



COVERSHEET

Minister	Hon Simon Watts Hon Shane Jones	Portfolio	Energy Resources
Title of Cabinet paper	Securing New Zealand's gas and electricity supplies	Date to be published	15 December 2025

List of documents that have been proactively released

Date	Title	Author
9 April 2025	Securing New Zealand's gas and electricity supplies	Offices of Ministers for Energy and Resources
17 April 2025	Securing New Zealand's gas and electricity supplies ECO-25-MIN-0055 Minute	Cabinet Office

Information redacted

YES / NO (please select)

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Some information has been withheld for the reasons of:

- Confidential advice to Government
- Free and frank opinions
- Constitutional conventions



Cabinet Economic Policy Committee

Minute of Decision

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

Securing New Zealand's Gas and Electricity Supplies

Portfolio Energy

On 9 April 2025, the Cabinet Economic Policy Committee:

- 1 **noted** that New Zealand faces a shortage of gas and a shortage of firm electricity generation that can run regardless of the weather conditions;
- 2 **noted** that the draft report on the independent review of electricity market performance finds a market failure is preventing investment in the very assets that will shore up security of supply;
- 3 **noted** that the Minister for Resources and Minister for Energy will report back to Cabinet as soon as possible after receipt of the independent review noted above, but propose further actions in the meantime to support energy security;

Confidential advice to Government

Confidential advice to Government

Action 2: Pressure on gentailers to contract to improve certainty

15 **noted** that the Government will continue to make public statements and regularly engage with the gentailers, to advocate for the gentailers to contract for sufficient thermal fuel, to provide the market with the certainty it needs;

Action 3: Consumer demand response and distributed energy package

16 **noted** that the Minister for Energy has directed officials to develop an information provision campaign ahead of winter 2025 with practical advice for households to save money on energy bills and move energy use away from peaks;

17 **noted** that a range of measures is being taken to enable consumer demand response and distributed energy, including:

17.1 Confidential advice to Government

17.2 improving the Electricity Authority's switching and comparison service in Q3 2025;

17.3 enabling smart-EV charging, with implementation in Q2 2026;

18 **invited** the Minister for Energy, working with other portfolios where appropriate, to develop a package of further changes to reduce red tape and lower the costs of adopting distributed energy and demand flexibility technology for consumers;

Action 4: Support Transpower to expedite the connection queue

19 **noted** that the Minister for Energy and Minister for State Owned Enterprises will work with Transpower to address any barriers to expediting electricity transmission connection times, including through an expectation that Transpower uses all funding and financing options to accelerate connections to the grid;

20 **invited** the Minister for Energy to report back to ECO in June 2025 on any further actions Government can take to expedite the queue;

Action 5: Electricity legislation updates

21 **agreed** that the Electricity Authority may provide information or documents to the system operator;

22 **agreed** to expand the definition of generation in the Electricity Industry Act 2010 to include any injection of electricity into the national grid or a network;

23 **agreed** that the Minister for Energy may exempt an electricity distributor or retailer from any provision of the Electricity (Low Fixed Charge Tariff Options for Domestic Consumers) Regulations 2004 if satisfied that provision unduly limits the design or implementation of a new tariff option and that an exemption would not adversely affect consumers on, or eligible for, a low fixed charge tariff option;

24 Confidential advice to Government

25 **noted** that the Minister for Energy, as required in section 113(4) of the Electricity Industry Act 2010, has consulted the Minister of Commerce and Consumer Affairs and has considered advice from the Electricity Authority on paragraph 23 above;

26 **invited** the Minister for Energy to issue drafting instructions to the Parliamentary Counsel to give effect to paragraphs 21 to 24 above;

27 **authorised** the Minister for Energy to make additional policy decisions and minor or technical changes to the above decisions, consistent with the general policy intent, on issues that arise in drafting;

Action 6: Crown investment in LNG or other dry-year firming option

28 **noted** that the Government has committed to removing regulatory barriers to the importation of Liquified Natural Gas (LNG);

29 **invited** the Minister for Energy to report back to ECO in May 2025 on:

29.1 a procurement framework for Crown investment in LNG imports, taking account of industry investigations into small-scale LNG options and the independent review into electricity market performance,

29.2 cost estimates for procurement, and any liabilities to the Crown and how they will be managed;

30 **invited** the Minister for Energy and Minister for Resources to report back to ECO with broader options to support dry-year security of supply after the current independent review of electricity market performance is completed in June 2025, including any costs to the Crown and how they will be managed;

Action 7: Options to leverage all-of-government procurement

31 **agreed**, subject to Budget 2025 decisions, to explore development of:

31.1 Long-term Purchase Agreements and similar options, utilising government energy demand to support development of energy projects;

31.2 options for gas supply (or alternatives) for critical services and other government services;

32 **invited** the Minister for Energy to report back to ECO in June 2025 on progress made.

Rachel Clarke
Committee Secretary

Present: (see over)

Present:

Rt Hon Winston Peters
Hon David Seymour
Hon Nicola Willis (Chair)
Hon Chris Bishop
Hon Brooke van Velden
Hon Shane Jones
Hon Simeon Brown
Hon Erica Stanford
Hon Paul Goldsmith
Hon Louise Upston
Hon Dr Shane Reti
Hon Tama Potaka
Hon Simon Watts
Hon Chris Penk
Hon Penny Simmonds
Hon Andrew Hoggard
Hon Nicola Grigg
Hon Scott Simpson
Hon Mark Patterson
Simon Court MP

Officials present from:

Office of the Prime Minister
Office of Hon Chris Bishop
Office of Hon Simon Watts
Ministry of Business, Innovation and Employment
Officials Committee for ECO