



Energy Portfolio Weekly Report

Week commencing: 07/07/2025

Priority: Medium

Security classification: In Confidence

Tracking number: BRIEFING-REQ-0016975

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

4 July 2025

Minister's comments:

**Energy Portfolio
Officials' Meeting Agenda
11:30 am – 12:00 pm Monday 7 July 2025**

Item	Subject	People	Oral Item / Paper #	Action Required
1.	Confidential advice to Government			
2.	Weekly Report & Work Programme	Minister	Oral	Discussion
3.	Any other business	All	Oral	Discussion

Ministry of Business, Innovation & Employment officials attending:

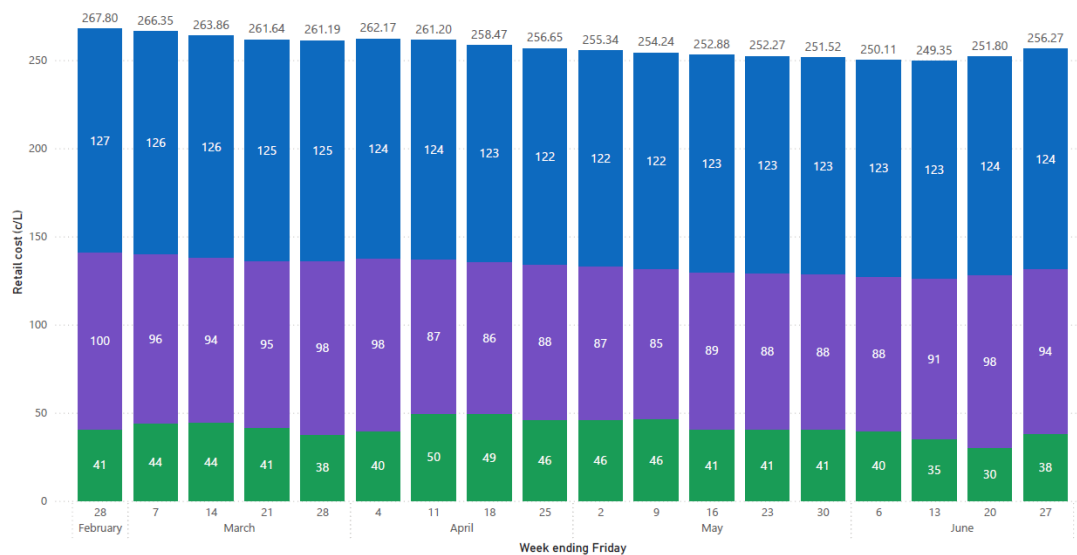
Name	Position
Carolyn Tremain	Chief Executive and Secretary (Tentative)
Paul Stocks	Deputy Secretary, Building, Resources and Markets
Justine Cannon	General Manager, Energy Markets
Sharon Corbett	Policy Director, Energy Markets

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>Contact Energy this week lodged a Fast-track application to change the operating levels of Lake Hāwea. If approved, this would enable access to an additional 6 metres of operating range in the Lake. This application is now sitting with the Minister for Infrastructure, who may seek comment from you in the near future.</p>												
<div>New permitting regime for offshore renewable energy</div> <div>Daniel Brown</div> <div>Privacy of natural persons</div>	<p>The Transport and Infrastructure Committee has reported back on the Offshore Renewable Energy Bill. Confidential advice to Government</p>												
<div>Fuel price monitoring</div> <div>Dominic Kebbell</div> <div>Privacy of natural persons</div>	<p>Global crude oil prices have been stable since the ceasefire came into effect</p> <p>A ceasefire has now held since 24 June 2025, with this ceasefire, security of supply and market confidence has increased. As of 2 July 2025, the price of Dubai crude oil is US\$69.27 per barrel, a \$5.59 decrease from the peak of \$74.86 on 18 June 2025.</p> <p>Markets are currently expecting that OPEC+ will announce an increase in its August 2025 production following its next monthly meeting on 6 July 2025. This could put some downward pressure on crude oil prices.</p> <p>Domestic fuel prices have increased as anticipated</p> <p>As anticipated, domestic retail fuel price increases were more pronounced in the week ending 27 June 2025. This reflects the lag in price increases at the pump following elevated importer costs in the week prior. With global prices returning to pre-conflict levels, we expect retail fuel prices to come down in the coming weeks.</p> <p>Importer costs and retail prices for the week ending 27 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>down 4.35 c/L to 93.75 c/L</td><td>up 7.96 c/L to 38.09 c/L</td><td>up 4.47 c/L to 256.27 c/L</td></tr><tr><td>Diesel</td><td>down 5.69 c/L to 100.68 c/L</td><td>up 9.19 c/L to 44.01 c/L</td><td>up 4.39 c/L to 185.68 c/L</td></tr></table>	Fuel type	Importer cost	Importer margin	Retail price	Regular petrol	down 4.35 c/L to 93.75 c/L	up 7.96 c/L to 38.09 c/L	up 4.47 c/L to 256.27 c/L	Diesel	down 5.69 c/L to 100.68 c/L	up 9.19 c/L to 44.01 c/L	up 4.39 c/L to 185.68 c/L
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National price breakdown for regular petrol

● Importer margin ● Importer cost ● Taxes and levies



Australian electricity price comparison

Tamara Linnhoff

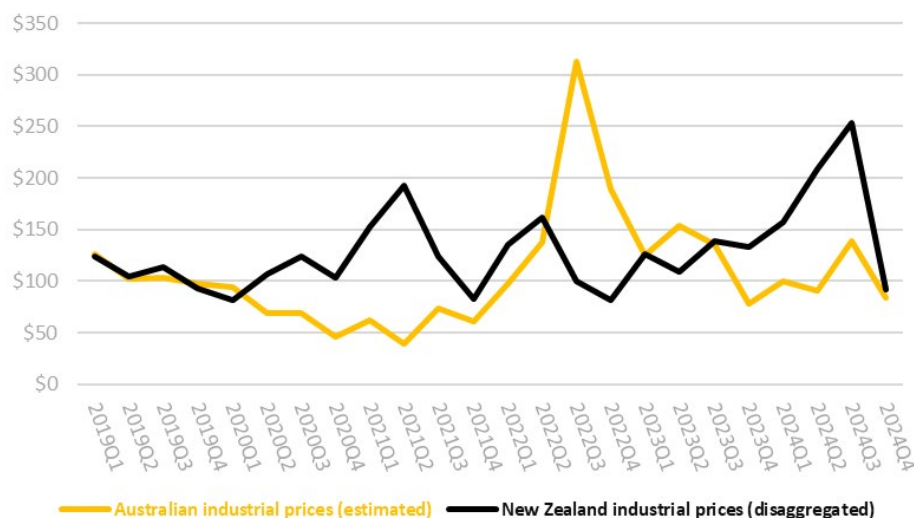
Privacy of natural persons

Previous advice on international comparisons of electricity prices (BRIEFING REQ 0012344 refers) noted officials had commissioned Castalia Economics to develop a comparison of industrial prices with Australia, as Australia does not publish data nor supply industrial pricing to the IEA.

The figure below compares Castalia's estimate for industrial pricing in four Australian states with similar data from New Zealand. This measure, and spot price comparisons, indicate:

- **New Zealand's industrial electricity prices have typically been higher than Australia but competitive with other comparable economies** over the last five years. Australia has typically had lower prices than European economies and Japan.
- **Average electricity prices are notably more volatile in New Zealand**, year-on-year, as our energy system is more exposed to seasonal weather risks (dry years).
- **But New Zealand industrials have largely been insulated from international energy shocks**, like international gas price spikes following Russia's invasion of Ukraine.

Estimated prices paid by industrials (NZD/MWh)



This analysis does not include network charges to industrials and the impact of long-term PPAs that larger industrials in both countries may procure. Long-term PPAs are likely to result in significantly lower and smoother prices than the figure above illustrates.

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). MBIE have advised that a <i>principles-based</i> level playing field approach will rely heavily on ensuring effective monitoring and enforcement.	On track EA consulting on Roadmap for industrial flexibility (demand response). Confidential advice to Government
	1B Standardised flexibility contracts: Initial offer rounds held. EA is monitoring liquidity (or lack of). Free and frank opinions	
	1C+D sharing flexibility and level playing field measures: No change: The EA is reviewing consultation submissions and Confidential advice to Government	
	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 an industrial flexibility emergency reserve scheme, 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

Action and outcome	Updates	Status and upcoming milestones
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 update this week. <i>Previous Update:</i> You announced the permitted voltage range and building consent changes on Friday 13 June. 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	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 underway to model the impacts of high solar uptake on the wholesale market, distribution networks and consumer bills. Confidential advice to Government We are collaborating with Rewiring Aotearoa and EECA on this series of analysis. We understand Rewiring wrote to you last week, supporting our modelling approach.	On track
Electricity (Hazards from Trees) Regulations Drafting instructions issued Advice on planting restrictions in urban areas on Council land	Phase 2 drafting instructions have been sent to PCO. Confidential advice to Government Free and frank opinions We will also provide advice in late July.	On track Drafting instructions issued

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	
New Zealand Energy Efficiency and Conservation Strategy (NZECS)	Confidential advice to Government Confidential advice to Government	Confidential advice to Government 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. 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.	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 <i>Electricity (Safety) Regulations 2010</i> and the <i>Gas (Safety and Measurement) Regulations 2010</i> . This includes new	We will have a briefing to you on updating standards for e-transporters on 10 July. <i>Previous update:</i> 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 Confidential advice to Government	Confidential advice to Government

Action and outcome	Updates	Status and upcoming milestones
standards for solar and EV chargers, reducing costs	Confidential advice to Government	
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. Following our discussion with you on a potential Japan visit later in the year, we are preparing a briefing with a recommended approach to business to business/investment announcements during the visit.	On track
Woody Bioenergy Investigating barriers to the development of the domestic supply chain and export opportunities for woody bioenergy.	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. Ministerial consultation on a draft Cabinet Paper (joint with the Minister for Transport) that seeks approval of the related financial changes is due to be completed on 8 July so that the paper can be considered at EXP on 15 July. 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		
<p>Transpower's Connections Queue for Generation – improvements to increase project throughput</p> <p>Confidential advice to Government</p>	<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 Formal offer/acceptance of form of connection and commercial terms for all projects before progressing to investigation More connection status information on our webpage including consenting status. <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 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. 	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>Methanex gas deal:</p> <p>The 8-week gas swap agreement between Contact, Genesis and Methanex has concluded. On Thursday 26 June Methanex restarted operations at its Motonui plant.</p> <p>We note that Contact previously stated that its TCC plant will be decommissioned after winter 2025. Confidential advice to Government</p> <p>Confidential advice to Government</p> <p>Huntly-backed contracts for 2026 onwards:</p> <p>Genesis, Mercury, Meridian, and Contact have signed a detailed non-binding term sheet for a strategic energy reserve centred on Huntly, intended to be in place by winter 2026. On 2 July Genesis reported</p> <ul style="list-style-type: none"> process remains on track as counterparties work towards executing full form agreements the counterparties are in the final stages of agreeing a draft authorisation agreement, to submit to the Commerce Commission. 	Ongoing

	<p>Confidential advice to Government</p> <p>We expect the Commission will be considering whether the agreements limit competition, including whether authorisation conditions are necessary to set or influence the terms by which independent generators and retailers can access firming. Genesis has confirmed to MBIE that it is committed to making residual capacity at Huntly available to independent parties. However, on 2 July Genesis signalled the process is not straightforward and the relevant team is currently focussed on the agreement between gentailers, and once that is signed they will then work with market participants on designing products their assets can support.</p> <p>Confidential advice to Government</p> <p>Confidential advice to Government</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>	
Contact agreement with Greymouth Petroleum	<p>Contact Energy has entered into a seven-year gas supply agreement with Greymouth Gas. The agreement to supply up to 7PJ of gas a year will take effect from 1 October 2025, with an option to extend for a further three years from October 2032. Contact states that “The gas provides an opportunity for Contact to support New Zealand businesses and critical gas consumers as they transition from gas to renewable electricity.”</p>	Ongoing
Gas exploration updates	<p>Mangahewa</p> <p>As reported previously, 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>As reported previously, 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 in confidence: Tariki</p> <p>As reported previously, New Zealand Energy Corporation are undertaking an engineering design study to assess Tariki for storage purposes. <small>Commercial Information</small></p> <p>Commercial Information</p> <p>Storage is likely to be an important feature of future dry year cover systems, so we will continue to monitor this situation. Further detail is provided in the ‘other updates’ section below.]</p>	Ongoing

Stakeholder Updates

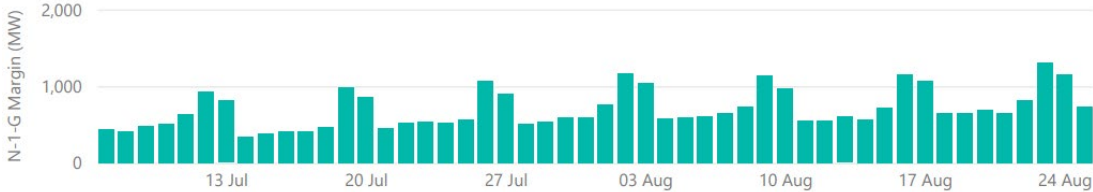


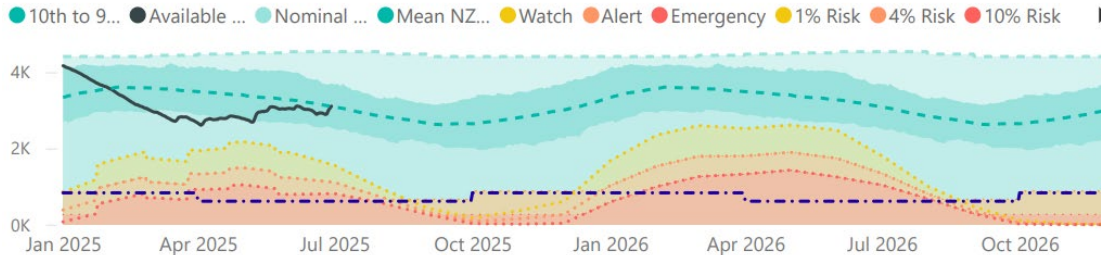
Title	Comment
Potential Genesis dual-fuel peaker Tamara Linnhoff <small>Privacy of natural persons</small>	<p>On 1 July 2025 Genesis announced that they are exploring developing an additional 50-100MW dual-fuel peaker (natural gas, diesel and LNG) at Huntly.</p> <p>Genesis' Gen35 Strategy (launched in 2023) had already signalled an interest in developing this plant from 2029 onwards, however Genesis have now decided to test counterparts' appetite for bringing this forward to Winter 2027. Genesis informed MBIE that the decision was driven by their observations of market dynamics in the last few years.</p> <p>This potential new plant remains highly uncertain. Genesis have emphasised further progress will depend on whether there is sufficient interest from potential buyers to contract for the plant at a rate that would ensure a commercial return on their investment. They intend to run an Expressions of Interest process in the coming weeks.</p>

Current appointments

Confidential advice to Government

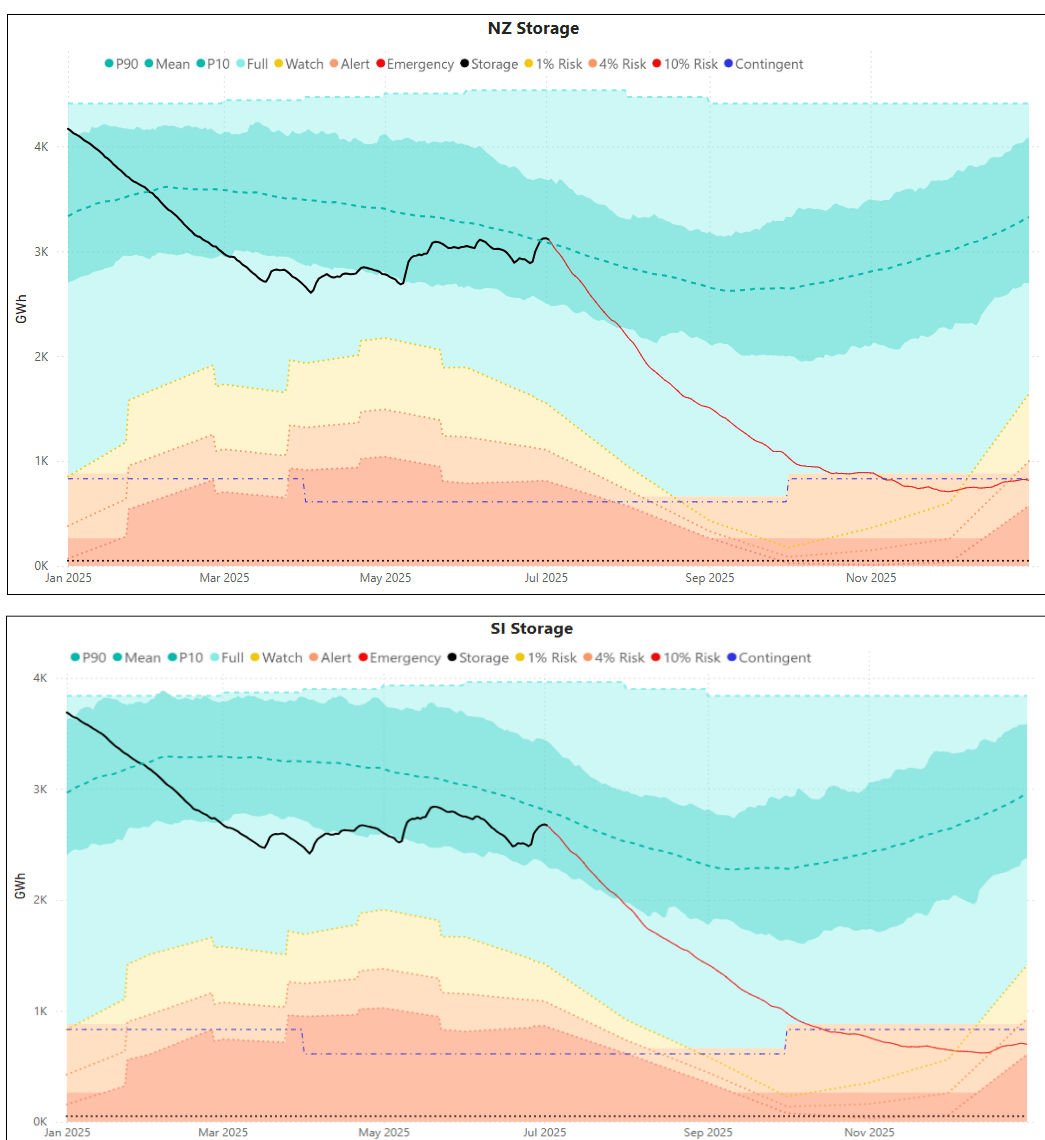
Other Updates

Title	Comment
Gas security of supply Dominic Kebbell <small>Privacy of natural persons</small>	<p>New Zealand Energy Corp expects to restart gas production at Tariki and is progressing its gas storage project</p> <p>New Zealand Energy Corp (NZEC) expects to start activities to restart gas production at the Tariki 5A gas field in the third quarter of 2025. Updated reservoir modelling indicates it is technically possible to start production within three weeks in part of the Tariki 5A field. According to the gas reserves data released early last month, this gas field was projected to produce 0.49 petajoules (PJ) of gas in 2025.</p> <p>In addition, NZEC is also progressing its Tariki gas storage project. According to Energy News, NZEC considers that up to 44 PJ could be stored in this facility. Gas Storage facility development concept studies are underway and are scheduled to be completed in August 2025.</p>
<small>Confidential advice to Government</small> Justine Cannon <small>Confidential advice to Government</small>	Confidential advice to Government

<p>Electricity demand modelling – inclusion of datacentre demand</p> <p>Tamara Linnhoff</p> <p>Privacy of natural persons</p>	<p>Confidential advice to Government</p>
<p>Electricity security of supply</p> <p>Tamara Linnhoff</p> <p>Privacy of natural persons</p>	<p>ELECTRICITY CAPACITY (for the week to Sunday 29 June)</p> <p>Residual generation margins were healthy last week with all almost all peaks having over 1,000 MW of residual. The lowest residual point occurred on Monday 23 June at 905 MW.</p> <p>The N-1-G margin is sufficient to meet peak demand in the look-ahead through to near end of August 2025:</p> <p>NZGB Look-Ahead (excluding next 7 days)</p>  <p>Source: System Operator, Market Operations - Weekly Market Movements</p> <p>ENERGY (HYDRO) STORAGE RELATIVE TO MEAN (for the week to 29 June)</p> <p>National hydro storage increased significantly to 101% of average for this time of year. South Island storage increased to 95% from 87% of its historical mean, while North Island storage increased from 155% to 162%.</p> <p>ELECTRICITY ('ENERGY') SUPPLY RISK (at 29 June)</p> <p>The level of 'energy risk' is measured by hydro storage levels relative to the electricity risk status curves.</p> <div data-bbox="363 1211 1477 1464"> <div> <p>New Zealand Energy Risk</p>  </div> <div> <p>South Island Energy Risk</p>  </div> <div> <p>Normal Watch Alert Emergency</p> </div> </div> <p>New Zealand controlled energy storage is average for this time of year:</p> <p>New Zealand Electricity Risk Status Curves (Available GWh)</p>  <p>Source: System Operator, Market Operations - Weekly Market Movements</p> <p>On 27 June 2025 Transpower updated its Electricity Risk Curves (ERCs). Key points are:</p> <ul style="list-style-type: none"> The ERC update uses controlled hydro storage as of 22 June 2025 which at that time was 93% of the historic mean. (We note this has since increased to 101%.)

- The ERCs for July and August 2025 and January to August 2026 have dropped relative to the May update. This is primarily due to increased gas production forecasts, along with a higher coal stockpile and increased starting storage at Ahuroa since last month. This now also factors in the earlier than previously anticipated return of the New Zealand Aluminium Smelter (NZAS) load.
- No SSTs cross the Watch curve in 2025. Between January to July 2026, 11 of the 93 SSTs cross the Watch curve under the 'base case' ERCs:
 - The base case assumes a Rankine unit at Huntly will be retired in January 2026 as indicated by Genesis
 - If all Rankine units were to remain available the Watch curve is lowered by up to 632 GWh in May 2026 and only one SST reaches the Watch curve in 2026
- The gap between firmly contracted coal imports and assumed maximum capability from 1 June through to 1 November is equivalent to 166 kT of additional coal orders.

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**).



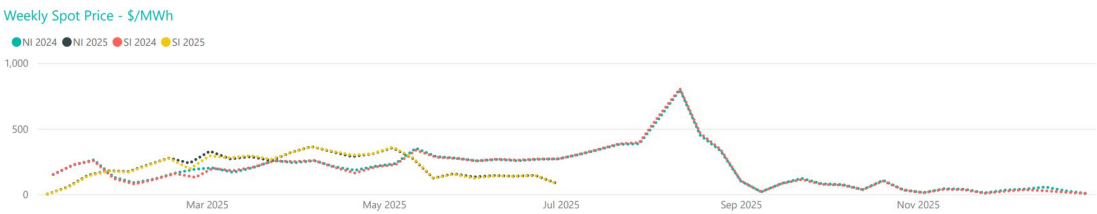
The ERCs were calculated using input data as of **16 June** (though published on **27 June**). The worst-case SST line has been updated: calculated using inflow data starting from **30 June**.

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	18/10/2025	108	18/10/2025	108	N/A	N/A
SI	9/10/2025	99	9/10/2025	99	N/A	N/A

This week the worst-case SST crosses the boundary of contingent storage on 9 October in the South Island and 18 October nationally. If worst case inflows were to persist, storage could hit the Emergency status curve in December 2025. 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.

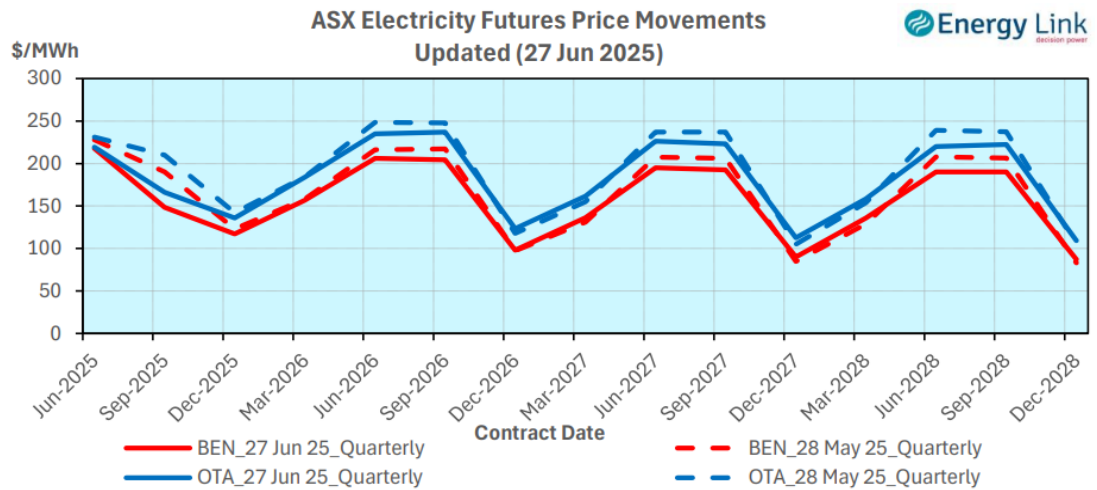
WHOLESALE ELECTRICITY PRICES

Weekly Spot Price (week ended 29 June 2025)



Source: System Operator, Market Operations - Weekly Market Movements

ASX Electricity Futures Prices (at last available report 27 June 2025)



Source: Energy Link, Energy Trendz Weekly

Monthly Oil and Gas production data

Karlene Tipler

Privacy of natural persons

We will be publishing the May 2025 update of our monthly oil and gas production data on Thursday 10 July. This shows that net production of natural gas in May 2025 was 8.70 PJ, down 19% on May 2024 levels (10.79 PJ) and down 2% on April 2025 net production.

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.

<div>Smart EV Charging Consultation</div> <div>Scott Russell</div> <div>Privacy of natural persons</div>	<p>We have now begun consultation on proposals to support the uptake of smart EV charging. Consultation will run for approximately four weeks, until 1 August 2025.</p> <p>We have provided your office with a copy of the final discussion document, key messages and Q&A.</p>
<div>Australian government's progress on Sustainable Aviation Fuel policy</div> <div>Dominic Kebbell</div> <div>Privacy of natural persons</div>	<p>On 1 July 2025, we (along with the Ministry of Transport) met with Australian counterparts from the Department for Climate Change, Energy, Environment and Water to discuss the Australian government's progress on Sustainable Aviation Fuel (SAF) policy. We requested this meeting after you received a letter from New Zealand industry representatives on 23 June 2025. The letter advocated for SAF policy development and mentioning progress being made in Australia, in anticipation of the next 2+2 Ministerial meeting (which we understand is yet to be scheduled).</p> <div>International relations</div> <p>We will continue to monitor the Australian government's progress on policy to support low carbon liquid fuels to ensure we are moving in the same direction.</p>
<div>Constitutional conventions</div> <div>Dominic Kebbell</div> <div>Privacy of natural persons</div>	<p>In September 2024, Cabinet agreed to amend the <i>Gas Governance (Critical Contingency Management) Regulations 2008</i> (CCM Regulations). This is to improve the regime in place to manage the risk to the gas network from an unplanned disruption, such as a pipeline rupture [ECO-24-MIN-0194].</p> <div>Constitutional conventions</div> <div>Constitutional conventions</div> <div>Constitutional conventions</div> <div>Constitutional conventions</div>

Upcoming Ministerial Items

1. Upcoming Energy meetings

Meeting date	Meeting	Details
Monday 7 July 2025 3:15 pm – 3:45 pm	ABB Limited	Briefing Due: 2 July 2025 Officials required: NA
Tuesday 8 July 2025 3:30 pm – 4:00 pm	Visit to Lincoln Uni Energy Farm and Fonterra Biodigester	Briefing Due: 7 July 2025 Officials required: NA
Wednesday 9 July 2025 8:45 am – 9: 15 am	Northern Infrastructure Forum	Briefing Due: 3 July 2025 Officials required: Kathryn Rush
Wednesday 9 July 2025 12:45 pm – 1:45 pm	Lion NZ Brewery and Solar Panels	Briefing Due: N/A Officials required: Kathryn Rush
Thursday 10 July 2025 10:00 am – 11:00 am	Visit to Transpower Control room and fortnightly meeting	Briefing Due: N/A Officials required: Justine Cannon
Thursday 10 July 2025 1:00 pm – 1:30 pm	Mark De Wit, CEO Visy	Briefing Due: 7 July 2025 Officials required: Scott Russell
Thursday 10 July 2025 1:45 pm – 2:15 pm	Consumer NZ, John Duffy CE	Briefing Due: 7 July 2025 Officials required: Scott Russell
Thursday 10 July 2025 3:30 pm – 3:50 pm	Comcom Fortnightly meeting	Briefing Due: N/A Officials required: Justine Cannon
Thursday 20 July 2025 3:50 pm – 4:10 pm	EA Fortnightly meeting	Briefing Due: N/A Officials required: Justine Cannon
Friday 11 July 2025 1:30 pm – 2:00 pm	EECA monthly meeting	Briefing Due: N/A Officials required: 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
8 July 2025	SW25-252	Privacy of natural persons	Solar panels on Ministry of Education or school buildings
9 July 2025	SW25-250		New Zealand’s Electricity system
11 July 2025	SW25-251		Electricity usage smoothing
14 July 2025	SW25-253		Smarter electricity management in the public sector

5. Output plan

Confidential advice to Government

Confidential advice to Government

Confidential advice to Government

Confidential advice to Government



Energy Portfolio Weekly Report

Week commencing:	14/07/2025	Priority:	Medium
Security classification:	In Confidence	Tracking number:	BRIEFING-REQ-0017263

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

11 July 2025

Minister's comments:

Energy Portfolio Officials' Meeting Agenda

1:00 pm – 1:30 pm Tuesday 15 July 2025

Item	Subject	People	Oral Item / Paper #	Action Required
1.	Ballance	Paul Stocks Justine Cannon Scott Russell	Oral	Discussion
2.	CDR	Scott Russell	Oral	Discussion
3.	Thresholds for investment in generation by EDBs	Tamara Linnhoff Osmond Borthwick	BRIEFING-REQ-0016685	Discussion
4.	APEC	Peter Bartlett	BRIEFING-REQ-0015808	Discussion
5.	Weekly Report & Work Programme	Minister	Oral	Discussion
6.	Any other business	All	Oral	Discussion

Ministry of Business, Innovation & Employment officials attending:

Name	Position
Carolyn Tremain	Chief Executive and Secretary (Tentative)
Paul Stocks	Deputy Secretary, Building, Resources and Markets
Justine Cannon	General Manager, Energy Markets
Peter Bartlett	Director, Innovation and International
Daniel Brown	Manager, Electrify NZ
Tamara Linnhoff	Manager, Electricity Markets Policy
Scott Russell	Manager, Energy Use Policy
Osmond Borthwick	Strategic Advisor Regulatory Policy and Practice

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.</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 Transport and Infrastructure Committee has reported back on the Offshore Renewable Energy Bill. Confidential advice to Government</p>																																																																																																				
<div>Fuel price monitoring</div> <div>Dominic Kebbell</div> <div>Privacy of natural persons</div>	<p>As reported last week, with tension between Iran and Israel easing, the risk of a supply shock to the global oil market has reduced considerably. In the week ending 4 July, Dubai crude oil spot prices decreased US\$1.32 (NZ\$3.35) to US\$68.43 per barrel.</p> <p>We are still seeing a modest impact on domestic fuel prices. In the week ending 4 July, regular petrol prices rose 0.27 c/L to 256.55 c/L. While this could be attributable to the conflict, these prices are still within the normal range of price fluctuations observed pre-conflict.</p> <p>We will provide future reporting on fuel prices at your request, or if the situation changes.</p> <div><p>National price breakdown for regular petrol</p><p>● Importer margin ● Importer cost ● Taxes and levies</p><table><thead><tr><th>Week ending Friday</th><th>Importer margin (c/L)</th><th>Importer cost (c/L)</th><th>Taxes and levies (c/L)</th><th>Retail cost (c/L)</th></tr></thead><tbody><tr><td>February 28</td><td>41</td><td>100</td><td>127</td><td>267.79</td></tr><tr><td>7</td><td>44</td><td>96</td><td>126</td><td>266.35</td></tr><tr><td>14</td><td>44</td><td>94</td><td>126</td><td>263.86</td></tr><tr><td>21</td><td>41</td><td>95</td><td>125</td><td>261.64</td></tr><tr><td>28</td><td>38</td><td>98</td><td>125</td><td>261.19</td></tr><tr><td>4</td><td>40</td><td>98</td><td>124</td><td>262.17</td></tr><tr><td>11</td><td>50</td><td>87</td><td>124</td><td>261.20</td></tr><tr><td>18</td><td>49</td><td>86</td><td>123</td><td>258.47</td></tr><tr><td>25</td><td>46</td><td>88</td><td>122</td><td>256.64</td></tr><tr><td>2</td><td>46</td><td>87</td><td>122</td><td>255.34</td></tr><tr><td>9</td><td>46</td><td>85</td><td>122</td><td>254.24</td></tr><tr><td>16</td><td>41</td><td>89</td><td>123</td><td>252.88</td></tr><tr><td>23</td><td>41</td><td>88</td><td>123</td><td>252.27</td></tr><tr><td>30</td><td>41</td><td>88</td><td>123</td><td>251.52</td></tr><tr><td>6</td><td>40</td><td>88</td><td>123</td><td>250.11</td></tr><tr><td>13</td><td>35</td><td>91</td><td>123</td><td>249.35</td></tr><tr><td>20</td><td>30</td><td>98</td><td>124</td><td>251.81</td></tr><tr><td>27</td><td>39</td><td>93</td><td>124</td><td>256.28</td></tr><tr><td>4 July</td><td>43</td><td>90</td><td>124</td><td>256.55</td></tr></tbody></table></div>	Week ending Friday	Importer margin (c/L)	Importer cost (c/L)	Taxes and levies (c/L)	Retail cost (c/L)	February 28	41	100	127	267.79	7	44	96	126	266.35	14	44	94	126	263.86	21	41	95	125	261.64	28	38	98	125	261.19	4	40	98	124	262.17	11	50	87	124	261.20	18	49	86	123	258.47	25	46	88	122	256.64	2	46	87	122	255.34	9	46	85	122	254.24	16	41	89	123	252.88	23	41	88	123	252.27	30	41	88	123	251.52	6	40	88	123	250.11	13	35	91	123	249.35	20	30	98	124	251.81	27	39	93	124	256.28	4 July	43	90	124	256.55
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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).	On track EA consulting on Roadmap for industrial flexibility (demand response). Free and frank opinions
	1B Standardised flexibility contracts: Initial offer rounds held. EA is monitoring liquidity (or lack of). Free and frank opinions	
	1C+D sharing flexibility and level playing field measures: No change: The EA is reviewing consultation submissions and Confidential advice to Government	
	2A+B+C Better compensating household power injection and time of use plans: Decisions will be published on 16 July	
	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 an industrial flexibility emergency reserve scheme, 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: MfE is progressing development of an enabling framework for CCS as part of the new resource management regime being developed.	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>No update this week.</p> <p><i>Previous Update:</i></p> <p>You announced the permitted voltage range and building consent changes on Friday 13 June.</p> <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> <p>Confidential advice to Government</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 underway to model the impacts of high solar uptake on the wholesale market, distribution networks and consumer bills.</p> <p>Confidential advice to Government</p> <p>Confidential advice to Government</p> <p>We are collaborating with Rewiring Aotearoa and EECA on this series of analysis. Rewiring has written to you supporting our modelling approach.</p>	<p>On track</p>
<p>Electricity (Hazards from Trees) Regulations</p> <p>Drafting instructions issued</p> <p>Advice on planting restrictions in urban areas on Council land</p>	<p>Phase 2 drafting instructions have been sent to PCO.</p> <p>Confidential advice to Government</p> <p>Free and frank opinions</p> <p>We will also provide advice in late July.</p>	<p>On track</p> <p>Drafting instructions issued</p>

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	
New Zealand Energy Efficiency and Conservation Strategy (NZECS)	Confidential advice to Government	Confidential advice to Government
Offshore Renewable Energy	The timing of further advice (feasibility permit regulations and the scope of the first round) is dependent on your decision on how to proceed with the Bill.	On track

Confidential advice to Government

<p>Electricity and Gas Safety Standards (including permitted voltage range)</p> <p>Updating 400+ references to international standards in the <i>Electricity (Safety) Regulations 2010</i> and</p>	<p>You have received a briefing updating standards for e-transporters on 11 July.</p>	<p>Confidential advice to Government</p> 
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Action and outcome	Updates	Status and upcoming milestones
<i>the Gas (Safety and Measurement) Regulations 2010.</i> This includes new standards for solar and EV chargers, reducing costs		
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. Obayashi has indicated their work to consider this issue will take some months. We have provided you with a briefing on a potential visit to Japan. From next week, we will remove this item from the report.	On track
Woody Bioenergy Investigating barriers to the development of the domestic supply chain and export opportunities for woody bioenergy.	Confidential advice to Government Confidential advice to Government Confidential advice to Government 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. The draft Cabinet Paper (joint with the Minister for Transport) seeking approval of the related financial changes is now scheduled to be considered by Cabinet in August (subject to Ministerial consultation). The Request for Proposals (RfP) seeking applicants to deliver public charging infrastructure under the new concessional loans model closes on 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		

Action and outcome	Updates	Status and upcoming milestones
<p>Transpower's Connections Queue for Generation – improvements to increase project throughput</p> <p>Confidential advice to Government</p>	<p><i>Transpower have provided the following update:</i></p> <p><u>Improving throughput:</u></p> <p>Implemented:</p> <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 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. Formal offer/acceptance of form of connection and commercial terms for all projects before progressing to investigation. Extending our investigation initiation stage to confirm a preferred connection option for the remainder of the investigation. More connection status information on our webpage including consenting status. <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 including documented demarcation of interface points. Prioritisation options within the queue (based on security of supply). <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. 	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 	<p><i>Methanex gas deal:</i></p> <p>No change: The 8-week gas swap agreement between Contact, Genesis and Methanex has concluded. On Thursday 26 June Methanex restarted operations at its Motonui plant.</p> <p>We note that Contact previously stated that its TCC plant will be decommissioned after winter 2025. Confidential advice to Government</p> <p>Commercial Information</p> <p><i>Huntly-backed contracts for 2026 onwards:</i></p> <p>Genesis, Mercury, Meridian, and Contact have signed a detailed non-binding term sheet for a strategic energy reserve centred on Huntly, intended to be in place by winter 2026. On 9 July Genesis reported</p>	Ongoing

Action and outcome	Updates	Status and upcoming milestones
<ul style="list-style-type: none"> Demand response deals 	<ul style="list-style-type: none"> The counterparties have developed a confidential draft authorisation application and this has been shared with the Commerce Commission. Counterparties continue to formulate full form agreements and this process remains on track. <p>The Commission has told us (MBIE) they will start considering the application based on a draft application.</p> <p>We expect the Commission will be considering whether the agreements limit competition, including whether authorisation conditions are necessary to set or influence the terms by which independent generators and retailers can access firming. Genesis has confirmed to MBIE that it is committed to making residual capacity at Huntly available to independent parties. However, on 2 July Genesis signalled the process is not straightforward and the relevant team is currently focussed on the agreement between gentailers, and once that is signed they will then work with market participants on designing products their assets can support.</p> <p>Commercial Information</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>Mangahewa</p> <p>As reported previously, Todd has begun drilling an appraisal well at Mangahewa – this is in addition to the three development wells previously reported. The appraisal well will determine potential gas reserves. Todd publicly described the well as “high risk but hopefully high reward”.</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>As reported previously, 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 in confidence: Tariki]</p> <p>As reported previously, New Zealand Energy Corporation are undertaking an engineering design study to assess Tariki for storage purposes. Commercial Information</p> <p>[REDACTED]</p> <p>Storage is likely to be an important feature of future dry year cover systems, so we will continue to monitor this situation. Further detail is provided in the ‘other updates’ section below.]</p>	Ongoing

Stakeholder Updates

Title	Comment
Contact agreement with Greymouth Petroleum Dominic Kebbell <small>Privacy of natural persons</small>	Contact Energy has entered into a seven-year gas supply agreement with Greymouth Gas. The agreement to supply up to 7PJ of gas a year will take effect from 1 October 2025, with an option to extend for a further three years from October 2032. Contact states that “The gas provides an opportunity for Contact to support New Zealand businesses and critical gas consumers as they transition from gas to renewable electricity.”
Genesis residential hot water AI trial Scott Russell <small>Privacy of natural persons</small>	<p>Genesis Energy has completed a trial using AI, resulting in a 10% reduction in energy use through hot water heating in households during off-peak times.</p> <p>The trial involved 17,000 homes using smart hot water controls that Genesis can adjust when the hot water heater is used so that heating falls outside peak times, reducing costs for customers and relieving pressure on the grid, without compromising customer comfort.</p> <p>Hot water heating is about 30% of an average household’s energy use.</p> <p>Genesis is working with GridSmart, a division of Rinnai, to test new technology that would allow smarter demand management, customised to individual customers and to better target savings.</p> <p>We have reached out to Genesis to learn more about this work.</p>
ASB and Cogo launch online energy calculator Scott Russell <small>Privacy of natural persons</small>	<p>ASB has partnered with the carbon management fintech Cogo to launch an online calculator that enables consumers to measure, understand and optimise the efficiency of their home and vehicle(s).</p> <p>The Better Energy Calculator, hosted on ASB’s website allows consumers to:</p> <ul style="list-style-type: none">• Estimate their energy savings on bills.• Get suggestions for energy-efficient upgrades.• Understand the costs to upgrade.• Connect with local installers and receive access to deals. <p>ASB is also one of several banks who offers low-interest lending to mortgagees who wish to make electrification or energy efficient upgrades to their home, such as solar or hot water heat pumps.</p>

Commercial Information

Commercial Information

**Rewiring Aotearoa
actions for
discussion**

Scott Russell
Privacy of natural persons

You were recently briefed on actions covered in Rewiring Aotearoa’s Manifesto for accelerating electrification and solar [BRIEFING-REQ-0015299]. Confidential advice to Government




Confidential advice to Government

Confidential advice to Government

Confidential advice to Government

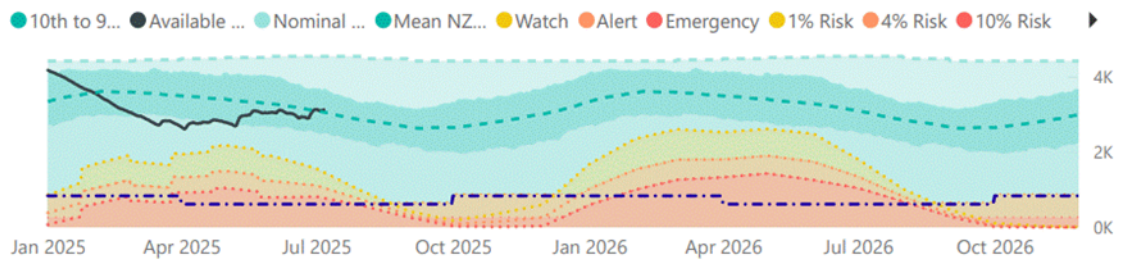
Confidential advice to Government

Other Updates

Title	Comment																
<div>Electricity security of supply</div> <div>Tamara Linnhoff</div> <div>Privacy of natural persons</div>	<div>ELECTRICITY CAPACITY (for the week to Sunday 6 July 2025)</div> <div>Capacity margins were still relatively healthy last week, the tightest peak being the evening of 1 July when residual generation was down at 549 MW. This coincided with cold evening temperatures and low wind generation across the country.</div> <div>The N-1-G margins are mostly healthy through to the end of August, with moderate margins in some days next week.</div> <div><div>NZGB Look-Ahead (excluding next 7 days)</div><table border="1"><caption>N-1-G Margin (MW) Data (Approximate)</caption><thead><tr><th>Date</th><th>Margin (MW)</th></tr></thead><tbody><tr><td>20 Jul</td><td>1000</td></tr><tr><td>27 Jul</td><td>1100</td></tr><tr><td>03 Aug</td><td>1200</td></tr><tr><td>10 Aug</td><td>1100</td></tr><tr><td>17 Aug</td><td>1200</td></tr><tr><td>24 Aug</td><td>1300</td></tr><tr><td>31 Aug</td><td>1400</td></tr></tbody></table></div> <div>Source: System Operator, Market Operations - Weekly Market Movements</div> <div>ENERGY (HYDRO) STORAGE RELATIVE TO MEAN (for the week to 6 July)</div> <div>New Zealand hydro storage increased to 102% of the historic mean this week from 101% the week prior. South Island hydro storage remained at 95% while North Island storage increased from 162% to 171% last week.</div> <div>ELECTRICITY ('ENERGY') SUPPLY RISK (at 6 July)</div> <div>The level of 'energy risk' is measured by hydro storage levels relative to the electricity risk status curves.</div> <div><div><div>New Zealand Energy Risk</div></div><div><div>South Island Energy Risk</div></div></div> <div>Normal Watch Alert Emergency</div>	Date	Margin (MW)	20 Jul	1000	27 Jul	1100	03 Aug	1200	10 Aug	1100	17 Aug	1200	24 Aug	1300	31 Aug	1400
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New Zealand controlled energy storage is average for this time of year:

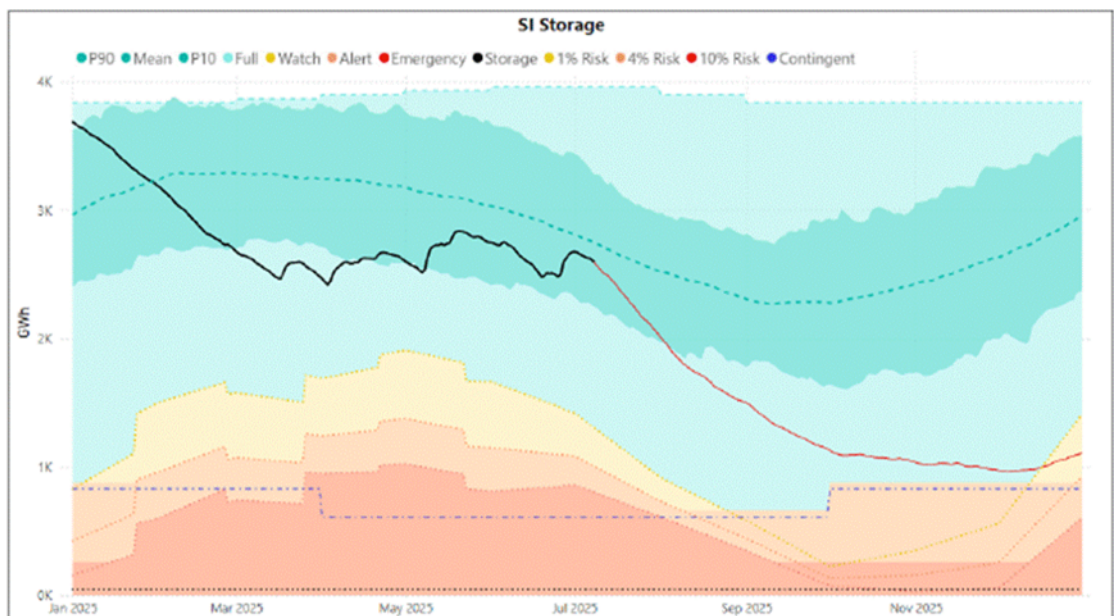
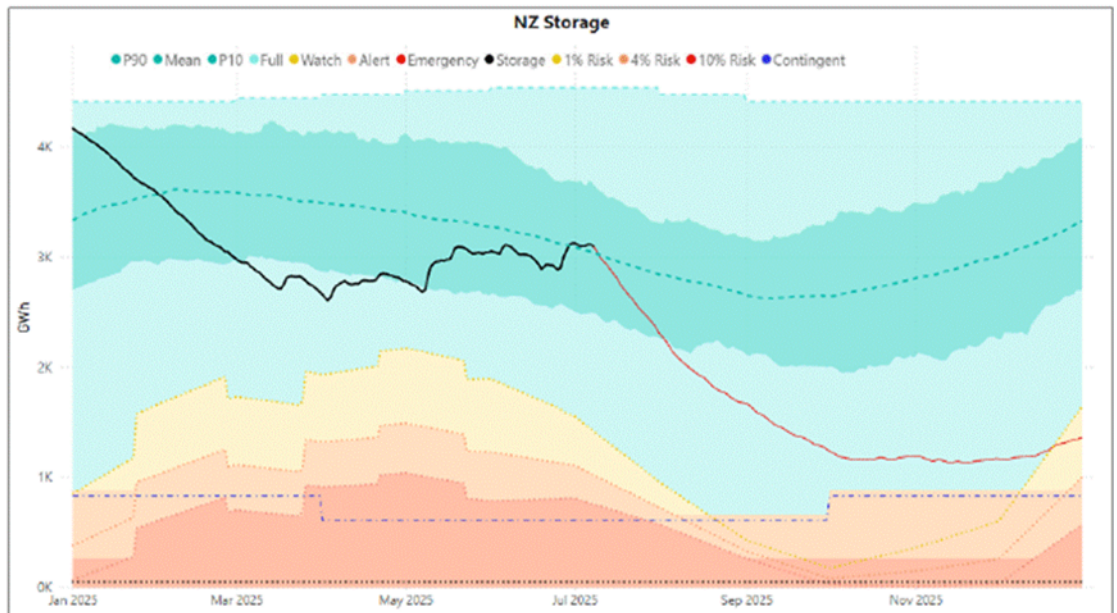
New Zealand Electricity Risk Status Curves (Available GWh)



Source: System Operator, Market Operations - Weekly Market Movements

The System Operator last updated the ERCs on 27 June 2025. Commentary on that update is in the Weekly Report of 4 July 2025. The next ERC update is expected at the end of July.

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 **16 June** (though published on **27 June**). The worst-case SST line was calculated using inflow data starting from **7 July**.

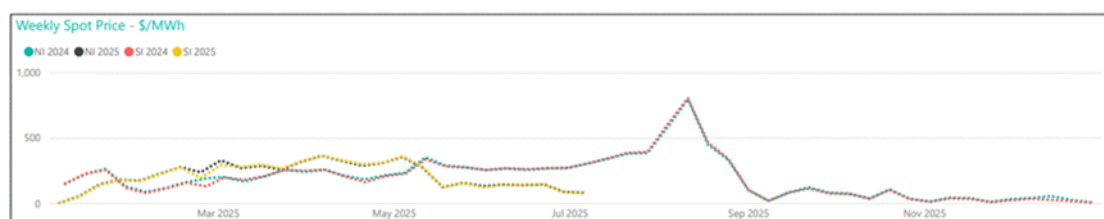
Low inflows - Time to cross successive curves

Region	Date Watch	Time to Watch	Date Alert	Time to Alert	Date Emergency	Time to Emergency
NZ	21/12/2025	166	N/A	N/A	N/A	N/A
SI	17/12/2025	162	N/A	N/A	N/A	N/A

This week the worst-case SST crosses the Watch curve for the South Island on 17 December and nationally on 21 December. The red line does not cross the Alert curve in 2025, which would be necessary for generators to be able to access contingent storage. Worst-case inflows are 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.

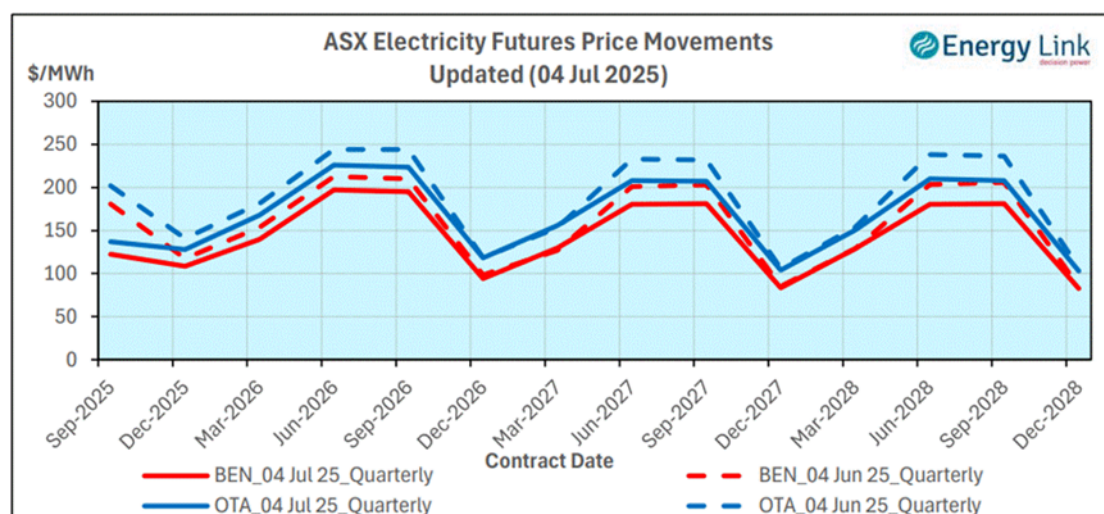
WHOLESALE ELECTRICITY PRICES

Weekly Spot Price (week ended 6 July)



Source: System Operator, Market Operations - Weekly Market Movements

ASX Electricity Futures Prices (at last available 4 July 2025)



Source: Energy Link, Energy Trendz Weekly

**Estimates of
datacentre demand
for electricity**

Tamara Linnhoff

Privacy of natural persons

On 24 June 2025 you requested further advice on differences across various estimations of future datacentre demand and MBIE's threshold for including datacentre demand in our own demand projections (Electricity Demand and Generation Scenarios (EDGS)) [following BRIEFING REQ 0015250: Electricity demand modelling].

Currently datacentres represent about 90MW of baseload demand. There have been proposals for substantial developments, for example Datagrid's most recent public announcement (early July) suggests a 49-hectare, 300MW datacentre campus in Makarewa, Invercargill, Southland.

Commercial Information

MBIE forecast, in EDGS, is a central estimate of 383 MW projected datacentre demand for electricity. This is lower than Vector's figure because Vector counts the more speculative information shared by developers, not yet available to MBIE. The EDGS report included announcements by Microsoft, Amazon Web Services, T4 Group and CDC Data Centres. A smaller estimate (as had been signalled previously by Datagrid) for their Makarewa Southland site was included in MBIE's growth scenario not the base case, given its lower certainty.

EDGS was last updated in July 2024 and is updated every few years, not on a rolling basis. A strict threshold is not used to determine what new demand is included in EDGS. Rather, MBIE Data & Insights make decisions on what new demand to add to EDGS, and MBIE's electricity demand modelling more generally, based on a several sources including:

- developments in the sector through MBIE's ongoing monitoring, which captures trends and changes in existing demand sources
- market announcements by industry participants – both demand and supply side
- expectations of market commentators and industry participants
- international expectations and global outlooks, such as the International Energy Agency's World Energy Outlook
- feedback from stakeholders.

Confidential advice to Government

Confidential advice to Government

Upcoming Ministerial Items

1. Upcoming Energy meetings

Meeting date	Meeting	Details
Monday 14 July 2025 10:00 am – 10:30 am	Hon Shane Jones and EECA regarding renewable energy markets	EECA provided briefing Officials required: Justine Cannon, Scott Russell
Wednesday 16 July 2025 8:15 am – 8:45 am	Hon Minister Simmonds regarding EcoGas proposal	Briefing due: 14 July 2025 Officials required: Dominic Kebbell
Thursday 17 July 2025 9:00 am – 9:30 am	Speak at Biogas Bridge Forum	Briefing due and Speech due: 10 July 2025 Officials required: Dominic Kebbell
Thursday 17 July 2025 12:00 pm – 12:30 pm	OpenAI and Sam Uffindell	Briefing due: 14 July 2025 Officials required: Peter Bartlett
Thursday 17 July 2025 3:15 pm – 3:45 pm	Hon Shane Jones regarding offshore renewable energy	Briefing due: 10 July 2025 Officials required: Justine Cannon, Daniel Brown

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
14 July 2025	SW25-253	Privacy of natural persons	Smarter electricity management in the public sector
18 July 2025	SW25-255		Fairness and Transparency in Electricity Pricing and Lines Company Accountability
24 July 2025	SW25-256		Updating Energy Safety Standards Citations in Regulations
25 July 2025	SW25-256		Fairness and Transparency in Electricity Pricing and Lines Company Accountability



Energy Portfolio Weekly Report

Week commencing:	21/07/2025	Priority:	Medium
Security classification:	In Confidence	Tracking number:	BRIEFING-REQ-00176622

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

18 July 2025

Minister's comments:

Energy Portfolio Officials' Meeting Agenda

3:15 pm – 4:00 pm Tuesday 22 July 2025

Item	Subject	People	Oral Item / Paper #	Action Required
1.	Under active consideration, commercially sensitive			
2.	Transpower - RM and land access regulatory reform	Dan Brown	Oral	Discussion
3.	EECA Update	Scott Russell	Oral	Discussion
4.	EDB Efficiency	Tamara Linnhoff Jamie Kerr Charlie Sheppard	BRIEFING-REQ-0015251	Discussion
5.	Weekly Report & Work Programme	Minister	Oral	Discussion
6.	Any other business	All	Oral	Discussion

Ministry of Business, Innovation & Employment officials attending:

Name	Position
Carolyn Tremain	Chief Executive and Secretary (Tentative)
Justine Cannon	General Manager, Energy Markets
Sharon Corbett	Policy Director, Energy Markets
Rebecca Heerdegen	Policy Director, Energy Markets
Daniel Brown	Manager, Electrify NZ
Tamara Linnhoff	Manager, Electricity Markets Policy
Scott Russell	Manager, Energy Use Policy
Jamie Kerr	Policy Director, Energy Markets
Charlie Sheppard	Senior Advisor, Electrify NZ

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 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.</p> <p>Confidential advice to Government</p>
Consumer data right proposals paper and delivering interim benefits to consumers Scott Russell <small>Privacy of natural persons</small>	<p>Targeted consultation on proposals for a consumer data right</p> <p>Targeted consultation on proposals for an electricity sector consumer data right (CDR) will begin this week. A cross-section of approximately 30 stakeholders in the electricity sector will be consulted including retailers, metering equipment providers, consumer advocates and innovators. Consultation will occur over 4 weeks to mid-August. Officials will update you on consultation and next steps to take proposals to Cabinet after this date.</p> <p>The paper will be forwarded to you and the Minister of Commerce and Consumer Affairs (responsible Minister for consumer data rights) offices for information. No action is required.</p> <p>Confidential advice to Government</p>
Energy Efficiency and Conservation (Energy Flexibility and Regulatory Improvements) Amendment Bill Amelie Goldberg <small>Privacy of natural persons</small>	<p>We have now received a first draft of the Energy Efficiency and Conservation (Energy Flexibility and Regulatory Improvements) Amendment Bill that aims to modernise the energy efficiency regulatory regime and enable regulation of smart EV chargers. <small>Confidential advice to Government</small></p> <p>MBIE recommends that this and subsequent drafts of the Bill be shared with EECA to enable EECA to provide feedback on workability. In accordance with Cabinet circular CO(19)2, your approval is required. Please indicate your decision below to release the draft Bill to EECA on an in-confidence basis and subject to legal professional privilege.</p> <p style="text-align: right;">Agree / Disagree</p>
Utilities Disputes jurisdictional issues – potential amendments to the Electricity Industry Act Scott Russell <small>Privacy of natural persons</small>	<p>Confidential advice to Government</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).	On track EA consulting on Roadmap for industrial flexibility (demand response). Free and frank opinions
	1B Standardised flexibility contracts: Initial offer rounds held. EA is monitoring liquidity (or lack of). Free and frank opinions	
	1C+D sharing flexibility and level playing field measures: No change: The EA is reviewing consultation submissions and Confidential advice to Government	
	2A+B+C Better compensating household power injection and time of use plans: Decisions were published 16 July. We will take this item out from next week. 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 an industrial flexibility emergency reserve scheme, 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: MfE is progressing development of an enabling framework for CCS as part of the new resource management regime being developed.	On track

Action and outcome	Updates	Status and upcoming milestones
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	Confidential advice to Government	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 underway to model the impacts of high solar uptake on the wholesale market, distribution networks and consumer bills. Confidential advice to Government Confidential advice to Government We are collaborating with Rewiring Aotearoa and EECA on this series of analysis. Rewiring has written to you supporting our modelling approach.	On track

Action and outcome	Updates	Status and upcoming milestones
Electricity (Hazards from Trees) Regulations Drafting instructions issued Advice on planting restrictions in urban areas on Council land	Phase 2 drafting instructions have been sent to PCO. Confidential advice to Government Free and frank opinions	On track Drafting instructions issued
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	
New Zealand Energy Efficiency and Conservation Strategy (NZECS)	Confidential advice to Government	Confidential advice to Government Confidential advice to Government
Offshore Renewable Energy	The timing of further advice (feasibility permit regulations and the scope of the first round) is dependent on your decision on how to proceed with the Bill. Under active consideration	On track

Confidential advice to Government

Action and outcome	Updates	Status and upcoming milestones
Confidential advice to Government		
Electricity and Gas Safety Standards (including permitted voltage range) Updating 400+ references to international standards in the <i>Electricity (Safety) Regulations 2010</i> and the <i>Gas (Safety and Measurement) Regulations 2010</i> . This includes new standards for solar and EV chargers, reducing costs	Confidential advice to Government Confidential advice to Government	Confidential advice to Government
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
Woody Bioenergy Investigating barriers to the development of the domestic supply chain and export opportunities for woody bioenergy.	Under active consideration Under active consideration 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. The draft Cabinet Paper (joint with the Minister for Transport) seeking approval of the related financial changes is now scheduled to be considered by Cabinet in August (subject to Ministerial consultation). The Request for Proposals (RfP) seeking applicants to deliver public charging infrastructure under the new concessionary loans model closes on 22 July.	On track

Action and outcome	Updates	Status and upcoming milestones
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 <small>Confidential advice to Government</small>	<p>Transpower have provided the following update:</p> <p><u>Improving throughput:</u></p> <p>Implemented:</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). Published first version of 'Guidelines for new connections' document setting early expectations for the connections we will offer. <p>Work continuing to implement:</p> <ul style="list-style-type: none"> Right-sizing investigations to meet customer needs and risk appetite. Formal offer/acceptance of form of connection and commercial terms for all projects before progressing to investigation. Extending our investigation initiation stage to confirm a preferred connection option for the remainder of the investigation. More connection status information on our webpage including consenting status. <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 including documented demarcation of interface points. Prioritisation options within the queue (based on security of supply). <p>Resourcing improvements:</p> <p>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.</p> <ul style="list-style-type: none"> 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 	<p>Methanex gas deal:</p> <p>No change: The 8-week gas swap agreement between Contact, Genesis and Methanex has concluded. On Thursday 26 June Methanex restarted operations at its Motonui plant.</p> <p>We note that Contact previously stated that its TCC plant will be decommissioned after winter 2025. <small>Confidential advice to Government</small></p> <p>Huntly-backed contracts for 2026 onwards:</p> <p>Commercial Information</p>	Ongoing

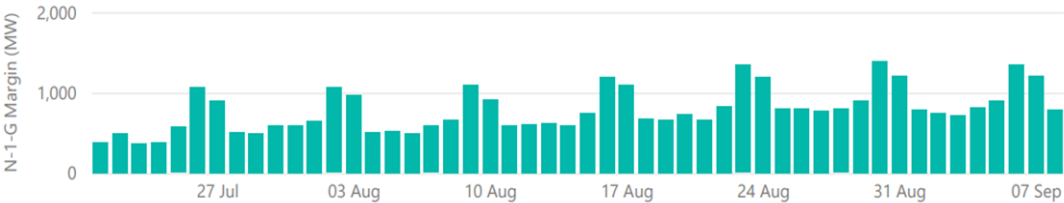


Action and outcome	Updates	Status and upcoming milestones
<p>Huntly (Heads of Agreement) firming contracts</p> <ul style="list-style-type: none"> Demand response deals 	<p>- Commercial Information</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>The authorisation process with the Commission can become formal only once the final terms have been agreed. We understand the Commission will be considering whether the agreements limit competition, including whether authorisation conditions are necessary to set or influence the terms by which independent generators and retailers can access firming. Genesis has confirmed to MBIE that it is committed to making residual capacity at Huntly available to independent parties.</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>Mangahewa</p> <p>As reported previously, Todd has begun drilling an appraisal well at Mangahewa – this is in addition to the three development wells previously reported. The appraisal well will determine potential gas reserves. Todd publicly described the well as “high risk but hopefully high reward”.</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>As reported previously, 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 in confidence: Tariki]</p> <p>As reported previously, New Zealand Energy Corporation are undertaking an engineering design study to assess Tariki for storage purposes. Commercial Information</p> <p>Commercial Information</p> <p>[REDACTED] Storage is likely to be an important feature of future dry year cover systems, so we will continue to monitor this situation.]</p>	Ongoing

Title	Comment
<div data-bbox="95 226 352 376"><p>Confidential advice to Government</p></div> <div data-bbox="95 387 352 454"><p>Daniel Brown</p><p>Privacy of natural persons</p></div>	<div data-bbox="352 226 1500 2069"><p>Confidential advice to Government</p></div>

<p>Centralines & Lodestone to work together on new generation</p> <p>Tamara Linnhoff Privacy of natural persons</p>	<p>On 16 July 2025 Centralines announced a joint venture with Lodestone to develop the Ongaonga Solar Farm, backed by \$8 million from the Government’s Regional Infrastructure Fund. The project will boost local energy resilience and economic growth in Central Hawke’s Bay, generating 52 GWh annually—enough to power around 9,000 homes.</p>
<p>Follow up conversations with energy brokers</p> <p>Scott Russell Privacy of natural persons</p>	<div>Commercial Information</div> <div>Commercial Information</div> <div>Commercial Information</div> <div>Commercial Information</div>
<p>Solar Group has gone into liquidation</p> <p>Peter Bartlett Privacy of natural persons</p>	<p>Solar Group, a New Zealand-based solar energy company, has gone into liquidation. It is the second company to collapse, after solarZero in November last year.</p> <p>The first liquidator's report states that the business failed due to cashflow constraints caused by declining sales performance, pricing pressures in the industry, low solar adoption rate and reliance on financial incentives and subsidies.</p> <p>Solar Group owes more than \$3 million to its creditors including ACC, Fuji Xerox, Meridian Energy, the Ministry for Primary Industries, NZ Couriers and Spark NZ. It also owes outstanding wages, commissions and holiday pay to its staff.</p>
<p>Electric Kiwi launches open tender to secure renewable PPAs</p> <p>Tamara Linnhoff Privacy of natural persons</p>	<p>On 14 July 2025 independent retailer Electric Kiwi announced that it would launch an open tender for long-term power purchase agreements (PPAs). It is offering developers of new renewable generation 10-15 year PPAs. This can help support the commercial viability of these projects (by easing the developer’s access to finance). Electric Kiwi also signalled its interest in entering battery energy storage system (BESS) tolling arrangements, which could support BESS developments. Expressions of interest (EoIs) are open until 25 July 2025 and Electric Kiwi expects to complete its tender process before the end of September 2025.</p> <p>We view this as a positive development. While Electric Kiwi has entered into contracts with independent generators before, the ability for independent retailers to enter into longer-term contracting arrangements that support development of more renewable generation will be a positive driver of increasing supply. If the counterparty is an independent generator this will also support wholesale market competition.</p>

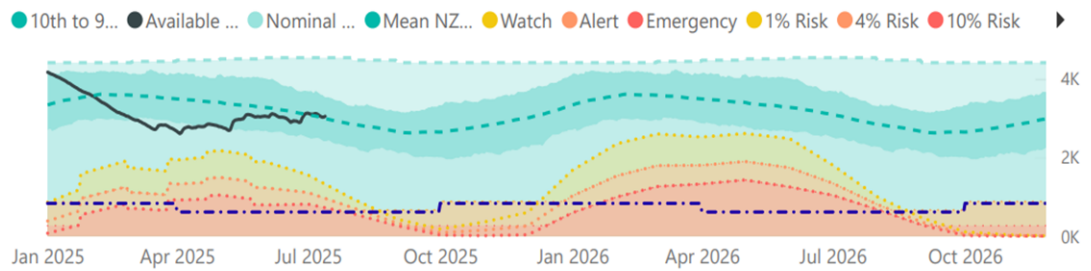
Confidential advice to Government

Other Updates

Title	Comment
<div>Electricity security of supply</div> <div>Tamara Linnhoff</div> <div>Privacy of natural persons</div>	<div><div>ELECTRICITY CAPACITY (for the week to Sunday 13 July)</div><div>Residual margins remained relatively healthy last week with the tightest peak being on the evening of Wednesday 9 July when residual generation dropped to 505 MW. This coincided with cold evening temperatures across the country.</div><div>The N-1-G margin is sufficient to meet peak demand in the look-ahead through to early September 2025:</div><div><div>NZGB Look-Ahead (excluding next 7 days)</div><div></div></div><div>Source: System Operator, Market Operations - Weekly Market Movements</div><div>ENERGY (HYDRO) STORAGE RELATIVE TO MEAN (for the week to 13 July)</div><div>Following recent rains, national hydro storage remained at 102% of average for this time of year. South Island storage remained at 95% of its historical mean (the southern lakes are still below mean levels), while North Island storage decreased from 171% to 166%.</div><div>ELECTRICITY ('ENERGY') SUPPLY RISK (at 13 July)</div><div>The level of 'energy risk' is measured by hydro storage levels relative to the electricity risk status curves.</div><div><div><div>New Zealand Energy Risk</div><div></div></div><div><div>South Island Energy Risk</div><div></div></div><div><div>Normal</div><div>Watch</div><div>Alert</div><div>Emergency</div></div></div></div>

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

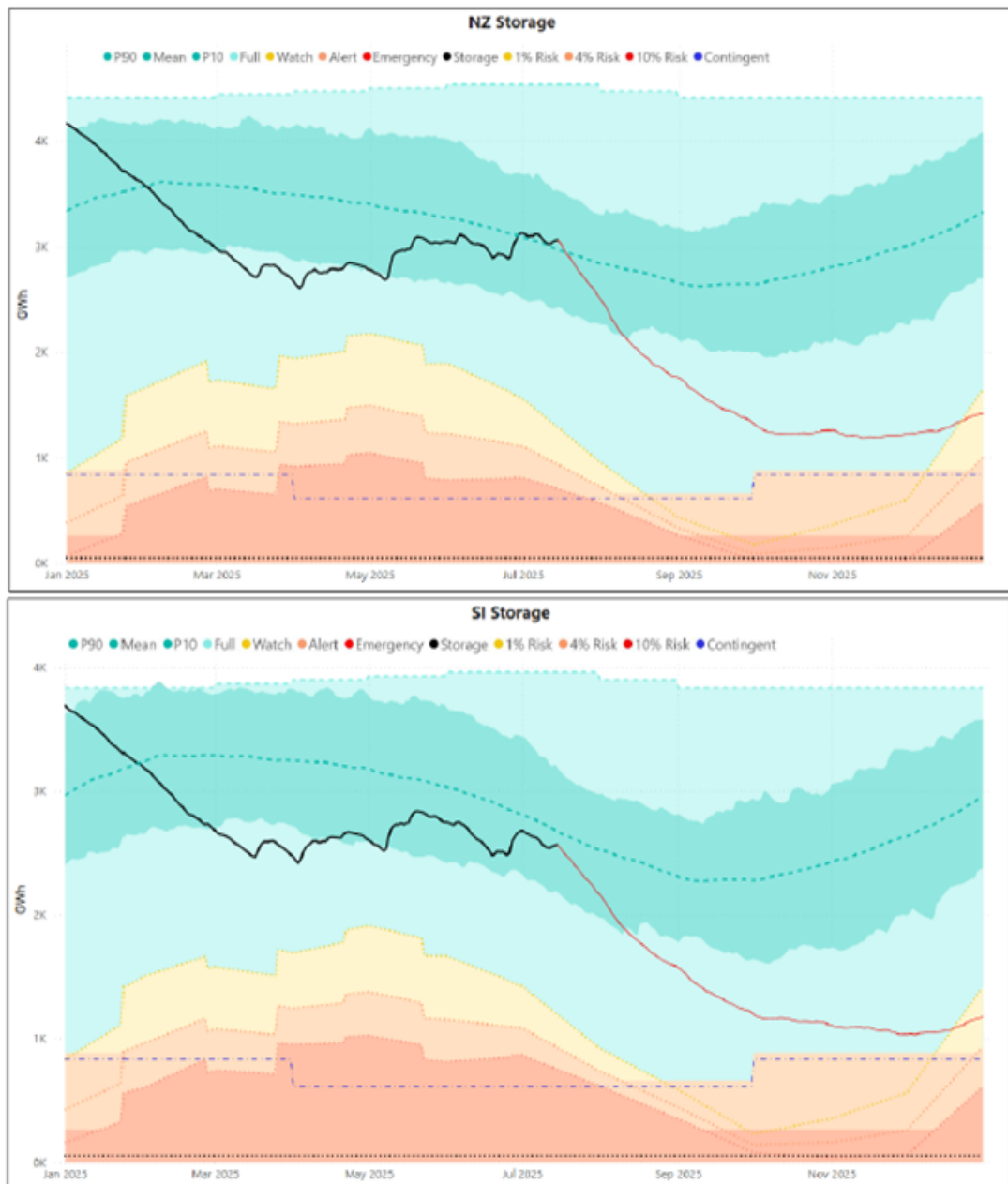
New Zealand Electricity Risk Status Curves (Available GWh)



Source: System Operator, Market Operations - Weekly Market Movements

The System Operator last updated the ERCs on 27 June 2025. Commentary on that update is in the Weekly Report of 4 July 2025. The next ERC update is expected at the end of July.

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 **16 June** (though published in the ERCs on **27 June**). The worst-case SST line was calculated using inflow data starting from **14 July**.

The June update of the Energy Security Outlook (ERCs) includes the effects of the early return of NZAS load, improved hydro storage in recent weeks, improved gas production forecasts relative to the previous outlook, and the announced retirement of a Huntly Rankine unit in January 2026. If the Rankine is not retired, the risk position for 2026 will improve.

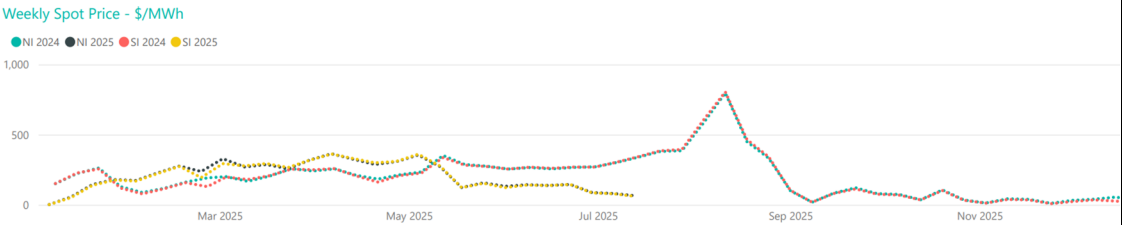
Low inflows - Time to cross successive curves

Region	Date Watch	Time to Watch	Date Alert	Time to Alert	Date Emergency	Time to Emergency
NZ	23/12/2025	161	N/A	N/A	N/A	N/A
SI	20/12/2025	158	N/A	N/A	N/A	N/A

This week the worst-case SST (the red line) crosses the Watch curve for the South Island on 20 December and nationally on 23 December. This line does not cross the Alert curve in 2025, which would be necessary for generators to be able to access contingent storage.

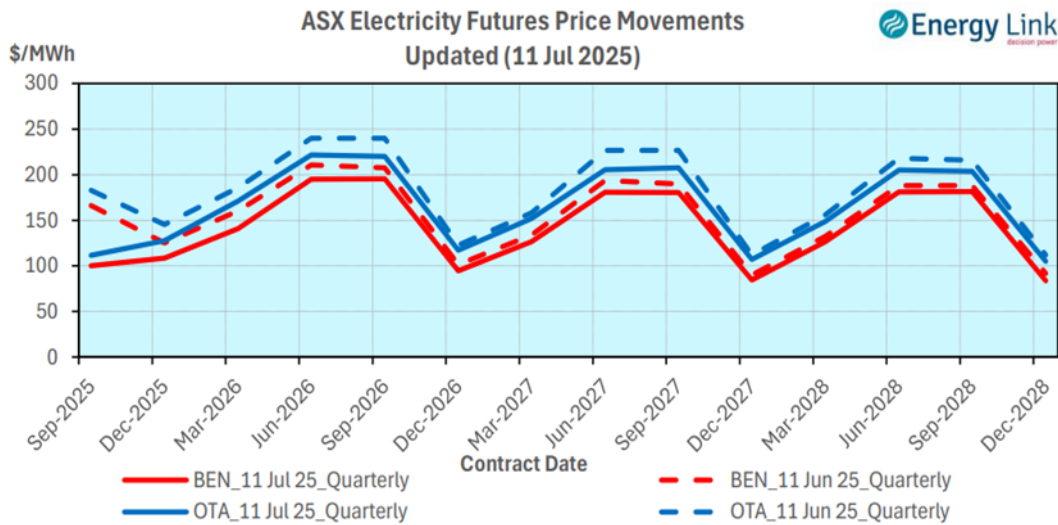
WHOLESALE ELECTRICITY PRICES

Weekly Spot Price (week ended 13 July 2025)



Source: System Operator, Market Operations - Weekly Market Movements

ASX Electricity Futures Prices (as at last available 11 July 2025)



Source: Energy Link, Energy Trendz Weekly

Workforce
planning in the
energy sector –
next steps

Peter Bartlett
Privacy of natural persons

Confidential advice to Government

Climate Change
Commission
Monitoring Report:
Emissions
Reduction

Scott Russell
Privacy of natural persons

We have received an embargoed copy of the Climate Change Commission's 2025 *Monitoring Report: Emissions Reductions*.

We are reviewing the Commission's commentary on energy policy and will contribute to MfE's briefing on the report, which you will receive on 24 July 2025.

Confidential advice to Government

Confidential advice to Government



Upcoming Ministerial Items

1. Upcoming Energy meetings

Meeting date	Meeting	Details
Tuesday 22 July 2025 12:15 pm – 12:45 pm	BP Oil	Briefing Due: 15 July 2025 Officials required: Dominic Kebbelle
Tuesday 22 July 2025 1:00 pm – 1:30 pm	Boeing	Briefing Due: 21 July 2025 Officials required: Dominic Kebbelle
Tuesday 22 July 2025 4:00 pm – 4:20 pm	Chair Contact Energy Rob McDonald	Briefing Due: 21 July 2025 Officials required: Justine Cannon
Wednesday 23 July 2025 11:00 am – 11:30 am	EECA day morning tea	Briefing due: N/A Officials required: Private Secretary
Wednesday 23 July 2025 12:30 pm – 1:00 pm	Horizon Networks	Briefing due: 21 July 2025 Officials required: Justine Cannon
Wednesday 23 July 2025 1:00 pm – 1:30 pm	BEC quarterly meeting with Tina Shirr	Briefing Due: 21 July 2025 Officials required: Justine Cannon, Sharon Corbett
Wednesday 23 July 2025 8:45 pm – 9:15 pm	Market Review with Minister Bishop & Minister Willis	Briefing due: Slide deck supplied Officials required: Paul Stocks, Justine Cannon, Sharon Corbett
Thursday 24 July 2025 10:30 am – 10:50 am	Comcom Fortnightly meeting	Briefing Due: N/A Officials required: Justine Cannon
Thursday 24 July 2025 10:50 am – 11:10 am	EA Fortnightly meeting	Briefing Due: N/A Officials required: Justine Cannon
Thursday 24 July 2025 11:10 am – 11:30 am	Transpower Fortnightly meeting	Briefing Due: N/A Officials required: Justine Cannon
Thursday 24 July 2025 11:30 am – 12:00 pm	EECA officials monthly meeting	Briefing Due: N/A Officials required: Justine Cannon

Information to be publically released shortly

Information to be publically released shortly

3. Written Parliamentary Questions

Due to Minister	Number	Member	Question
23 July 2025	34898	Scott Willis	When, if ever, does the Minister expect Cabinet to make further decisions on the wording in the Offshore Renewable Energy bill relating to the management of competing uses?

4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
24 July 2025	SW25-255	Privacy of natural persons	Standards in the Electricity (Safety) Regulations 2010 and Gas (Safety and Measurement) Regulations 2010
24 July 2025	SW25-262		Letter to Ministers McClay & Watts re Rewiring and Feds - solar on farms update
25 July 2025	SW25-256		Fairness and Transparency in Electricity Pricing and Lines Company Accountability
28 July 2025	SW25-257		LPG prices
28 July 2025	SW25-258		Power affordability
31 July 2025	SW25-259		Cost of Living/Power Company Pricing
31 July 2025	SW25-260		Cost of Gas
1 August 2025	SW25-261		Power line clearing

5. Output plan

Confidential advice to Government

Confidential advice to Government

Confidential advice to Government

Confidential advice to Government



Energy Portfolio Weekly Report

Week commencing: 28/07/2025

Priority: Medium

Security classification: In Confidence

Tracking number: BRIEFING-REQ-0018046

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

National security or defence

25 July 2025

Minister's comments:

Energy Portfolio
Officials' Meeting Agenda
11:10am – 11:55am Tuesday 29 July 2025

Item	Subject	People	Oral Item / Paper #	Action Required
1.	Under active consideration, commercial information			
2.	Under active consideration, commercial information			
3.	Confidential advice to Government			
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
Peter Bartlett	Director, Innovation and International

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 closes at the end of July, and 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.</p> <div>Confidential advice to Government</div>
<div>Electricity Distribution Business (EDB) efficiency</div> <div>Jamie Kerr</div> <div>Privacy of natural persons</div>	<div>Confidential advice to Government</div>
<div>Utilities Disputes jurisdictional issues – amendments to the Electricity Industry Act</div> <div>Scott Russell</div> <div>Privacy of natural persons</div>	<div>Confidential advice to Government</div> <div>Confidential advice to Government</div>

<p>Billing and Consumer Data Right update</p> <p>Scott Russell <small>Privacy of natural persons</small></p>	<p>MBIE and EA officials are working together on your request for advice on options to improve billing, access to data for electricity consumers, and support customers onto the best retail plan for their circumstances.</p> <p>Targeted engagement on the consumer data right (CDR) consultation paper is now scheduled to begin on Monday 28 July. It was delayed by a few days, in order to incorporate feedback from the Electricity Authority (EA) and ensure alignment between a CDR and the EAs work programme.</p> <p>A copy of the paper has been sent to your office for your information. No action is required.</p>
<p>E3 Items on the agenda for noting at the Energy and Climate Change Ministerial</p> <p>Scott Russell <small>Privacy of natural persons</small></p>	<p>The Energy and Climate Change Ministerial (ECMC) will convene for its next meeting in Sydney on 15 August 2025. ECMC is the ministerial governance body under the Equipment Energy Efficiency (E3) Programme that oversees the E3 Programme. As New Zealand's Minister for Energy, you are the official member and have a vote on E3 items.</p> <p>According to the current agenda, the only E3 item is to update on the progress of some E3 ongoing projects: heat pump water heaters and distribution transformers. It is unlikely that there will be any major issues for New Zealand that arises from this meeting. We therefore recommend that you do not attend, and instead vote on the relevant E3 relevant items in absentia (which is just a noting decision).</p> <p>The ECMC Secretariat has requested your response by Friday 1 August. If you agree with our recommendation, we will prepare the registration form and noting decision for your office to provide to the Secretariat.</p> <p>ECMC is typically attended in person by Australian State Ministers for Energy and Climate Change, while New Zealand Ministers have usually either voted in absentia, attended virtually, or delegated attendance to a senior official from MBIE.</p> <p style="text-align: right;">Agree / Disagree</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).	On track EA consulting on Roadmap for industrial flexibility (demand response).
	1B Standardised flexibility contracts: No change: Initial offer rounds held. EA is monitoring liquidity (or lack of). Free and frank opinions Confidential advice to Government	Confidential advice to Government
	1C+D sharing flexibility and level playing field measures: No change: The EA is reviewing consultation submissions and Confidential advice to Government	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 an industrial flexibility emergency reserve scheme, aiming for publication in July.	On 2A+B+C, Code change decisions were published on 16 July.
Carbon Capture and Storage (CCS) Creating an enabling regulatory regime for CCS, which could improve the economics of gas production	No change: MfE is progressing development of an enabling framework for CCS as part of the new resource management regime being developed.	On track

Confidential advice to Government

Action and outcome	Updates	Status and upcoming milestones
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	We have received your comments on the most recent solar briefing, and will work up communications package as agreed.	On track
Rooftop solar and household batteries' impact on prices: Modelling the impact of faster uptake of rooftop solar and household batteries	This modelling tests the effects of high solar battery uptake on the wholesale electricity market, network costs and subsequent flow on effects to consumer bills, under different uptake scenarios. Confidential advice to Government	On track
Electricity (Hazards from Trees) Regulations Drafting instructions issued Advice on planting restrictions in urban areas on Council land	Phase 2 drafting instructions have been sent to PCO. Confidential advice to Government Free and frank opinions Confidential advice to Government	On track Drafting instructions issued
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	
New Zealand Energy Efficiency and Conservation Strategy (NZECS) Develop a refreshed strategy that meets legislative requirements.	Confidential advice to Government	Confidential advice to Government Confidential advice to Government

Action and outcome	Updates	Status and upcoming milestones
	Confidential advice to Government	
Offshore Renewable Energy	The timing of further advice (feasibility permit regulations and the scope of the first round) is contingent on the timeframes to finalise the Bill. Confidential advice to Government	On track
Confidential advice to Government		
Electricity and Gas Safety Standards (including permitted voltage range) Updating 400+ references to international standards in the <i>Electricity (Safety) Regulations 2010</i> and the <i>Gas (Safety and Measurement) Regulations 2010</i> . This includes new standards for solar and EV chargers, reducing costs	Confidential advice to Government Confidential advice to Government	Confidential advice to Government
Hydrogen regulations Delivering Hydrogen Action Plan commitment to amend safety regulations to enable hydrogen.	Consultation on <i>Enabling Hydrogen: technical changes to safety regulations</i> closed on Monday, 21 July and we have received 11 submissions. Submitters include the Gas Industry Co, Master Plumbers, Clarus and organisations from hydrogen and transport sectors. Standards New Zealand also made a submission. We are now analysing submissions and will provide you and the Minister for Workplace Relations and Safety with a briefing on next steps, including any recommendations for policy changes).	On track
Woody Bioenergy Investigating barriers to the development of the domestic supply chain and export opportunities for woody bioenergy.	Confidential advice to Government	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)	EECA and NIFFCo have been working through transfer of responsibilities for delivering public EV charging infrastructure financing. The draft Cabinet Paper (joint with the Minister for Transport) seeking approval of the related financial changes is now scheduled to be considered by Cabinet in August (subject to Ministerial consultation). The Request for Proposals (RfP) seeking applicants to deliver public charging infrastructure under the new concessionary loans model closed on 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 Confidential advice to Government	<p><i>Transpower have provided the following update:</i></p> <p><u>Improving throughput:</u></p> <p>Implemented:</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). • Published first version of 'Guidelines for new connections' document setting early expectations for the connections we will offer. • Publishing more connection status information on our webpage monthly including consenting status. <p>Work continuing to implement:</p> <ul style="list-style-type: none"> • Right-sizing investigations to meet customer needs and risk appetite • Extending our investigation initiation stage to confirm a preferred connection with formal offer/acceptance of form of connection and commercial terms with the customer before progressing. • Targeted regional coordination plans, identifying project sequencing and interdependencies to improve efficiency. <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 including documented demarcation of interface points. • Prioritisation options within the queue (based on security of supply). <p>Resourcing improvements:</p> <ul style="list-style-type: none"> • Work continuing with engineering consultants (EC'S) to improve utilisation and support EC's growing their resources, including using new firms. • Awarding programme of work to better manage available EC resource through direct award of projects below \$200k, bundling projects and larger projects. 	Ongoing

Action and outcome	Updates	Status and upcoming milestones
Industry developments		
Confidential advice to Government, Commercial Information		
Confidential advice to Government, Commercial Information		

Action and outcome	Updates	Status and upcoming milestones
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Confidential advice to Government, Commercial Information

Monthly solar numbers	<p>You asked us to provide a monthly report on solar numbers, but we have agreed with your office to include this information every week in this report. 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 21 July 2025. Data is drawn from the Electricity Authority’s public Electricity Market Information (EMI) website.</p> <table> <tr> <th>Category (solar system size: less than 10 kW)</th><th>ICP count</th><th>MW capacity</th></tr> <tr> <td>Residential solar (all)</td><td>65,983</td><td>320.832</td></tr> <tr> <td>Residential solar (with battery)</td><td>9,007</td><td>51.438</td></tr> <tr> <td>Small, Medium Enterprises solar (all)</td><td>2,330</td><td>13.752</td></tr> <tr> <td>Small, Medium Enterprises solar (with battery)</td><td>175</td><td>1.153</td></tr> <tr> <td>Commercial solar (all)</td><td>1,526</td><td>9.052</td></tr> <tr> <td>Commercial solar (with battery)</td><td>1,450</td><td>8.566</td></tr> <tr> <td>Total (solar all)</td><td>69,839</td><td>343.636</td></tr> <tr> <td>Total (solar with battery)</td><td>9,258</td><td>62.077</td></tr> </table>	Category (solar system size: less than 10 kW)	ICP count	MW capacity	Residential solar (all)	65,983	320.832	Residential solar (with battery)	9,007	51.438	Small, Medium Enterprises solar (all)	2,330	13.752	Small, Medium Enterprises solar (with battery)	175	1.153	Commercial solar (all)	1,526	9.052	Commercial solar (with battery)	1,450	8.566	Total (solar all)	69,839	343.636	Total (solar with battery)	9,258	62.077	Ongoing
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Stakeholder Updates

Title	Comment
<p>Aurora will increase its solar export limit to 10kW following the Government's decision to expand the voltage range</p> <p>Peter Bartlett <small>Privacy of natural persons</small></p>	<p>Aurora will increase its solar export limit from 5kW to 10kW from 1 August, noting that the Government's change to permitted voltage ranges now enables this. Aurora is the first EDB we are aware of to increase its export limit following the Government's announcement. Aurora said the decision to increase the export limit was based on findings from Aurora's smart meter data trial which showed the export limit can be raised. For the trial, more than 60,000 BlueCurrent smart meters provided daily power quality data for improved low-voltage network visibility.</p> <p>Aurora noted it's making the change to encourage greater adoption of renewable energy by increasing the value proposition for investing in solar and battery technology for homeowners.</p>
<p>Meeting with Genesis on torrefied wood pellets and potential torrefied pellet proposals under the Regional Infrastructure Fund</p> <p>Scott Russell <small>Privacy of natural persons</small></p>	<p>Commercial Information</p>
<p>Lodestone raise concerns with EA about Transmission Pricing Methodology (TPM)</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>Confidential advice to Government</p> <p>Commercial Information</p> <ul style="list-style-type: none"> Commercial Information Commercial Information <p>Commercial Information</p>
<p>Far North Solar Farm Greytown reaches connection agreement with Transpower</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>Far North Solar Farm (FNSF) has signed a \$9.8 million agreement with Transpower to connect its upcoming solar farm in Greytown, Wairarapa.</p> <p>Scheduled for commissioning in 2028, the farm will add 178MW of renewable capacity to the grid; enough to power 41,000 households. FNSF describe this capacity as sufficient to also support Wellington's decarbonisation efforts.</p>

**Meeting with
PatTech**

Scott Russell

Privacy of natural persons

MBIE and MfE officials met Jim Reardon, a co-founder of PatTech, on 15 July following a request to meet with you that was passed on to officials. The main purpose of the meeting was for Jim to tell us about what PatTech is and does. PatTech:

- Has developed software to provide renewable electricity certificates (also known as “guarantees of origin” or REGOs) in real time (eg hourly) and to support the issuing, trading and the retiring of these certificates. These certificates, once purchased and retired, can be used to support renewable electricity claims by energy consumers, corporates, and governments.
- Considers real-time REGOs to be more accurate than the standard voluntary corporate accounting method for electricity emissions, which is an annual average grid emissions factor.
- Is building, with partner Trovio, the new digital registry for Australia’s Clean Energy Regulator (CER) for Australia’s proposed Renewable Electricity Guarantee of Origin (REGO) mechanism. The new registry is intended to be easy-to-use and allow account holders to manage and trade the units and certificates issued by CER.
- Considers a single centralised registry system is needed to ensure traceability and avoid accounting issues
- Was interested to know if any thinking is underway in New Zealand in this space, e.g. on a national registry for renewable energy certifications.
- Has met with: Toitū to understand how PatTech’s work meets their standards; energy consumers who may be interested in being able to use their platform such as industry and property developer Precinct and Genesis on how this work could help them differentiate from where energy is sourced from thermal generation.
- Is looking to meet Transpower next to share information about what PatTech offers.

Officials indicated there is no specific policy work underway on renewable electricity certificates. MBIE officials offered to connect PatTech with a relevant Transpower contact as Transpower has some activity issuing certificates using an alternative software platform known as I-REC. MfE officials will update him on policy work underway to support the Voluntary Carbon Market.

Commercial Information

Commercial Information

Current appointments

Confidential advice to Government

Other Updates

Title	Comment
<p>Rooftop solar and household batteries’ impact on prices</p> <p>Tamara Linnhoff</p> <p>Privacy of natural persons</p>	<p>Confidential advice to Government</p>

Electricity security of supply

Tamara Linnhoff

Privacy of natural persons

ELECTRICITY CAPACITY (for the week to Sunday 20 July)

Capacity margins remained relatively healthy last week with the tightest peak being on the evening of Thursday 17 July when residual generation dropped to 446 MW coinciding with the highest demand peak. Residuals have dropped slightly compared to previous weeks due to colder temperatures.

The N-1-G margin is sufficient to meet peak demand in the look-ahead through to mid-September 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 20 July)

New Zealand hydro storage decreased slightly last week but continues to sit close to historic average for the time of year at 101%. South Island hydro storage remained at 95% while North Island storage decreased from 166% to 153% last week.

ELECTRICITY ('ENERGY') SUPPLY RISK (at 20 July)

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

New Zealand Energy Risk



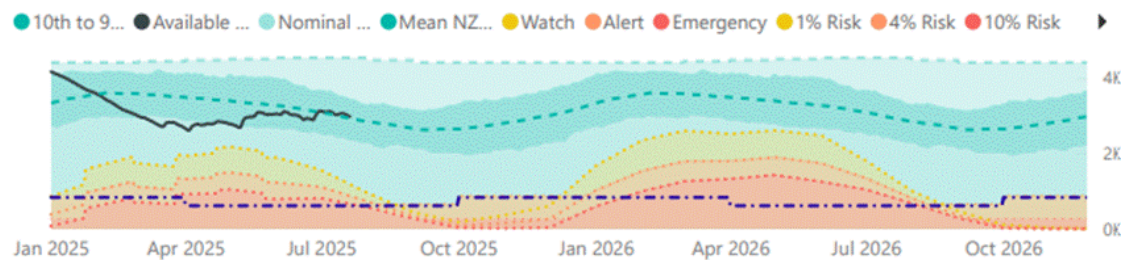
South Island Energy Risk



Normal Watch Alert Emergency

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

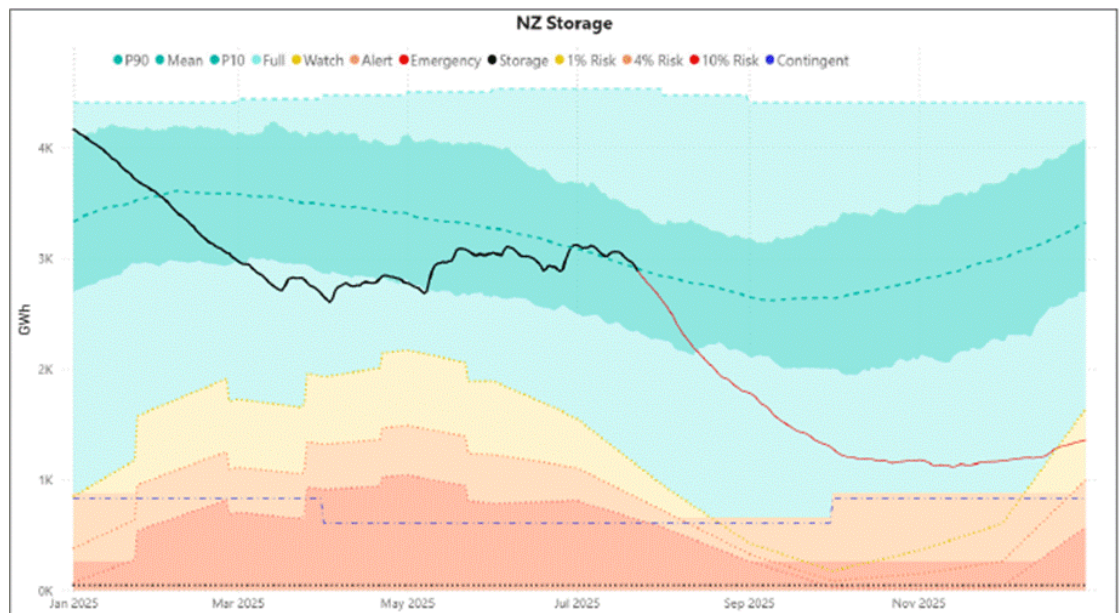
New Zealand Electricity Risk Status Curves (Available GWh)

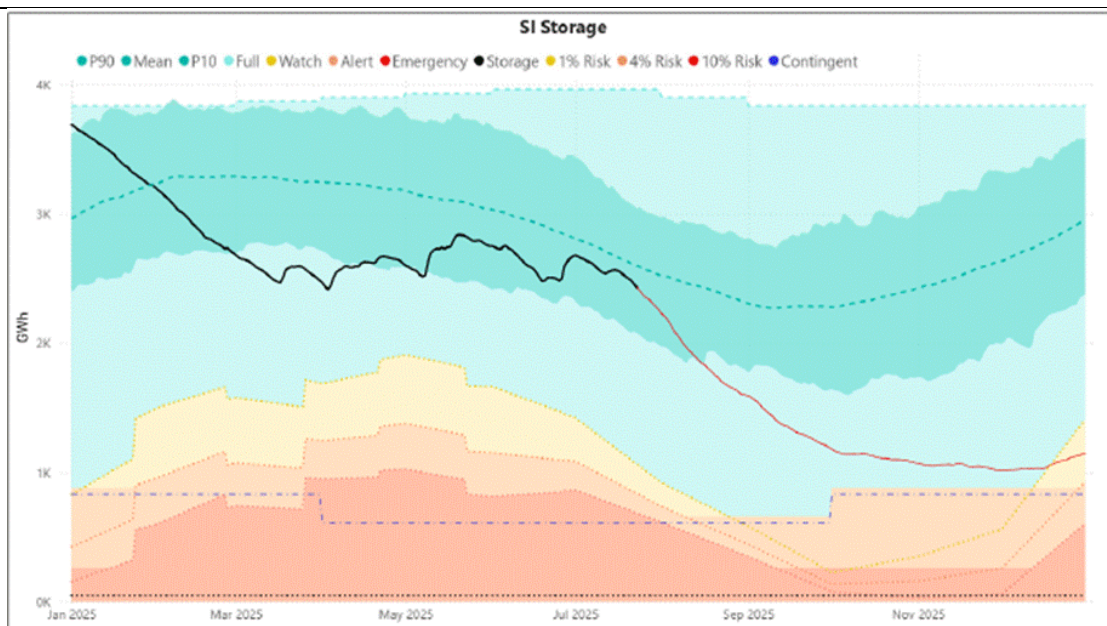


Source: System Operator, Market Operations - Weekly Market Movements

The System Operator last updated the ERCs on 27 June 2025. Commentary on that update is in the Weekly Report of 4 July 2025. The next ERC update is expected at the end of July.

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 **16 June** (though published in the ERCs on **27 June**). The worst-case SST line was calculated using inflow data starting from **21 July**.

The June update of the Energy Security Outlook (ERCs) includes the effects of the early return of NZAS load, improved hydro storage in recent weeks, improved gas production forecasts relative to the previous outlook, and the announced retirement of a Huntly Rankine unit in January 2026. If the Rankine is not retired, the risk position for 2026 will improve.

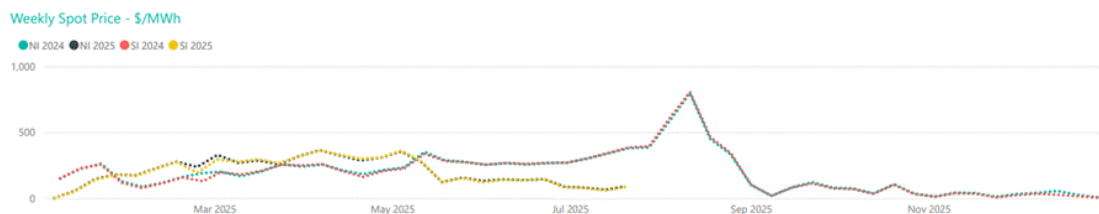
Low inflows - Time to cross successive curves

Region	Date Watch	Time to Watch	Date Alert	Time to Alert	Date Emergency	Time to Emergency
NZ	21/12/2025	151	N/A	N/A	N/A	N/A
SI	19/12/2025	149	N/A	N/A	N/A	N/A

This week the worst-case SST crosses the Watch curve for the South Island on 19 December and nationally on 21 December. The red line does not cross the Alert curve in 2025, which would be necessary for generators to be able to access contingent storage.

WHOLESALE ELECTRICITY PRICES

Weekly Spot Price (week ended 20 July 2025)



Source: System Operator, Market Operations - Weekly Market Movements

	<p>ASX Electricity Futures Prices (as at last available 18 July 2025)</p> <p>Source: Energy Link, Energy Trendz Weekly</p>
<p>Update of Transpower's energy security outlook</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>On 24 July Transpower shared a draft of its next energy security outlook, due to be published on Monday 28 July. Key findings include:</p> <ul style="list-style-type: none"> • The risk to energy security of supply for August 2025 and throughout 2026 has lowered relative to the June update. This is due to an increase to coal stockpile forecasts, an expectation of more gas storage and gas production. • The market response ahead of winter 2025 to reduce hydro storage risk has been effective to date in limiting the impact of low hydro storage levels in the South Island. • Looking ahead to winter 2026, the risk to electricity supply can be further decreased through: <ul style="list-style-type: none"> ○ hydro storage management, and ○ ensuring there is sufficient backup thermal fuel and capacity to support increased thermal generation under extended periods of low inflows. • Transpower has also considered what happens if the third Rankine unit remains available. This would lower the ERC Watch curve by up to 623 GWh and results in no SSTs crossing the ERCs.
<p>Transitioning the light vehicle fleet to Road User Charge system</p> <p>Dominic Kebbell <small>Privacy of natural persons</small></p>	<p>On 23 July, the Cabinet Economic Committee (ECO) considered the Minister of Transport's Cabinet Paper: <i>Road User Charges: Modernising the system and preparing for the fleetwide transition</i>. This established the process for transitioning the light vehicle fleet from Fuel Excise Duty (FED) to the road user charge (RUC) system – a National/ACT coalition agreement.</p> <p>Recognising the complexities of transitioning the entire 3.3 million ICE light vehicle fleet, the Ministry of Transport (MOT) will focus on modernising the existing RUC system over the next few years to ensure it is fit for purpose. The Minister of Transport will report back to Cabinet in mid-2027 with next steps for the transition.</p> <p>We are interested in this work due to the potential consequences on the collection method of the Petroleum or Engine Fuel Monitoring levy (the levy) which funds many fuel security activities, notably our IEA oil tickets. Customs currently collects the levy when collecting FED - which generates significantly more revenue than the levy. Customs have signalled that MBIE may need to consider other collection options once the light vehicle fleet transitions to RUC. We will stay engaged with MOT on this work.</p>

Energy Efficiency and Conservation Amendment Bill Scott Rusell <small>Privacy of natural persons</small>	We have now received the first draft of the Energy Efficiency and Conservation (EEC) amendment Bill. We are reviewing the draft and will work with EECA to return comments to the Parliamentary Council Office in coming weeks.
Confidential advice to Government <small>Privacy of natural persons</small> Tamara Linnhoff <small>Privacy of natural persons</small>	Confidential advice to Government

Upcoming Ministerial Items

1. Upcoming Energy meetings

Meeting date	Meeting	Details
Monday 28 July 2025 1:30pm – 2:00pm	GIC quarterly meeting (Board Chair & CE)	Briefing Due: 24 July Officials required: Justine Cannon, Dominic Kebbell
Wednesday 30 July 2025 12:30pm – 1:00pm	SAF Industry Group	Briefing Due: 24 July Officials required: Dominic Kebbell, Peter Bartlett

2. Upcoming Briefings, Aides Memoires and Cabinet Papers

Information to be publically released shortly

Information to be publically released shortly

Information to be publically released shortly

3. Written Parliamentary Questions

We are working through various batches of WPQs due next week.

4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
28 July 2025	SW25-257	Privacy of natural persons	LPG prices
29 July 2025	SW25-258		Power affordability
30 July 2025	SW25-263		Gas security of supply
31 July 2025	SW25-259		Cost of Living/Power Company Pricing
31 July 2025	SW25-260		Cost of Gas
1 August 2025	SW25-261		Power line clearing
8 August 2025	SW25-265		Warmer kiwi homes call response
8 August 2025	SW25-264		EV charging

5. Output plan

Confidential advice to Government

Confidential advice to Government

Confidential advice to Government

Confidential advice to Government