



## COVERSHEET

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

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
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)

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

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

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*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.*

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### 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

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**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 Liquefied 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

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**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