Britain for almost 40 years.</p> <p>Ofgem (the UK electricity regulator) estimates that adding LDES (to cover tight supply situations eg when the wind drops) could save £24 billion in electricity system costs from 2030 to 2050.</p> <p>The UK government has run a series of contract for differences schemes to de-risk investments (and so ensure better access to finance) by guaranteeing a minimum and maximum price for electricity generated. Initially the schemes focussed on supporting new renewable generation.</p> <p>Yesterday, Ofgem launched consultation relating to its latest CfD round which is focussed directly on the ‘gap’ in the UK market: firm flexible generation. The scheme has been confirmed – the current consultation seeks views on how Ofgem will assess which kind of LDES projects it should be offering support to via the cap and floor regime.</p>
<p>Electricity security of supply</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>ELECTRICITY CAPACITY (for the week to Sunday 25 May)</p> <p>Residual generation margins remained healthy last week with over 1000 MW of residual generation for all peaks. While declining, thermal unit commitment remains relatively high for this time of year as hydro storage remains below average, aiding capacity margins.</p> <p>The N-1-G margin is sufficient to meet peak demand in the look-ahead through to mid-July 2025:</p> <p>NZGB Look-Ahead (excluding next 7 days)</p>  <p><i>Source: System Operator, Market Operations - Weekly Market Movements</i></p> <p>ENERGY (HYDRO) STORAGE RELATIVE TO MEAN (for the week to 25 May)</p> <p>New Zealand hydro storage decreased to 92% of the seasonal mean this week from 93% the week prior. South Island hydro storage remained steady at 91%, while North Island storage decreased from 109% to 102%.</p> <p>ELECTRICITY (‘ENERGY’) SUPPLY RISK (at 25 May)</p> <p>The level of ‘energy risk’ is measured by hydro storage levels relative to the electricity risk status curves.</p> <p>New Zealand Energy Risk</p>  <p>South Island Energy Risk</p>  <p>Normal Watch Alert Emergency</p>

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

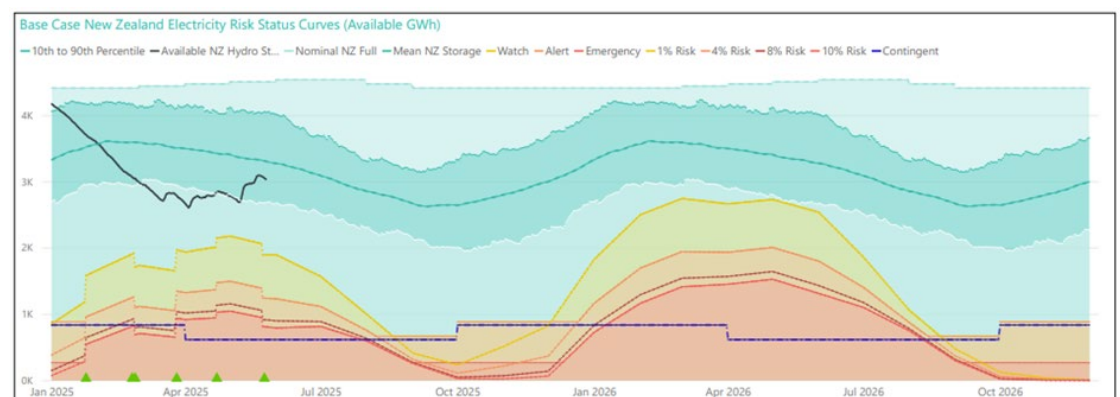
New Zealand Electricity Risk Status Curves (Available GWh)

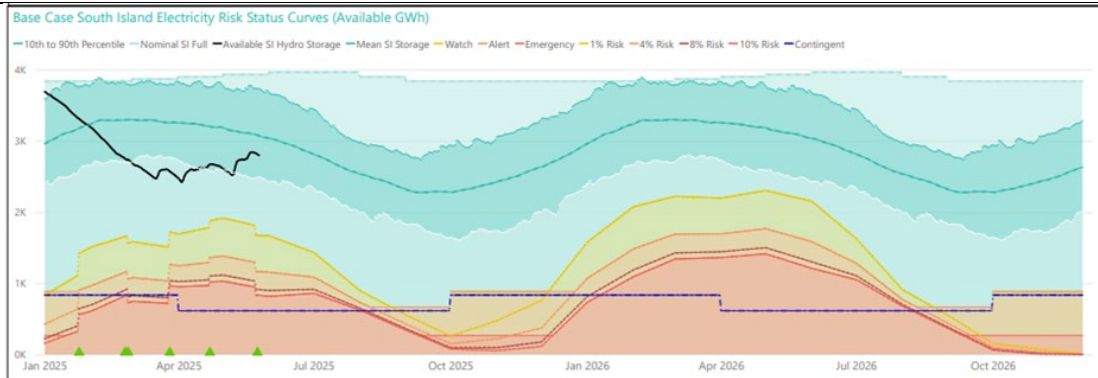


The energy risk curves (ERCs) for May and June 2025 have dropped relative to the April update. Transpower explain:

- Risk has lowered due to the purchase of gas from industrial users by electricity generators. This includes the Methanex/Contact deal. Consistent with the SOSFIP the ERCs otherwise assume Methanex will operate one train at 80 TJ/day.
- The ERCs for 2026 have increased relative to the April update, indicating a slightly higher risk. This is primarily due to the announced retirement of a Rankine unit in January 2026, indicated in Genesis's FY25 Q3 Performance Report.
- No Simulated Storage Trajectories (SSTs) cross the Watch curve in 2025.
- Genesis' announcement it will retire a Rankine in January has increased the risk for 2026 relative to our April outlook. 17 of the 93 SSTs cross the Watch curve between January and July next year. If the third Rankine unit were to remain available, this results in no SSTs crossing the ERCs next year.
- While the market has responded to mitigate hydro storage risk in 2025, it's important that generators continue to focus on hydro storage management and ensuring we have sufficient backup thermal fuel in case we have an extended period of low inflows or faults to important equipment.

You have asked us to report on the number of days until the NZ system hits energy risk curves – if it does not rain. Transpower have provided the following charts, that show the actual storage position (black line). This week, the usual worst-case simulated storage trajectory (SST, red line) and 'number of days to hit the risk curves' calculation was not provided (as this report was submitted a day earlier) - we aim to ensure this will be included again next week.

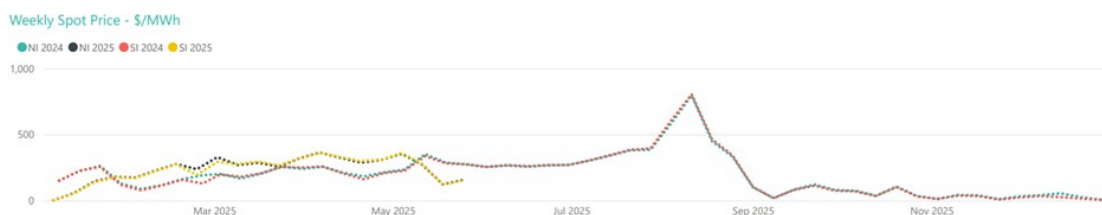




Source: System Operator, Market Operations - Weekly Market Movements

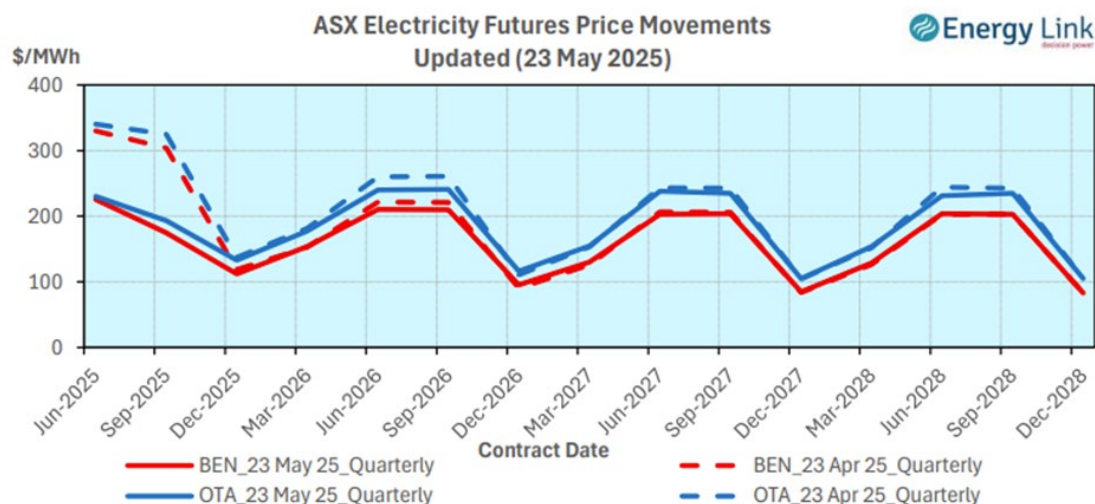
WHOLESALE ELECTRICITY PRICES

Weekly Spot Price (week ended 25 May)



Source: System Operator, Market Operations - Weekly Market Movements

ASX Electricity Futures Prices (at last available update 23 May)



Source: Energy Link, Energy Trendz Weekly

Electricity Authority
legislative change
requests

Tamara Linnhoff
Privacy of natural persons

Confidential advice to Government

<p>Vehicle to Grid</p> <p>Peter Bartlett</p> <p>Privacy of natural persons</p>	<p>You have asked us for further advice on implementing Vehicle-to-Grid (V2G) technology and regulations in NZ in the next 18 months. We will engage with the vehicle industry and Rewiring Aotearoa who has been investigating this issue to determine what barriers exist.</p> <p>In the interim we are already progressing one change that should better enable vehicle to grid. As part of the updates to electricity safety standards you are progressing (expected to be Gazetted by Q3 2024) New Zealand will move to the 2024 version of Australia/New Zealand Standard 4777.1. This provides more guidance and certainty for industry on EV supply equipment that is capable of bidirectional charging. While we consider it minor and technical and not requiring a new cabinet decision, this change may require further noting by Cabinet when the updates come back to LEG, as this version of the standard was published after original policy decisions were taken. Australia also moved to this version earlier this year.</p>
<p>Workforce planning</p> <p>Peter Bartlett</p> <p>Privacy of natural persons</p>	<p>Confidential advice to Government</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p>

Upcoming Ministerial Items

1. Upcoming Energy meetings

Meeting date	Meeting	Details
Confidential advice to Government		
Wednesday 4 June 2025 5:00 pm – 5:30 pm	National Infrastructure Funding and Financing Limited	Briefing Due: 3 June 2025 Officials required: N/A
Wednesday 4 June 2025 5:30 pm – 6:00 pm	Keith Turner	Briefing Due: N/A Officials required: Justine Cannon
Thursday 5 June 2025 11:00 am – 1:00 pm	Marking Construction of Genesis' Grid Scale Battery	Briefing Due: N/A Officials required: N/A
Thursday 5 June 2025 12:30 pm – 12:50 pm	ComCom Fortnightly meeting	Briefing Due: N/A Officials required: Justine Cannon
Thursday 5 June 2025 12:50pm – 1:10 pm	EA Fortnightly meeting	Briefing Due: N/A Officials required: Justine Cannon
Thursday 5 June 2025 1:10 pm – 1:30 pm	Transpower Fortnightly meeting	Briefing Due: N/A Officials required: Justine Cannon

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
3 June 2025	27373	Scott Willis	What has been the average cost, if any, of installing an electric vehicle charger through the Government EV co-investment initiative?
3 June 2025	27348	Scott Willis	How many projects to install public electric vehicle chargers, as opposed to individual chargers, if any, have been granted co-funding since 27 April 2025, listed by date awarded funding and amount awarded?
3 June 2025	27347	Scott Willis	How many, if any, request for proposals from interested parties were received for Government co-investment in public electric vehicle charging installation, and how many of these requests were successful?
3 June 2025	27349	Scott Willis	How much, if any, of the \$68.5 million set aside in grant funding for concessionary loans to private operators for co-investment in public electric vehicle charging infrastructure has been distributed, and how much remains?
3 June 2025	27356	Scott Willis	How many, if any, public electric vehicle chargers have been installed as a result of Government co-investment since December 31 2024?

4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
4 June 2025	SW25-46	Privacy of natural persons	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	SW25-201		Low User Charges
4 June 2025	SW25-220		Lowering of Minimum Lake Levels at Lake Te Anau
4 June 2025	SW-25-221		Availability of LPG at service station in the South Waikato region
6 June 2025	SW25-20		Plausible energy solutions
9 June 2025	SW25-213		Energy affordability
9 June 2025	SW25-216		Te Wai smelter
12 June 2025	SW25-222		Rooftop solar energy
12 June 2025	SW25-223		Transpower
12 June 2025	SW25-224		Gas supply

5. Output plan

Confidential advice to Government

Confidential advice to Government

Annex 1: Overseas Biogas Market Comparison Table

Overseas biogas market comparison							
Jurisdiction	Established market	Energy value of biogas	Main feedstock	Inclusion in government energy strategy	Government financial incentives	Scale of biogas market (online sources)	Growth opportunities (online sources)
New Zealand	No	Flaring or combined heating and power	Landfill gas capture/wastewater treatment plants	To be included	No	<ul style="list-style-type: none"> Ecogas has one anaerobic digestion (AD) plant in operation. 3.5-4.9 peta joules (PJ) of biogas produced annually 	<ul style="list-style-type: none"> Ecogas expects to have another AD facility in operation by end of 2026, and another one in progress at the bottom of the North Island in the next five years.
Germany	Yes	Electricity (majority) and biomethane	Energy crops	Yes	Yes	<ul style="list-style-type: none"> ~ 9,000 AD plants in operation. Biogas use accounts for ~10% of natural gas consumption. Bio-LNG, also known as liquified bio-methane, is a renewable gas derived from organic waste. Shell launched largest bio-LNG lant in Germany in 2024 (supporting the transport sector). 	<ul style="list-style-type: none"> Biogas production slowed down in recent years. Shift away from energy crops to small manure-based digesters. Shifting towards biomethane production and use rather than electricity generation. The European Biogas Association (EBA) notes Germany is expected to become one of the foremost European producers of bio-LNG (for transport).
France	Yes	Electricity and biomethane	Landfill gas capture and agricultural by-products	Yes	Yes	<ul style="list-style-type: none"> France had 657 biomethane plants in the first quarter 2024. Biomethane accounts for 3.2% of national natural gas consumption. 	<ul style="list-style-type: none"> The EBA reports ~ 300 biogas and biomethane projects are underway in France. France is aiming to meet its 44 tera watt hours (TWh) biomethane target by 2030.
United States	Yes	Electricity generation and transport	Landfill and wastewater gas collection	Yes	Yes	<ul style="list-style-type: none"> ~ 2,500 sites producing biogas across all 50 states. Approximately produces 100-120 TWh/y of biogas. 	<ul style="list-style-type: none"> The American Biogas Council estimates potential growth of new biogas sites to be ~17,000. Total biomethane potential is estimated to displace 5% of current natural gas consumption in the electric sector and 56% of natural gas consumption in the transport sector.
Italy	Yes	Transport and electricity generation	Crop residue, animal manure and source-segregated organic waste	Yes	Yes	<ul style="list-style-type: none"> Approximately 1,900 biogas and landfill gas plants. Biogas for energy use represents 3-4% of gas consumptions (stabilised to 80PJ since 2014). 	<ul style="list-style-type: none"> Five biomethane plants being built in Southern Italy, expected to be operational by mid-2026. Each facility has a combined production capacity of ~234,000 megawatts an hour of biomethane each year.

United Kingdom	Yes	Electricity generation, biomethane and exports	Landfill gas captures and anaerobic digestion plants	Yes	Yes	<ul style="list-style-type: none"> UK has over 700 AD plants, with over 100 of these upgrading to biomethane for grid injection. In 2022, UK produced 6.8TWh of biomethane. 	<ul style="list-style-type: none"> According to the Anaerobic Digestion and Bioenergy Association, UK is estimated to only be generating one fifth of its AD potential. The UK government expects financial supports and policy to support around 8 TWh of biomethane injection by 2030.
Denmark	Yes	Largely biomethane, and some electricity generation	Animal manure and agricultural by-products	Yes	Yes	<ul style="list-style-type: none"> 150 biogas plants in Denmark. 8.5 TWh/y of biogas produced, with 80% upgraded to biomethane. In 2023, biomethane account for nearly 40% of gas in Denmark's national grid. 	<ul style="list-style-type: none"> Denmark is aiming for 100% renewable gas by 2040, with biogas playing a central role.
Sweden	Yes	Transport fuel	Largely imports biomethane from Denmark. Produces biogas/biomethane from wastewater treatment plants and food waste.	Yes	Yes	<ul style="list-style-type: none"> Sweden has 198 biogas plants and produces ~7.3PJ of biogas. Biogas and biomethane make up 22% of total energy gas supply (which is 3% of Sweden's total energy supply). 	<ul style="list-style-type: none"> A policy brief by SLU Future Food estimates Sweden has the potential to scale up to 7-10 TWh/y. Sweden was granted 2 billion by Klimatklivet in support of biogas production – estimated to produce 2.4 TWh/y. Klimatklivet is an investment support program organised by the Swedish Environmental Protection Agency.
Australia	No	Half of gases captured are not used for energy and are flared.	Landfill gas captures	Yes	No	<ul style="list-style-type: none"> April 2025 saw the first biomethane project in Australia connect to the South Australian gas networks – supplying up to 210 terajoules. In 2017, there were ~242 biogas plants, half of which being landfills. 	<ul style="list-style-type: none"> An industry report prepared for RACE for 2030 (a cooperative research centre funded by the Australian government), have estimated that Australia has the potential to produce 371 PJ of biogas annually (equivalent to 23% of current fossil methane consumption).



Energy Portfolio Weekly Report

Week commencing: 09/06/2025

Priority: Medium

Security classification: In Confidence

Tracking number: BRIEFING-REQ-0015387

Recipient

Action sought

**HON SIMON WATTS
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

6 June 2025

Minister's comments:

Energy Portfolio

Officials' Meeting Agenda

2:30 pm – 3:30 pm Monday 9 June 2025

Item	Subject	People	Oral Item / Paper #	Action Required
1.	Gas retailers group	Justine Cannon Dominic Kebbell	Oral	Discussion
2.	Woody Bioenergy Taskforce	Scott Russell Amelie Goldberg	BRIEFING-REQ-0014332	Discussion
3.	Weekly Report & Work Programme	Minister	Oral	Discussion
4.	Any other business	All	Oral	Discussion

Ministry of Business, Innovation & Employment officials attending:

Name	Position
Carolyn Tremain	Chief Executive and Secretary (Tentative)
Justine Cannon	General Manager, Energy Markets
Rebecca Heerdegen	Policy Director, Energy Markets
Dominic Kebbell	Manager, Gas and Fuel Supply Policy
Scott Russell	Manager, Energy Use Policy
Amelie Goldberg	Team Leader, Energy Use Policy

Key Updates

Title	Comment
Implementing Electrify NZ Daniel Brown <small>Privacy of natural persons</small>	<p>Consultation on updated RMA national direction, including renewable electricity and electricity networks direction, commenced on 29 May 2025. Consultation will run for 8 weeks, and officials will workshop the proposals with stakeholders over this period. We will keep you updated on any key feedback from the sector. The revised national direction should be in place by the end of 2025.</p> <p>The Resource Management (Consenting and Other System Changes) Amendment Bill is on track to be enacted by late August 2025. This Bill implements some Electrify NZ proposals including one-year consent decisions for renewable energy projects, and default 35-year consent durations. We understand the Minister for Resource Management Reform may seek a small policy change relating to energy consents when confirming the final policy for the Bill at Cabinet – we have provided your office with information on this matter.</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 – timing is yet to be confirmed.</p>
New permitting regime for offshore renewable energy Melanee Beatson <small>Privacy of natural persons</small>	<p>The Transport and Infrastructure Committee met on 5 June 2025 for deliberation on the Offshore Renewable Energy Bill. The Committee intends to have a final meeting on 10 June 2025 to vote on the Bill, before reporting back to the House on 17 June 2025.</p>
Gas retailers group Justine Cannon <small>Privacy of natural persons</small>	<p>On Thursday 5 May we held the first meeting of the gas retailers' group to discuss the impact and any possible mitigations of current gas issues on industrials. You also meet with the group on 5 May. We will discuss relevant work we have underway and next steps with you at our meeting with you on Monday 9 June 2025.</p>

Key actions tracker

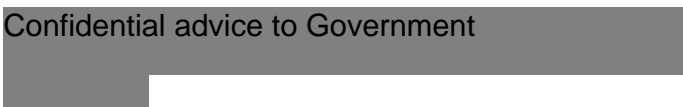
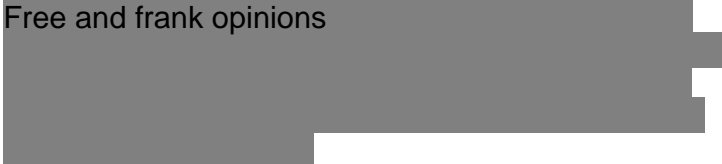
Action and outcome	Updates	Status and upcoming milestones
Electricity Market Review Independent review to advise on the impact of market structure, design, and rules on the electricity systems' performance	Confidential advice to Government	
Energy Competition Taskforce Joint EA and Commerce Commission investigation of options to improve competition and enable consumers to manage usage and costs	<p><i>1A Sleeving (firm generation) for PPAs:</i> The EA has decided to roll consideration of better access to PPAs under the level playing field (LPF) workstream (1CD) – as it considers non-discrimination measures are the best way to encourage more and faster new generation investment. Free and frank opinions</p> <p><i>No change: 1B Standardised flexibility contracts:</i> Initial offer rounds held. EA is monitoring liquidity (or lack of) and developing</p>	<p>On track</p> <p>EA consulting on Roadmap for industrial flexibility (demand response).</p>

Action and outcome	Updates	Status and upcoming milestones
	advice for its Board on next steps. Free and frank opinions [REDACTED]	The EA will delay next steps on its 1C+D level playing field consultation whilst it awaits information about the Review and ministers' views. On 2A+B+C, Code change decisions are expected in June 2025.
	1C+D sharing flexibility and level playing field measures: The EA is reviewing consultation submissions, Free and frank opinions [REDACTED]	
	2A+B+C Better compensating household power injection and time of use plans: Consultation closed 26 March. The Taskforce is now finalising proposals based on EA Board guidance. Confidential advice to Government [REDACTED]	
	No change: 2D Better compensating industrial flexibility (demand response): On 28 May the EA published its 'Roadmap for industrial demand flexibility'. In parallel the EA is developing an issues paper relating to industrial flexibility emergency reserve, aiming for publication in July.	
Carbon Capture and Storage (CCS) Creating an enabling regulatory regime for CCS which could improve the economics of gas production	At the end of March, you and the Minister for RMA reform and the Minister for the Environment agreed to a legislative approach for CCS that would involve the creation of bespoke legislation setting out the requirements that a CCS project must meet to gain approval. This would dovetail with and work alongside the current resource and marine consenting system. Since then, we have done further work with MfE on the detailed design of the regime. MfE officials consider that the most straightforward way to enable CCS is to use the new resource management regime being developed rather than establishing a bespoke regime as previously agreed to. You have received a briefing on 5 June.	On track Briefing provided setting out the detailed approach to the regulation of CCS.

Confidential advice to Government

Confidential advice to Government

Confidential advice to Government

Consumer demand response and Solar Develop package to improve consumer energy outcomes, improve access to finance and reduce install costs for rooftop solar and battery	No change this week. <i>Previous Update:</i> 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. Confidential advice to Government  We will provide follow up advice on all workstreams in due course.	On track
Rooftop solar and household batteries' impact on prices: Modelling the impact of rooftop solar and household batteries: wholesale level, transmission and distribution-level impacts, and impact on consumer bills	Work is near completion 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. Analysis is now also underway to assess the impact of higher uptake on distribution network costs. We are also finalising the scope for modelling that will combine the impact rooftop and batteries on wholesale, transmission and distribution network costs and the flow-through to consumer bills.	On track
Permitted Voltage Range 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 for approval through LEG in June. You are expected to announce the change in Auckland on 13 June.	On track
Electricity (Hazards from Trees) Regulations Phase 2 instructions to PCO and targeted engagement on Risk assessment factors underway Advice on planting restrictions in urban areas on Council land	We are currently preparing drafting instructions for PCO. Targeted engagement with a limited set of interested stakeholders is now underway and will include an in-person workshop mid-June, and a separate online workshop the following week. This will inform the final list of factors used to assess the impact and likelihood of a tree falling on an adjacent line. Free and frank opinions 	On track Preparing drafting instructions Targeted engagement on risk factors for the Treefall Hazard Notice power

Action and outcome	Updates	Status and upcoming milestones
Energy Strategy 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	
Offshore Renewable Energy	Following targeted consultation on the feasibility permit regulations and the scope of the first round, we are working on the next stage of advice to support the first round. We are also working to support the regulator on implementation planning.	On track
Confidential advice to Government		
Electricity and Gas Safety Standards Updating more than 400 references to international standards in the regulations. This includes new standards for solar and EV chargers, reducing costs.	Delays to Cabinet paper No change this week. <i>Previous update:</i> There have been some unexpected delays to drafting the standards update, as further technical input from WorkSafe was needed, as well as the time taken to draft the over 400 references. We now expect the changes to be considered by Cabinet Legislation Committee in June, with Gazettal in July and the regulations coming into effect from August. PCO has noted it will be able to meet these dates.	Delayed Regulations considered by LEG in June and then gazetted in July, as opposed to June previously planned.
Hydrogen regulations Delivering Hydrogen Action Plan commitment to amend safety regulations to enable hydrogen.	<i>Previous update:</i> We provided you and the Minister for Workplace Relations and Safety draft consultation materials for approval on 24 April. We have received your agreement to begin consultation. We are still awaiting confirmation of the WRS Minister's agreement. Your Office has re-provided the Paper to the WRS Minister's Office and we are awaiting confirmation of the WRS Minister's agreement.	Delayed
Hydrogen exports	No change this week: <i>Previous update:</i> We are awaiting further advice from Obayashi on whether New Zealand's certification approach is fit for purpose for exports.	On track
Woody Bioenergy Investigating barriers to the development of the domestic supply chain and export opportunities for woody bioenergy.	We have briefed you on a proposed cross-agency woody bioenergy work programme, for discussion at weekly officials.	On track

Action and outcome	Updates	Status and upcoming milestones
Led by other Ministerial portfolios		
Public EV Charging Funding Model 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. <div>Confidential advice to Government</div>	On track
Led by the Electricity Authority		
Electricity pipeline updates	The EA will provide information to you on its generation pipeline dataset, monthly.	Ongoing
Led by Transpower		
Transpower's Connections Queue for Generation – improvements to increase project throughput Run rate to start generation investigations (queue) up by 75% in 2025, on 2024. 22 investigation projects started, and 7 projects moved to delivery in 2025. Decrease of 15 projects in queue since January. 7 new applications received since January.	Transpower have provided the following update: Improving throughput: Implemented: <ul style="list-style-type: none"> Criteria for assessing project readiness throughout the end-to-end process are now being applied to investigations projects and at the queue stage to ensure projects are sufficiently defined and developed Stage-gating within investigation phase – starting work elements earlier pre-investigation for some customers where resources are available (while they wait in queue) Continuing to implement: <ul style="list-style-type: none"> Right-sizing investigations to meet customer needs and risk appetite Work started on: <ul style="list-style-type: none"> Standard equipment lists for standardised designs for greenfield substations – progressing Customer led investigation and delivery – options scoped, assessing implementation requirements. Prioritisation options within the queue (based on security of supply) – progressing Resourcing improvements: <ul style="list-style-type: none"> 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. Increasing use of direct award of projects below \$200k, bundling of projects, and award of larger projects further into the future. Awarding more work (as a programme) than can be delivered per EC so available resource isn't lost when delays occur. 	Ongoing
Industry developments		
Potential commercial deals to enhance winter security of supply <ul style="list-style-type: none"> Methanex gas deal Potential industry actions to improve security of supply including Huntly (Heads of Agreement) firming contracts Demand response deals 	Methanex gas deal: <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. <div>Commercial Information</div>	Ongoing

Action and outcome	Updates	Status and upcoming milestones
	<p>Commercial Information</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>Confidential advice to Government</p> <p>[REDACTED]</p> <p>Confidential advice to Government</p> <p><i>Demand response deals:</i></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>	
Gas exploration updates	<p>As previously reported, Todd reports the first of two new wells at Mangahewa have been completed and drilling has started on a third well. We understand the final development work on the new wells will be completed this month– we will update you when we have more information on the status of the new wells. 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 2025 and started a second at the end of February 2025. We understand they are planning two further wells later in 2025. As a private company Greymouth does not routinely release drilling results to the market.</p>	Ongoing

Stakeholder Updates

Title	Comment
<p>Aurora Energy seeking flexibility suppliers for network investment deferral</p> <p>Peter Bartlett Privacy of natural persons</p>	<p>You have indicated an interest in EDBs taking greater steps to utilise flexibility.</p> <p>Of note, last week at the Electrify Queenstown event, Aurora Energy (the region's distributor) launched an expression of interest for flexibility in the Queenstown and Upper Clutha areas. It is looking for flexibility that could help defer or avoid major network upgrades. This could include distributed generation and batteries, and also loads from businesses (such as dairy and irrigation) that can be reduced at peak times.</p>
<p>Hydrogen Council's H2 2 Zero Summit</p> <p>Peter Bartlett Privacy of natural persons</p>	<p>The Hydrogen Council's H2 2 Zero Summit was held on 28-29 May 2025. Following your opening speech attendees heard from a variety of speakers including domestic and international companies involved in the hydrogen and wider energy sectors, and a government panel with representatives from MFAT, MBIE, EECA and NZTE.</p> <p>Sentiment from the Summit was largely positive, though acknowledging the sector continued to face a number of challenges in relating to pricing and growing demand. Attendees appreciated the Government's responsiveness to the Hydrogen Industry Leadership Group's feedback on matters like the LEHVF fund, and the planned further policy work in issue areas like safety regulations. However, several speakers stated they considered government financial support remained a key factor in growing the sector. Support could be to increase demand for hydrogen and/or to make it more price competitive.</p> <p>Opportunities for New Zealand identified by speakers and panels included: developing hydrogen technologies and IP for export (with Fabrum being considered a model), becoming a centre for testing hydrogen technologies (such as emerging aviation) and the expected demand for green hydrogen imports from partners such as Japan and South Korea.</p>
<p>Reactions to the Lakes Operating Guidelines changes</p> <p>Tamara Linnhoff Privacy of natural persons</p>	<p>A group of stakeholders, including the founding Chair of the Guardians Sir Alan Mark and communities in the Waiau catchment, have raised concerns to the existing Guardians about the changes to the Operating Guidelines for Lakes Manapōuri and Te Anau.</p> <p>Their concerns appear to stem from a misunderstanding of changes to the drawdown rates for the Lakes. The revised Operating Guidelines allow slightly higher maximum drawdown rates for the initial bands of the Low Operating Ranges of each lake, but do <u>not</u> alter the rates for the lower bands of the Low Operating Ranges, as these stakeholders believe.</p> <p>Officials have provided a clarification for the Guardians to share with these stakeholders. However, it is likely you will receive requests to reverse the changes and replace the Guardians (who are appointed by the Minister for Conservation). Officials will support your office with these requests.</p>
<p>Transpower and EDBs' engagement with Google Tapestry X</p> <p>Tamara Linnhoff Privacy of natural persons</p>	<p>On 29 May 2025 you asked officials to follow up with Transpower and EDBs on their views relating to Google's Tapestry X network modelling tool.</p> <p>Commercial Information</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p>

	<p>Commercial Information</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
<p>Lodestone Energy announces first solar farm in South Island</p> <p>Tamara Linnhoff</p> <p>Privacy of natural persons</p>	<p>Lodestone Energy, one of the larger independent solar generators, is expanding into the South Island with a new solar farm in Clandeboye, Canterbury. Construction will begin this month with electricity generation expected by Q3 2026. The farm will produce 43 GWh of renewable energy annually, supporting Lodestone’s goal of having a ‘solar farm in every community.’ This marks the company’s fifth generation plant in five years, chosen to meet growing demand in the South Island and complement existing hydro resources.</p> <p>The project is backed by a \$50 million capital raise and expanded banking facilities with Westpac. Lodestone has partnered with Ethical Power for construction and will lease 42 hectares from Clearwater Farm, incorporating sheep grazing and native planting for environmental integration. Lodestone has signalled it plans further South Island sites.</p> <p>We calculate 43 GWh equates to serving over 6,000 average households, annually.</p>

Current appointments

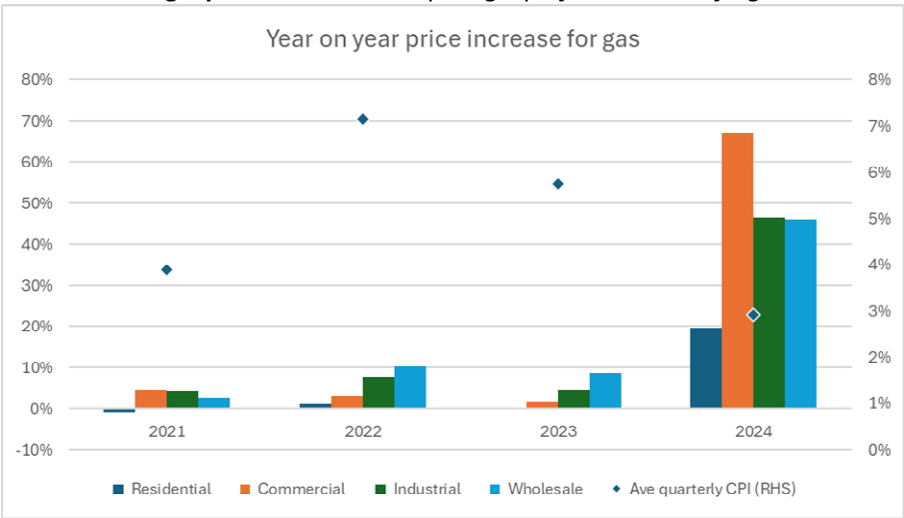
Confidential advice to Government

Upcoming appointments

Confidential advice to Government

Title	Comment																														
<div>Gas security of supply</div> <div>Dominic Kebbell</div> <div>Privacy of natural persons</div>	<p>Pohokura unplanned outage</p> <p>On 29 May OMV took one well out of production for a test but a weather event caused a power failure offshore causing two wells to fail. These outages have reduced production from around 45TJ/day to 25TJ/day. OMV expect full production to be restored by 13 June 2025. We will update you if there are any signs of the outage continuing past the expected resolution date.</p> <p>Gas market update – Increased hydro inflows calm the gas market</p> <p>Increased hydro inflows (as of 25 May at 92% of average for this time of year) have reduced gas use and calmed the market. Spot gas price has halved, down from around \$20/GJ at the start of May to \$10/GJ at the start of June. The use of gas for electricity generation has reduced with both Todd and Contact’s peakers winding down gas use. Huntley’s use has reduced slightly but still appears to be using enough gas to run the equivalent of Unit 5 (around 65TJ/day).</p> <p>It is likely the increased hydro inflows have also meant the gas from the Methanex gas has not been needed for generation. On 10 May Ahuroa storage use changed from daily withdrawals to daily increases in storage. The most recent increases in storage have been 65TJ/day – the maximum capacity of Ahuroa. The gas from the Methanex deal is around 50TJ/day.</p> <p>Correction for the gas price graph used in the security of supply briefing</p> <p>There was an error in the gas price graph we used in the security of supply overview briefing [REQ-0009089]. The error meant the scale of the change for 2024 was over estimated and the previous year-on-year estimates were incorrect. We have provided your office a revised briefing with the correct graph and associated paragraph for your information and circulation to interested colleagues.</p> <p>Below is the correct graph and text paragraph.</p> <div><p>Year on year price change for gas - adjusted for inflation</p><table><tr><th></th><th>2020</th><th>2021</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td>Residential</td><td>-4%</td><td>-2%</td><td>-2%</td><td>4%</td><td>3%</td></tr><tr><td>Commercial</td><td>8%</td><td>10%</td><td>21%</td><td>4%</td><td>8%</td></tr><tr><td>Industrial</td><td>5%</td><td>15%</td><td>17%</td><td>-12%</td><td>19%</td></tr><tr><td>Wholesale</td><td>-2%</td><td>21%</td><td>-2%</td><td>1%</td><td>25%</td></tr></table></div> <p>In 2024, we saw price increases for wholesale (25 per cent) industrial (19 per cent) and commercial (8 per cent) segments. Residential prices showed a small year-on-year increase (3 per cent).</p>		2020	2021	2022	2023	2024	Residential	-4%	-2%	-2%	4%	3%	Commercial	8%	10%	21%	4%	8%	Industrial	5%	15%	17%	-12%	19%	Wholesale	-2%	21%	-2%	1%	25%
	2020	2021	2022	2023	2024																										
Residential	-4%	-2%	-2%	4%	3%																										
Commercial	8%	10%	21%	4%	8%																										
Industrial	5%	15%	17%	-12%	19%																										
Wholesale	-2%	21%	-2%	1%	25%																										

The **incorrect graph** and associated paragraph from the briefing are below



(Para 15) In 2024, we saw significant price increases for wholesale (48 per cent) industrial (44 per cent) and commercial (58 per cent) segments. For the first time in recent years, residential prices showed a material year-on-year increase (17 per cent).

Electricity
security of supply

Tamara Linnhoff
Privacy of natural persons

ELECTRICITY CAPACITY (for the week to Sunday 1 June 2025)

Residual generation margins remained healthy last week with over 900 MW during all peaks. This was despite reduced thermal unit commitment last week in response to higher wind generation and reasonably low demand.

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

National hydro storage has increased from 92% to 93% of average for this time of year. South Island storage remained at 91% with minimal inflows. North Island storage is now above the average for this time of year: it has increased from 102% to 124% following high inflows into Lake Taupo.

ELECTRICITY ('ENERGY') SUPPLY RISK (at Sunday 1 June)

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

New Zealand Energy Risk



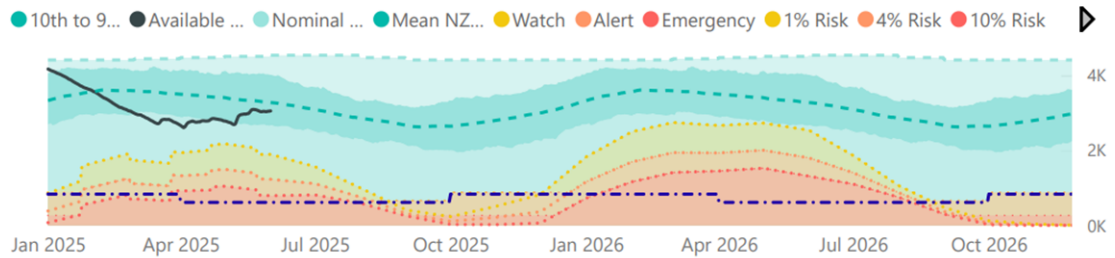
South Island Energy Risk



Normal Watch Alert Emergency

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

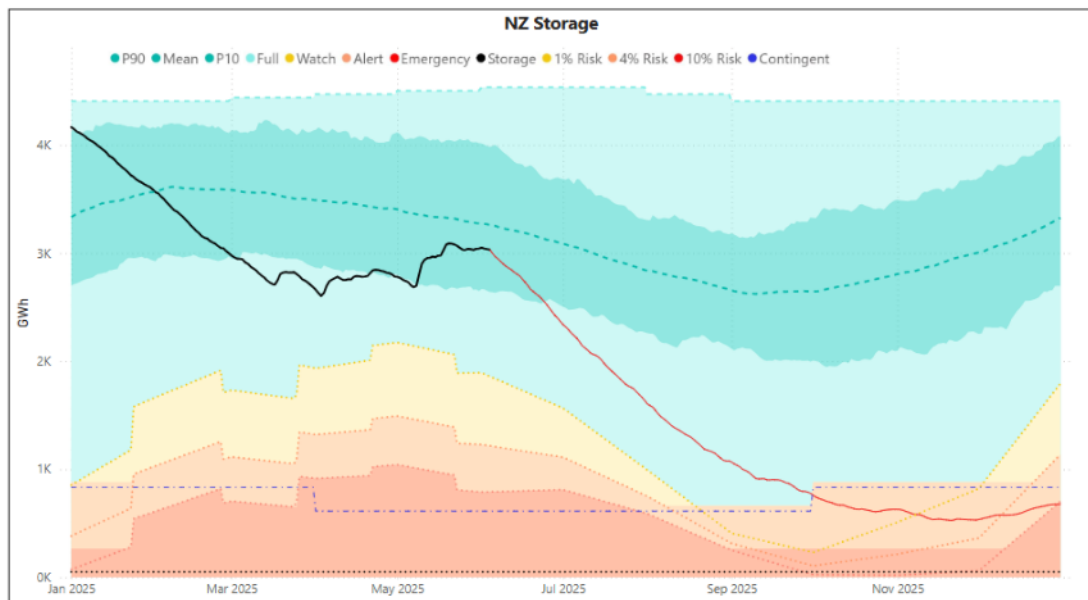
New Zealand Electricity Risk Status Curves (Available GWh)

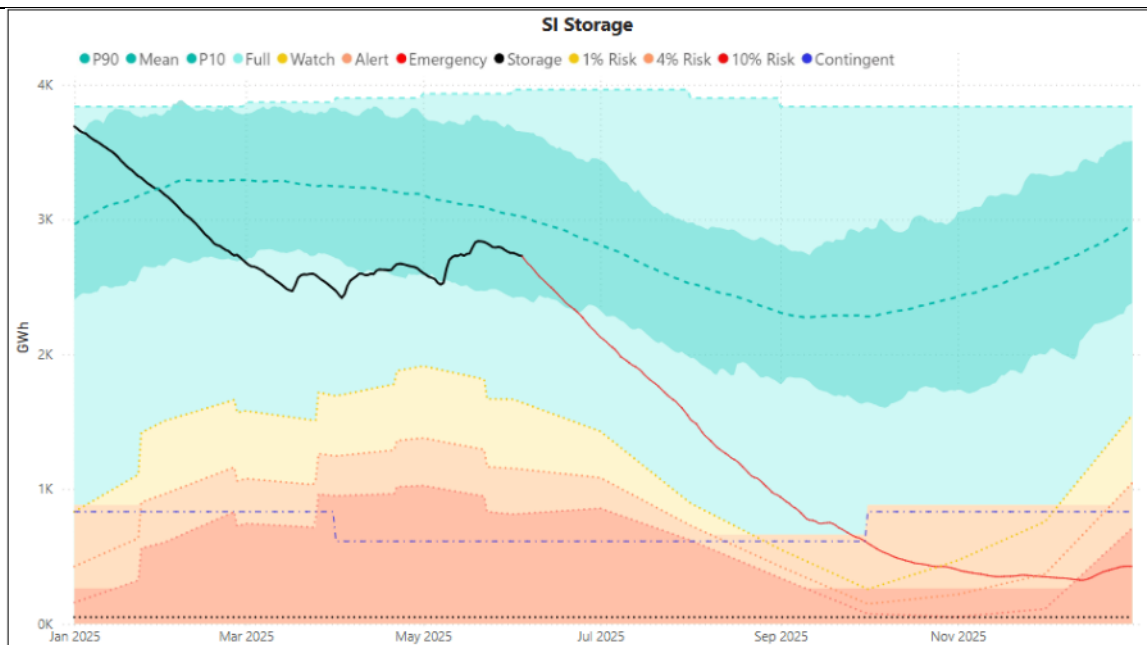


Source: System Operator, Market Operations - Weekly Market Movements

The System Operator's latest ERCs (shown below) were calculated using input data as of 15 May and published on 28 May. Commentary on that update is in the Weekly Report of 3 June 2025. The next ERC update is expected at the end of June.

You have asked us to report on the number of days until the NZ system hits energy risk curves – if it does not rain. Transpower have provided the following charts, that show the actual storage position (**black line**) and the **worst-case simulated storage trajectory (SST)** (**red line**) up until 2 June.





The May update of the ERCs and SSTs (published 28 May) includes the effects of the Contact-Methanex gas deal, improved hydro storage, and Genesis' announcement that it's Huntly Rankine unit 2 will retire in January 2026 (if the HOA firming options are *not* signed, which we consider is unlikely). The announced early return of NZAS load and the impact of the new Operating Guidelines at Manapouri will be incorporated in the June ERCs and SSTs.

Worst case inflows - Time to cross successive curves

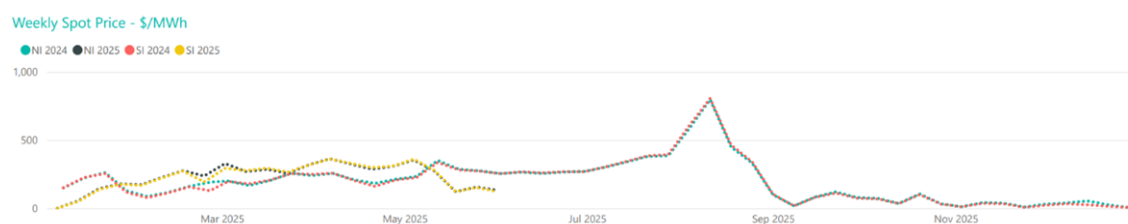
Region	Date Watch	Time to Watch	Date Alert	Time to Alert	Date Emergency	Time to Emergency
NZ	1/10/2025	119	1/10/2025	119	30/12/2025	209
SI	26/09/2025	114	26/09/2025	114	12/12/2025	191

This week the worst-case SST currently crosses the boundary of contingent storage on 26 September in the South Island and 1 October nationally. If this remains the case on 26 June, it will trigger the buffer discretion process which includes assessing if there are energy or capacity risks within the next three months. If these risks do exist, then it would trigger consultation on whether to make contingent storage access easier.

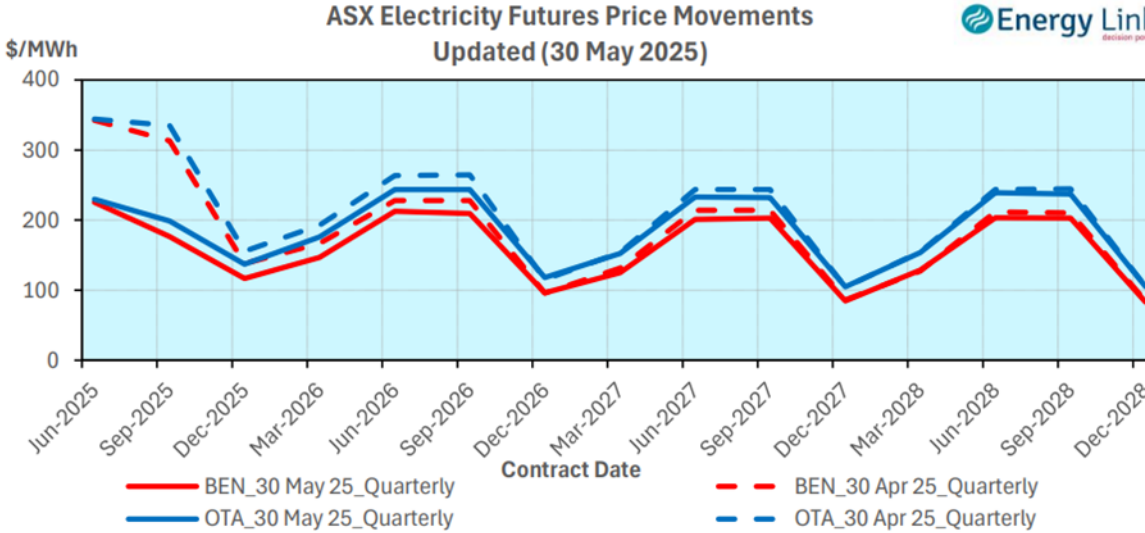
This also highlights the importance to security of supply in resolving the 'shadow' Tekapo constraint for winter 2025. This issue will be considered in the Security of Supply Forecasting Information Policy review led by Transpower and the Electricity Authority. The alternative approach to resolve this issue is via resource consents. MBIE officials are meeting with Environment Canterbury, Genesis and Transpower to discuss this issue.

WHOLESALE ELECTRICITY PRICES

Weekly Spot Price (week ended 1 June)



Source: System Operator, Market Operations - Weekly Market Movements

	<p>ASX Electricity Futures Prices (at last available 30 May 2025)</p>  <p>Source: Energy Link, Energy Trendz Weekly</p>
<p>Monthly Oil and Gas production data</p> <p>Karlene Tipler <small>Privacy of natural persons</small></p>	<p>We will be publishing the April 2025 update of our monthly oil and gas production data on Thursday 12 June 2025. Initial results provisionally show that net production of natural gas in April 2025 was 8.87 PJ, down 10% on April 2024 levels (9.89 PJ) and down 2% on March 2025 net production, continuing the observed downward trend in supply. Please note that some fields' production has been estimated pending data submission from field operators, and published figures may differ slightly from those quoted here.</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>
<p>Energy Quarterly Q1 2025 Release</p> <p>Karlene Tipler <small>Privacy of natural persons</small></p>	<p>MBIE will release the latest New Zealand Energy Quarterly (NZEQ) on Thursday 12 June 2025. The NZEQ provides quarterly data and analysis on energy supply, demand, prices, and associated greenhouse gas emissions. This release covers data from 01 January to 31 March 2025.</p> <p>Unless stated otherwise, all changes are in comparison to the March 2024 quarter.</p> <p>Electricity</p> <ul style="list-style-type: none"> • March 2025 quarter saw below average hydro inflows, with Transpower indicating that inflows in January and February were the lowest on record for these months. • Hydro generation was down 15.1%, the lowest quarterly hydro generation since the June 2012 quarter, and the lowest March quarter generation since 1987. There was a similar downturn in wind generation, falling 21.1%. Coal and gas fired generation increased 54.4% and 1% respectively to compensate. • Renewable share of generation was still 83.2% this quarter, compared to the 64.7% share in June 2012 quarter. • Geothermal generation picked up some of the slack, up 20.4%, largely due to new geothermal capacity coming online last year. • Solar generation was also up 60.7%, contributing to this increase was the first solar farm directly connected to the national grid coming online. • Total electricity consumption for the quarter was 9,250 GWh, down 3.1%.

	<ul style="list-style-type: none"> Electricity consumption from Agriculture, Forestry and Fishing fell 15.4%, Commercial fell 2%, Industrial fell 2.3%, and Residential stayed relatively steady with a 0.8% decline. <p>Energy Prices</p> <ul style="list-style-type: none"> Residential electricity costs, for the year ending March 2025, increased slightly by 1.5% (.52 c/kwh), when adjusted for inflation. Natural gas costs saw rises across all sectors. After adjusting for inflation, Residential was up 18.5%, Commercial up 20.5%, Industrial up 14.9%, and Wholesale up 12.8%. Petrol and diesel prices, however, decreased 5.1% and 9.8%. This can be attributed to crude oil prices falling and the removal of the Auckland Regional Fuel tax in June 2024. <p>Petroleum and Coal</p> <ul style="list-style-type: none"> Net gas production was down 19%, with negative stock change indicating withdrawals from Ahuroa gas storage to meet demand. With Methanex still ramping up production overall gas non-energy use was down 33%, and energy end use down 12%, driven by a drop in chemical sector energy end use. Fuel imports and consumption both decreased by 1%. Jet fuel use was down 3%, mainly due to a drop in international transport (down 4%). With the Stockton railway open, coal exports were up 97% on the previous quarter and 23% on March 2024. Following Genesis' stockpile increase, imports were down 8%. Overall non-electricity coal consumption continued its long-term decline, down 28%, again mainly due to less coal use by the Dairy Products sector. <p>Next Steps</p> <p>Energy Quarterly will be released on 12 June 2025 with a coinciding media release. Associated communications material will be provided to your office 24 hours prior to release.</p>
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Upcoming Ministerial Items

1. Upcoming Energy meetings

Meeting date	Meeting	Details
Monday 9 June 2025 10:00 am – 10:45 am	Offshore Wind Investor Group Roundtable	Briefing Due: 6 June 2025 Officials required: Justine Cannon, Melanee Beatson, Daniel Brown
Monday 9 June 2025 2:00 pm – 2:30 pm	Millari NZ	Briefing Due: 6 June 2025 Officials required: Scott Russell
Tuesday 10 June 2025 8:00 am – 9:30 am	Chapman Trip Energy Roundtable	Briefing Due: 6 June 2025 Officials required: NA
Friday 13 June 2025 5:00 pm – 6:00 pm	Estimates Prep	Briefing Due: N/A Officials required: Carolyn Tremain, Paul Stocks, Justine Cannon, Sharon Corbett, Peter Bartlett, Tamara Linnhoff, Rebecca Heerdegen, Dominic Kebbell, Daniel Brown, Scott Russell

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
9 June 2025	SW25-213	Privacy of natural persons	Energy affordability
9 June 2025	SW25-216		Te Wai smelter
12 June 2025	SW25-222		Rooftop solar energy
12 June 2025	SW25-223		Transpower
12 June 2025	SW25-224		Gas supply
13 June 2025	SW25-231		Letter of thanks and request feedback on any regulatory changes to support their business economic growth

5. Output plan

Confidential advice to Government

Confidential advice to Government



Energy Portfolio Weekly Report

Week commencing: 16/06/2025

Priority: Medium

Security classification: In Confidence

Tracking number: BRIEFING-REQ-0015717

Recipient

Action sought

**HON SIMON WATTS
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

13 June 2025

Minister's comments:

**Energy Portfolio
Officials' Meeting Agenda
3:00pm – 3:45pm Tuesday, 17 June 2025**

Item	Subject	People	Oral Item / Paper #	Action Required
1.	Confidential advice to Government			
2.	Gas market	Rebecca Heerdegen Dominic Kebbell Scott Russell	BRIEFING-REQ-0012813 BRIEFING-REQ-0015942 A3	Discussion
3.	Offshore Renewable Energy	Melanee Beatson	A3	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
Sharon Corbett	Policy Director, Energy Markets
Rebecca Heerdegen	Policy Director, Energy Markets
Dominic Kebbell	Manager, Gas and Fuel Supply Policy
Melanee Beatson	Manager, Offshore Renewable Energy and Hydrogen
Scott Russell	Manager, Energy Use Policy

Key Updates

Title	Comment
<div>Implementing Electrify NZ</div> <div>Daniel Brown</div> <div>Privacy of natural persons</div>	<p>Consultation on updated RMA national direction, including renewable electricity and electricity networks direction, commenced on 29 May 2025. Consultation will run for 8 weeks, and officials will workshop the proposals with stakeholders over this period. We will keep you updated on any key feedback from the sector. The revised national direction should be in place by the end of 2025.</p> <p>The Resource Management (Consenting and Other System Changes) Amendment Bill is on track to be enacted by late August 2025. This Bill implements some Electrify NZ proposals including one-year consent decisions for energy projects, and default 35-year consent durations. You have requested a meeting with the Minister for Resource Management Reform to discuss interactions between resource management reform and the Electrify NZ programme – timing is yet to be confirmed.</p> <p>An update on Fast-track projects is provided in the Stakeholder Updates section below.</p>
<div>New permitting regime for offshore renewable energy</div> <div>Melanee Beatson</div> <div>Privacy of natural persons</div>	<p>The Transport and Infrastructure Select Committee completed its deliberation on the Offshore Renewable Energy Bill on 10 June 2025. Once the Committee has reported back to the House (expected by 17 June 2025), we will provide you with a copy of the Committee’s report and the RT version of the Bill.</p>
<div>Review of electricity market performance</div> <div>Sharon Corbett</div> <div>Privacy of natural persons</div>	<div>Confidential advice to Government</div>

Key actions tracker

Action and outcome	Updates	Status and upcoming milestones
Electricity Market Review Independent review to advise on the impact of market structure, design, and rules on the electricity systems' performance	Confidential advice to Government	
Energy Competition Taskforce Joint EA and Commerce Commission investigation of options to improve competition and enable consumers to manage usage and costs	1A Sleeving (firm generation) for PPAs: No change: The EA has decided to roll consideration of better access to PPAs under the level playing field (LPF) workstream (1CD) – as it considers non-discrimination measures are the best way to encourage more and faster new generation investment. Free and frank opinions	On track EA consulting on Roadmap for industrial flexibility (demand response). The EA has delayed next steps on its 1C+D level playing field consultation for 6 weeks whilst it awaits information about the Review and ministers' views. On 2A+B+C, Code change decisions are expected in June 2025.
	1B Standardised flexibility contracts: No change: Initial offer rounds held. EA is monitoring liquidity (or lack of) and developing advice for its Board on next steps. Free and frank opinions	
	1C+D sharing flexibility and level playing field measures: No change: The EA is reviewing consultation submissions, Free and frank opinions	
	2A+B+C Better compensating household power injection and time of use plans: Consultation closed 26 March. The Taskforce is now finalising proposals based on EA Board guidance. Confidential advice to Government	
	2D Better compensating industrial flexibility (demand response): No change: On 28 May the EA published its 'Roadmap for industrial demand flexibility'. In parallel the EA is developing an issues paper relating to industrial flexibility emergency reserve, aiming for publication in July.	
Carbon Capture and Storage (CCS) Creating an enabling regulatory regime for CCS which could improve the economics of gas production	At the end of March, you and the Minister for RMA reform and the Minister for the Environment agreed to a legislative approach for CCS that would involve the creation of bespoke legislation setting out the requirements that a CCS project must meet to gain approval. This would dovetail with and work alongside the current resource and marine consenting system. Since then, we have done further work with MfE on the detailed design of the regime. MfE officials consider that the most	On track

Action and outcome	Updates	Status and upcoming milestones
	straightforward way to enable CCS is to use the new resource management regime being developed rather than establishing a bespoke regime as previously agreed to. You received a briefing on this earlier this month and agreed to the proposed approach.	

Confidential advice to Government

Confidential advice to Government

Consumer demand response and Solar Develop package to improve consumer energy outcomes, improve access to finance and reduce install costs for rooftop solar and battery	No change this week. You announced the permitted voltage range and building consent changes on Friday 13 June. <i>Previous Update:</i> 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. Confidential advice to Government [REDACTED] We will provide follow up advice on all workstreams in due course.	On track
Rooftop solar and household batteries' impact on prices: Modelling the impact of rooftop solar and household batteries: wholesale level, transmission and distribution-level impacts, and impact on consumer bills	Work is near completion 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. Analysis is now also underway to assess the impact of higher uptake on distribution network costs. We are also finalising contracts for modelling that will combine the impact rooftop and batteries on wholesale, transmission and distribution network costs and the flow-through to consumer bills.	On track
Permitted Voltage Range Changing regulations to expand the permitted fluctuation range on low voltage electricity networks to permit more solar injection and EV charging	You announced the decision on 13 June. The Electricity Authority has also written to EDBs to outline their expectation they will implement the change once it is in force. The regulations for this change are incorporated in the LEG paper updating electricity safety standards noted in the item below (expected for LEG in June). From next week we will remove this item.	Concluded

Action and outcome	Updates	Status and upcoming milestones
Electricity (Hazards from Trees) Regulations Phase 2 instructions to PCO and targeted engagement on Risk assessment factors underway Advice on planting restrictions in urban areas on Council land	We are currently preparing drafting instructions for PCO. Targeted engagement with a limited set of interested stakeholders is now underway. We have had strong interest in the forthcoming workshops. This engagement will inform the final list of factors used to assess the impact and likelihood of a tree falling on an adjacent line. Free and frank opinions	On track Preparing drafting instructions Targeted engagement on risk factors for the Treefall Hazard Notice power
Energy Strategy 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	
Offshore Renewable Energy	Confidential advice to Government Following targeted consultation on the feasibility permit regulations and the scope of the first round, we are working on the next stage of advice to support the first round. We are also working to support the regulator on implementation planning.	On track
Confidential advice to Government		
Electricity and Gas Safety Standards (including permitted voltage range) Updating more than 400 references to international standards in the regulations. This includes new standards for solar and EV chargers, reducing costs	No change this week. <i>Previous update:</i> There have been some unexpected delays to drafting the standards update, as further technical input from WorkSafe was needed, as well as the time taken to draft the over 400 references. We now expect the changes to be considered by Cabinet Legislation Committee in June, with Gazettal in July and the regulations coming into effect from August. PCO has noted it will be able to meet these dates.	On track Regulations considered by LEG in June and then gazetted in July.
Hydrogen regulations	We received the Minister for Workplace Relations and Safety's approval to begin targeted consultation on 12 June. We have	On track

Action and outcome	Updates	Status and upcoming milestones
Delivering Hydrogen Action Plan commitment to amend safety regulations to enable hydrogen.	emailed stakeholders including the Hydrogen Council with consultation materials with a six week response period beginning from Monday 16 June. Following receiving submissions we will update you on intended timeframes for seeking policy decisions for the proposed changes.	
Hydrogen exports	We are awaiting further advice from Obayashi on whether New Zealand's certification approach is fit for purpose for exports. Confidential advice to Government	On track
Woody Bioenergy Investigating barriers to the development of the domestic supply chain and export opportunities for woody bioenergy.	You and the Minister of Forestry have agreed to a cross-agency woody bioenergy work programme. Agencies are now working to implement the actions. Confidential advice to Government	On track
Led by other Ministerial portfolios		
Public EV Charging Funding Model 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 have provided you with a copy of the Final Cabinet paper amending appropriations to account for the new model on 12 June.	On track
Led by the Electricity Authority		
Electricity pipeline updates	The EA will provide information to you on its generation pipeline dataset, monthly.	Ongoing
Led by Transpower		
Transpower's Connections Queue for Generation – improvements to increase project throughput Run rate to start generation investigations (queue) up by 75% in 2025, on 2024. 23 investigation projects started, and 7 projects moved to delivery in 2025. Decrease of 15 projects in queue since January. 8 new applications received since January.	Transpower have provided the following update: <u>Improving throughput:</u> Implemented: <ul style="list-style-type: none"> Criteria for assessing project readiness throughout the end-to-end process now being applied to investigations projects and at the queue stage to ensure projects are sufficiently defined and developed Stage-gating within investigation phase – starting work elements earlier pre-investigation for some customers where resources are available (while they wait in queue). Work continuing to implement: <ul style="list-style-type: none"> Right-sizing investigations to meet customer needs and risk appetite. Work started on: <ul style="list-style-type: none"> Standard equipment lists for standardised designs for greenfield substations – progressing Customer led investigation and delivery – options scoped, assessing implementation requirements. Prioritisation options within the queue (based on security of supply) – progressing Implementing a formal offer/acceptance for all projects before progressing to investigation. 	Ongoing

Action and outcome	Updates	Status and upcoming milestones
	Resourcing improvements: <ul style="list-style-type: none"> Optimising work award processes to engineering consultants (ECs) to improve utilisation and to support ECs growing their resources. Using firms outside our EC panel (10 on panel) where they have resource availability. Increasing use of direct award of projects below \$200k, bundling of projects, and award of larger projects further into the future. Awarding more work (as a programme) than can be delivered per EC so available resource isn't lost when delays occur. 	
Industry developments		
Potential commercial deals to enhance winter security of supply <ul style="list-style-type: none"> Methanex gas deal Potential industry actions to improve security of supply including Huntly (Heads of Agreement) firming contracts Demand response deals 	<p>Methanex gas deal:</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>Commercial Information</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>Confidential advice to Government</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>Demand response deals:</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>As previously reported, Todd reports the first of two new wells at Mangahewa have been completed and drilling has started on a third well. We understand the final development work on the new wells will be completed this month – we will update you when we have more information on the status of the new wells. 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 2025 and started a second at the end of February 2025. We understand they are planning two further wells later in 2025. As a private company Greymouth does not routinely release drilling results to the market.</p>	Ongoing

Title

Comment

Commercial Information

<p>Helios solar farm first to receive ministerial referral under new Fast-track</p> <p>Tamara Linnhoff Privacy of natural persons</p>	<p>Helio Energy's 300MW 'Grampians' solar farm near Lake Tekapo has received a ministerial referral for consent under the Fast-track Approvals Act (the Act).</p> <p>The \$450 million project will be four times larger than any existing solar farm. Its scale, strategic location in one of the country's highest solar irradiance locations, and close proximity to the national grid mean it is expected to power approximately 70,000 homes and create 300 jobs during construction. Grampians includes a co-located 100MWh battery. Helios must lodge a substantive application by 15 May 2027 and is aiming for completion by the end of the decade.</p>
<p>'Minimum flow' consent conditions and hydro generation flexibility</p> <p>Tamara Linnhoff Privacy of natural persons</p>	<p>You asked for advice on altering minimum river flows in hydro generation catchments after reading Forsyth Barr's June Power Points report "Water Worries Washed Away".</p> <p>The report notes that relaxing minimum flow conditions has the potential to enable more flexible operation of a power scheme - such as enabling higher generation during a daily peak offset by lower generation overnight. This could be a benefit to the power system and electricity consumers (meeting peak demand at lower cost) but would need to be weighed against any impact on river health and downstream water users. Hydro generation operators (Contact Energy, Meridian Energy and Genesis Energy) can seek changes to their existing minimum river flow conditions during current or planned applications for resource consents under the Fast-track Approvals Act. We will monitor and keep you informed.</p>

Confidential advice to Government

Other Updates

Title	Comment																																																																																										
<div>Gas security of supply</div> <div>Dominic Kebbell</div> <div>Privacy of natural persons</div>	<p>The Todd Corporation has been granted a 36-year petroleum mining permit over the undeveloped Kārewa offshore gas field. The field is 45km southwest of Raglan and has been estimated to hold approximately 155 PJ of 2C contingent resources. Todd says the field can potentially contribute to New Zealand's energy security from the early 2030s, while saying that any future development of Kārewa “would be subject to regulatory approvals and engagement with iwi and hapū and is not expected before the early 2030s”.</p> <p>The new permit allows Todd to access the Kārewa area to undertake technical and commercial evaluations to update a feasibility study on the field’s development, which Todd has five years to do. Todd may potentially coordinate developing the Kārewa field with OMV’s development of the Pohokura field.</p> <p>Separately, Todd received an extension to its McKee mining licence in onshore Taranaki until 2036. Todd says that allows for continued production of the McKee field and flexibility to pursue development and appraisal opportunities.</p>																																																																																										
<div>Electricity security of supply</div> <div>Tamara Linnhoff</div> <div>Privacy of natural persons</div>	<p>ELECTRICITY CAPACITY (for the week to Sunday 8 June 2025)</p> <p>Residual generation margins were relatively healthy last week with over 700 MW of residual generation during all peaks. The lowest residual point was 716 MW during the evening peak on Sunday 8 June during a period of low wind generation and high demand due to cold weather.</p> <p>The N-1-G margin is sufficient to meet peak demand in the look-ahead through to end of July 2025:</p> <p>NZGB Look-Ahead (excluding next 7 days)</p> <table border="1"><caption>N-1-G Margin (MW) Data (Approximate)</caption><thead><tr><th>Date</th><th>N-1-G Margin (MW)</th></tr></thead><tbody><tr><td>22 Jun</td><td>500</td></tr><tr><td>23 Jun</td><td>600</td></tr><tr><td>24 Jun</td><td>700</td></tr><tr><td>25 Jun</td><td>1000</td></tr><tr><td>26 Jun</td><td>1000</td></tr><tr><td>27 Jun</td><td>800</td></tr><tr><td>28 Jun</td><td>400</td></tr><tr><td>29 Jun</td><td>400</td></tr><tr><td>30 Jun</td><td>500</td></tr><tr><td>01 Jul</td><td>600</td></tr><tr><td>02 Jul</td><td>600</td></tr><tr><td>03 Jul</td><td>600</td></tr><tr><td>04 Jul</td><td>600</td></tr><tr><td>05 Jul</td><td>800</td></tr><tr><td>06 Jul</td><td>1000</td></tr><tr><td>07 Jul</td><td>800</td></tr><tr><td>08 Jul</td><td>500</td></tr><tr><td>09 Jul</td><td>500</td></tr><tr><td>10 Jul</td><td>500</td></tr><tr><td>11 Jul</td><td>500</td></tr><tr><td>12 Jul</td><td>500</td></tr><tr><td>13 Jul</td><td>1000</td></tr><tr><td>14 Jul</td><td>800</td></tr><tr><td>15 Jul</td><td>500</td></tr><tr><td>16 Jul</td><td>500</td></tr><tr><td>17 Jul</td><td>500</td></tr><tr><td>18 Jul</td><td>500</td></tr><tr><td>19 Jul</td><td>1000</td></tr><tr><td>20 Jul</td><td>800</td></tr><tr><td>21 Jul</td><td>500</td></tr><tr><td>22 Jul</td><td>500</td></tr><tr><td>23 Jul</td><td>500</td></tr><tr><td>24 Jul</td><td>500</td></tr><tr><td>25 Jul</td><td>500</td></tr><tr><td>26 Jul</td><td>1200</td></tr><tr><td>27 Jul</td><td>1000</td></tr><tr><td>28 Jul</td><td>500</td></tr><tr><td>29 Jul</td><td>500</td></tr><tr><td>30 Jul</td><td>500</td></tr><tr><td>31 Jul</td><td>500</td></tr><tr><td>01 Aug</td><td>500</td></tr><tr><td>02 Aug</td><td>1200</td></tr><tr><td>03 Aug</td><td>1000</td></tr><tr><td>04 Aug</td><td>500</td></tr></tbody></table> <p>Source: System Operator, Market Operations - Weekly Market Movements</p> <p>ENERGY (HYDRO) STORAGE RELATIVE TO MEAN (for the week to 8 June)</p> <p>National hydro storage has increased to 95% of the historic mean this week from 93% the week prior. South Island hydro storage lifted slightly to 92%, from 91% the week prior. North</p>	Date	N-1-G Margin (MW)	22 Jun	500	23 Jun	600	24 Jun	700	25 Jun	1000	26 Jun	1000	27 Jun	800	28 Jun	400	29 Jun	400	30 Jun	500	01 Jul	600	02 Jul	600	03 Jul	600	04 Jul	600	05 Jul	800	06 Jul	1000	07 Jul	800	08 Jul	500	09 Jul	500	10 Jul	500	11 Jul	500	12 Jul	500	13 Jul	1000	14 Jul	800	15 Jul	500	16 Jul	500	17 Jul	500	18 Jul	500	19 Jul	1000	20 Jul	800	21 Jul	500	22 Jul	500	23 Jul	500	24 Jul	500	25 Jul	500	26 Jul	1200	27 Jul	1000	28 Jul	500	29 Jul	500	30 Jul	500	31 Jul	500	01 Aug	500	02 Aug	1200	03 Aug	1000	04 Aug	500
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Island storage increased from 124% to 145% last week as heavy rain resulted in high North Island inflows.

ELECTRICITY ('ENERGY') SUPPLY RISK (at 8 June)

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

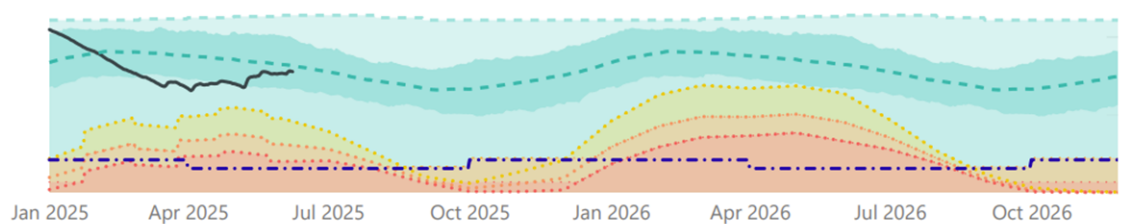


Normal Watch Alert Emergency

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

New Zealand Electricity Risk Status Curves (Available GWh)

10th to 9... Available ... Nominal ... Mean NZ... Watch Alert Emergency 1% Risk 4% Risk 10% Risk

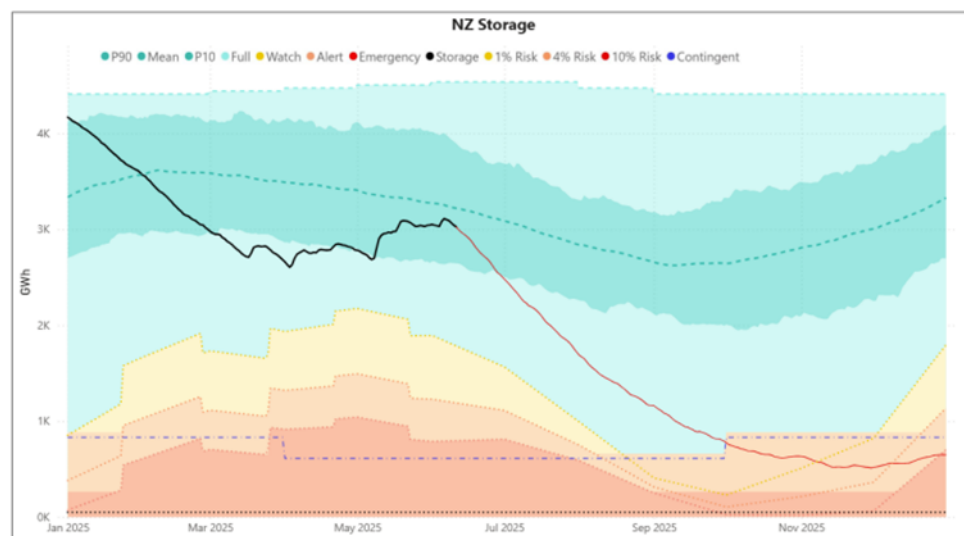


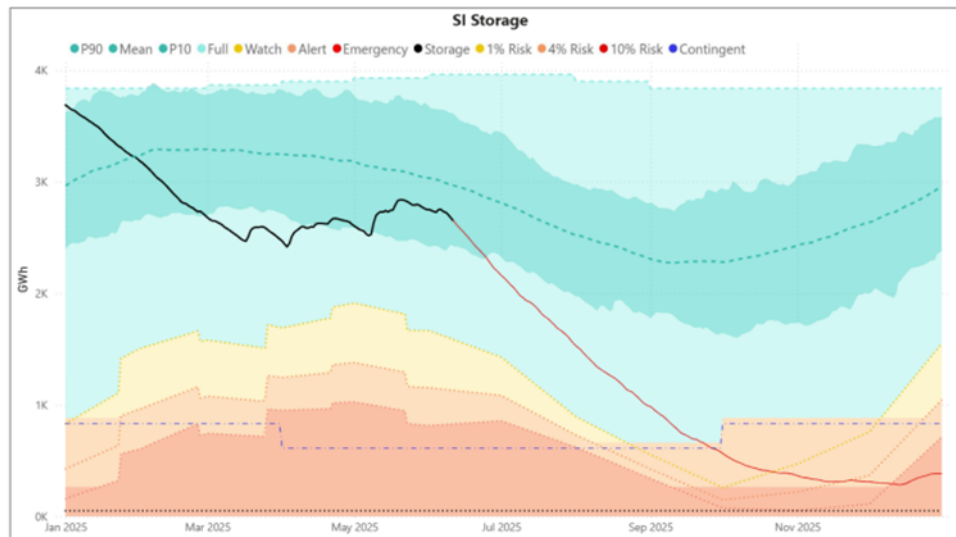
Source: System Operator, Market Operations - Weekly Market Movements

The System Operator last updated the ERCs on **28 May**, using input data as of **15 May**. Commentary on that update is in the Weekly Report of 3 June 2025. The next ERC update is expected at the end of June.

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

The May update of the ERCs and SSTs includes the effects of the Contact-Methanex gas deal, improved hydro storage, and the announced retirement of a Huntly Rankine unit in January 2026. The announced early return of NZAS load will be incorporated in the June ERCs and SSTs.





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	112	1/10/2025	112	29/12/2025	201
SI	23/09/2025	104	23/09/2025	104	11/12/2025	183

This week the worst-case SST crosses the boundary of contingent storage on 23 September in the South Island and 1 October nationally. If this were to be the case on 23 June, it would trigger the buffer discretion process which includes assessing if there are energy or capacity risks within the next three months. If these risks exist, then it would trigger consultation on whether to make contingent storage access easier. This also highlights the importance to security of supply in resolving the 'shadow' Tekapo constraint for winter 2025. If worst case inflows were to persist, storage could hit the Emergency status curve in December 2025.

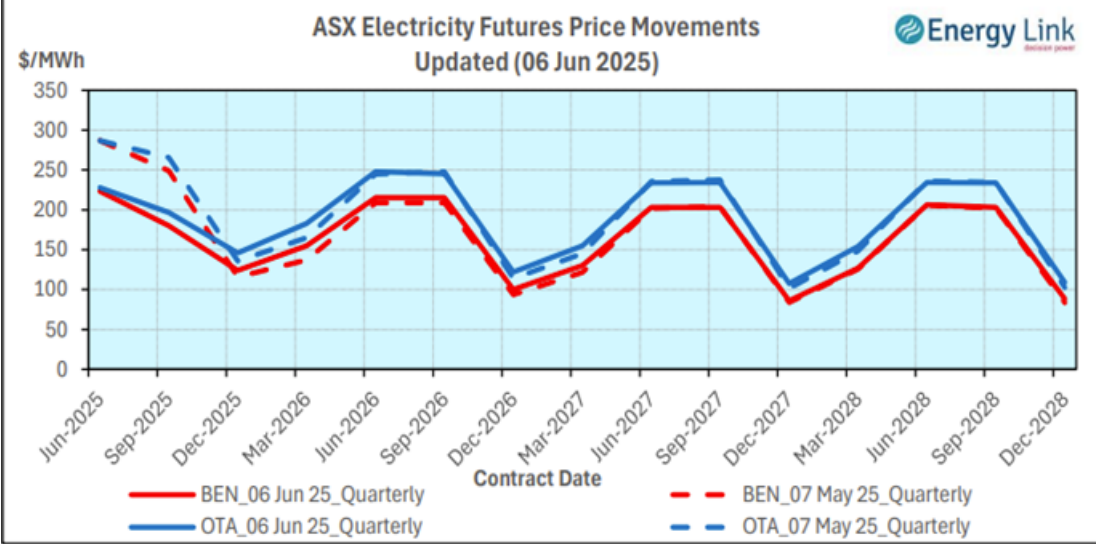
WHOLESALE ELECTRICITY PRICES

Weekly Spot Price (week ended 8 June)



Source: System Operator, Market Operations - Weekly Market Movements

ASX Electricity Futures Prices (at last available 6 June 2025)

	<div><div>ASX Electricity Futures Price Movements Updated (06 Jun 2025)</div><div><table><caption>Estimated ASX Electricity Futures Price Movements (\$/MWh)</caption><tr><th>Contract Date</th><th>BEN_06 Jun 25_Quarterly</th><th>BEN_07 May 25_Quarterly</th><th>OTA_06 Jun 25_Quarterly</th><th>OTA_07 May 25_Quarterly</th></tr><tr><td>Jun-2025</td><td>220</td><td>230</td><td>230</td><td>240</td></tr><tr><td>Sep-2025</td><td>180</td><td>190</td><td>190</td><td>200</td></tr><tr><td>Dec-2025</td><td>120</td><td>130</td><td>130</td><td>140</td></tr><tr><td>Mar-2026</td><td>140</td><td>150</td><td>150</td><td>160</td></tr><tr><td>Jun-2026</td><td>210</td><td>220</td><td>220</td><td>230</td></tr><tr><td>Sep-2026</td><td>210</td><td>220</td><td>220</td><td>230</td></tr><tr><td>Dec-2026</td><td>100</td><td>110</td><td>110</td><td>120</td></tr><tr><td>Mar-2027</td><td>130</td><td>140</td><td>140</td><td>150</td></tr><tr><td>Jun-2027</td><td>200</td><td>210</td><td>210</td><td>220</td></tr><tr><td>Sep-2027</td><td>200</td><td>210</td><td>210</td><td>220</td></tr><tr><td>Dec-2027</td><td>90</td><td>100</td><td>100</td><td>110</td></tr><tr><td>Mar-2028</td><td>120</td><td>130</td><td>130</td><td>140</td></tr><tr><td>Jun-2028</td><td>200</td><td>210</td><td>210</td><td>220</td></tr><tr><td>Sep-2028</td><td>200</td><td>210</td><td>210</td><td>220</td></tr><tr><td>Dec-2028</td><td>80</td><td>90</td><td>90</td><td>100</td></tr></table></div><p>Source: Energy Link, Energy Trendz Weekly</p></div>	Contract Date	BEN_06 Jun 25_Quarterly	BEN_07 May 25_Quarterly	OTA_06 Jun 25_Quarterly	OTA_07 May 25_Quarterly	Jun-2025	220	230	230	240	Sep-2025	180	190	190	200	Dec-2025	120	130	130	140	Mar-2026	140	150	150	160	Jun-2026	210	220	220	230	Sep-2026	210	220	220	230	Dec-2026	100	110	110	120	Mar-2027	130	140	140	150	Jun-2027	200	210	210	220	Sep-2027	200	210	210	220	Dec-2027	90	100	100	110	Mar-2028	120	130	130	140	Jun-2028	200	210	210	220	Sep-2028	200	210	210	220	Dec-2028	80	90	90	100
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<div><div>Further advice on biogas</div><div>Dominic Kebbell</div><div>Privacy of natural persons</div></div>	<div><div>You requested officials work up options for you to announce as part of your Ministerial opening address at the Biogas Bridge Forum on 17 July 2025.</div><div>We expect to provide you with these options, including further advice on our proposed biogas work programme on the week of 23 June.</div></div>																																																																																

Upcoming Ministerial Items

1. Upcoming Energy meetings

Meeting date	Meeting	Details
Tuesday 17 June 2025 12:30 pm – 1:00 pm	Qantas	Briefing Due: N/A Officials required: Dominic Kebbell
Tuesday 17 June 2025 4:00 pm – 4:20 pm	ComCom Fortnightly meeting	Briefing Due: N/A Officials required: Justine Cannon
Tuesday 17 June 2025 4:20 pm – 4:40 pm	EA Fortnightly meeting	Briefing Due: N/A Officials required: Justine Cannon
Tuesday 17 June 2025 4:40 pm – 5:00 pm	Transpower Fortnightly meeting	Briefing Due: N/A Officials required: Justine Cannon
Wednesday 18 June 2025 10:00 am – 11:00 am	Contact Energy Board Meeting	Briefing Due: 11 June 2025 Officials required: Justine Cannon
Wednesday 18 June 2025 7:00 pm – 8:00 pm	Infrastructure and Investment Minister's Group	Briefing Due: N/A Officials required: NA
Thursday 19 June 2025 10:40 am – 11:55 am	Energy Portfolio Estimates hearing	Briefing Due: various briefings already sent Officials required: Paul Stocks, Justine Cannon, Sharon Corbett, Rebecca Heerdegen, Peter Bartlett
Thursday 19 June 2025 2:45 pm - 3:45 pm	Gas Industry Co. Board Meeting	Briefing Due: 12 June 2025 Officials required: Justine Cannon, Dominic Keeble

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
17 June 2025	29856	Francisco Hernandez	How many graduate positions, if any, were there in the Minister's departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, as of 1 June 2025?
17 June 2025	29857	Francisco Hernandez	How many graduate positions, if any, were there in the Minister's departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, as of 1 December 2024?
17 June 2025	29859	Francisco Hernandez	How many graduate positions, if any, were there in the Minister's departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, as of 1 June 2024?
17 June 2025	29860	Francisco Hernandez	How many graduate positions, if any, were there in the Minister's departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, as of 1 December 2023?
17 June 2025	29864	Francisco Hernandez	How many graduate positions, if any, were there in the Minister's departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, as of 1 June 2023?

Due to Minister	Number	Member	Question
17 June 2025	29867	Francisco Hernandez	How many graduate positions, if any, were there in the Minister's departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, as of 1 December 2022?
17 June 2025	30080	Francisco Hernandez	How many graduate positions, if any, were there in the Minister's departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, as of 1 December 2021?
17 June 2025	30079	Francisco Hernandez	How many graduate positions, if any, were there in the Minister's departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, as of 1 June 2022?
17 June 2025	30355	Camilla Belich	What is the number of staff assigned to work out of the Head Office for each of the Minister's responsible agencies, if any?
17 June 2025	30356	Camilla Belich	What is the number of individual workstations at the Head Office for each of the Minister's responsible agencies, if any?
17 June 2025	30358	Camilla Belich	How, if at all, has the number of individual workstations changed over the past 12 months for each of the Minister's responsible agencies, if any?
17 June 2025	30361	Camilla Belich	How, if at all, has the number of staff assigned to work out of the Head Office changed over the past 12 months for each of the Minister's responsible agencies, if any?

4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
20 June 2025	SW25-238	Privacy of natural persons	Letter concerning power and line pricing

5. Output plan

Confidential advice to Government

Confidential advice to Government



Energy Portfolio Weekly Report

Week commencing: 23/06/2025

Priority: Medium

Security classification: In Confidence

Tracking number: BRIEFING-REQ-0016149

Recipient

Action sought

**HON SIMON WATTS
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

19 June 2025

Minister's comments:

Energy Portfolio

Officials' Meeting Agenda

11:10 am – 11:55 am Tuesday 24 June 2025

Item	Subject	People	Oral Item / Paper #	Action Required
1.	Oil	Dominic Kebbell Caspian Leah	BRIEFING-REQ-0016242	Discussion
2.	Weekly Report & Work Programme	Minister	Oral	Discussion
3.	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
Dominic Kebbell	Manager, Gas and Fuel Supply Policy
Caspian Leah	Policy Advisor, Gas & Fuel Policy

Key Updates

Title	Comment
Implementing Electrify NZ Daniel Brown <small>Privacy of natural persons</small>	<p>Consultation on updated RMA national direction, including renewable electricity and electricity networks direction, commenced on 29 May 2025. Consultation will run for 8 weeks, and officials are workshopping the proposals with stakeholders over this period. We will keep you updated on any key feedback from the sector. The revised national direction should be in place by the end of 2025.</p> <p>The Resource Management (Consenting and Other System Changes) Amendment Bill is on track to be enacted by late August 2025. This Bill implements some Electrify NZ proposals including one-year consent decisions for energy projects, and default 35-year consent durations. You have requested a meeting with the Minister for Resource Management Reform to discuss interactions between resource management reform and the Electrify NZ programme – timing is yet to be confirmed.</p> <p>We will provide the fortnightly update on Fast-track projects in next week's report.</p>
New permitting regime for offshore renewable energy Melanee Beatson <small>Privacy of natural persons</small>	<p>On 17 June 2025, the Transport and Infrastructure Select Committee reported the Offshore Renewable Energy Bill to the House. The Committee recommended the Bill be passed and unanimously recommended the amendments in its report (which reflected MBIE's proposals). We will provide you a copy of the report, the revision-tracked version of the Bill and material to support the second reading of the Bill.</p>

Key actions tracker

Action and outcome	Updates	Status and upcoming milestones
Electricity Market Review Independent review to advise on the impact of market structure, design, and rules on the electricity systems' performance	Confidential advice to Government	
Energy Competition Taskforce Joint EA and Commerce Commission investigation of options to improve competition and enable consumers to manage usage and costs	1A Sleeving (firm generation) for PPAs: No change: The EA has decided to roll consideration of better access to PPAs under the level playing field (LPF) workstream (1CD) – as it considers non-discrimination measures are the best way to encourage more and faster new generation investment. Free and frank opinions	On track EA consulting on Roadmap for industrial flexibility (demand response). The EA has delayed next steps on its 1C+D level playing field consultation for 6 weeks whilst it awaits information about the Review and ministers' views. On 2A+B+C, Code change decisions are expected in June 2025.
	1B Standardised flexibility contracts: No change: Initial offer rounds held. EA is monitoring liquidity (or lack of) and developing advice for its Board on next steps. Free and frank opinions	
	1C+D sharing flexibility and level playing field measures: No change: The EA is reviewing consultation submissions, Free and frank opinions	
	2A+B+C Better compensating household power injection and time of use plans: Consultation closed 26 March. The Taskforce is now finalising proposals based on EA Board guidance. Confidential advice to Government	
	2D Better compensating industrial flexibility (demand response): No change: On 28 May the EA published its 'Roadmap for industrial demand flexibility'. In parallel the EA is developing an issues paper relating to industrial flexibility emergency reserve, aiming for publication in July.	
Carbon Capture and Storage (CCS) Creating an enabling regulatory regime for CCS which could improve the economics of gas production	No change: At the end of March, you and the Minister for RMA reform and the Minister for the Environment agreed to a legislative approach for CCS that would involve the creation of bespoke legislation setting out the requirements that a CCS project must meet to gain approval. This would dovetail with and work alongside the current resource and marine consenting system. Since then, we have done further work with MfE on the detailed design of the regime. MfE officials consider that the most straightforward way to enable CCS is to use the new resource management regime being developed rather than establishing a bespoke regime as previously agreed to. You received a briefing on this earlier this month and agreed to the proposed approach.	On track

Confidential advice to Government

Confidential advice to Government

<p>Consumer demand response and Solar</p> <p>Develop package to improve consumer energy outcomes, improve access to finance and reduce install costs for rooftop solar and battery</p>	<p>You announced the permitted voltage range and building consent changes on Friday 13 June.</p> <p><i>Previous Update:</i> 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.</p> <p>Confidential advice to Government</p> <p>We will provide follow up advice on all workstreams in due course.</p>	<p>On track</p>
<p>Rooftop solar and household batteries' impact on prices:</p> <p>Modelling the impact of rooftop solar and household batteries: wholesale level, transmission and distribution-level impacts, and impact on consumer bills</p>	<p>Work is near completion to model the impact of higher uptake of rooftop solar and household batteries on wholesale electricity prices, as rooftop displaces other forms of generation.</p> <p>Analysis is also underway to assess the impact of higher uptake on distribution network costs. We have also commissioned modelling to combine the impact rooftop and batteries on wholesale, transmission and distribution network costs and identify the flow-through to consumer bills.</p> <p>We are collaborating with Rewiring ad EECA on this series of analysis.</p>	<p>On track</p>
<p>Electricity (Hazards from Trees) Regulations</p> <p>Phase 2 instructions to PCO and targeted engagement on Risk assessment factors underway</p> <p>Advice on planting restrictions in urban areas on Council land</p>	<p>We are currently preparing drafting instructions for PCO.</p> <p>Targeted engagement with a limited set of interested stakeholders is now underway. We are facilitating two workshops over the coming week. This engagement will inform the final list of factors used to assess the impact and likelihood of a tree falling on an adjacent line.</p> <p>Free and frank opinions</p>	<p>On track</p> <p>Preparing drafting instructions</p> <p>Targeted engagement on risk factors for the Treefall Hazard Notice power</p>

Action and outcome	Updates	Status and upcoming milestones
	Confidential advice to Government	
Energy Strategy 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	
Offshore Renewable Energy	Following targeted consultation on the feasibility permit regulations and the scope of the first round, we are working on the next stage of advice to support the first round. We are also working to support the regulator on implementation planning.	On track
Confidential advice to Government		
Electricity and Gas Safety Standards (including permitted voltage range) Updating more than 400 references to international standards in the regulations. This includes new standards for solar and EV chargers, reducing costs	Drafting and a LEG paper is being finalised, and we expect you to receive a this the week of 30 June, targeting LEG on 24 July.	On track Regulations considered by LEG in July and then gazetted in August.

Action and outcome	Updates	Status and upcoming milestones
Hydrogen regulations Delivering Hydrogen Action Plan commitment to amend safety regulations to enable hydrogen.	Proposals are currently out for consultation, with submissions due 21 July. Once consultation is completed we will update you on timeframes for seeking policy decisions.	On track
Hydrogen exports	We are awaiting further advice from Obayashi on whether New Zealand's certification approach is fit for purpose for exports. Confidential advice to Government	On track
Woody Bioenergy Investigating barriers to the development of the domestic supply chain and export opportunities for woody bioenergy.	You and the Minister of Forestry have agreed to a cross-agency woody bioenergy work programme. Agencies are now working to implement the actions.	On track
Led by other Ministerial portfolios		
Public EV Charging Funding Model 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 have provided you with a copy of the Final Cabinet paper amending appropriations to account for the new model on 12 June.	On track
Led by the Electricity Authority		
Electricity pipeline updates	The EA will provide information to you on its generation pipeline dataset, monthly.	Ongoing
Led by Transpower		
Transpower's Connections Queue for Generation – improvements to increase project throughput Run rate to start generation investigations (queue) up by 75% in 2025, on 2024. 27 investigation projects started, and 8 projects moved to delivery in 2025. Decrease of 20 projects in queue since January.	<p>Transpower have provided the following update:</p> <p>Improving throughput:</p> <p>Implemented:</p> <ul style="list-style-type: none"> Criteria for assessing project readiness throughout the end-to-end process are now being applied to investigations projects and at the queue stage to ensure projects are sufficiently defined and developed Stage-gating within investigation phase – starting work elements earlier pre-investigation for some customers where resources are available (while they wait in queue) <p>Work continuing to implement:</p> <ul style="list-style-type: none"> Right-sizing investigations to meet customer needs and risk appetite Implementing a formal offer / acceptance for all projects before progressing to investigation <p>Work started on:</p> <ul style="list-style-type: none"> Standard equipment lists for standardised designs for greenfield substations – progressing Customer led investigation and delivery – options scoped, assessing implementation requirements. 	Ongoing

Action and outcome	Updates	Status and upcoming milestones
8 new applications received since January.	<ul style="list-style-type: none"> Prioritisation options within the queue (based on security of supply) – progressing Resourcing improvements: <ul style="list-style-type: none"> 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. Increasing use of direct award of projects below \$200k, bundling of projects, and award of larger projects further into the future. Awarding more work (as a programme) than can be delivered per EC so available resource isn't lost when delays occur. 	
Industry developments		
Potential commercial deals to enhance winter security of supply <ul style="list-style-type: none"> Methanex gas deal Potential industry actions to improve security of supply including Huntly (Heads of Agreement) firming contracts Demand response deals 	<p><i>Methanex gas deal:</i></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><i>Huntly-backed contracts for 2026 onwards:</i></p> <p>On 19 June Genesis announced they, Mercury, Meridian, and Contact have signed a detailed non-binding term sheet as a basis for establishing a strategic energy reserve centred on Huntly Power Station, intended to be in place by winter 2026.</p> <p>Confidential advice to Government</p> <p>Free and frank opinions</p> <p>Confidential advice to Government</p> <p><i>Demand response deals:</i></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
Gas exploration updates	<p>Mangahewa</p> <p>As previously reported, Todd reports the first of two new wells at Mangahewa have been completed and drilling has started on a third well. We understand the final development work on the new wells will be completed this month – we will update you when we have more information on the status of the new wells. It is expected the gas will be available to the market in August or September 2025.</p> <p>Turangi</p> <p>Greymouth completed one new well at Turangi in January 2025 and started a second at the end of February 2025. We understand they are planning two further wells later in 2025. As a private company Greymouth does not routinely release drilling results to the market.</p>	Ongoing

Action and outcome	Updates	Status and upcoming milestones																											
	<div>Commercial Information</div> <div></div>																												
Monthly solar numbers	<p>You asked us to provide a monthly report on solar numbers. The table below shows the total number of ICPs and MW capacity in New Zealand of solar systems less than 10kW for each category as at 16 June 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>MW capacity</th><th>ICP count</th></tr> <tr> <td>Residential solar (all)</td><td>316.148</td><td>65,297</td></tr> <tr> <td>Residential solar (with battery)</td><td>49.591</td><td>8,779</td></tr> <tr> <td>Small, Medium Enterprises solar (all)</td><td>13.522</td><td>2,297</td></tr> <tr> <td>Small, Medium Enterprises solar (with battery)</td><td>1.071</td><td>165</td></tr> <tr> <td>Commercial solar (all)</td><td>8.893</td><td>1505</td></tr> <tr> <td>Commercial solar (with battery)</td><td>0.451</td><td>72</td></tr> <tr> <td>Total (solar all)</td><td>338.563</td><td>69,099</td></tr> <tr> <td>Total (solar with battery)</td><td>51.113</td><td>9,016</td></tr> </table>	Category (solar system size: less than 10 kW)	MW capacity	ICP count	Residential solar (all)	316.148	65,297	Residential solar (with battery)	49.591	8,779	Small, Medium Enterprises solar (all)	13.522	2,297	Small, Medium Enterprises solar (with battery)	1.071	165	Commercial solar (all)	8.893	1505	Commercial solar (with battery)	0.451	72	Total (solar all)	338.563	69,099	Total (solar with battery)	51.113	9,016	Ongoing
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Stakeholder Updates

Title	Comment
Aotearoa Energy granted licensing exemption by Financial Markets Authority Tamara Linnhoff <small>Privacy of natural persons</small>	<p>As you'll be aware, there have been regular fortnightly auctions of a new electricity risk management product – the standard super peak product. This was one of the measures coming out of the Energy Competition Task Force (1B in Package One).</p> <p>Aotearoa Energy, an energy trading firm, was selected to run the auctions. Aotearoa Energy this week received an exemption from being licensed by Financial Markets Authority, subject to certain conditions. This FMA exemption is for a period of 5 years and allows Aotearoa Energy to continue to run this trading platform. Aotearoa Energy were reaching the number of trades they could conduct without a license or an exemption from licensing from the FMA.</p>

Confidential advice to Government

Other Updates

Title	Comment
<div>Gas security of supply</div> <div>Dominic Kebbell</div> <div>Privacy of natural persons</div>	<div>Gas contracts available from gas retailers</div> <p>We have contacted the main gas retailers — Genesis, Mercury, Contact and Nova Energy — to request information about the gas contracts they offer to residential, small commercial, large commercial and industrial users. This information will make sure we have an up-to-date picture of the gas retail market, including the availability of contracts for new customers and the length of contracts available. We will update you on our findings within the next two weeks (or when information is received).</p> <div>Nova and Methanex reach confidential settlement</div> <p>Energy News reports that Nova Energy and Methanex have reached a confidential settlement, concluding a court-ordered arbitration process that began in mid-2024. The dispute followed Nova’s decision to stop gas deliveries to Methanex reportedly due to declining production and to prioritise supply to other industrial users as well for Nova’s own electricity production. While Nova financially compensated Methanex for the loss of supply, Methanex took Nova to the High Court for breach of contract.</p> <p>The settlement terms remain confidential, so the implications for gas availability are not clear at this stage. Nova has said it “will continue to support broader energy system stability and there is no material change to the outlook for New Zealand gas availability over the coming winter”.</p>

Electricity security of supply

Tamara Linnhoff

Privacy of natural persons

ELECTRICITY CAPACITY (for the week to Sunday 15 June 2025)

National capacity margins were relatively healthy last week with over 700 MW of residual generation during all peaks. The lowest residual point was 857 MW during the morning peak on Monday 9 June during a period of low wind generation and high demand due to cold weather.

The N-1-G margins in the NZGB forecast are healthy through to the start of August 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 15 June)

National hydro storage has decreased to 94% of the historic mean this week from 95% the week prior. South Island hydro storage decreased to 88%, from 91% the week prior. North Island storage increased from 144% to 164% last week as heavy rain resulted in high North Island inflows.

ELECTRICITY ('ENERGY') SUPPLY RISK (at 15 June)

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

New Zealand Energy Risk



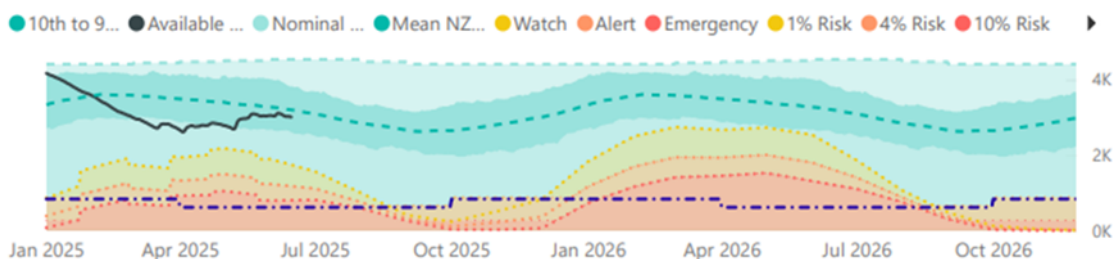
South Island Energy Risk



Normal Watch Alert Emergency

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

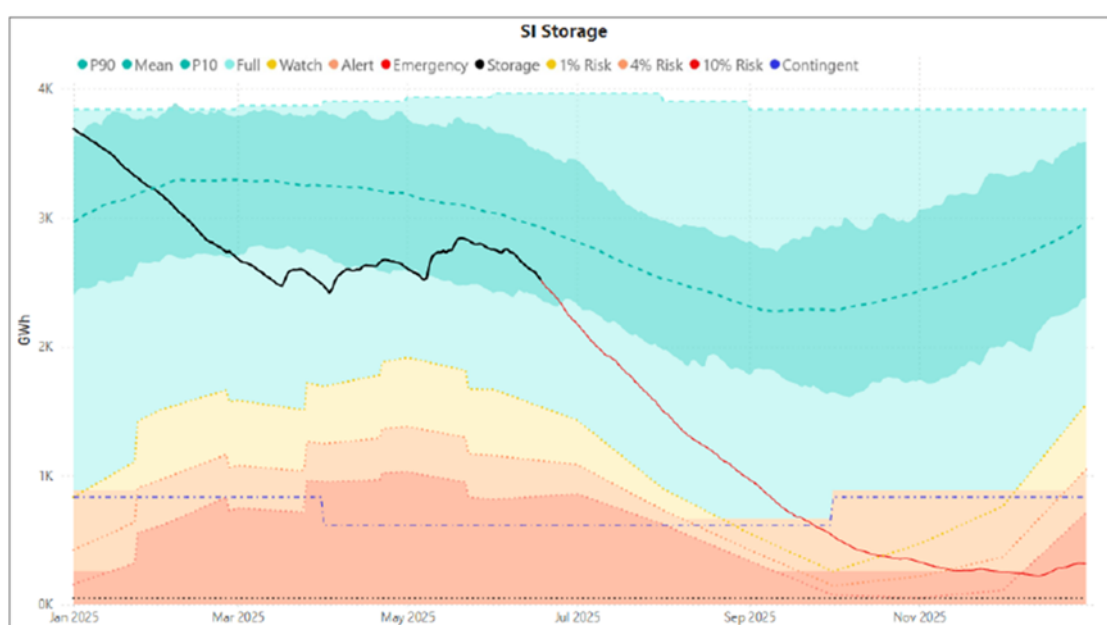
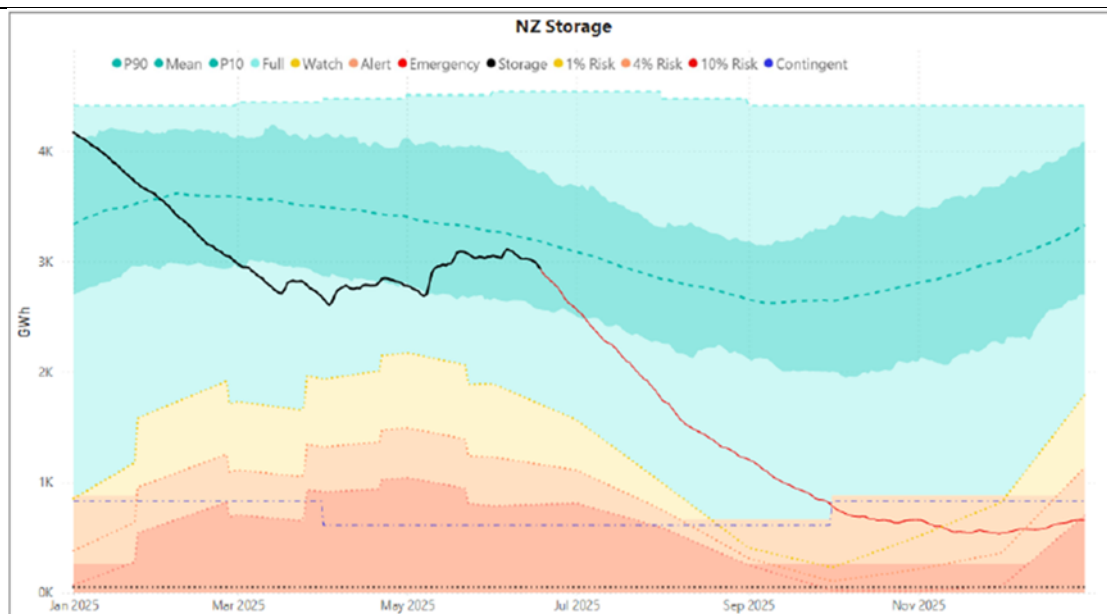
New Zealand Electricity Risk Status Curves (Available GWh)



Source: System Operator, Market Operations - Weekly Market Movements

The System Operator last updated the ERCs on 28 May 2025. Commentary on that update is in the Weekly Report of 3 June 2025. The next ERC update is expected at the end of June.

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



The ERCs were calculated using input data as of **15 May** (though published on **28 May**). The worst-case SST line was calculated using inflow data starting from **16 June**.

The May update of the ERCs and SSTs (published 28 May) includes the effects of the Contact-Methanex gas deal, improved hydro storage, and the announced retirement of a Huntly Rankine unit in January 2026. The announced early return of NZAS load will be incorporated in the June ERCs and SSTs.

Region	Date Watch	Time to Watch	Date Alert	Time to Alert	Date Emergency	Time to Emergency
NZ	1/10/2025	105	1/10/2025	105	29/12/2025	194
SI	21/09/2025	95	21/09/2025	95	28/11/2025	163

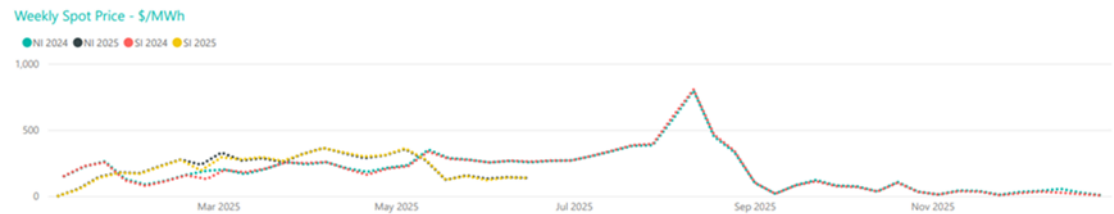
Transpower have explained that this week the worst-case SST crosses the boundary of contingent storage on 21 September in the South Island and 1 October nationally. If this remains the case on 21 June it would trigger the buffer discretion process which includes assessing if there are energy or capacity risks within the next three months. If these risks exist, then it would trigger consultation on whether to make contingent storage access easier.

We engage regularly with Transpower and will report to you next week if this buffer discretion process is triggered.

If worst case inflows were to persist, storage could hit the Emergency status curve in December 2025. **As noted above, this is highly unlikely to eventuate as the line takes into account the worst inflow in each week over the last 93 years and puts them end-to-end.** However, this line is useful for the System Operator's internal planning, such as for conducting additional risk assessments.

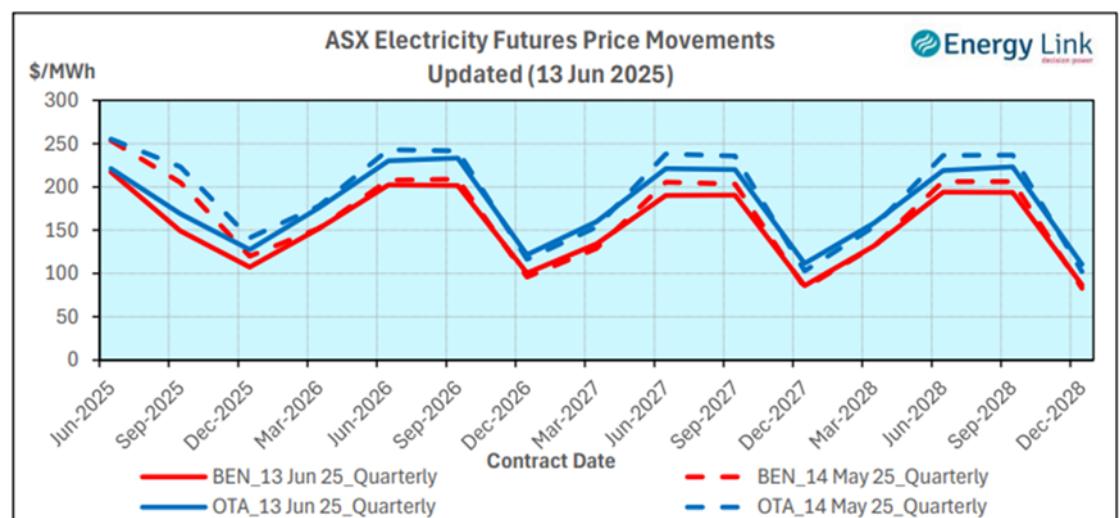
WHOLESALE ELECTRICITY PRICES

Weekly Spot Price (week ended 15 June)



Source: System Operator, Market Operations - Weekly Market Movements

ASX Electricity Futures Prices (at last available 13 June 2025)



Source: Energy Link, Energy Trendz Weekly

Powerco advances two biomethane projects

Dominic Kebbell
Privacy of natural persons

Following a successful feasibility study with Manawātū District Council and Midwest Disposals, Powerco is progressing with front-end engineering design to capture biomethane from a wastewater treatment plant near Feilding to inject into its gas network. Powerco aims to complete engineering plans by the end of 2025 and make a final investment decision by March 2026.

A separate feasibility study at Bonny Glen landfill near Marton also showed technical potential, though logistical and commercial challenges remain due to its remote location. Work is underway to develop the next stage of this project. Though there are no hard deadlines at this stage, Powerco are assessing a range of transportation options and seeking long-term feedstock contracts to ensure viability.

Further biogas advice

Dominic Kebbell
Privacy of natural persons

You requested officials work up options for you to announce as part of your Ministerial opening address at the Biogas Bridge Forum on 17 July 2025.

We will provide you with these options, including further advice on our proposed biogas work programme on the week of 23 June 2025.

<p>Electricity Authority legislative change requests</p> <p>Tamara Linnhoff Privacy of natural persons</p>	<p>We have been engaging with the EA on its requests for changes to legislation since earlier this year.</p> <p>Free and frank opinions</p> <p>[Redacted]</p> <p>[Redacted]</p>
<p>Energy Efficiency and Conservation Act Amendments</p> <p>Scott Russell Privacy of natural persons</p>	<p>MBIE and EECA officials met with the Australian Department of Climate Change, Energy, Environment and Water (DCCEEW) officials during their visit to New Zealand. DCCEEW is our key partner in the Trans-Tasman E3 energy efficiency programme and is responsible for the equivalent energy efficiency regulatory regime. We shared insights on our plans to amend the Energy Efficiency and Conservation Act to speed up regulatory processes and enable the regulation of demand flexibility. Australia also shared their progress on developing minimum energy performance standards for hot-water heat pumps.</p> <p>Confidential advice to Government</p> <p>[Redacted]</p>
<p>EV Smart Charging Discussion Document</p> <p>Scott Russell Privacy of natural persons</p>	<p>Following your direction, we are preparing to release the discussion document on options to support uptake of smart EV charging.</p> <p>We will provide you with a final version of the discussion document, including a Ministerial foreword. Following your confirmation we will beginning consultation.</p>
<p>Electricity sector Consumer Data Right</p> <p>Scott Russell Privacy of natural persons</p>	<p>You and the Minister for Commerce and Consumer affairs have both approved progressing with targeted consultation. We are drafting a draft proposal in a discussion paper to support our consultation with affected stakeholders. Confidential advice to Government</p> <p>[Redacted]</p>

Upcoming Ministerial Items

1. Upcoming Energy meetings

Meeting date	Meeting	Details
Wednesday 25 June 2025 4:15 pm – 4:45 pm	Bluecurrent	Briefing Due: 23 June 2025 Officials required: Peter Barlett
Wednesday 25 June 2025 5:00 pm – 5:30 pm	Electricity Retailers' Association of New Zealand	Briefing Due: 18 June 2025 Officials required: Justine Cannon, Tamarra Linnhoff
Thursday 26 June 2025 8:30 am – 9:00 am	Energy Competition Taskforce	Briefing Due: 24 June 2025 Officials required: Paul stocks, Justine Cannon, Sharon Corbett
Thursday 26 June 2025 11:00 am – 12:00 pm	OpenStar Technologies Visit	Briefing Due: 23 June 2025 Officials required: NA
Thursday 26 June 2025 3:00 pm – 3:30 pm	Taheke 8C	Briefing Due: 18 June 2025 Officials required: Tamara Linnhoff

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
23 June 2025	30892	Arena Williams	On what date did the Minister become aware of the Electricity Authority's proposal to replace Powerswitch with an AI-driven alternative?
23 June 2025	30904	Arena Williams	What actions, if any, has the Minister taken to support consumers to find the most cost-effective power company and pricing plan for their household?
23 June 2025	31193	Arena Williams	Has the Minister received any advice on how the removal of Powerswitch will affect price competition between electricity retailers?
23 June 2025	31195	Arena Williams	Will the Government consider directly funding Consumer NZ to continue operating Powerswitch if the Electricity Authority withdraws support?
23 June 2025	31196	Arena Williams	What, if anything, is the Government's policy on ensuring access to simple, independent electricity comparison tools for consumers?
23 June 2025	31197	Arena Williams	What analysis, if any, has been undertaken to assess whether the proposed AI-integrated switching tool will improve outcomes for average households compared to Powerswitch?
23 June 2025	31198	Arena Williams	Was the decision to replace Powerswitch with an AI-driven alternative signalled in Budget 2025 or any related documentation?
23 June 2025	31199	Arena Williams	Has the Minister sought any information on the effectiveness of Powerswitch as a tool for improving competition and transparency in the electricity market?
23 June 2025	31203	Arena Williams	Has the Minister made any media statements on the Electricity Authority decision to remove Powerswitch; if not, why not?
23 June 2025	31209	Arena Williams	What advice, if any, has the Minister received on the decision by the Electricity Authority to end funding for the Powerswitch platform?

4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
23 June 2025	SW25-234	Privacy of natural persons	Thank you letter for site visit
23 June 2025	SW25-237		Gas
23 June 2025	SW25-238		Letter concerning power and line pricing
23 June 2025	SW25-239		Rewiring Manifesto
23 June 2025	SW25-240		Letter to Minister Watts
23 June 2025	SW25-241		Policy Proposal for Vehicle-to-Home Integration in imported EVs
23 June 2025	SW25-242		Solar Energy Taranaki
23 June 2025	SW25-243		Introduction and questions
24 June 2025	SW25-244		Guardians' decision to lower Lake Manapouri and Te Anau levels
24 June 2025	SW25-245		Oil and gas subsidies
27 June 2025	SW25-246		Residential Solar changes

5. Output plan

Confidential advice to Government

Confidential advice to Government



Energy Portfolio Weekly Report

Week commencing: 30/06/2025

Priority: Medium

Security classification: In Confidence

Tracking number: BRIEFING-REQ-0016428

Recipient

Action sought

**HON SIMON WATTS
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

27 June 2025

Minister's comments:

Energy Portfolio

Officials' Meeting Agenda

9:30am – 10:15am, Monday 30 June 2025

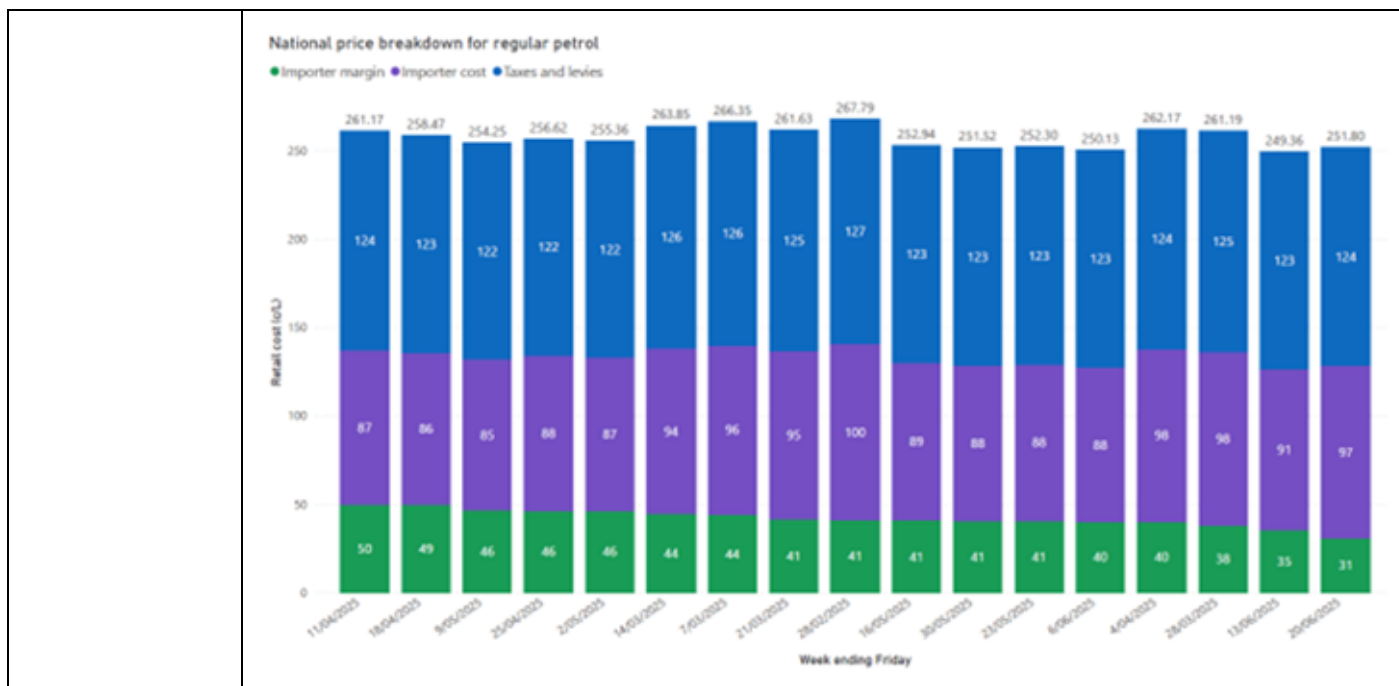
Item	Subject	People	Oral Item / Paper #	Action Required
1.	Bioenergy (Biogas and Woody biomass)	Dominic Kebbell Minu Punchihewa Scott Russell	BRIEFING-REQ-0016063	Discussion
2.	Offshore Renewables	Daniel Brown	Oral	Decision
3.	Weekly Report & Work Programme	Minister	Oral	Discussion
4.	Any other business	All	Oral	Discussion

Ministry of Business, Innovation & Employment officials attending:

Name	Position
Carolyn Tremain	Chief Executive and Secretary
Paul Stocks	Deputy Secretary, Building, Resources and Markets
Justine Cannon	General Manager, Energy Markets
Daniel Brown	Manager, Electrify NZ
Dominic Kebbell	Manager, Gas and Fuel Supply Policy
Scott Russell	Manager, Energy Use Policy
Minu Punchihewa	Senior Policy Advisor, Gas and Fuel Supply Policy

Key Updates

Title	Comment												
<div>Implementing Electrify NZ</div> <div>Daniel Brown</div> <div>Privacy of natural persons</div>	<p>Consultation on updated RMA national direction, including renewable electricity and electricity networks direction, commenced on 29 May 2025. Consultation will run for 8 weeks, and officials are workshopping the proposals with stakeholders over this period. The revised national direction should be in place by the end of 2025.</p> <p>The Resource Management (Consenting and Other System Changes) Amendment Bill is on track to be enacted by late August 2025. This Bill implements some Electrify NZ proposals including one-year consent decisions for energy projects, and default 35-year consent durations. You have requested a meeting with the Minister for Resource Management Reform to discuss interactions between resource management reform and the Electrify NZ programme – timing is yet to be confirmed. You also have written to this Minister about options to facilitate the reconsenting of hydro generation projects.</p> <p>An update on Fast-track projects is provided in the ‘Stakeholder Updates’ section below.</p>												
<div>New permitting regime for offshore renewable energy</div> <div>Daniel Brown</div> <div>Privacy of natural persons</div>	<p>The Offshore Renewable Energy Bill has now been reported back to the House and is on the Order Paper for second reading (with timing contingent on your decision on how to proceed with the Bill).</p> <p>You recently met with the offshore wind developers’ group and Parkwind</p> <div>Confidential advice to Government</div> <p>You have requested information on how New Zealand’s proposed offshore wind regime compares to other jurisdictions such as Sweden. This information is provided in the ‘Other Updates’ section below.</p>												
<div>Fuel price monitoring</div> <div>Dominic Kebbell</div> <div>Privacy of natural persons</div>	<p>Oil prices are volatile due to tensions in the Middle East. A US-brokered ceasefire between Israel and Iran has since helped stabilised markets, however supply and prices risks remain volatile subject to further escalations. We are monitoring developments, particularly fuel supply impacts if the Strait of Hormuz is closed.</p> <p>We are seeing some price volatility at the pump in New Zealand but at this stage they are speculative as there will be a lag in price impacts flowing down the supply chains.</p> <p>Crude prices</p> <p>As of 26 June 2025, the price of Dubai crude oil has fallen to US\$69.13 per barrel. Prices have eased in the recent days, falling from a peak of US\$74.86 — the highest level reached since 13 June 2025 — as market concerns over supply disruptions begin to stabilise. Dubai crude is a key benchmark for pricing oil exports from the Middle East to Asia.</p> <p>Importer costs and retail prices for the week ending 20 June 2025 (compared to previous week):</p> <table><tr><th>Fuel type</th><th>Importer cost</th><th>Importer margin</th><th>Retail price</th></tr><tr><td>Regular Petrol</td><td>up 6.45 c/L to 97.48 c/L</td><td>down 4.45 c/L to 30.82 c/L</td><td>up 2.44 c/L to 251.80 c/L</td></tr><tr><td>Diesel</td><td>up 10.61 c/L to 105.54 c/L</td><td>down 9.25 c/L to 35.74 c/</td><td>up 1.73 c/L to 181.30 c/L</td></tr></table>	Fuel type	Importer cost	Importer margin	Retail price	Regular Petrol	up 6.45 c/L to 97.48 c/L	down 4.45 c/L to 30.82 c/L	up 2.44 c/L to 251.80 c/L	Diesel	up 10.61 c/L to 105.54 c/L	down 9.25 c/L to 35.74 c/	up 1.73 c/L to 181.30 c/L
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Key actions tracker

Action and outcome	Updates	Status and upcoming milestones
Electricity Market Review Independent review to advise on the impact of market structure, design, and rules on the electricity systems' performance	Confidential advice to Government	
Energy Competition Taskforce Joint EA and Commerce Commission investigation of options to improve competition and enable consumers to manage usage and costs	1A Sleeving (firm generation) for PPAs: No change: The EA has decided to roll consideration of better access to PPAs under the level playing field (LPF) workstream (1CD) – as it considers non-discrimination measures are the best way to encourage more and faster new generation investment. <small>Free and frank opinions</small>	On track EA consulting on Roadmap for industrial flexibility (demand response). The EA has delayed next steps on its 1C+D level playing field consultation for 6 weeks whilst it awaits information about the Review and ministers' views. On 2A+B+C, Code change decisions
	1B Standardised flexibility contracts: No change: Initial offer rounds held. EA is monitoring liquidity (or lack of) and developing advice for its Board on next steps. Free and frank opinions	
	1C+D sharing flexibility and level playing field measures: No change: The EA is reviewing consultation submissions and Free and frank opinions	
	2A+B+C Better compensating household power injection and time of use plans: Consultation closed 26 March. The Taskforce is now finalising proposals based on EA Board guidance. Confidential advice to Government	

Action and outcome	Updates	Status and upcoming milestones
	<p>Confidential advice to Government</p> <p><i>2D Better compensating industrial flexibility (demand response):</i> No change: On 28 May the EA published its 'Roadmap for industrial demand flexibility'. In parallel the EA is developing an issues paper relating to industrial flexibility emergency reserve, aiming for publication in July.</p>	are expected in mid-July 2025.
Carbon Capture and Storage (CCS) Creating an enabling regulatory regime for CCS which could improve the economics of gas production	<p>No change: At the end of March, you and the Minister for RMA reform and the Minister for the Environment agreed to a legislative approach for CCS that would involve the creation of bespoke legislation setting out the requirements that a CCS project must meet to gain approval. This would dovetail with and work alongside the current resource and marine consenting system.</p> <p>Since then, we have done further work with MfE on the detailed design of the regime. MfE officials consider that the most straightforward way to enable CCS is to use the new resource management regime being developed rather than establishing a bespoke regime as previously agreed to. You received a briefing on this earlier this month and agreed to the proposed approach.</p>	On track

Confidential advice to Government

Confidential advice to Government

Consumer demand response and Solar Develop package to improve consumer energy outcomes, improve access to finance and reduce install costs for rooftop solar and battery	<p>You announced the permitted voltage range and building consent changes on Friday 13 June.</p> <p><i>Previous Update:</i> 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.</p> <p>Confidential advice to Government</p> <p>We will provide follow up advice on all workstreams in due course.</p>	On track
Rooftop solar and household batteries' impact on prices: Modelling the impact of rooftop solar and household batteries:	<p>No change: Work is near completion to model the impact of higher uptake of rooftop solar and household batteries on wholesale electricity prices, as rooftop displaces other forms of generation.</p> <p>Analysis is also underway to assess the impact of higher uptake on distribution network costs. We have also commissioned modelling to combine the impact</p>	On track

Action and outcome	Updates	Status and upcoming milestones
wholesale level, transmission and distribution-level impacts, and impact on consumer bills	<p>rooftop and batteries on wholesale, transmission and distribution network costs and identify the flow-through to consumer bills.</p> <p>We are collaborating with Rewiring ad EECA on this series of analysis.</p>	
<p>Electricity (Hazards from Trees) Regulations</p> <p>Phase 2 instructions to PCO and targeted engagement on Risk assessment factors underway</p> <p>Advice on planting restrictions in urban areas on Council land</p>	<p>Phase 2 drafting instructions are being peer reviewed, following this process they will go to PCO.</p> <p>We have facilitated two stakeholder workshops that focused on the list of factors that will be used to assess the impact and likelihood of a tree falling on an adjacent line. This is in relation to the Treefall Hazard Notice power. We expect to recommend a final list of factors for your approval in late July.</p> <p>Free and frank opinions</p> <p>[Redacted]</p>	<p>On track</p> <p>Preparing drafting instructions</p> <p>Recommendations on risk factors for the Treefall Hazard Notice power</p>
<p>Energy Strategy</p> <p>Developing a public-facing strategy that will set out the Government's role in creating an energy system that is fit for the future.</p>	<p>Confidential advice to Government</p> <p>[Redacted]</p>	
<p>New Zealand Energy Efficiency and Conservation Strategy (NZECS)</p>	<p>Following your direction, we are working to replace the 2017-2022 New Zealand Energy Efficiency and Conservation Strategy (NZECS). We are working with EECA Confidential advice to Government</p> <p>[Redacted]</p> <p>Note that public consultation on the NZECS is a legislative requirement, Confidential a</p> <p>[Redacted]</p>	<p>On track</p> <p>Draft of Strategy ready by August / September</p>
<p>Offshore Renewable Energy</p>	<p>Following targeted consultation on the feasibility permit regulations and the scope of the first round, we are working on the next stage of advice to support the first round. The timing of this advice depends on your decisions on how to proceed with the Bill. We are also working to support the regulator on implementation planning.</p>	<p>On track</p>

Confidential advice to Government

[Redacted]

Confidential advice to Government

Electricity and Gas Safety Standards (including permitted voltage range)

Updating more than 400 references to international standards in the *Electricity (Safety) Regulations 2010* and the *Gas (Safety and Measurement) Regulations 2010*. This includes new standards for solar and EV chargers, reducing costs

Energy safety regulations update: ensuring coverage of e-transporters

PCO drafting of the Electricity and Gas Safety Amendment Regulations is almost complete.

Confidential advice to Government



Voltage range implementation

You recently asked officials when the announced voltage range will be adopted by EDBs and when will consumers see the change. The change will become law following LEG approval of regulations, then 28 days following Gazettal. Subject to the above issue being resolved we expect this in September. After this EDBs will be able to run their networks at the new range.

As the regulations set a permitted range that lines can operate at, they do not require EDBs to do anything if they are still within the old range. The expansion of the range will help in areas experiencing network congestion from solar export or EV charging – which they would otherwise look to curtail to stay within the old range, or alternatively make further upgrades to their networks. It is in their interests to utilise the broader range so that they can avoid needing to upgrade infrastructure.

Officials have communicated with stakeholders, including ENA, SEANZ, ERANZ, Consumer New Zealand, Fire and Emergency New Zealand and Health New Zealand, requesting them to share the updated changes in their networks and ensure consumers are aware of the changes. WorkSafe and the EA also communicated the changes through their platforms.

In particular the EA has written to EDBs setting its expectation that they revise and update their processes and settings to reflect the widened range. The letter also notes the Authority intends to monitor the extent distributors are updating their practices to adopt the new range and incorporating it into their policies, practices, modelling and operations.

Delayed

We expect to have the draft LEG paper with you from between 24 July to early August

Action and outcome	Updates	Status and upcoming milestones
Hydrogen regulations Delivering Hydrogen Action Plan commitment to amend safety regulations to enable hydrogen.	Proposals are currently out for consultation, with submissions due 21 July. Once consultation is completed, we will update you on timeframes for seeking policy decisions.	On track
Hydrogen exports	We are awaiting further advice from Obayashi on whether New Zealand's certification approach is fit for purpose for exports. Confidential advice to Government	On track
Woody Bioenergy Investigating barriers to the development of the domestic supply chain and export opportunities for woody bioenergy.	You and the Minister of Forestry have agreed to a cross-agency woody bioenergy work programme. Agencies are now working to implement the actions. Confidential advice to Government	On track
Led by other Ministerial portfolios		
Public EV Charging Funding Model Governments funding model for public EV charging (to concessional loans)	EECA and NIFFCo have been working through transfer of responsibilities for delivering public EV charging infrastructure financing. Confidential advice to Government On 11 June a Request for Proposals (RfP) was launched, seeking applicants to deliver public charging infrastructure under the new concessionary loans model. The RfP closes 22 July.	On track
Led by the Electricity Authority		
Electricity pipeline updates	The EA will provide information to you on its generation pipeline dataset, monthly.	Ongoing
Led by Transpower		
Transpower's Connections Queue for Generation – improvements to increase project throughput Run rate to start generation investigations (queue) up by 75% in 2025, in 2024. 27 investigation projects started, and 8 projects moved to delivery in 2025. Decrease of 20 projects in queue since January.	Transpower have provided the following update: Improving throughput: Implemented: <ul style="list-style-type: none"> Criteria for assessing project readiness throughout the end-to-end process are now being applied to investigations projects and at the queue stage to ensure projects are sufficiently defined and developed Stage-gating within investigation phase – starting work elements earlier pre-investigation for some customers where resources are available (while they wait in queue). Work continuing to implement: <ul style="list-style-type: none"> Right-sizing investigations to meet customer needs and risk appetite Implementing a formal offer / acceptance for all projects before progressing to investigation. Work started on: <ul style="list-style-type: none"> Standard equipment lists for standardised designs for greenfield substations – progressing 	Ongoing

Action and outcome	Updates	Status and upcoming milestones
8 new applications received since January. Wait time for new applications is now ~12 months.	<ul style="list-style-type: none"> Customer led investigation and delivery – options scoped, assessing implementation requirements Prioritisation options within the queue (based on security of supply) – progressing. <p>Resourcing improvements:</p> <ul style="list-style-type: none"> 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 Increasing use of direct award of projects below \$200k, bundling of projects, and award of larger projects further into the future Awarding more work (as a programme) than can be delivered per EC so available resource isn't lost when delays occur. 	
Industry developments		
<p>Potential commercial deals to enhance winter security of supply</p> <ul style="list-style-type: none"> Methanex gas deal Potential industry actions to improve security of supply including Huntly (Heads of Agreement) firming contracts Demand response deals 	<p><i>Methanex gas deal:</i></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>Commercial Information</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>Free and frank opinions</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>Confidential advice to Government</p> <p>[REDACTED]</p> <p>Confidential advice to Government</p> <p>[REDACTED]</p> <p><i>Demand response deals:</i></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>Mangahewa</p> <p>Todd has begun drilling an appraisal well at Mangahewa – this is in addition to the three development wells previously reported. The appraisal well will be to determine potential gas reserves. Todd publicly described the well as “high risk but hopefully high reward” indicating the potential for a significant find.</p> <p>We will update you when we have more information on the status of the new wells. It is expected the gas from the three development wells will be available to the market in August or September 2025.</p> <p>Turangi</p> <p>Greymouth completed one new well at Turangi in January 2025 and started a second at the end of February 2025. We understand they are planning two further wells later in 2025. As a private company Greymouth does not routinely release drilling results to the market.</p> <p>Commercial Information</p> 	Ongoing

Title	Comment
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Commercial Information

<p>UK's Eku Energy enters NZ's market with Waikato BESS investment in collaboration with Helios</p> <p>Tamara Linnhoff Privacy of natural persons</p>	<p>UK-based Eku Energy has entered New Zealand's energy sector by acquiring a battery energy storage system (BESS) project in Waikato, in partnership with local grid-scale solar developer Helios Energy.</p> <p>You have previously met with Jeff Schlichting, Helio co-founder. Helios has been developing grid-scale solar and energy storage projects in New Zealand since 2020. It is involved in developing five solar farm projects: one in the South Island and four in the North Island, one of which was sold to Genesis Energy in August.</p> <p>Eku Energy's investment is backed by Macquarie Group and Canadian pension fund British Columbia Investment Management Corporation (BCI).</p> <p>The Waikato BESS project will play a key role in supporting New Zealand's transition to a low-emissions economy. BESS can provide grid stability services as well as short-duration firming capacity.</p>
<p>Victoria announces decisions on residential gas phaseout</p> <p>Scott Russell Privacy of natural persons</p>	<p>On 25 June 2025, the Victorian State Government announced new building electrification regulations, which aim to phaseout many gas appliances in new and existing homes and most commercial buildings from 1 January 2027.</p> <p>Under the new building electrification regulations, all new residential and most new commercial buildings must be built as all-electric, and existing gas hot water systems in residential buildings must be replaced with electric appliances at end-of-life.</p> <p>There will be no change to existing gas cooking or space heating appliances in existing residential buildings.</p> <p>For existing residential buildings, exemptions are available where replacing a gas hot water system with an electric appliance may present some challenges. Existing commercial buildings are not required to electrify. New industrial, manufacturing and agricultural buildings, as well as the use of LPG, are not affected.</p> <p>Victoria has prohibited new gas connections in new build dwellings and residential apartment buildings since 1 Jan 2024.</p>
<p>Future Fit Shipping report</p> <p>Dominic Kebbell Privacy of natural persons</p>	<p>The Aotearoa Circle has shared its report on <i>Future Fit Shipping</i>, which explores how New Zealand can decarbonise its maritime supply chains. Key findings in this report include:</p> <ul style="list-style-type: none"> Decarbonising New Zealand's shipping lanes in line with competing trading nations could avoid losses in gross domestic product (GDP) of \$17.5–94.1 billion in net present value terms by 2050. This takes into account export risks and the impending International Maritime Organization's (IMO) framework for reducing shipping emissions. The IMO framework, which is expected to be formally adopted in October 2025, will involve a mix of emission-intensity reduction targets (target range of 30–43 percent by 2035) and financial penalties for not meeting these targets (\$100–380 USD per tonne of emissions). Multiple fuels will be used in ships. After fossil-based fuel oil, biodiesel and fossil-based LNG are forecast to be the most adopted fuels by 2030. By 2050 the shipping fuel mix would include fuel oil/biodiesel, methane, methanol, and ammonia. Fuel cell technologies would likely be limited to niche sectors. Biofuels have the advantage of being largely compatible with existing infrastructure. Alternative fuels cost significantly more than fossil fuels. Potential end consumer price impacts could be in the order of 1-4 percent of commodity value. Certain ports will need to expand port capacity, as alternative fuel vessels are larger. Green corridors can be a catalyst for change. It would be best to focus on routes that provide the greatest scope for shipping emission reductions first.

	<p>In light of these findings, the Aotearoa Circle recommends a range of actions, including:</p> <ul style="list-style-type: none">• Establishing a public-private working group to focus on establishing a green shipping corridor.• Evaluating the potential to use book and claim systems. (Book and claim systems would allow shipping companies to make a sustainability claim based on alternative fuels they bought credits for but did not physically receive.)• Undertake assessments on prospective green corridors, and develop a comprehensive roadmap for the identified green shipping corridor.• Trans-Tasman collaboration on policy and infrastructure development, such as joint R&D initiatives and funding mechanism for biofuel development, harmonising biofuel standards, and incentives for ships using a green shipping corridor.• Develop a national strategy for sustainable sourcing of feedstock for alternative fuels. <p>We will discuss the next steps for responding to these recommendations with other agencies, such as the Ministry of Transport and Maritime New Zealand.</p>
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Current appointments

Confidential advice to Government

Title	Comment
Confidential advice to Government	
Electricity demand modelling – inclusion of datacentre demand Tamara Linnhoff <small>Privacy of natural persons</small>	<p>You have requested advice on how datacentre demand is included in forward demand forecasts and the threshold for updates to demand forecasts. We are developing this advice.</p>
New EA comparison and switching Service announced Scott Russell <small>Privacy of natural persons</small>	<p>Following a competitive procurement process, the Electricity Authority has appointed Auckland based technology and creative studio Daylight to develop a new energy and comparison switching service. The IP behind the new comparison and switching service will be owned by the EA.</p> <p>The service will be delivered by the end of this year and will leverage emerging technologies as well as a future consumer data right to enable consumers to get more control of their energy bills. The Authority will continue to support and promote PowerSwitch until the new service is launched.</p>
Report into annual critical contingency training exercise for gas network Dominic Kebbell <small>Privacy of natural persons</small>	<p>The gas Critical Contingency Operator (CCO) has submitted its report to GIC on the annual gas transmission system training exercise held on 21 May 2025. This year's scenario simulated a regional outage affecting North Auckland and Northland. Retailers received curtailment instructions and were required to provide compliance updates and issue a media appeal asking households to reduce gas use. Gas producers and large consumers were not affected because they were none within the affected area.</p> <p>The CCO report found that while the existing processes and procedures are appropriate on paper, there is room to improve how these are applied in practice. The CCO recommended:</p> <ul style="list-style-type: none"> • Firstgas simplify its processes and ensure staff are well-prepared to implement them. Updates should be reflected in the next Critical Contingency Management Plan (CCMP) due in March 2026. • Retailers review their consumer contact processes to ensure timely communication during a contingency, including making sure that contact details are up-to-date. <p>GIC has quarterly meetings with the CCO where the CCO provides progress updates on the recommendations.</p> <p>We are working with the Parliamentary Counsel Office on draft amendments to the <i>Gas Governance (Critical Contingency Management) Regulations 2008</i> as per a Cabinet decision in September 2024 [ECO-24-MIN-0194]. While the upcoming amendments are to make improvements identified during previous contingency events and annual exercises rather than this year's exercise, the amendments include a new obligation to improve retailers' critical contingency preparedness. Retailers will be required to provide their updated contingency plans to the CCO annually by the start of March to make sure these plans can be tested during the annual exercises in May.</p>

Electricity security of supply

Tamara Linnhoff

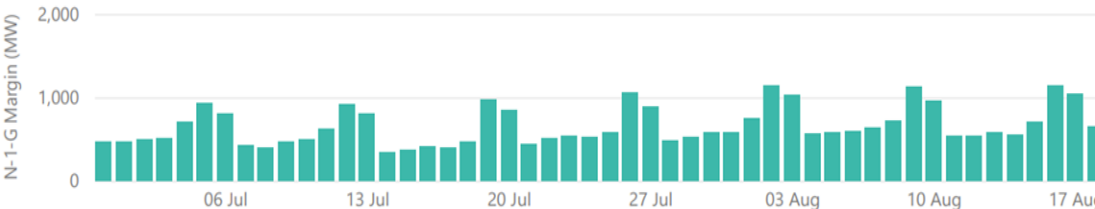
Privacy of natural persons

You recently asked for monitoring of non-essential outages over winter peak compared to the historical average. The Electricity Authority provide outage information in their regular Security of Supply A3 and have agreed to add the comparison of historical averages.

ELECTRICITY CAPACITY (for the week to Sunday 22 June 2025)

Most capacity margins were healthy last week, but the morning peak of Wednesday 18 June had the lowest residual so far this year at 423 MW. This was due to cold weather and very low wind generation (30 MW). The N-1-G margins in the NZGB forecast are healthy through to mid-August 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 22 June)

National hydro storage decreased to 93% of the historic mean this week from 94% the week prior. South Island hydro storage decreased to 87% from 88% while North Island storage decreased from 164% to 154% last week.

ELECTRICITY ('ENERGY') SUPPLY RISK (at 22 June)

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

New Zealand Energy Risk



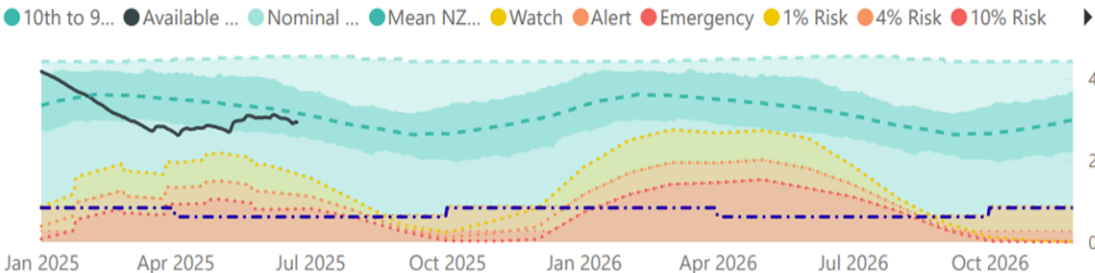
South Island Energy Risk



Normal Watch Alert Emergency

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

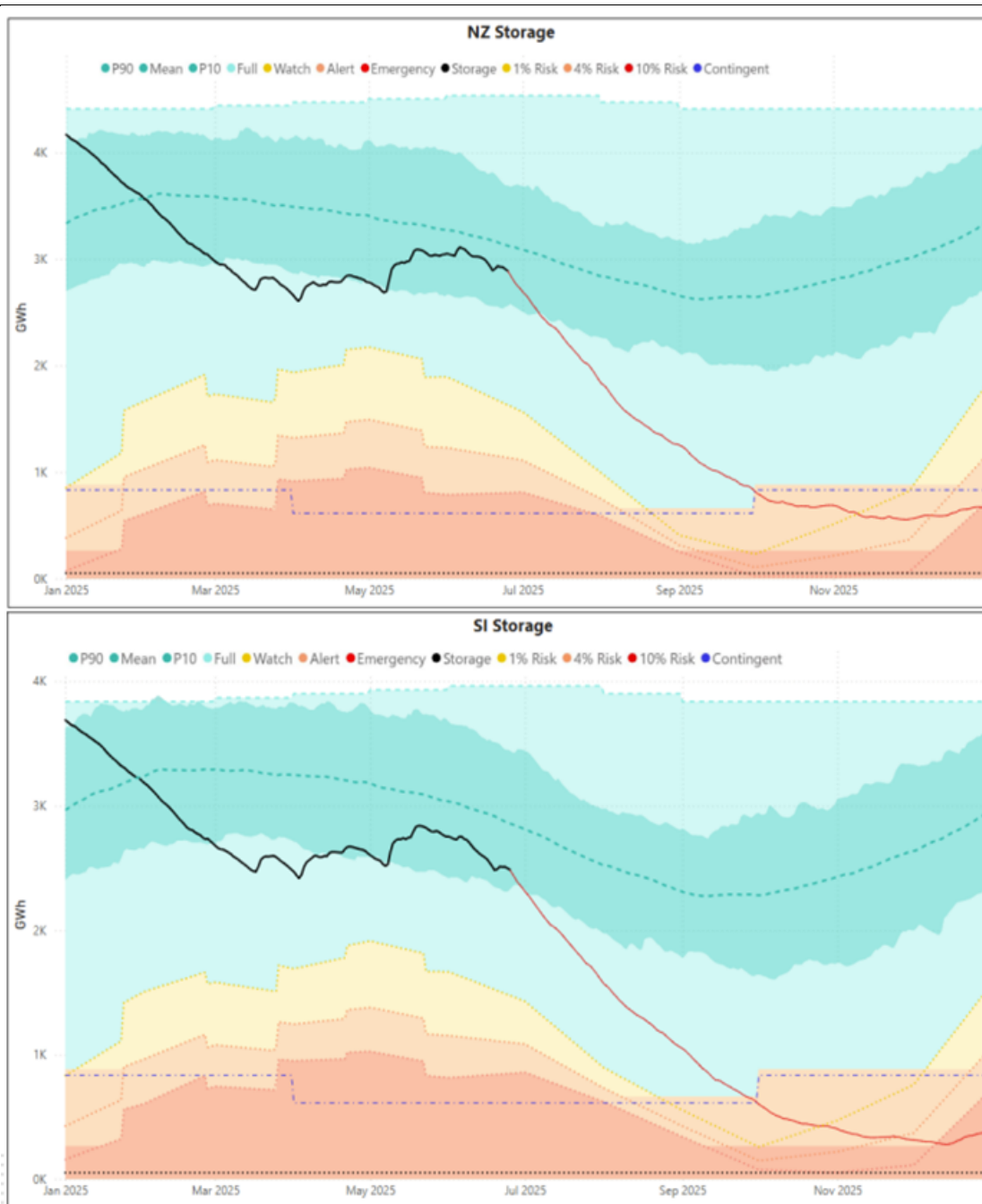
New Zealand Electricity Risk Status Curves (Available GWh)



Source: System Operator, Market Operations - Weekly Market Movements

The System Operator last updated the ERCs on 28 May 2025. Commentary on that update is in the Weekly Report of 3 June 2025. The next ERC update is expected at the end of June.

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



The ERCs were calculated using input data as of **15 May** (though published on **28 May**). The June ERCs will be published by 30 June. The worst-case SST line was calculated using inflow data starting from **23 June**.

The May update of the ERCs and SSTs includes the effects of the Contact- Methanex gas deal, improved hydro storage, and the announced retirement of a Huntly Rankine unit in January 2026. The announced early return of NZAS load will be incorporated in both the June ERCs and SSTs.

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	98	1/10/2025	98	30/12/2025	188
SI	27/09/2025	94	27/09/2025	94	10/12/2025	168

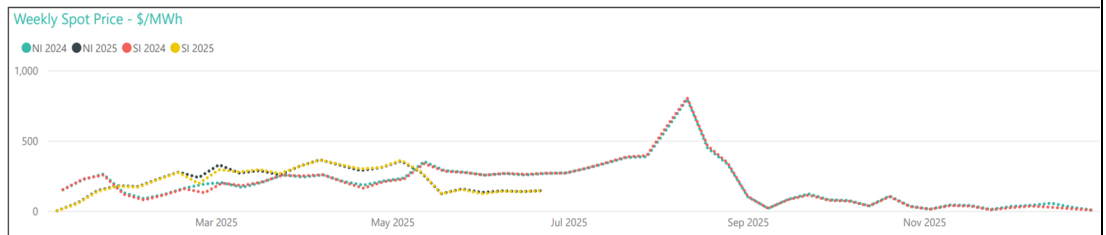
Last week we reported that the worst-case SST would cross the boundary of contingent storage on 21 September in the South Island and 1 October nationally, and that if this remains the case on 21 June it would trigger the buffer discretion process which includes assessing if there are energy or capacity risks within the next three months.

On 25 June Transpower reported to MBIE that the worst-case SST now crosses the boundary of contingent storage on 27 September in the South Island and 1 October nationally. And so if this remains the case on 27 June, it would trigger the buffer discretion process. **We engage regularly with Transpower and will report to you if this buffer discretion process is triggered.**

If worst case inflows were to persist, storage could hit the Emergency status curve in December 2025. **As noted above, this is highly unlikely to eventuate as the line takes into account the worst inflow in each week over the last 93 years and puts them end-to-end.** However, this line is useful for Transpower's internal planning, such as for conducting additional risk assessments. A key uncertainty is when (not if) spring inflows will arrive and the worst-case SST implicitly assumes they do not arrive in time to avoid hitting the Alert curve in spring.

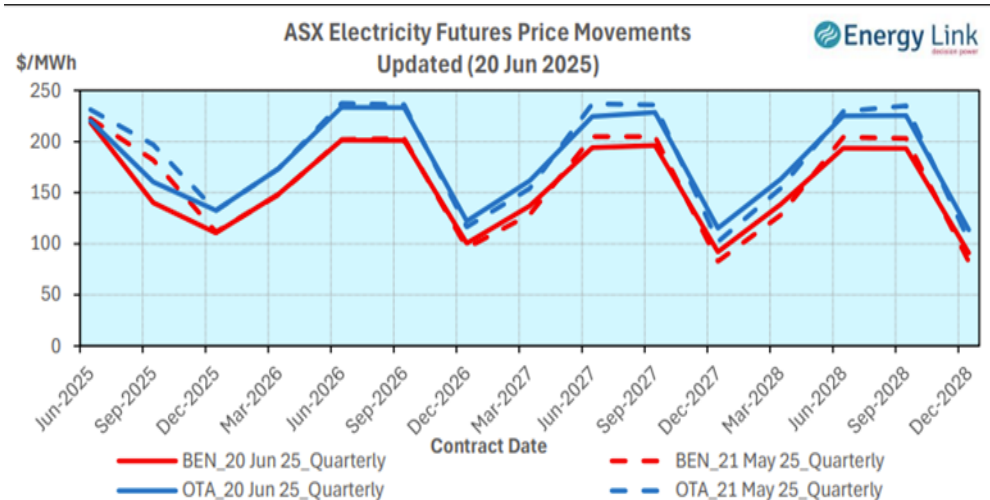
WHOLESALE ELECTRICITY PRICES

Weekly Spot Price (week ended 22 June)



Source: System Operator, Market Operations - Weekly Market Movements

ASX Electricity Futures Prices (at last available 20 June 2025)



Source: Energy Link, Energy Trendz Weekly

<p>Opportunity to announce Woody Bioenergy Policy Statement at Residues2Revenues conference</p> <p>Scott Russell Privacy of natural persons</p>	<p>We understand you have been invited to speak at the Residues2Revenues conference in Rotorua on 21-22 October 2025.</p> <p>The conference is an opportunity to demonstrate to stakeholders the progress the Government is making to reduce barriers to woody bioenergy through the Woody Bioenergy Taskforce</p> <p>Confidential advice to Government</p> <p>We understand the Minister of Forestry will give an opening address at the co-located Bioeconomy Innovations conference but will likely focus on wider forestry priorities rather than woody bioenergy. Last year's conference had around 200 attendees, including forest managers, harvest contractors, wood processors, woody bioenergy manufacturers, wood energy users, pulp/paper mills, government organisations, professional services, universities.</p> <p>We seek an indication of whether you are interested in speaking at this event. Your office will need to directly respond to the organisers. If you do not wish to present, MBIE could provide a presentation on the work of the Woody Bioenergy Taskforce.</p> <p style="text-align: right;">Yes / No</p>
<p>EV Smart Charging Discussion Document</p> <p>Scott Russell Privacy of natural persons</p>	<p>We intend to begin public consultation on the discussion document on options to support the uptake of smart EV chargers in the week commencing 30 June 2025.</p> <p>Consultation will run for four weeks. We will provide you with further updates once consultation has commenced.</p>
<p>Comparison of NZ offshore wind regime to other jurisdictions</p> <p>Daniel Brown Privacy of natural persons</p>	<p>You have asked whether other advanced countries (e.g. Sweden) are moving to an offshore wind tender model with exclusivity over marine space to provide investment certainty.</p> <p>Different countries take one of two approaches to managing the development of offshore wind:</p> <ul style="list-style-type: none"> • A centrally planned approach where the Government identifies sites for renewable energy development (usually after developing a comprehensive marine spatial plan) and runs a tender process (or similar) to allocate the sites to bidders. • A developer-led approach where developers identify the sites they wish to apply for. <p>The centrally planned approach has become the more common approach in Europe. Under a centrally planned approach the Government makes strategic decisions about priority uses for different parts of the seabed, often resulting in more exclusivity for developers awarded permits. This approach is often used alongside contracts for difference, or other revenue stabilisation support in order to encourage investment.</p> <p>The developer-led approach can be deployed more quickly as it does not rely on the Government having identified areas suitable for development or making choices about competing uses (eg seabed mining vs offshore wind).</p> <p>Sweden is moving toward a more centrally planned approach – the Swedish Government is considering amended marine spatial plans that would designate areas to be used for offshore wind, and late in 2024 a Government commission also recommended the Swedish Government shift from a developer-led approach to a competitive auction system for allocating offshore wind sites.</p>

	<p><i>Why is New Zealand using a developer-led approach?</i></p> <p>In June 2024 Cabinet agreed that New Zealand would follow a developer-led approach, rather than a more time-intensive approach of marine spatial planning or designating areas (as was done in Australia). This was agreed because:</p> <ul style="list-style-type: none"> • it would enable the feasibility permit process to begin as soon as possible, • during consultation, developers preferred this approach, and • the regulatory regime would provide flexibility for the government to select sites in future if appropriate (for example, through deciding where to invite applications). <p>The regime Cabinet agreed to was based on an expectation, communicated to developers by the then-Minister for Energy, that offshore renewable energy projects would be expected to compete on the same commercial basis as other electricity generation and the Government would not be pursuing contracts for difference or other revenue support for offshore renewable projects.</p> <p>This developer-led approach also means the government may grant development permits under other legislation (eg from petroleum or minerals) in areas of interest for offshore wind.</p> <p>Developers may prefer other countries' approaches to ensuring energy investment such as the revenue-stabilisation Contract for differences (CfD) agreements used across Europe because these create greater revenue certainty for offshore wind developers. To date, such market interventions have not been deployed in New Zealand.</p>
<p>Office of the Auditor General report on publicly owned EDBs</p> <p>Tamara Linnhoff</p> <p>Privacy of natural persons</p>	<p>The Office of the Auditor General (OAG) audits the 19 publicly owned EDBs. Periodically it reports on the observations from its audits. On 23 June, the OAG published observations from its 2023/24 audits. It reported that it issued two non-standard audit reports in 2023/24. These were an 'emphasis of matter' relating to historical information disclosed by Alpine Energy and to Orion's presentation of its greenhouse gas performance.</p> <p>The majority of the OAG's observations in the report published this week on audits across 19 EDBs relate to the changing business environment EDBs face, including that:</p> <ul style="list-style-type: none"> • smaller EDBs will find it hard to keep up with innovation in the sector • some EDBs face risks to securing human and financial capital to support the projected increase in electrification • the need for long term and transparent planning <p>The OAG also note the dynamic and challenging environment that the public EDBs operate in makes it important that they have the right mix of skills in their governance level and highlights the need for effective internal company controls and reporting on those to the governance level.</p> <p>The OAG consider the energy sector would benefit from clear high-level goals to guide planning and investment. It notes the potential role of the Energy Companies Act 1992 which provides a statutory objective for EDBs and suggests it may be timely to consider whether this Act remains fit for purpose.</p> <p>We are seeking to meet with the OAG to discuss its observations in more detail.</p> <p>Free and frank opinions</p> <div style="background-color: black; height: 50px; width: 100%;"></div>

<p>Gas DPP4 reset 2026: five-year regulatory period draft decision paper</p> <p>Dominic Kebbell</p> <p>Privacy of natural persons</p>	<p>The Commerce Commission released its draft decision this week to set a five-year regulatory period for the Default Price-Quality Path (DPP4) that will commence on 1 October 2026 and end on 30 September 2031.</p> <p>This decision is part of a package of decisions by the Commission for DDP4 that will shape how much revenue gas pipeline businesses can earn and how those costs are spread over time. It will have a direct impact on retail gas prices paid by consumers as charges by gas retailers include both pipeline charges and gas energy costs.</p> <p>In 2022, the Commission set a four-year period for DDP3 to enable an early reassessment, given the uncertainty surrounding future climate change policy and its impact on the sector. Although uncertainty in the gas sector remains, the Commission now considers a five-year period to be appropriate for the DPP4 reset, as it better aligns with the Part 4 purposes of the Commerce Act.</p> <p>The Commission also published its approach to resetting DPP4 and is seeking stakeholder views on key issues and priorities.</p>
<p>Update on Millari gas supply</p> <p>Scott Russell</p> <p>021 812 720</p>	

Commercial Information

Commercial Information

Upcoming Ministerial Items

1. Upcoming Energy meetings

Meeting date	Meeting	Details
Monday 30 June 2025 10:15 am – 10:45 am	Taheke 8C	Briefing Due: 18 June 2025 Officials required: Daniel Brown

2. Upcoming Briefings, Aides Memoires and Cabinet Papers

Information to be publically released shortly

3. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
3 July 2025	SW25-248	Privacy of natural persons	Mercury power charges
4 July 2025	SW24-249		Power companies and power pricing

4. Output plan

Confidential advice to Government

Confidential advice to Government