



Energy Portfolio Weekly Report

Week commencing:	04/08/2025	Priority:	Medium
Security classification:	In Confidence	Tracking number:	BRIEFING-REQ-0018388

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

1 August 2025

Minister's comments:

**Energy Portfolio
Officials' Meeting Agenda
3.15pm to 4.15pm Monday 4 August 2025**

Item	Subject	People	Oral Item / Paper #	Action Required
Confidential advice to Government				
3.	Offshore Wind - Developers Discussion Update	Daniel Brown	Oral	Discussion
4.	Weekly Report & Work Programme	Minister	#0018388	Discussion
5.	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
Michael Bird	General Manager, Entity Performance and Investment
Rebecca Heerdegen	Policy Director, Energy Markets
Daniel Brown	Manager, Electrify NZ
Scott Russell	Manager, Energy Use Policy

Key Updates

Title	Comment
Implementing Electrify NZ Daniel Brown <small>Privacy of natural persons</small>	<p>Consultation on updated RMA national direction, including renewable electricity and electricity networks direction, has closed. MBIE is working with MFE to summarise submissions and prepare recommendations for Ministers. The revised national direction is intended to 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>We will update you at the weekly officials' meeting on conversations with offshore wind developers.</p>
Review of electricity market performance Sharon Corbett <small>Privacy of natural persons</small>	<h1>Confidential advice to Government</h1>
Consumer data right for electricity sector Scott Russell <small>Privacy of natural persons</small>	<p>Consultation has begun on proposals for a consumer data right in the electricity sector. Targeted consultation across interested parties in the electricity sector and beyond will occur for four weeks.</p> <p>Officials will update yourself and the Minister for Commerce and Consumer Affairs once targeted consultation concludes.</p>
Improving consumer mobility Scott Russell <small>Privacy of natural persons</small>	<p>On 25 July 2025 the EA published their Consumer Mobility Roadmap. This includes a range of measures the EA plan to work on over the next 18 months which includes looking into consulting on code changes to support standardised billing and best plan policies, and delivery of enhanced comparison and switching services.</p> <p>Free and frank opinions</p>

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). The EA is due to announce next steps on 1B and 1C+D on 19 August 2025. On 2A+B+C, Code change decisions were published on 16 July.
	1B Standardised flexibility contracts: On 6 August, the EA Board will consider recommendations for retaining the voluntary approach to new standardised flexibility products, but with a trigger to move to a regulatory approach if trading isn't satisfactory. Publication will follow on 19 August 2025. The paper has not yet been shared with MBIE officials.	
	1C+D sharing flexibility and level playing field measures: Following submissions analysis on the Level Playing Field consultation, the EA has signalled that it favours moving to a principles-based non-discrimination obligation. The EA Board will consider this approach on 6 August 2025 and, if it agrees this approach, will publish its decision (on this direction of travel) on 19 August 2025 and confirm timing for the next step: consultation on a proposed Code change. The EA has signalled consultation would happen in early October 2025. In the coming months (timing TBC) the EA may also launch a Review of all market-making measures Free and frank opinions	
	2D Better compensating industrial flexibility (demand response): No change: On 28 May 2025 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, at the time of writing (31 July 2025) we understand this will be published today.	
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		
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> Confidential advice to Government	On track
Confidential advice to Government		
Confidential advice to Government		

Confidential advice to Government

Energy Strategy

Developing a public-facing strategy that will set out the Government's role in creating an energy system that is fit for the future.

New Zealand Energy Efficiency and Conservation Strategy (NZECS)

Develop a refreshed strategy that meets legislative requirements.

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. We will provide further advice on timing in parallel with development of a Cabinet paper seeking changes to the Bill. We will update you at the weekly officials' meeting on conversations with offshore wind developers.

On track

Confidential advice to Government

Electricity and Gas Safety Standards (including permitted voltage range)

Updating 400+ references to international standards in the *Electricity (Safety) Regulations 2010* and the

Following your agreement to the recommendation in BRIEFING-REQ-0017366 we are working with MBIE legal and PCO to draft the change to Regulation 3b to enable e-transporters.

We are also finalising the draft amendment regulations and are aiming to have the draft LEG paper to your office in August, dependant on PCO.

Delayed

We expect to have the draft LEG paper with you in August 2025.

Action and outcome	Updates	Status and upcoming milestones
<i>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.	No update this week. <i>Previous update:</i> Consultation on <i>Enabling Hydrogen: technical changes to safety regulations</i> closed on Monday, 21 July 2025 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.	Note the stakeholder update below on our recent engagement with Genesis Energy on their biomass plans, and the relevant RIF applications. Agencies are continuing work on a draft Woody Bioenergy Policy Statement which you have indicated you would like to release the Statement and announce at Residues2Revenues conference in October 2025.	On track
Electricity Distribution Business (EDB) Efficiency Jamie Kerr <div>Privacy of natural persons</div>	Confidential advice to Government	
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	On track

Action and outcome	Updates	Status and upcoming milestones
	<p>scheduled to be considered by Cabinet in August (subject to Ministerial consultation).</p> <p>The Request for Proposals (RfP) seeking applicants to deliver public charging infrastructure under the new concessionary loans model closed on 22 July 2025.</p>	
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		

Confidential advice to Government

Industry developments

Commercial Information

Commercial Information

Commercial Information

Commercial Information

Solar numbers

(No change) 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.

You have asked to add variance year to date. We will add that information from next week.

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

Title	Comment
<div>Update on torrefied wood pellet projects</div> <div>Scott Russell</div> <div>Privacy of natural persons</div>	<div>Commercial Information</div>
<div>GridSmart hot water controller</div> <div>Scott Russell</div> <div>Privacy of natural persons</div>	<div>On 28 July 2025 officials met with representatives of GridSmart. Rinnai, an established manufacturer of space heating, water heating and other appliances, launched GridSmart as a specific business division focused on smarter electricity use in October 2024.</div> <div>GridSmart has developed a device that can be retrofitted to a consumer’s home hot water cylinder to enable real-time visibility of hot water usage and flexibility by shifting hot water heating to off peak periods. The device is reversible with no impact on cylinder warranties. They believe fitting this control at the device level is more efficient than at the meter and can provide confidence on the amount of load to be shifted due to its high accuracy.</div> <div>Commercial Information</div>

	<div>Commercial Information</div> <div></div>
<div>Visy Glass - gas update</div> <div>Scott Russell</div> <div>Privacy of natural persons</div>	<div>Commercial Information</div>
<div>Pure Tui correspondence alleging underinvestment by electricity distribution companies</div> <div>Daniel Brown</div> <div>Privacy of natural persons</div>	<p>Correspondence from Pure Tui raised several concerns, including:</p> <ul style="list-style-type: none"> • Costs imposed on residential consumers by large commercial customers connecting to distributors' networks (particularly data centres). • Inadequate maintenance of network infrastructure by distributors. • Erosion of dividends from distributors owned by local councils (leading to higher rates). • Taxation advantages of data centres. <p>The letter calls for regulatory reform to address these problems. You have asked for additional information on these issues.</p> <p>The letter contends that large commercial customers – particularly data centres – are driving investment in the expansion and upgrading of distribution networks. The letter also argues that the costs of such upgrades are disproportionately borne by households and small businesses.</p> <p><i>Costs imposed by large commercial customers such as data centres are recovered directly from those customers, not consumers generally</i></p> <p>The additional costs imposed by large load customers are typically directly recovered by distributors from those customers – not from households and small businesses through the regulatory system. For example, as reported by RNZ in May 2024:</p>

[Vector's] [asset management plan](#) envisages its capital spend ramping up more than 50 percent next year to about \$400m, then gradually dropping back to about half that.

The plan repeatedly noted that data centres were a key factor "driving rapid and extensive load demand".

The direct costs include data centres worth around \$95m and \$60m in charging infrastructure for 2024-27.

However, the **data centre companies, not households, would pay for all that, Mackenzie said.**

They were driven by specific requests to Vector and fully recovered from customers.

"For these types of things, which is causing the growth of that asset - and whether it's a data centre or EV charging or, you know, electric ferry charging ... we basically charge the cost of that to the developer."

"They pay 100 percent of those costs."

While practices differ slightly across distributors, this is generally the approach taken to cost recovery from large customers. Recently, the Electricity Authority has been concerned that there has been **over**-recovery of costs from large commercial customers. The Authority has highlighted that a growing share of connection investment is being funded through capital contributions (i.e., from large customers connecting to distribution networks). It has been concerned that high upfront charges may be inefficient and deterring electrification. In general, the Authority encourages cost-reflective pricing.

Given these circumstances, MBIE does not consider a case can be made that household and small business consumers are paying for network expansion and upgrades triggered by data centres.

The Commission has allowed Increases in distribution charges in the current regulatory period. These have been driven by increased investment in reliability and security but have also been significantly affected by inflation and higher interest rates.

Distributors generally meet quality standards

Price-regulated distributors are required to meet quality requirements (how often outages happen, and how long they last), which are monitored by the Commerce Commission. Most price-regulated distributors meet these requirements.

In recent years Aurora and Vector have been punished with significant fines for failing to meet quality standards. Aurora Energy has been moved to a customised price-quality path (CPP) and has been required to publish enhanced information so that stakeholders, including consumers and the Commission, can see what it is doing to fix, upgrade, maintain and operate its electricity lines network.

The Commission acknowledge that in the Aurora example, there was under-investment in the network. However, it has responded appropriately by applying bespoke regulation to it and regularly publishing information on its performance and investment.

The Commission already requires that all distributors publish asset management plans, as well as meeting other information disclosure requirements which give an insight into the condition of their networks. The Aurora example suggests there is a risk of under-investment by distributors under the current regulatory system. However, the regulator has responded appropriately, and there is little other evidence available that distributors have failed to invest in resilience and reliability in a timely way.

Local government involvement in electricity distribution businesses is less widespread than suggested by Pure Tui.

Some of the information included in the letter is not accurate:


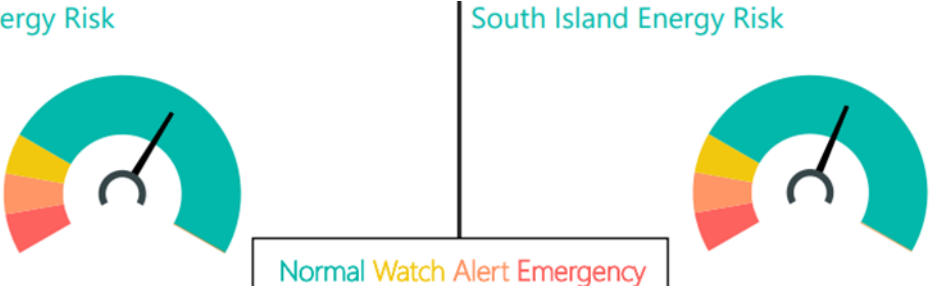
	<ul style="list-style-type: none">• Vector is not 75% owned by Auckland Council.• Wellington Electricity is not fully owned by Wellington City Council. <p>While there is some local council ownership of distributors (e.g. Aurora, Orion), most are owned by trusts or private investors (or combinations of these). This suggests that even if dividends from electricity generation were diminishing, that is unlikely to have a wide impact on local government rates.</p>
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Current appointments

Confidential advice to Government

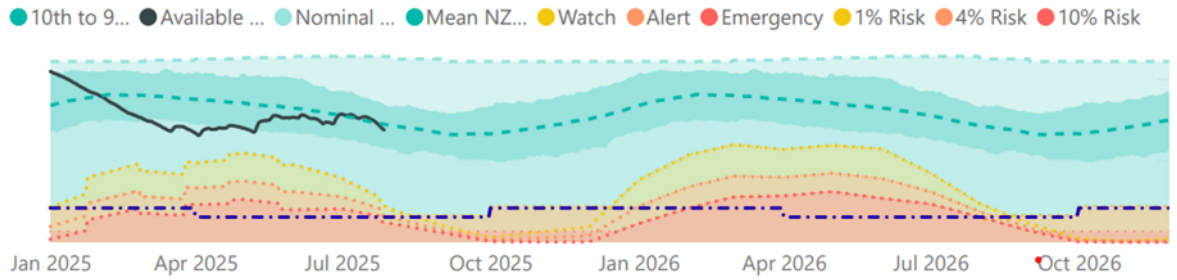
Upcoming appointments

Confidential advice to Government

Title	Comment
<div>Gas security of supply</div> <div>Dominic Kebbell</div> <div>Privacy of natural persons</div>	<div>Genesis gas business performance</div> <p>Enerlytica reported Genesis had a strong performance for the fourth quarter of the 2024/25 financial year, especially in its gas business. Gas revenue from sales minus costs to get gas to market increased 47.1 per cent compared to last year. This increase was mainly due to higher prices and occurred despite Genesis losing 6.7 per cent of its gas customers and selling 5.3 per cent less gas compared to last year. The report also noted that the customer decline was likely in part due to Genesis’ limits on taking on new customers. Enerlytica viewed this result as an indication of a successful value-over-volume strategy prioritising higher value users.</p>
<div>Electricity security of supply</div> <div>Tamara Linnhoff</div> <div>Privacy of natural persons</div>	<div>ELECTRICITY CAPACITY (for the week to Sunday 27 July)</div> <p>Capacity margins have been consistently lower than usual. Five peaks dropped below 500 MW. On 31 July 2025 in the morning residual generation dropped as low as 65 MW (in real-time, hence no CAN being issued) due to low wind, very cold and thermal unit commitment issues. To cover, TCC was fired up. Since then, despite peak demand periods being just as high or higher, residual generation has remained above 300 MW due to an increase in thermal unit commitment.</p> <p>The N-1-G margin is sufficient to meet peak demand in the look-ahead through to late September 2025:</p> <div>NZGB Look-Ahead (excluding next 7 days)</div>  <p>Source: System Operator, Market Operations - Weekly Market Movements</p> <div>ENERGY (HYDRO) STORAGE RELATIVE TO MEAN (for the week to 27 July)</div> <p>New Zealand hydro storage descended below the mean last week to 95% of historic levels for the time of year. High demand increased the use of hydro, while low inflows meant the used storage was not replenished. South Island hydro storage dropped from 95% to 90% while North Island storage decreased from 153% to 134%.</p> <div>ELECTRICITY (‘ENERGY’) SUPPLY RISK (at 27 July)</div> <p>The level of ‘energy risk’ is measured by hydro storage levels relative to the electricity risk status curves.</p> <div><div>New Zealand Energy Risk</div><div>South Island Energy Risk</div><div>Normal Watch Alert Emergency</div></div> 

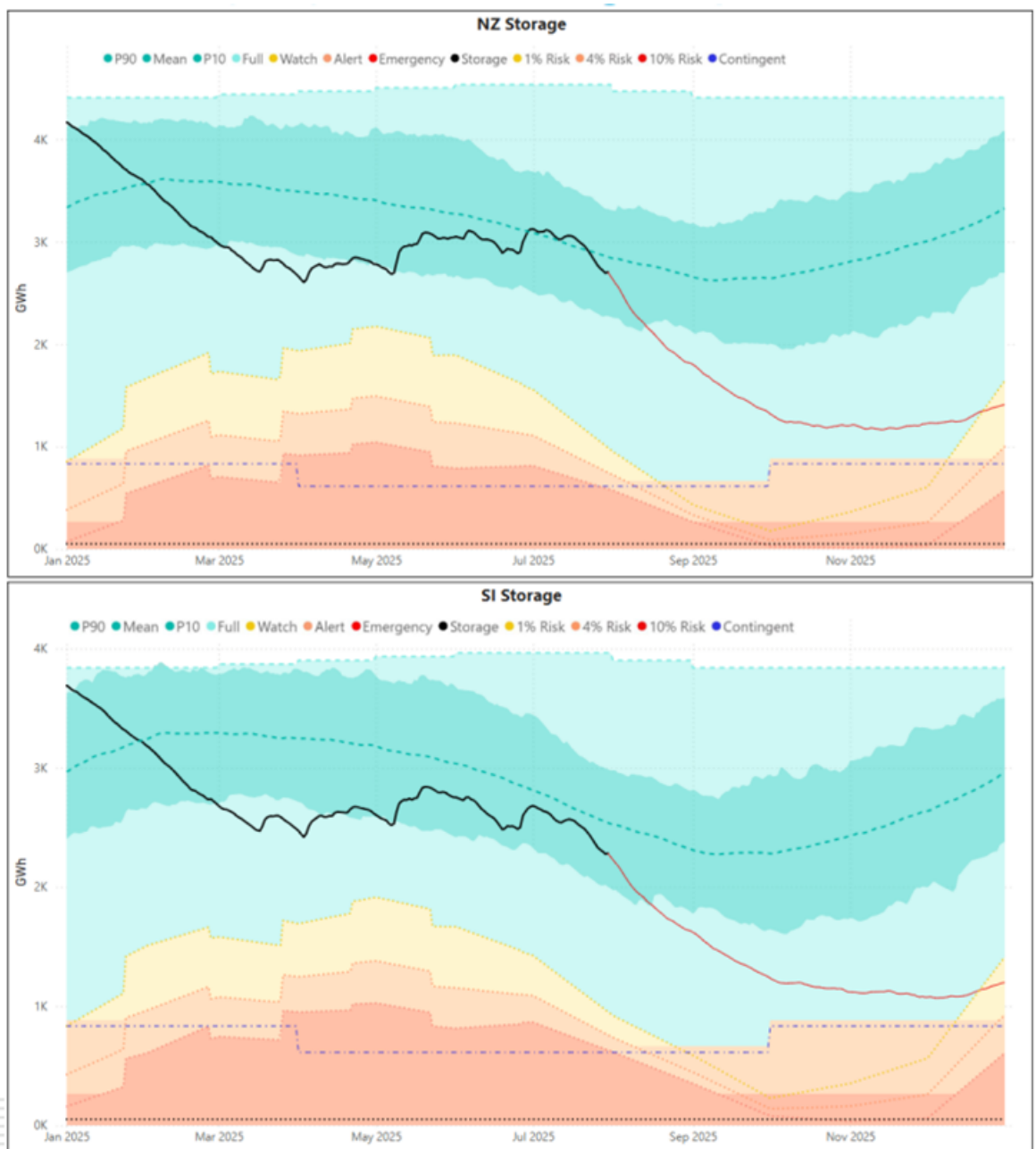
New Zealand controlled energy storage is average for this time of year:

New Zealand Electricity Risk Status Curves (Available GWh)



Source: System Operator, Market Operations - Weekly Market Movements

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 **10 July 2025** (though published in the ERCs on **28 July 2025**). The worst-case SST line was calculated using inflow data starting from **28 July 2025**.

The July 2025 update of the Energy Security Outlook includes the effects hydro storage at the time, improved gas production forecasts relative to our 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	146	N/A	N/A	N/A	N/A
SI	22/12/2025	145	N/A	N/A	N/A	N/A

This week the worst-case SST crosses the Watch curve for the South Island on 22 December 2025 in the South Island and nationally on 23 December 2025. 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 27 July 2025)

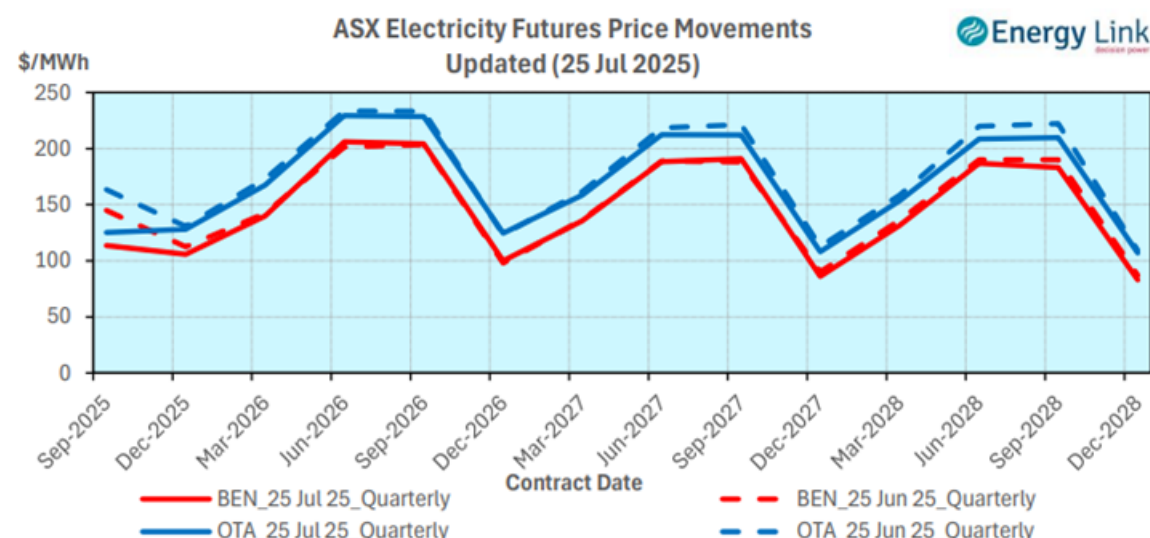
Weekly Spot Price - \$/MWh

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



Source: System Operator, Market Operations - Weekly Market Movements

ASX Electricity Futures Prices (as at last available 25 July 2025)



Source: Energy Link, Energy Trendz Weekly

Commercial Information

<div><div><div>DPP</div><div>Regulatory Period</div><div>Jamie Kerr</div><div>Privacy of natural persons</div></div></div>	<p>You have asked about the duration of the regulatory period that governs the maximum allowable revenue electricity distribution businesses (EDBs) may recover under the Default Price-Quality Path (DPP). This follows our conversation with you about the pros and cons of a network utilisation measure and that DPP 4 has recently been set for the next five years.</p> <p>The duration of the regulatory period is intended to balance the regulatory certainty investors need to invest in long-lived infrastructure, the time needed to realise efficiency gains from that investment, and the cost and responsiveness of regulatory oversight by the Commerce Commission.</p>
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	<p>The Commerce Act 1986 requires the Commission to set the regulatory period at five years, with some flexibility to set a shorter period (but this cannot be less than four years). A five-year regulatory period is common. It applies to EDB regulation in the United Kingdom, Australia and Canada (albeit with some flexibility for states and provinces to set shorter periods).</p> <p>We are preparing a briefing on measures to assess whether EDB investment favours ‘poles and wires’, including a network utilisation measure. Confidential advice to Government</p>
<p>Confidential advice to Government</p>	
<p>EV Smart Charging</p> <p>Scott Russell</p> <p>Privacy of natural persons</p>	<p>Consultation on the EV Smart Charging consultation closed on 1 August 2025. We will provide you within a final submission count and proposed next steps in the next weekly report.</p>

Upcoming Ministerial Items

1. Upcoming Energy meetings

Meeting date	Meeting	Details
Monday 4 August 2025 4.15pm - 4.45pm	EECA Officials Monthly Meeting	Briefing Due: N/A Officials required: Justine Cannon, Scott Russell
Tuesday 5 August 2025 12pm to 1pm	Lightforce Solar Live Installation	Briefing Due: COP 1 August 2025 Officials required: NA

2. Upcoming Briefings, Aides Memoires and Cabinet Papers

Information to be publicly released shortly

Information to be publicly released shortly

3. Written Parliamentary Questions

None this week

4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
8 August 2025	SW25-265	Privacy of natural persons	Warmer kiwi homes call response
8 August 2025	SW25-264	Privacy of natural persons	EV charging

5. Output plan

Confidential advice to Government

Confidential advice to Government

Confidential advice to Government

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Energy Portfolio Weekly Report

Week commencing	11/08/2025	Priority	Medium
Security classification:	In Confidence	Tracking number:	BRIEFING-REQ-0018799

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

8 August 2025

Minister's comments:

**Energy Portfolio
Officials' Meeting Agenda
5:00 pm – 5:45pm Monday 11 August 2025**

Item	Subject	People	Oral Item / Paper #	Action Required
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Confidential advice to Government

2.	State Sector Decarbonisation Fund	Scott Russell	BRIEFING-REQ-0017482	Discussion
3.	Industrial Gas Users Forum Update	Scott Russell	Oral	Discussion
4.	AOB	All	Oral	N/A

Ministry of Business, Innovation & Employment officials attending:

Name	Position
Carolyn Tremain	Chief Executive and Secretary (Tentative)
Paul Stocks	Deputy Secretary
Justine Cannon	General Manager, Energy Markets
Sharon Corbett	Policy Director, Energy Markets
Rebecca Heerdegen	Policy Director, Energy Markets
Scott Russell	Manager, Energy Use Policy

Key Updates

Title	Comment
<div>Implementing Electrify NZ</div> <div>Daniel Brown</div> <div>Privacy of natural persons</div>	<p>Consultation on updated RMA national direction, including renewable electricity and electricity networks direction, has closed. MBIE is working with MFE to summarise submissions and prepare recommendations for Ministers. The revised national direction is intended to 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>Commercial Information</div>

Key actions tracker

Action and outcome	Updates	Status and upcoming milestones
<div>Electricity Market Review</div> <div>Independent review to advise on the impact of market structure, design, and rules on the electricity systems' performance</div>	<div>Confidential advice to Government</div>	
<div>Energy Competition Taskforce</div> <div>Joint EA and Commerce Commission investigation of options to improve competition and enable consumers to manage usage and costs</div>	<div>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).</div>	<div>On track</div> <div>The EA is due to announce next steps on 1B and 1C+D on 19 August 2025.</div> <div>On 2A+B+C, Code change decisions were published on 16 July.</div>
	<div>1B Standardised flexibility contracts: On 6 August, the EA Board considered and approved a consultation paper on the EA's approach to standardised flexibility (hedge) products. The paper proposes the EA retains the voluntary approach to generators offering super-peak hedges, but with a trigger to move to a regulatory approach if trading isn't satisfactory. The EA plans to send you a copy of the consultation paper on 12 August and publication will follow on 19 August 2025.</div>	
	<div>1C+D sharing flexibility and level playing field measures: Following submissions analysis on the Level Playing Field consultation, the EA has signalled that it favours moving to a principles-based non-discrimination obligation. The EA Board agreed this approach on 6 August 2025 and will publish its decision (on this direction of travel) on 19 August at which time it will also confirm timing for the next step: consultation on a proposed Code change, and announce a Review of market making. The EA has signalled consultation would happen in early October 2025.</div>	

Action and outcome	Updates	Status and upcoming milestones
	<i>2D Better compensating industrial flexibility (demand response)</i> : On 28 May 2025 the EA published its 'Roadmap for industrial demand flexibility'. On 31 July the EA started consultation on an issues paper relating to an industrial flexibility emergency reserve scheme, consultation runs until late August.	
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
<div>Confidential advice to Government</div> <div>Confidential advice to Government</div>		
SolarBoost Develop package to improve consumer energy outcomes, improve access to finance and reduce install costs for rooftop solar and battery	StandardsNZ and EECA have finalised their Publicly Available Specification (PAS) for solar and batteries. The PAS will provide guidance for both consumers and industry on how to best install and maximise value for solar and installations, alongside technical and safety best practice. We are working with StandardsNZ and your office on timing for their publication (planned for August 15), and alignment with your pre-recorded speech for the SEANZ conference (at the end of August). Confidential advice to Government	On track

Confidential advice to Government

Confidential advice to Government

Energy Strategy
Developing a public-facing strategy that will set out the Government’s role in creating an energy system that is fit for the future.

New Zealand Energy Efficiency and Conservation Strategy (NZECS)
Develop a refreshed strategy that meets legislative requirements.

Confidential advice to Government

Confidential advice to Government

Action and outcome	Updates	Status and upcoming milestones
Offshore Renewable Energy	Confidential advice to Government	
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Electricity and Gas Safety Standards (including permitted voltage range)	No update this week. <i>Previous update:</i> Following your agreement to the recommendation in BRIEFING-REQ-0017366 we are working with MBIE legal and PCO to draft the change to Regulation 3b to enable e-transporters. We are also finalising the draft amendment regulations and are aiming to have the draft LEG paper to your office in August, dependant on PCO.	Delayed We expect to have the draft LEG paper with you in August 2025.

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Hydrogen regulations Delivering Hydrogen Action Plan commitment to amend safety regulations to enable hydrogen.	No update this week. <i>Previous update:</i> Consultation on <i>Enabling Hydrogen: technical changes to safety regulations</i> closed on Monday, 21 July 2025 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
Investigating measures to drive greater collaboration and efficiencies across EDBs		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)	The Cabinet Paper (joint with the Minister for Transport) seeking approval of financial changes to transfer funding from EECA to NIFFCo (and Vote Transport) has been lodged for consideration at EXP on 12 August 2025. NIFFCo is evaluating applications to the Request for Proposals to deliver public charging infrastructure under the new concessionary loans model. There was a good response and oversubscription of the available funding. NIFFCo anticipate having loan agreements in place by the beginning of 2026.	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		
Confidential advice to Government		
Industry developments		
Commercial Information		

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Solar numbers

The table below shows the total number of ICPs and MW capacity in New Zealand of solar systems less than 10kW for each category as at 21 July 2025. Data is drawn from the Electricity Authority’s public Electricity Market Information (EMI) website.

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Residential solar (with battery)	9,007	51.438

Ongoing

Action and outcome	Updates					Status and upcoming milestones
	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	ICPs at 31 December 2024	MW at 31 December 2024	
	Total (solar all)	69,839	343.636	65,449	313.952	
	Total (solar with battery)	9,258	62.077	8,215	44.265	

Title	Comment
<div>NZ Steel Electric Arc Furnace Transition Group</div> <div>Scott Russell</div> <div>Privacy of natural persons</div>	<div>Commercial Information</div>

Commercial Information

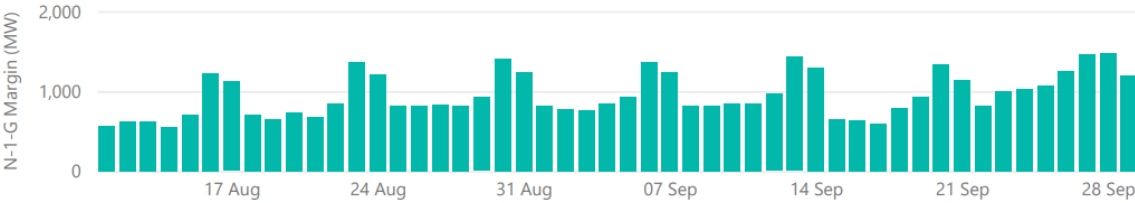
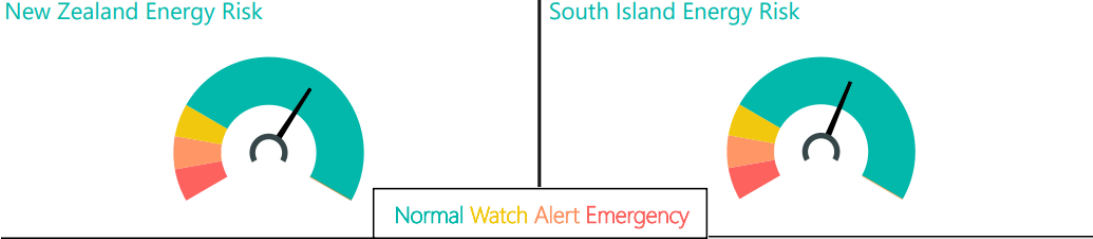


Current appointments

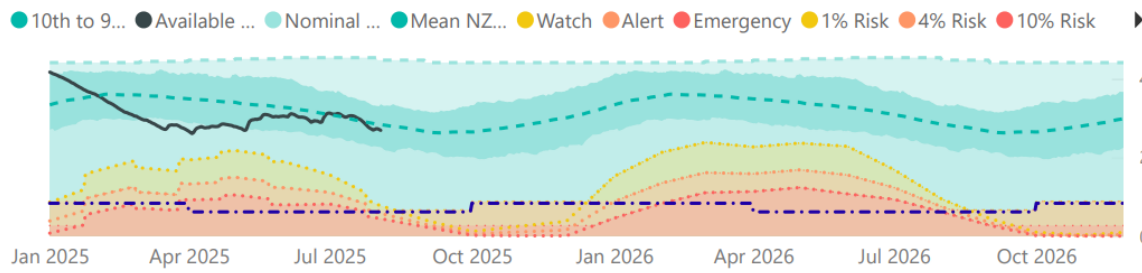
Confidential advice to Government



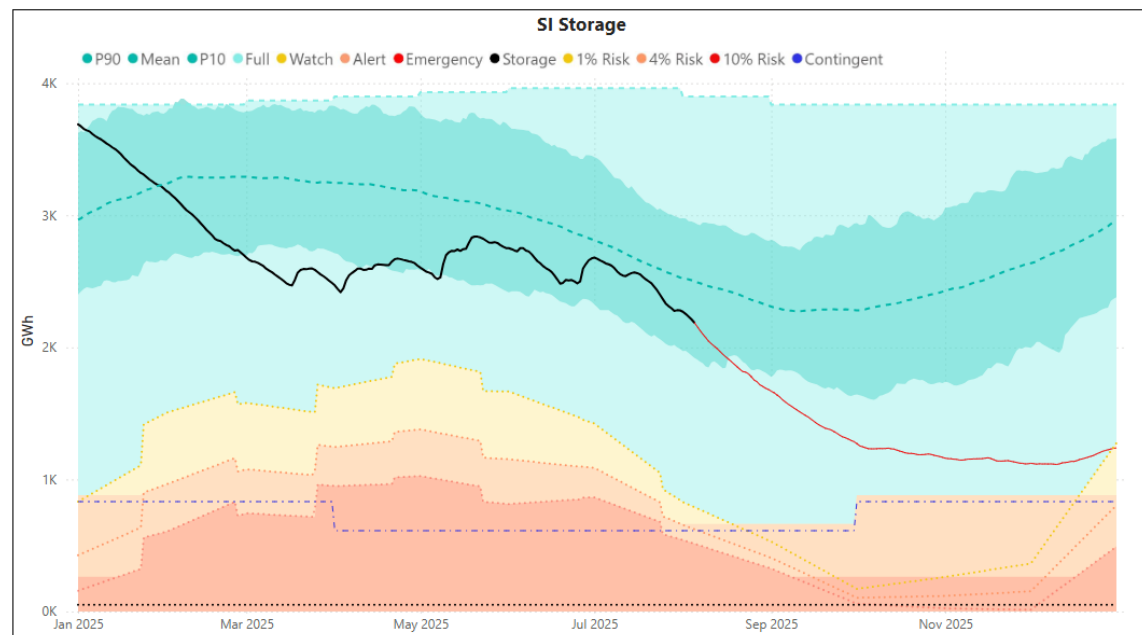
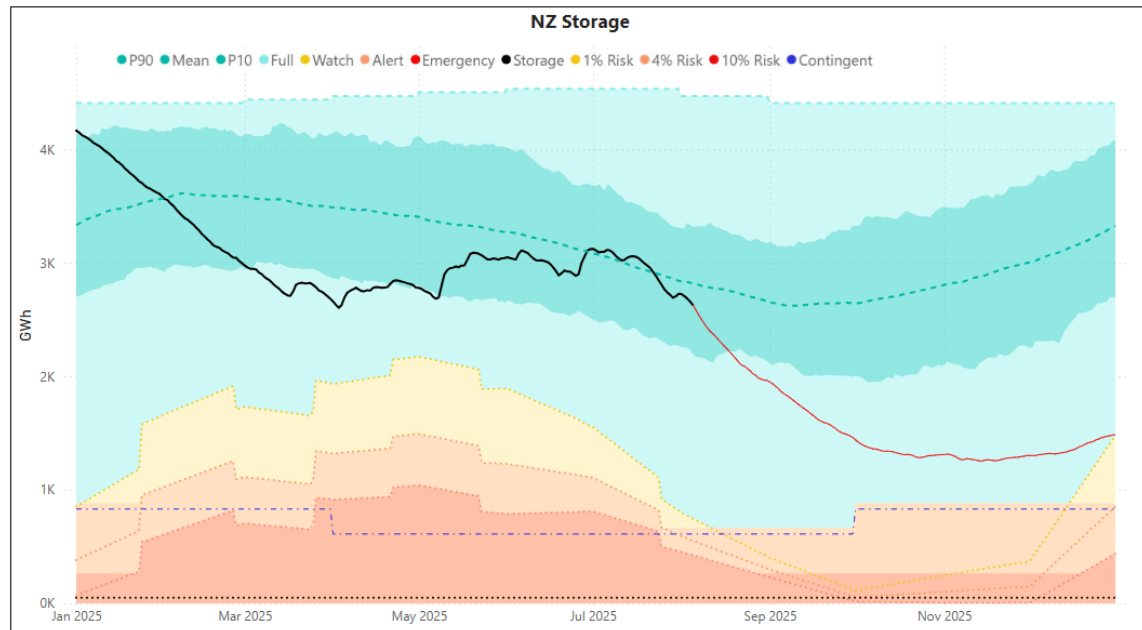
Title	Comment
<p>Australian National Electricity Market wholesale market settings review</p> <p>Tamara Linnhoff</p> <p>Privacy of natural persons</p>	<p>Australian National Electricity Market (NEM) review – consultation on draft report</p> <p>The Australian Government commissioned a year-long review of the National Electricity Market (NEM) wholesale market settings by an independent expert panel, supported by the Department of Climate Change, Energy, the Environment and Water (DCCEEW).</p> <p>The review aims to recommend wholesale market settings to promote investment in <i>firmed, renewable generation and storage capacity</i> in the NEM following the conclusion of Capacity Investment Scheme tenders in 2027. The Panel is tasked with making actionable recommendations to support the achievement of Australia’s National Electricity Objectives to deliver reliable, competitively priced, safe and secure electricity services, supporting the long-term interests of consumers and prosperity of Australia’s economy.</p> <p>On 6 August the panel’s draft report was published for consultation. Of note:</p> <ul style="list-style-type: none"> • Free and frank opinions • while Australia already supports investment in the kind of generation they think is needed (eg Storage, via CfDs), the panel also recommends a new intervention that would contract for the later years of a new generation investment to ease the developer's access to finance - the developer can likely sign a PPA for the first 7-10 years, then the govt would contract for the later years. <p>In more detail: The Panel’s analysis delineates by timeframe: the real time spot market; the medium-term derivative market; the longer-term timeframe for capital intensive investments in generation. The interdependencies between spot, hedges and investments is forefront. The panel focus on and recommend:</p> <ul style="list-style-type: none"> • <i>Spot market information:</i> Maintaining and improving aspects of the energy spot market <ul style="list-style-type: none"> ○ Improve the provision of information to participants and enhancing demand-side participation. • <i>Market liquidity: making-making obligations</i> <ul style="list-style-type: none"> ○ Establish a new always-on market making obligation (MMO) on owners of renewables, batteries and gas generators to support liquidity through the transition to more renewables. The regulator to work with the sector to define a core set of exchange-traded derivative products suitable for an increasingly weather-dependent system. These derivatives would be subject to the new MMO. ○ Improve long-term system adequacy assessments. • <i>The ‘tenor gap’ between investors and customers:</i> Address the timing mis-match between the long financing timeframes required by potential new investors in generation and the short contracting horizons of market buyers. Better enable long-term investment while enhancing liquidity and connecting long-term investment signals to short- and medium-term markets by introducing: <ul style="list-style-type: none"> ○ A new measure (the Electricity Services Entry Mechanism (ESEM)) to incentivise generation identified as necessary for security of supply (such as the contract-for-differences schemes that incentivise new firm generation or storage). ○ The ESEM would include guardrails against market concentration, so be targeted at generators with a market share below 10 per cent. It would procure new bulk energy, shaping and firming projects by offering fungible, financial contracts for the ‘later years’ of a project’s life, where buyers and sellers are less able to manage market risk.

<p>Gas security of supply</p> <p>Dominic Kebbell</p> <p>Privacy of natural persons</p>	<p>Methanex has lowered its methanol production target for 2025</p> <p>Energy News reports that Methanex has significantly lowered its New Zealand methanol production target for 2025, citing ongoing difficulties securing natural gas and the need to optimise its single remaining production unit at Motunui. The revised target is 400,000 tonnes, down from 670,000 tonnes in 2024 and 1.38 million tonnes in 2023. Earlier this year, the company had forecast between 600,000 and 700,000 tonnes, or as low as 500,000 tonnes if gas needed to be diverted to electricity generation. The company did this in May 2025, selling gas to Contact Energy and Genesis Energy.</p> <p>CEO Rich Sumner told investors that the Motunui plant is now operating at minimal levels and noted that “Our gas profile there has really deteriorated to this level because of the performance of existing wells, as well as the limited capital that is going into the Taranaki basin”. He acknowledged that the current government is making policy changes to improve gas supply but noted it is uncertain whether this increase investment in this area.</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 3 August 2025)</p> <p>Residual margins were relatively healthy last week with residual at all peaks exceeding 500 MW. Compared to the prior week, milder weather meant that peaks were able to be met with more residual despite lower thermal unit commitment (no Rankine units running, as not needed).</p> <p>The N-1-G margin is sufficient to meet peak demand in the look-ahead through to end of September 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 3 August)</p> <p>National hydro storage has dropped from 95% to 94% of average for this time of year. South Island storage dropped from 90% to 88%, while North Island storage increased from 134% to 140%.</p> <p>ELECTRICITY (‘ENERGY’) SUPPLY RISK (at 3 August)</p> <p>The level of ‘energy risk’ is measured by hydro storage levels relative to the electricity risk status curves.</p> <p>New Zealand Energy Risk</p> <p>South Island Energy Risk</p>  <p>New Zealand controlled energy storage is slightly below average for this time of year:</p>

New Zealand Electricity Risk Status Curves (Available GWh)



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 **10 July** (and published in the monthly Energy Security Outlook (ESO) on **28 July**). The worst-case SST line was calculated using inflow data starting from **4 August**.

The July update of the ESO includes the effects hydro storage at the time, improved gas production forecasts relative to the previous outlook, and the announced retirement of a Huntly Rankine unit in January 2026. Given the 6 August announcement, conditional on Commerce Commission approval we can now expect the Rankine not to be retired, and a future ERC update to reflect this improved risk position for 2026.

Worst case inflows - Time to cross successive curves

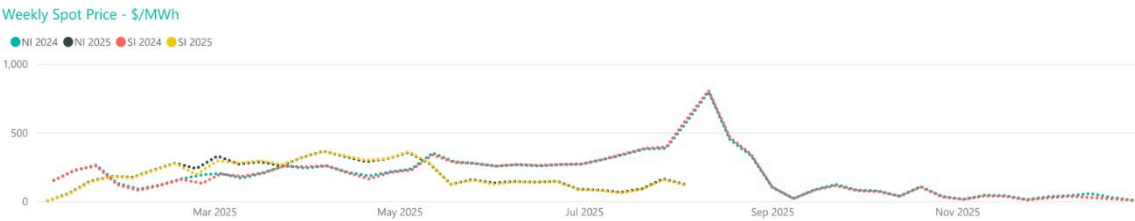
Region	Date Watch	Time to Watch	Date Alert	Time to Alert	Date Emergency	Time to Emergency
NZ	N/A	N/A	N/A	N/A	N/A	N/A
SI	30/12/2025	147	N/A	N/A	N/A	N/A

This week the worst-case SST crosses the Watch curve for the South Island on 30 December and does not cross the national NZ Watch curve. The red line does not cross the Alert curve in 2025, which would be necessary for generators to be able to access contingent storage.

Source: System Operator, Market Operations - Weekly Market Movements

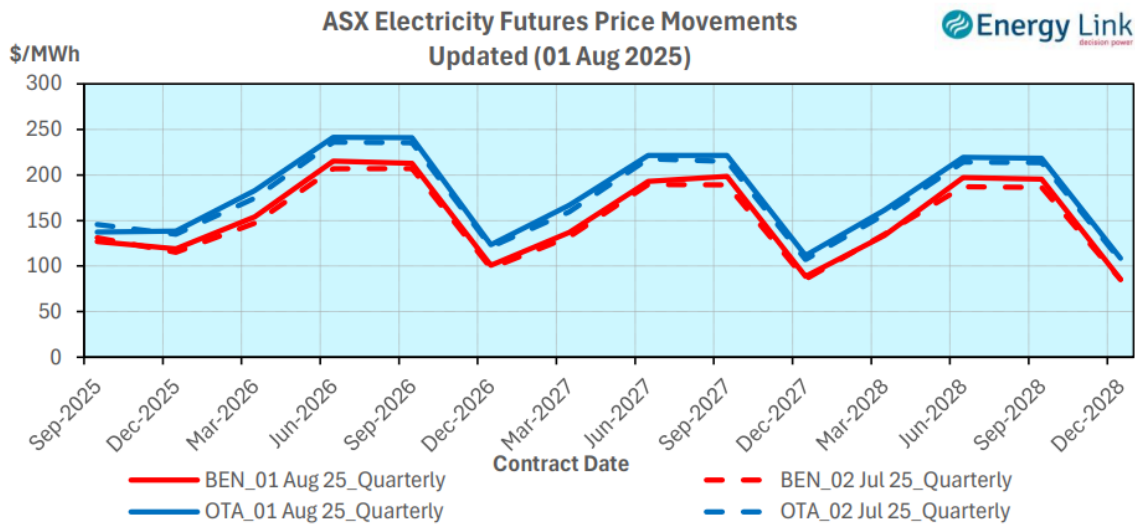
WHOLESALE ELECTRICITY PRICES

Weekly Spot Price (week ended 3 August)



Source: System Operator, Market Operations - Weekly Market Movements

ASX Electricity Futures Prices (as at last available 1 August 2025)



Source: Energy Link, Energy Trendz Weekly

Confidential advice to Government

EV Smart Charging Scott Russell <small>Privacy of natural persons</small>	Consultation on the EV Smart Charging consultation closed on 1 August 2025. We received 46 submissions. We are analysing submissions and will provide you with advice on next steps for this work in coming weeks.
Monthly Oil and Gas production data Amapola Generosa <small>Privacy of natural persons</small>	<p>We will be publishing the June 2025 update of our monthly oil and gas production data on Thursday 14 August. This shows that net production of natural gas in June 2025 was 8.16 PJ, down 6% on May 2025 levels (8.70 PJ) and down 21% on June 2024 net production.</p> <p>We publish this data regularly, on the second Thursday of each month. This data gives a comprehensive view of gas production in New Zealand (other public data, such as Gas Industry Company production figures, are based solely on public pipeline data and are less comprehensive). Data for a given month is available 6 weeks after month-end.</p>

Upcoming Ministerial Items

1. Upcoming Energy meetings

Meeting date	Meeting	Details
Monday 11 August 2025 5:00 pm – 5:45 pm	Meeting with Officials	Briefing: As per agenda
Wednesday 13 August 2025 1:00 pm – 1:20 pm	Mike Roan CEO Meridan Energy	Briefing Due: 11 August 2025 Officials required: Justine Cannon
Wednesday 13 August 2025 3:30 pm – 4:00 pm	Westpac Renewable Energy Roundtable	Briefing Due: 30 July 2025 Officials required: Helena Terry
Wednesday 13 August 2025 4:30 pm – 5:15 pm	John Carnegie CEO Energy Resources Aotearoa	Briefing Due: 8 August 2025 Officials required: Justine Cannon, Dominic Kebbell
Wednesday 13 August 2025 6:00 pm – 7:30 pm	NZ Energy Excellence Awards	Briefing Due: 31 July 2025 Officials required: Justine Cannon, Kathryn Rush
Thursday 14 August 2025 8:30 am – 9:00 am	Energy Competition Taskforce	Briefing Due: Officials required: Paul Stock, Justine Cannon, Sharon Corbett

2. Upcoming Briefings, Aides Memoires and Cabinet Papers

Information to be publicly released shortly

Information to be publicly released shortly

3. Written Parliamentary Questions

None this week.

4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
11 August 2025	SW25-266	Privacy of natural persons	Energy Price Increases
21 August 2025	SW25-269	Privacy of natural persons	Farmers and Solar Power
4 September 2025	SW25-271	Privacy of natural persons	Energy Price Increases
4 September 2025	SW25-270	Privacy of natural persons	Electricity Market Competition

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:	18/08/2025	Priority:	Medium
Security classification:	In Confidence	Tracking number:	BRIEFING-REQ-0019152

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

15 August 2025

Minister's comments:

Energy Portfolio
Officials' Meeting Agenda
12:00 pm – 12:40 pm Tuesday 19 August 2025

Item	Subject	People	Oral Item / Paper #	Action Required
Confidential advice to Government				
Confidential advice to Government				
3.	APEC pre-brief	Peter Bartlett	Oral	Discussion
4.	Weekly Report & Work Programme	Minister	Oral	Discussion
5.	Any other business	All	Oral	Discussion

Ministry of Business, Innovation & Employment officials attending:

Name	Position
Carolyn Tremain	Chief Executive and Secretary (Tentative)
Paul Stocks	Deputy Secretary, Building, Resources and Markets
Justine Cannon	General Manager, Energy Markets
Sharon Corbett	Policy Director, Energy Markets
Peter Bartlett	Director, Innovation and International
Dominic Kebbell	Manager, Gas and Fuel Supply Policy
Tamara Linnhoff	Manager, Electricity Markets Policy

Key Updates

Title	Comment
<div>Implementing Electrify NZ</div> <div>Daniel Brown</div> <div>Privacy of natural persons</div>	<div>Resource Management</div> <div>Consultation on updated RMA national direction, including renewable electricity and electricity networks direction, has closed. MBIE is working with MFE to summarise submissions and prepare recommendations for Ministers. The revised national direction is intended to be in place by the end of 2025.</div> <div>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.</div> <div>Offshore Renewable Energy</div> <div>Confidential advice to Government</div> <div></div>
<div>Electricity Authority – Board</div> <div>Paul Metcalf</div> <div>Privacy of natural persons</div>	<div>Confidential advice to Government</div> <div></div>

Key actions tracker

Action and outcome	Updates	Status and upcoming milestones
Electricity Market Review Independent review to advise on the impact of market structure, design, and rules on the electricity systems' performance	Confidential advice to Government	
Energy Competition Taskforce Joint EA and Commerce Commission investigation of options to improve competition and enable consumers to manage usage and costs	1A Sleeving (firm generation) for PPAs: No change: The EA has decided to roll consideration of better access to PPAs under the level playing field (LPF) workstream (1CD).	On track The EA is due to announce next steps on 1B and 1C+D on 19 August 2025. On 2A+B+C, Code change decisions were published on 16 July.
	1B Standardised flexibility contracts: On 6 August, the EA Board considered and approved a consultation paper on the EA's approach to standardised flexibility (hedge) products. The paper proposes the EA retains the voluntary approach to generators offering super-peak hedges, but with a trigger to move to a regulatory approach if trading isn't satisfactory. The EA has sent you a copy of the consultation paper, which it will publish 19 August 2025.	
	1C+D sharing flexibility and level playing field measures: Following submissions analysis on the Level Playing Field consultation, the EA has signalled that it favours moving to a principles-based non-discrimination obligation. The EA Board agreed this approach on 6 August 2025 and will publish its decision (on this direction of travel) on 19 August at which time it will also confirm timing for the next step: consultation on a proposed Code change, and announce a Review of market making. The EA has signalled consultation would happen in early October 2025.	
	2D Better compensating industrial flexibility (demand response): No change: On 28 May 2025 the EA published its 'Roadmap for industrial demand flexibility'. On 31 July the EA started consultation on an issues paper relating to an industrial flexibility emergency reserve scheme, consultation runs until late August.	
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		
SolarBoost Develop package to improve consumer energy outcomes, improve access to finance and reduce install costs for rooftop solar and battery	<div>Confidential advice to Government</div> <div>StandardsNZ and EECA have finalised their Publicly Available Specification (PAS) for solar and batteries. The PAS will provide guidance for both consumers and industry on how to best install and maximise value for solar and installations, alongside technical and safety best practice.</div> <div>StandardsNZ is publishing the PAS on 15 August, and you will welcome the publication in your pre-recorded speech for the SEANZ conference on 29 August.</div> <div>Confidential advice to Government</div>	On track
Confidential advice to Government		
Confidential advice to Government		
Confidential advice to Government		
Energy Strategy Developing a public-facing strategy that will set out the Government's role in	Confidential advice to Government	

Action and outcome	Updates	Status and upcoming milestones
creating an energy system that is fit for the future.	Confidential advice to Government	Confidential advice to Government
New Zealand Energy Efficiency and Conservation Strategy (NZECS) Develop a refreshed strategy that meets legislative requirements.		
Offshore Renewable Energy		
	Confidential advice to Government	Confidential advice to Government

Action and outcome	Updates	Status and upcoming milestones
Hydrogen regulations Delivering Hydrogen Action Plan commitment to amend safety regulations to enable hydrogen.	No update this week. <i>Previous update:</i> Consultation on <i>Enabling Hydrogen: technical changes to safety regulations</i> closed on Monday, 21 July 2025 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.	No update this week. <i>Previous update:</i> You have received a draft Wood Energy Strategy (formerly the Woody Bioenergy Policy Statement) and Action Plan for your review. We also contributed to a Kānoa briefing provided to you and other RDMG Ministers by on 6 August seeking agreement to proceed to evaluation of two torrefied pellet projects for consideration under the Regional Infrastructure Fund. We are awaiting further direction from ministers on the proposals.	On track
Electricity Distribution Business (EDB) Efficiency	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)	The Cabinet Paper (joint with the Minister for Transport) seeking approval of financial changes to transfer funding from EECA to NIFFCo (and Vote Transport) was consideration at EXP on 12 August and is due to be confirmed at Cabinet on 18 August 2025. This item is now complete, so from next week we will remove this from the report.	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		

Confidential advice to Government

Action and outcome	Updates	Status and upcoming milestones						
Industry developments								
Commercial Information								
Commercial Information								
Solar numbers	<p>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></td><td></td><td></td></tr></table>	Category (solar system size: less than 10 kW)	ICP count	MW capacity				Ongoing
Category (solar system size: less than 10 kW)	ICP count	MW capacity						

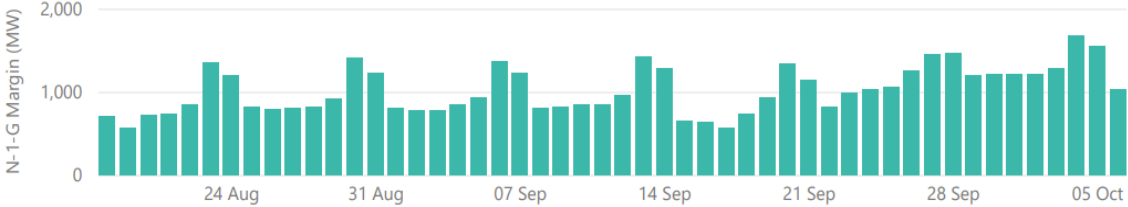
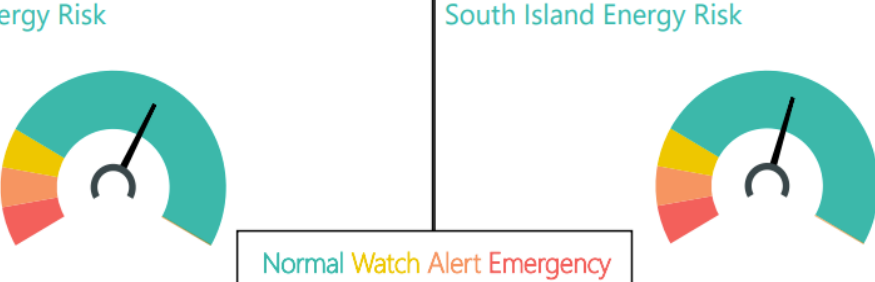
Action and outcome		Updates			Status and upcoming milestones	
	Residential solar (all)	65,983	320.832			
	Residential solar (with battery)	9,007	51.438			
	Small, Medium Enterprises solar (all)	2,330	13.752			
	Small, Medium Enterprises solar (with battery)	175	1.153			
	Commercial solar (all)	1,526	9.052			
	Commercial solar (with battery)	1,450	8.566	ICPs at 31 December 2024	MW at 31 December 2024	
	Total (solar all)	69,839	343.636	65,449	313.952	
	Total (solar with battery)	9,258	62.077	8,215	44.265	

Stakeholder Updates

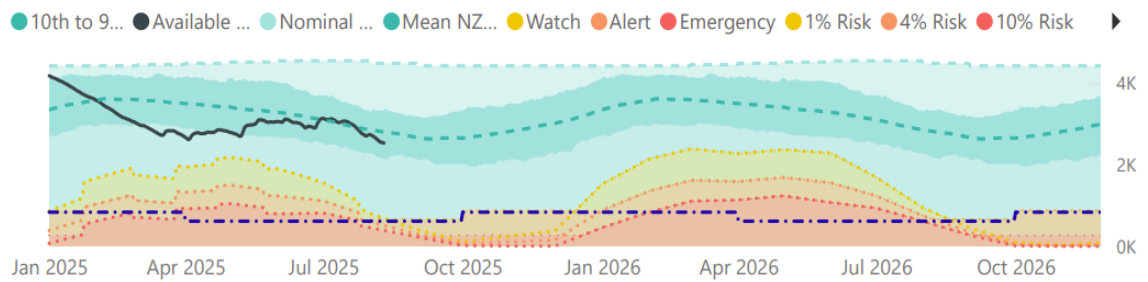
Title	Comment
Singer Electric Scott Russell <small>Privacy of natural persons</small>	<p>You and several other Ministers received a report from Singer Electric on ways for government agencies to improve energy efficiency and demand management.</p> <p>We met them and discussed the research and recommendations in the report. They consider that better energy management, co-ordinated across agencies, has the potential to significantly reduce peak electricity demand from those agencies. Sharing and co-ordinating EV charging facilities would be the first step. Many agencies (including MBIE) already use some form of energy management system, including for smart EV charger management.</p> <p>We will work with New Zealand Government Procurement, EECA, and Singer Electric to determine whether there is value in implementing their recommendations and report those findings to you. This will include better understanding the status quo, and how much energy saving can be realised / on peak demand reduced across government.</p> <p>We can provide you more information on request.</p>
Business Energy Council report 'New Zealand in a Changing Energy World' Tamara Linnhoff <small>Privacy of natural persons</small>	<p>On 14 August the Business Energy Council (BEC) released a report benchmarking New Zealand's energy system against 15 Countries.</p> <p>The report paints a generally positive picture of NZ. It highlights:</p> <ul style="list-style-type: none"> • New Zealand performs generally well, ranking 5th on average and an impressive 3rd overall across all measures. • Renewables share: NZ ranks 4th with 87.7% of our electricity from renewables. • Energy Import Dependency: NZ ranks 10th (57.9% imported), while Qatar (1st) and the USA (2nd) have vast domestic reserves, Iceland (3rd) demonstrates how leveraging renewables and EVs can reduce dependency despite no fossil fuels. • Diversity of Electricity Generation: NZ is 9th, relying heavily on hydroelectric dams (59.5%). While Norway also relies on hydro (89.1%), their 18 months of hydro storage provides significant resilience, which New Zealand lacks to the same degree. The report NZ will benefit from more diversification of energy sources. • Residential Electricity Price (PPP Adjusted): NZ is 8th (~22.74 c/KWh), Qatar (1st) has the lowest prices due to abundant natural gas and government subsidies, followed by Iceland (2nd) thanks to low-cost hydro/geothermal.
Sector Energy Transitions Framework meeting	<p>Free and frank opinions</p> <p>Confidential advice to Government</p>

Current appointments

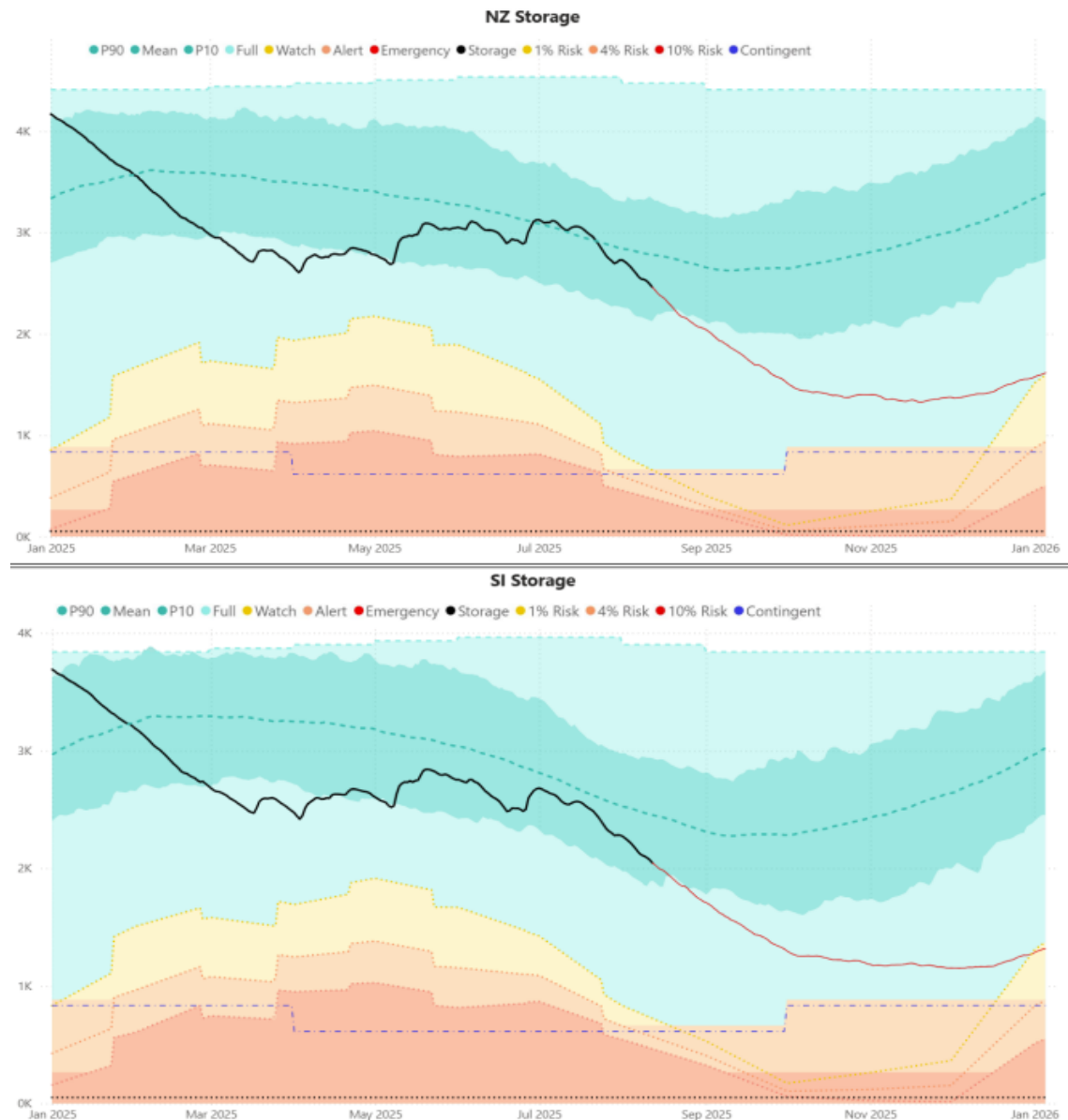
Confidential advice to Government

Title	Comment
<div>Gas security of supply</div> <div>Dominic Kebbelle</div> <div>Privacy of natural persons</div>	<p>Energy News reports that Beach Energy considers New Zealand too risky to invest in because of political uncertainty about gas policy. The Chief Executive Brett Woods is quoted as saying "I feel very concerned that the pendulum of political certainty can swing either way, so it's just a hard place for me to sit there and deploy shareholder capital".</p> <p>Beach owns 50 per cent of the Kupe field in a joint venture with Genesis Energy and Echelon Taranaki, and is the operator of the offshore field. The company declared Kupe a non-core asset in June last year. In the gas reserves data released in June this year, the Kupe field had a downward revision of approximately 50 PJ after taking account of extraction.</p>
<div>Electricity security of supply</div> <div>Tamara Linnhoff</div> <div>Privacy of natural persons</div>	<p>ELECTRICITY CAPACITY (for the week to Sunday 10 August 2025)</p> <p>Residual margins were mostly healthy with some lower points throughout the week in line with the return to colder weather (from the milder week prior). The lowest residual point occurred on the evening of 5 August at 320 MW.</p> <p>The N-1-G margin is sufficient to meet peak demand in the look-ahead through to the start of October 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 10 August)</p> <p>National hydro storage has dropped from 94% to 90% of the mean for this time of year. South Island hydro storage dropped from 88% to 85% while North Island storage decreased from 140% to 129%.</p> <p>ELECTRICITY (‘ENERGY’) SUPPLY RISK (at 10 August)</p> <p>The level of ‘energy risk’ is measured by hydro storage levels relative to the electricity risk status curves.</p> <p>New Zealand Energy Risk</p> <p>South Island Energy Risk</p>  <p>New Zealand controlled energy storage is slightly below average for this time of year:</p>

New Zealand Electricity Risk Status Curves (Available GWh)



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 **10 July** (and published in the monthly Energy Security Outlook (ESO) on **28 July**). The worst-case SST line was calculated using inflow data starting from **11 August**.

The July update of the ESO includes the effects hydro storage at the time, improved gas production forecasts relative to the previous outlook, and the announced retirement of a Huntly Rankine unit in January 2026. If the Huntly agreement is approved by the Commission and the Rankine is not retired, the risk position for 2026 will improve.

Worst case inflows - Time to cross successive curves

Region	Date Watch	Time to Watch	Date Alert	Time to Alert	Date Emergency	Time to Emergency
NZ	N/A	N/A	N/A	N/A	N/A	N/A
SI	31/12/2025	141	N/A	N/A	N/A	N/A

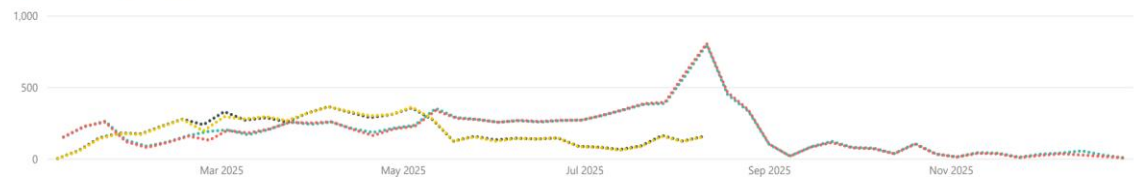
This week the worst-case SST crosses the Watch curve for the South Island on 31 December and does not cross the national NZ Watch curve. The red line does not cross the Alert curve in 2025, which would be necessary for generators to be able to access contingent storage.

WHOLESALE ELECTRICITY PRICES

Weekly Spot Price (week ended 10 August)

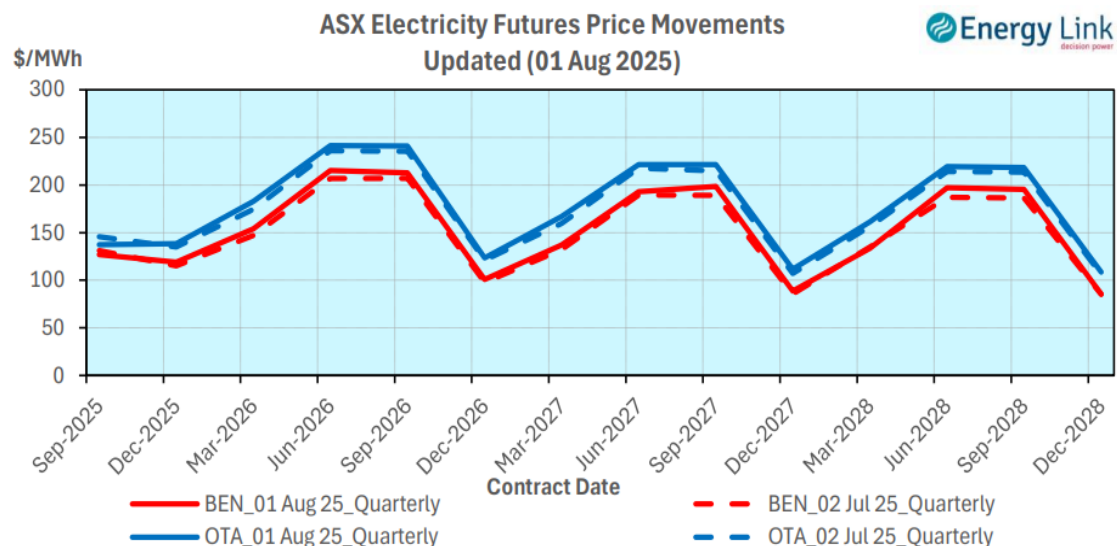
Weekly Spot Price - \$/MWh

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



Source: System Operator, Market Operations - Weekly Market Movements

ASX Electricity Futures Prices (as at last available 1 August 2025)



Source: Energy Link, Energy Trendz Weekly

The Energy Efficiency and Conservation Authority (EECA) has provided you with its fourth quarterly report for the 2024/25 financial year. This covers the period 1 April to 30 June 2025.

Confidential advice to Government

Updates on programmes:

EECA is progressing a pilot programme to utilise new financing models such as energy savings loans. EECA will provide you with a separate briefing in mid-August on its new financing approaches.

The Winter 2025 Consumer Savings information campaign launched in June, and EECA reports that it has been performing well. Following the completion of the campaign in August, EECA will complete a full evaluation of the campaign's performance and report the findings to you.

EECA signed contracts with four electricity distribution businesses to deliver demand flexibility pilots at scale. It also delivered smart technology retrofits to 92 homes through its residential demonstration pilot, and heat pump water heater demonstrations to 52 homes.

Performance measures:

EECA reports that it achieved 20 of its 24 active performance measures for 2024/25. The four targets that EECA did not achieve were:

- The number of Warmer Kiwi Homes (WKH) installations delivered of 24,866 was below its target of 26,500 installations due to lower demand for heating installations.
- The number of basic home repairs to allow WKH installations was lower than EECA had expected. There have subsequently been several revisions to the Warmer Kiwi Homes programme.
- The number of Carbon Neutral Government projects that became operational was 13 compared to a target of 14 projects. EECA attributes this to project delays related to cost containment and reprioritisation in the public sector.
- The number of vehicles ordered through the Low Emissions Heavy Vehicle Fund was 30 compared to EECA's target of 50 vehicles. EECA considers this was due to a challenging market and it has been making changes to the programme to encourage demand.

We will provide you with further advice on EECA's full year performance when we brief you on EECA's 2024/25 Annual Report later this year.

EDB Export limits

Peter Bartlett

Privacy of natural persons

You recently asked us to provide household solar export limits for all electricity distribution businesses (EDBs) in New Zealand. The following information has been provided by Electricity Networks Aotearoa.

EDBs manage distributed generation on their networks differently depending on size – generally processes are simpler for connections of less than 10kW, which would capture the majority of current household installations. Installations greater than 10kW can require more engagement with the distributor given the potential network impact. This also reflects how distributed generation is dealt with in the Electricity Code (different requirements for below and above 10kW). The Electricity Authority will be considering this distinction and system size in their Network Connections – Stage Two work (alongside export limits).

The table below shows limits imposed by the EDBs on single-phase households with less than 10 kW, which is the standard. Most households in New Zealand have a single-phase set up (with one power wire and one neutral wire). Three-phase electrical setups are typically found in commercial buildings (with three wires which can carry higher load).

Export limits are set at kW or kVA – both measure different things (usable power and apparent power) but can be considered essentially the same for the purpose of comparing solar export limits on the networks (i.e., consider 5kW equivalent to 5kVA).

EDB	Export limit
Alpine Energy	5kW
Aurora Energy	10kW
Buller Electricity	Applied on case-by-case basis
Centralines	5kW
Counties Energy	No export limit is applied - encourage consumers to self-consume as much as possible.
EA Networks	5kW
Electra	5kW
Firstlight Network	Applied on case-by-case basis
Horizon Networks	5kVA
MainPower	5kW
Marlborough Lines	5 kW
Nelson Electricity	Applied on case-by-case basis
Network Tasman	Applied on case-by-case basis
Network Waitaki	Applied on case-by-case basis
Northpower	5kVA
Orion	5kW
Powerco	Commercial Information
PowerNet (also manage OtagoNet and Electricity Invercargill)	
	5kVA

	<table> <tr> <td>Scanpower</td><td>Applied on case-by-case basis</td></tr> <tr> <td>The Lines Company</td><td>5kW</td></tr> <tr> <td>Top Energy</td><td>Applied on case-by-case basis</td></tr> <tr> <td>Unison Networks</td><td>5kW</td></tr> <tr> <td>Vector</td><td>5kW</td></tr> <tr> <td>Waipa Networks</td><td>5kW</td></tr> <tr> <td>Wellington Electricity</td><td>Applied on case-by-case basis</td></tr> <tr> <td>WEL Networks</td><td>Applied on case-by-case basis</td></tr> <tr> <td>Westpower</td><td>No export limit is applied unless there is proof the export will cause voltage rise</td></tr> </table>	Scanpower	Applied on case-by-case basis	The Lines Company	5kW	Top Energy	Applied on case-by-case basis	Unison Networks	5kW	Vector	5kW	Waipa Networks	5kW	Wellington Electricity	Applied on case-by-case basis	WEL Networks	Applied on case-by-case basis	Westpower	No export limit is applied unless there is proof the export will cause voltage rise
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<p>Release of Energy in New Zealand 2025</p> <p>Amapola Generosa</p> <p>Privacy of natural persons</p>	<p>MBIE will release Energy in New Zealand 2025 (ENZ) on Thursday 21 August. ENZ will present comprehensive information and analysis of New Zealand's energy supply, demand, and prices over the 2024 calendar year.</p> <p>Information is embargoed until the release on our website at 11am, in line with Stats NZ's Principles and Protocols for Official Statistics (ENZ is an official statistic). These practices serve to maintain public confidence in the data where a release could include market or politically sensitive information.</p> <p>A copy of ENZ will be provided to your office under embargo 24 hours prior to release.</p>																		
<p>Electricity Authority investigation into business concerns</p> <p>Tamara Linnhoff</p> <p>Privacy of natural persons</p>	<p>On Thursday, 14 August, the EA launched an investigation into concerns businesses have been raising about the electricity market (under section 16 of the Electricity Industry Act 2010).</p> <p>Free and frank opinions</p>																		

Upcoming Ministerial Items

1. Upcoming Energy meetings

Meeting date	Meeting	Details
Monday 18 August 2025 8.30 pm – 9.15 pm	Multi Minister Energy Strategy Session	Briefing Due: 15 August 2025 Officials required: Justine Cannon, Sharon Corbett
Tuesday 19 August 2025 11.20 am – 11.50 am	Freightways	Briefing Due: 13 August 2025 Officials required: Dominic Kebbell
Tuesday 19 August 2025 12.40 pm – 1.00 pm	Optima Energy & BEC re gas users	Briefing Due: 18 August 2025 Officials required: Scott Russell
Wednesday 20 August 2025 12.30pm – 1.00pm	Energy Competition Taskforce meeting with Minister Watts and Minister Jones	Briefing Due: N/A Officials Required: Justine Cannon
Wednesday 20 August 2025 3.30 am – 4.15 am	Hydrogen Industry Leadership Forum	Briefing Due: 15 August 2025 Officials required: Peter Bartlett
Thursday 21 August 2025 10.15 am – 12.00 pm	Marsden Point Visit	Briefing Due: 18 August 2025 Officials required: Kathryn Rush
Thursday 21 August 2025 12.30 pm – 1.00 pm	Northland Corporate Group	Briefing Due: 18 August 2025 Officials required: Daniel Brown

2. Upcoming Briefings, Aides Memoires and Cabinet Papers

Information to be publicly released shortly

Information to be publicly released shortly

3. Written Parliamentary Questions

Due to Minister	Number	Member	Question
18 August 2025	38728 (2025)	Scott Willis	Has the Minister directed MBIE to continue publishing annual energy hardship reports, if so, on what date?
18 August 2025	39249 (2025)	Camilla Belich	What pilot programmes, if any, have been initiated by any departments or agencies for which the Minister is responsible since 27 November 2023, and what were their commencement dates, durations, funding sources and amounts, objectives, and current status?
18 August 2025	38972 (2025)	Francisco Hernandez	What consultations are the Minister's departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, planning to open on the week beginning Monday 11 August 2025 with employees around any changes to employment roles, employment numbers and any other employment conditions, and what is the proposed net change in roles?
18 August 2025	38974 (2025)	Francisco Hernandez	What consultations are the Minister's departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, planning to open on the week beginning Monday 11 August 2025 with employees around any changes to employment roles, employment numbers and any other employment conditions, and when is any such consultation expected to close?

19 August 2025	39274 (2025)	Scott Willis	Did MBIE consider discontinuing the energy hardship report, if so, for what reason was discontinuation considered?
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4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
21 August 2025	SW25-269	Privacy of natural persons	Farmers and Solar Power
4 September 2025	SW25-271	Privacy of natural persons	Energy Price Increases
4 September 2025	SW25-270	Privacy of natural persons	Electricity Market Competition
4 September 2025	SW25-276	Privacy of natural persons	NZ Steels Conversion to Electricity
4 September 2025	SW25-274	Privacy of natural persons	Coal, Oil and Gas Exploitation
4 September 2025	SW25-272	Privacy of natural persons	Power Prices
4 September 2025	SW25-278	Privacy of natural persons	Economic Progress
4 September 2025	SW25-277	Privacy of natural persons	Electricity Pricing and Lines company charges

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:	25/08/2025	Priority:	Medium
Security classification:	In Confidence	Tracking number:	BRIEFING-REQ-0019467

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

22 August 2025

Minister's comments:

**Energy Portfolio
Officials' Meeting Agenda
9:45 am – 10.30 am Monday 25 August 2025**

Item	Subject	People	Oral Item / Paper #	Action Required
Confidential advice to Government Confidential advice to Government				
3.	Draft Wood Energy Strategy and Action Plan	Scott Russell	BRIEFING-REQ-0016681	Discussion
4.	Weekly Report & Work Programme	Minister	Oral	Discussion
5.	Any other business	All	Oral	Discussion

Ministry of Business, Innovation & Employment officials attending:

Name	Position
Carolyn Tremain	Chief Executive and Secretary (Tentative)
Justine Cannon	General Manager, Energy Markets
Sharon Corbett	Policy Director, Energy Markets
Tamara Linnhoff	Manager, Electricity Markets Policy
Scott Russell	Manager, Energy Use Policy

Key Updates

Title	Comment
<p>Implementing Electrify NZ</p> <p>Daniel Brown Privacy of natural persons</p>	<p>Resource Management</p> <p>Consultation on updated RMA national direction, including renewable electricity and electricity networks direction, has closed. MBIE is working with MFE to summarise submissions and prepare recommendations for Ministers. The revised national direction is intended to 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>Offshore Renewable Energy</p> <p>Confidential advice to Government</p> <p>[Redacted]</p>
<p>Electricity Authority Quarterly Report to 30 June 2025</p> <p>Jacqui Bassett Privacy of natural persons</p>	<p>Performance measures</p> <p>The Electricity Authority (EA) reports that it achieved 13 out of 14 organisational performance measures and 23 out of 24 of its market development activities for the quarter.</p> <p>In terms of full-year performance against the measures contained in its Statement of Performance Expectations, the EA reports that it achieved 14 out of its 15 performance measures (refer pages 12-13 of the Quarterly Report). The Quarterly Report provides further detail about the activities of the EA during the quarter and full year.</p> <p>Full-year financial performance</p> <p>The EA's total expenditure for the year was \$5.8 million lower than budget.</p> <p>This lower-than-planned expenditure is primarily due to lower other service provider expenses. This arose after the EA negotiated a new provider for market-making from 1 July 2024. Personnel costs were also lower than budget due to some recruitment being delayed.</p> <p>Offsetting these amounts, expenditure on contractors and consultants was higher than budgeted. The EA advises that this was due to unplanned work such as the Energy Competition Task Force, the 2024 winter market response, and the Northland pylon collapse investigation (\$1.2 million of extra costs for specialist resources). It also modified its work programme to advance work on some initiatives, as well as internal systems and processes to improve productivity (\$2.3 million of extra costs). This was signalled by the EA during the process to develop its 2025/26 Statement of Performance Expectations (SPE) and was noted in MBIE's briefing about the SPE (Paragraph 15, REQ-0012863 dated 14 May 2025 refers).</p> <p>The overall lower-than-planned expenditure will result in a refund to levy payers (via the Crown) after the end-of-year levy reconciliation and audit process (also known as the 'levy wash-up').</p> <p>The full year excess of comprehensive revenue over comprehensive expenses was \$1.4 million. This represents interest income earned by the EA and has been added to the EA's accumulated surplus. Confidential advice to Government</p> <p>[Redacted]</p>

	<p>The EA had a positive operating cash flow for the year and held cash and investments of \$29.4 million at year end (noting \$5.8 million of this will be returned to levy payers via the Crown after the 'levy wash-up'). Accordingly, we have no concerns about the financial position and solvency of the organisation.</p> <p>Next steps</p> <ol style="list-style-type: none">1. The EA is preparing its 2025 Annual Report, including full financial statements, which will be audited. The <i>Crown Entities Act 2004</i> requires this to be completed by 31 October 2025, for subsequent presentation to the House of Representatives.2. The unspent appropriation for 2024/25 will be returned to levy payers (via the Crown), after the annual 'levy wash-up' process has been completed.3. Confidential advice to Government4. The EA is preparing its draft levy consultation document for 2026/27. This will include a first draft of its proposed budget for 2026/27, including for contractors and consultants.
<p>Departmental consultation on Energy Using Products Amendment Regulations</p> <p>Scott Russell <small>Privacy of natural persons</small></p>	<p>We have been progressing an update to energy efficiency regulations that have been materially out of date since 2021. The regulations introduce or update Minimum Energy Performance Standards (MEPS) and Mandatory Energy Performance Labelling (MEPL) requirements across a number of product classes. In April this year, you notified the proposals in the Gazette [BRIEFING-REQ-0012710 refers].</p> <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	<i>1A Sleeving (firm generation) for PPAs:</i> No change: The EA has decided to roll consideration of better access to PPAs under the level playing field (LPF) workstream (1CD).	On track On 19 August the EA published its intent to introduce level playing field principles, a backstop regulatory regime for super-peak market making, and announced review of all market making.
	<i>1B Standardised flexibility contracts:</i> On 19 August, the EA commenced consultation on an 'Issues and Options' paper on standardised flexibility contracts. The paper confirms EA concerns that current trading volumes are shallow and must improve. They propose voluntary trading continues and outlines options for mandatory trading of minimum volumes, if liquidity doesn't improve. The threshold to move to mandatory trading will be two consecutive quarters, from January 2026, of trading falling below defined levels. If mandatory trading is required, it will be ready to be in place by mid-2026. Consultation closes 30 September.	
	<i>1C+D level playing field measures:</i> On 19 August, the EA announced it will introduce 'in principle' non-discrimination obligations to increase market transparency and ensure independent retailers can compete. The EA is developing draft Code amendments to implement this decision. It will need to consult on this Code change, which it aims to do in early October. A key part of the non-discrimination obligations will be measuring whether gentailers are favouring their own retail arms above independent retailers. Some media commentary has honed-in on the need for clearer monitoring and enforcement of the obligation Free and frank opinions <div></div> The EA also confirmed it will start a review of market marking. Free and frank opinions <div></div>	On 2A+B+C, Code change decisions were published on 16 July.
	<i>2D Better compensating industrial flexibility (demand response):</i> No change: On 28 May 2025 the EA published its 'Roadmap for industrial demand flexibility'. On 31 July the EA started consultation on an issues paper relating to an industrial flexibility emergency reserve scheme, consultation runs until late August.	
Confidential advice to Government		

Action and outcome	Updates	Status and upcoming milestones
	Confidential advice to Government	over various dates from April 2026

Action and outcome	Updates	Status and upcoming milestones
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

Confidential advice to Government

Confidential advice to Government

Confidential advice to Government

Energy Strategy Developing a public-facing strategy that will set out the Government’s role in creating an energy system that is fit for the future.	Confidential advice to Government
New Zealand Energy Efficiency and Conservation Strategy (NZECS) Develop a refreshed strategy that meets legislative requirements.	Confidential advice to Government
Offshore Renewable Energy	Confidential advice to Government

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	<div>Confidential advice to Government</div> <p>Drafting of the amendment regulations is almost completed. We are finalising the details regarding e-transporters and a couple of other items. Once this is complete, PCO and WorkSafe will complete their final technical review of the amendment regulations. This will take time due to the ~440 citations of standards that need to be reviewed.</p>	Delayed We expect to have the draft LEG paper <small>Confidential advice to Government</small>
Hydrogen regulations Delivering Hydrogen Action Plan commitment to amend safety regulations to enable hydrogen	No update this week. <i>Previous update:</i> Consultation on <i>Enabling Hydrogen: technical changes to safety regulations</i> closed on Monday, 21 July 2025 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.	<div>Confidential advice to Government</div>	On track
Led by the Electricity Authority		
Electricity pipeline updates	The EA will provide information to you on its generation pipeline dataset monthly.	Ongoing
Led by Transpower		
Confidential advice to Government		

Confidential advice to Government

Industry developments

Commercial Information

Commercial Information

Commercial Information

Action and outcome	Updates	Status and upcoming milestones																																													
	<div>Commercial Information</div>																																														
Solar numbers	<div><p>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><td></td><td></td></tr><tr><td>Residential solar (all)</td><td>65,983</td><td>320.832</td><td></td><td></td></tr><tr><td>Residential solar (with battery)</td><td>9,007</td><td>51.438</td><td></td><td></td></tr><tr><td>Small, Medium Enterprises solar (all)</td><td>2,330</td><td>13.752</td><td></td><td></td></tr><tr><td>Small, Medium Enterprises solar (with battery)</td><td>175</td><td>1.153</td><td></td><td></td></tr><tr><td>Commercial solar (all)</td><td>1,526</td><td>9.052</td><td></td><td></td></tr><tr><td>Commercial solar (with battery)</td><td>1,450</td><td>8.566</td><td>ICPs at 31 December 2024</td><td>MW at 31 December 2024</td></tr><tr><td>Total (solar all)</td><td>69,839</td><td>343.636</td><td>65,449</td><td>313.952</td></tr><tr><td>Total (solar with battery)</td><td>9,258</td><td>62.077</td><td>8,215</td><td>44.265</td></tr></table></div>	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	ICPs at 31 December 2024	MW at 31 December 2024	Total (solar all)	69,839	343.636	65,449	313.952	Total (solar with battery)	9,258	62.077	8,215	44.265	Ongoing
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Title	Comment
<div>Update on Fast-track projects (in commercial confidence)</div> <div>Daniel Brown</div> <div>Privacy of natural persons</div>	<div>Commercial Information</div>

Gentailer earnings announcements

Tamara Linnhoff

Privacy of natural persons

Contact and Mercury released annual earnings results last week.

- Contact posted an underlying net profit after tax of \$261m (up 13% on FY24),
- Mercury showed a net profit after tax of \$1m (down \$289m on FY24).

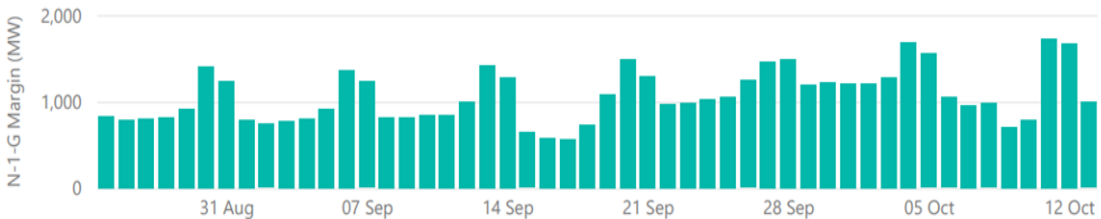
Their commentary highlighted the impact of last year's fuel shortages including the dry period, with Contact benefiting from its access to gas and 225MW of new geothermal power coming online. On the other hand, Mercury generated significantly less than anticipated due to low hydro and the need to contract for cover at high prices.

Both gentailers highlighted their ongoing investment in new renewables, with over \$2bn invested in projects currently under construction which will add over 2TWh within the next two years.

Genesis will release its earnings results on 26 August, with Meridian following on 27 August 2025.

Current appointments

Confidential advice to Government

Title	Comment
<p>Gas security of supply</p> <p>Dominic Kebbell Privacy of natural persons</p>	<p>Media attention on Māui field reaching end of life</p> <p>On 20 August 2025, an article was published by BusinessDesk relating to the possible early closure of the Māui gas field. The article describes how production at Māui may cease as early as next year (2026) which would trigger decommissioning of the field. A 14-page follow-up article discussing the field and potential closure was published by Enerlytica on 21 August.</p> <p>OMV were quoted in the BusinessDesk article confirming that the field is nearing the end of its productive life but that no decisions have been made on when that might occur. Enerlytica note that without further investment and drilling that Māui will reach the end of field life in 2H 2027. Both articles discuss the potential impact of the closure on gas supply, in particular the impact on Methanex, with cessation of production at Māui likely to result in the closure of Methanex.</p> <p>Maui field reduction in production</p> <p>OMV reported that the Maui field had a 16.6 TJ reduction in production on 20 August 2025. An unexpected on-shore plant trip caused the reduction. The plant is now coming back online and OMV expects normal production levels to resume over the next few days.</p> <p>New Zealand Energy Corp (NZEC) works to restore gas output</p> <p>Energy News Reports that New Zealand Energy Corp (NZEC) aims to restore gas production from its Waihapa and Tariki fields over the next two months. At Tariki the company drilled a new secondary well late last year to target about 13 PJ of remaining gas. NZEC had expected this well would deliver 10 TJ of gas a day to Genesis Energy, but the well reportedly experienced technical challenges. The company plans infrastructure upgrades to overcome these challenges and expects to restart the well in October 2025.</p> <p>NZEC reports advancing design work for a storage facility. The company says Tariki could store 20 PJ of gas, with daily injection and extraction rates likely to range between 25 TJ to 75 TJ. NZEC wants to be in a position to commit to the storage development, or sell the project, within the next 12 months.</p>
<p>Electricity security of supply</p> <p>Tamara Linnhoff Privacy of natural persons</p>	<p>ELECTRICITY CAPACITY (for the week to Sunday 17 August 2025)</p> <p>Residual generation margins remained healthy last week with residual at all peaks exceeding 700 MW. The lowest residual occurred on the morning of 14 August, at 733 MW. This coincided with the highest demand peak during the week.</p> <p>The N-1-G margin is sufficient to meet peak demand in the look-ahead through to early October 2025:</p> <p>NZGB Look-Ahead (excluding next 7 days)</p>  <p>Source: System Operator, Market Operations - Weekly Market Movements</p>

ENERGY (HYDRO) STORAGE RELATIVE TO MEAN (for the week to 17 August)

National hydro storage has dropped sharply from 90% of the historic mean to 83%. This was due to lower-than-average inflows. South Island storage dropped from 84% to 78% of its historical mean, while North Island storage decreased from 128% to 117%.

ELECTRICITY ('ENERGY') SUPPLY RISK (at 17 August)

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

New Zealand Energy Risk



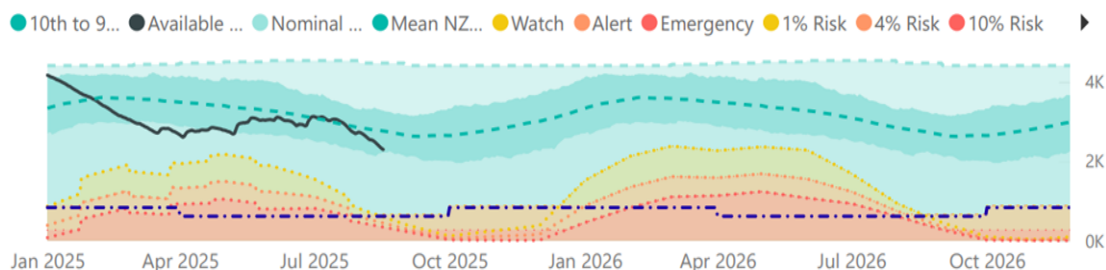
South Island Energy Risk



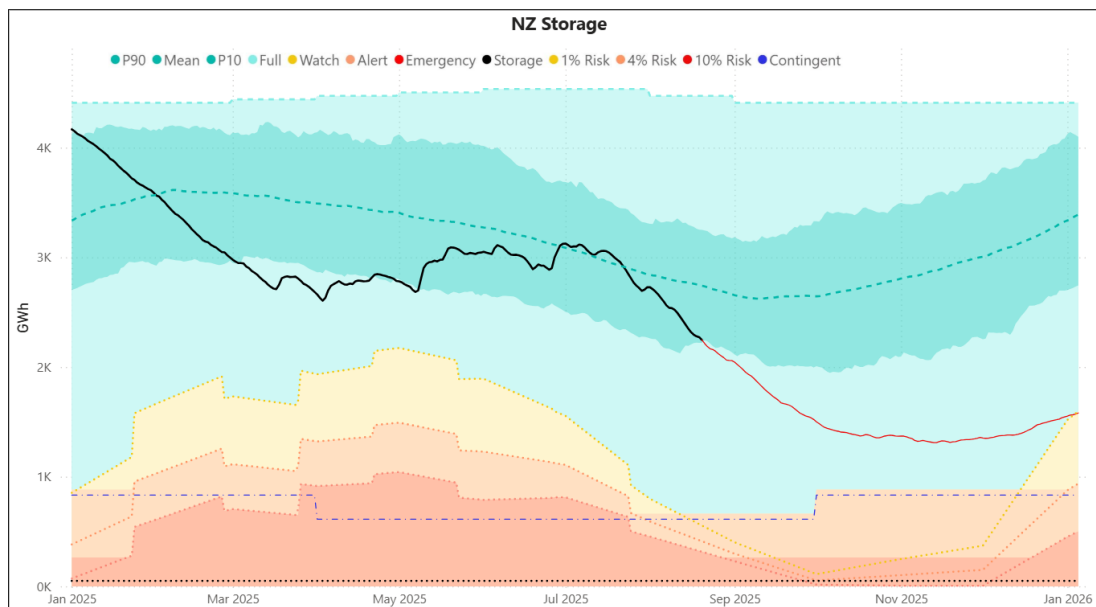
Normal Watch Alert Emergency

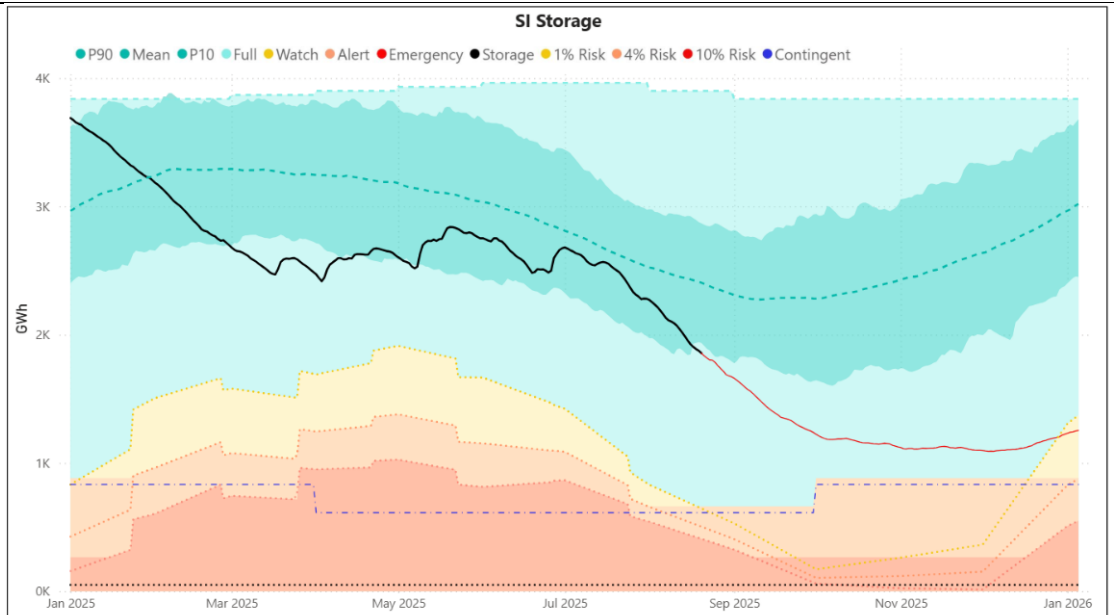
New Zealand controlled energy storage is below average for this time of year:

New Zealand Electricity Risk Status Curves (Available GWh)



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 **10 July** (though published on **28 July**). The worst-case SST line was calculated using inflow data starting from **18 August**.

The July update of the ERCs and SSTs (published 28 July) includes the effects of hydro storage at the time, improved gas production forecasts relative to our 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.

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	4/01/2026	137	N/A	N/A	N/A	N/A
SI	29/12/2025	131	N/A	N/A	N/A	N/A

This week the worst-case SST crosses the Watch curve for the South Island on 29 December in the South Island and nationally on 4 January. The red line does not cross the Alert curve in 2025, which would be necessary for generators to be able to access contingent storage

Source: System Operator, Market Operations - Weekly Market Movements

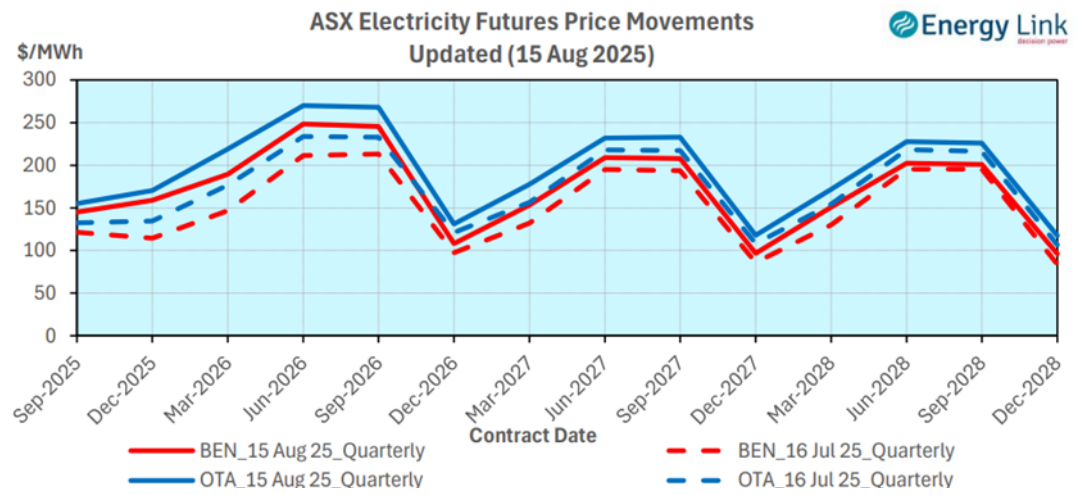
WHOLESALE ELECTRICITY PRICES

Weekly Spot Price (week ended 17 August 2025)



Source: System Operator, Market Operations - Weekly Market Movements

ASX Electricity Futures Prices (at last available 15 August 2025)



Source: Energy Link, Energy Trendz Weekly

Upcoming Ministerial Items

1. Upcoming Energy meetings

None this week.

2. Upcoming Briefings, Aides Memoires and Cabinet Papers

Information to be publicly released shortly

3. Written Parliamentary Questions

Due to Minister	Number	Member	Question
26 August 2025	40191	Francisco Hernandez	What consultations are the Minister’s departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, planning to open on the week beginning Monday 18 August 2025 with employees around any changes to employment roles, employment numbers and any other employment conditions, and what is the proposed net change in roles?
26 August 2025	40192	Francisco Hernandez	What consultations are the Minister’s departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, planning to open on the week beginning Monday 18 August 2025 with employees around any changes to employment roles, employment numbers and any other employment conditions, and when is any such consultation expected to close?

Due to Minister	Number	Member	Question
27 August 2025	40619	Franciso Hernandez	How much, if any, has the Minister's departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, spent on rebranding since 27 November 2023?
27 August 2025	40620	Franciso Hernandez	How much, if any, has the Minister's departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, budgeted for the carbon neutral government programme in the 2025/26 financial year?
27 August 2025	40621	Francisco Hernandez	How much, if any, did the Minister's departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, spend on the carbon neutral government programme in the 2024/25 financial year?
27 August 2025	40622	Francisco Hernandez	When, if ever, do the Minister's departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, intend to review board pay to align with Cabinet Circular CO (25) 2?

4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
4 September 2025	SW25-270	Privacy of natural persons	Electricity Market Competition
4 September 2025	SW25-271	Privacy of natural persons	Energy Price Increases
4 September 2025	SW25-272	Privacy of natural persons	Power Prices
4 September 2025	SW25-273	Privacy of natural persons	Estimated Energy Accounts
4 September 2025	SW25-274	Privacy of natural persons	Coal, Oil and Gas Exploration
4 September 2025	SW25-275	Privacy of natural persons	Power Prices
4 September 2025	SW25-276	Privacy of natural persons	NZ Steels Conversion to Electricity
4 September 2025	SW25-277	Privacy of natural persons	Electricity Pricing and Lines company charges
4 September 2025	SW25-278	Privacy of natural persons	Economic Progress
11 September 2025	SW25-279	Privacy of natural persons	Increases to piped gas prices

5. Output plan

Confidential advice to Government

Confidential advice to Government

Confidential advice to Government

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