



Energy Portfolio Weekly Report

Week commencing: 01/12/2025

Priority: Medium

Security classification: In Confidence

Tracking number: BRIEFING-REQ-0024449

Recipient

Action sought

**HON SIMON WATTS
MINISTER FOR ENERGY**

Note the contents of this report

Sharon Corbett
Acting General Manager
Energy Markets Branch

Ministry of Business, Innovation and Employment

Privacy of natural persons

28 November 2025

Minister's comments:

**Energy Portfolio
Officials' Meeting Agenda**

11:00 am – 12:00 pm Tuesday 2 December 2025

Item	Subject	People	Oral Item / Paper #	Action Required
1.	Update on 2+2 commitments	Stephen Tat	Oral	Checking comfort with updated 2+2 commitments following further discussion with Australians
Confidential advice to Government				
3.	Vehicle to Grid (V2G) Update	Scott Russell	Oral (refer update on page 8)	To update you as requested on progress and direction of travel
Confidential advice to Government				
5.	Weekly Report & Work Programme	Minister	Oral	Discussion
6.	Any other business	All	Oral	Discussion

Ministry of Business, Innovation & Employment officials attending:

Name	Position
Suzanne Stew	(Acting) Chief Executive and Secretary
Paul Stocks	Deputy Secretary, Building, Resources and Markets
Sharon Corbett	Acting General Manager, Energy Markets
Rebecca Heerdegen	Policy Director, Energy Markets
Stephen Tat	Acting Manager, Innovation and International
Jamie Kerr	Policy Director, Energy Markets
Scott Russell	Manager, Energy Use Policy

Energy Package tracker (MBIE)

Action and outcome	Updates	Upcoming milestones
WORKSTREAM ONE: Invest in Energy Security		
1.1 Liquefied Natural Gas (LNG Import Facility)	<h1>Commercial Information</h1>	
1.2 Mixed Ownership Model Investment <i>Treasury led</i>	<i>No change:</i> Ministers of Finance and SOEs have written to MOMs. The Treasury will advise as and when MOMs provide proposals. We will advise you outside of the weekly brief of any developments, due to commercial sensitivities.	On track Monitoring
1.3 Leverage All of Government (AoG) Demand	You and the Minister for Economic Growth have received a summary of the responses to the Request for Information, which closed on 12 November 2025 [REQ-0023755]. We have received your feedback and are preparing follow on advice on next steps for December.	On track <small>Confidential advice to Government</small>
1.4 Supercharge Renewable Energy	<p>Offshore Renewable Energy:</p> <p>Cabinet agreed changes to the offshore renewable energy legislation on 15 September 2025. We have issued drafting instructions to PCO for preparation of an amendment paper.</p> <p><small>Confidential advice to Government</small></p> <p><small>Confidential advice to Government</small></p> <p><small>Confidential advice to Government</small> In the meantime, we will continue to work on the amendment paper, secondary legislation, round notice and implementation planning so the first round can be opened shortly after the Bill passes.</p> <p>We are running targeted consultation with offshore wind and seabed mining developers to test how the changes to the legislation can work in practice.</p>	Delayed <small>Confidential advice to Government</small> The timing of next steps is contingent on the timeframes to amend and finalise the Bill

	<p>Implementing Electrify NZ (RMA work is MFE-led):</p> <p>Consultation on updated RMA national directions, including renewable electricity and electricity networks direction, has closed. The Minister for RMA Reform has consulted you on final proposed changes to energy-related RMA national policy statements – these are intended to be in place by the end of 2025.</p> <p>Confidential advice to Government</p> <p>[Redacted]</p> <p>The Resource Management (Consenting and Other System Changes) Amendment Bill has now entered into law. This Bill implemented some Electrify NZ proposals including one-year consent decisions for energy projects, and default 35-year consent durations.</p> <p>The Minister for RM Reform intends to introduce the RMA replacement legislation in early December 2025.</p>	<p>On track</p> <p>RMA replacement legislation to be introduced in late 2025</p> <p>Updated NPS to be in place by end of 2025</p>
WORKSTREAM TWO: Building stronger markets		
<p>2.1 Policy Uncertainty</p>	<p>Confidential advice to Government</p>	
<p>2.2 Strengthening the Electricity Authority</p>	<p>Confidential advice to Government</p>	
<p>2.3 Electricity Market Transparency & Efficiency</p> <p><i>EA led, includes: the EA’s work to improve hedge market liquidity via market making, and the Energy Competition Task Force workstreams Package 1, and 2D</i></p>	<p>Commercial market making requirements (including Task Force 1B Standardised flexibility contracts)</p> <p>On 18 November 2025, the EA released a consultation paper on proposed changes to market making requirements. The paper’s proposals include:</p> <ul style="list-style-type: none"> • introducing market making requirements for the standardised super-peak contract (this is the next step for Task Force 1B) • extending longer dated futures on ASX from three to five years • reducing total ASX baseload offer volumes from 12MW to 10MW <p>The consultation closes on 23 December. Subject to feedback, the EA aims to have the amended Code and market making of the super-peak product in place by mid-2026, and the new ASX contracts trading by early 2027.</p> <hr/> <p>1C+D level playing field measures</p> <p>On 14 October 2025 the EA released a consultation paper for the draft Code amendments to implement its ‘in principle’ non-discrimination</p>	<p>On track</p>

	<p>obligations. The EA has revised its approach following feedback on its draft consultation paper earlier this year. It views its new proposal as a more practical approach that is faster to implement and easier to enforce. Consultation was due to close this week however it has been extended until 2 December 2025. Subject to consultation, the EA aims to have the amended Code in place in early 2026 with the obligations commencing on 1 July 2026.</p> <p>On 9 December, the EA will hold an industry workshop on its methodology for undertaking retail price consistency assessments (RPCAs). The aim of the workshop will be to ensure industry input into the guidance for RPCAs so they are applied by gentailers in a consistent and comparable manner. The EA has also signaled plans to workshop a definition of uncommitted supply.</p> <p>2D Better compensating industrial flexibility (demand response)</p> <p><i>No change:</i> On 28 May 2025 the EA published its 'Roadmap for industrial demand flexibility'. The EA consulted during August on an issues paper relating to an industrial flexibility emergency reserve scheme. It is now considering submissions.</p>	
<p>2.4 Gas Market Transparency</p>	<p>More timely annual reserves and forecast information</p> <p>On Monday 17 November 2025 Cabinet approved the proposal to bring forward the due date for Annual Summary Reporting from 31 March to 1 March, starting in 2026. Iwi and hapu, and industry were first notified of the policy decision on Friday 31 October 2025 (noting that it was pending Cabinet approval of the regulations) to give them as much notice as possible of the change. Iwi and hapu, and industry received a further communication on Thursday 2 November to announce Cabinet’s approval of the regulations, including a link to the gazette notice.</p> <p>Additional gas market information</p> <p>Consultation on the voluntary information request proposal closed on Friday, 7 November 2025 and we received 15 submissions that we are currently analysing. Energy Resources Aotearoa has requested a sector workshop, which we intend to set up in the coming weeks, to discuss industry concerns about the proposed request.</p> <p>Confidential advice to Government</p>	<p>On track</p> <p><small>Confidential advice to Government</small></p>
<p>2.5 Dry Year Regulatory Framework</p>	<p>Confidential advice to Government</p>	

<p>2.6 Electricity Distribution Business Efficiency</p>	<p>Standardisation and collaboration</p> <p>The letter of expectation to EDBs was sent on Monday 6 October. MBIE met with EDB Chief Executives on 20 October 2025 to answer questions about the letter and clarify what you may expect in their response.</p> <p>We have contracted Asset Dynamics to provide independent recommendations to improve EDB standardisation and collaboration. Asset Dynamics has started stakeholder engagement and is meeting with regulators and a range of EDBs over the next 3 months. MBIE officials are joining these meetings.</p> <p>Confidential advice to Government</p> <p>Relevant work at the Electricity Authority (EA)</p> <p>The EA has confirmed several code changes to improve distribution network processes and pricing that will come into effect in 2026 and 2027. These changes introduce greater transparency around connection pipelines and network capacity, standardised connection processes, a requirement to offer the least-cost technical solution, rebates for first movers, published rates for capacity costs, and detailed breakdowns of quotes.</p> <p>The EA is also consulting on further measures, including limiting the extent to which electricity EDBs can rely on capital contributions and introducing an obligation for distributors to connect all applications that meet specified criteria.</p>	<p>On track</p> <p>Letter to EDBs sent on October 6</p> <p>EA Code changes come into effect over various dates from April 2026.</p>
<p>Confidential advice to Government</p>		

Other portfolio priorities tracker (MBIE)

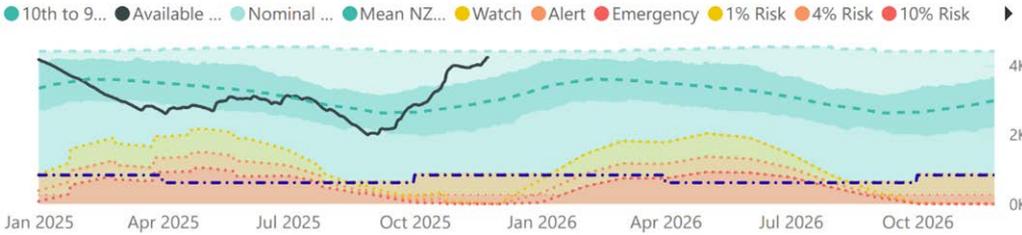
Action and outcome	Updates	Upcoming milestones
Additional Gas Work		
Alternative Fuel/Energy	<p>Biogas</p> <p><i>No change:</i> EECA’s biogas work programme, focused on mapping feedstock for investment, has progressed into its procurement phase. EECA released a Request for Proposals to the market on 29 October 2025, with deadline for submissions by 26 November 2025. It is aiming to engage independent experts to deliver a detailed, region-by-region assessment of organic waste feedstock – starting with three pilot regions (Hawkes Bay, Taranaki and Auckland) before expanding nationally.</p> <p style="font-size: 2em; text-align: center; background-color: #cccccc;">Confidential advice to Government</p>	On track
Market Impacts and Gas Users Sector, regional impacts and other gas user work	<p><i>No change:</i> MBIE has contracted with Sense Partners to complete a study into the impact of declining gas supply on the New Zealand economy, with an aim to understand sectoral, regional, and national economic impacts of industrial gas price increases. This will help to inform further policy work on potential options to manage the effects of our declining gas supply Confidential</p> <p style="background-color: #cccccc; font-weight: bold;">Confidential advice to Government</p> <p>The final report is expected in early December 2025.</p>	On track
Gas Networks	<p>Gas Networks Default Price-Quality Path (DPP4)</p> <p>On Thursday 27 November the Commerce Commission released its draft decision on revenue limits and quality standards for regulated pipeline businesses. The decision will cover the five-year period from 1 October 2026 to 30 September 2031.</p> <p>The draft decision provides moderate increases to Gas Pipeline Businesses’ (GPBs’) revenue limits. The estimated average impact of the draft decision on residential bills, excluding inflation, is a price increase of less than 2% spread over two years. However, on Vector’s Auckland network, the estimated average bill increase, excluding inflation, is about 7% spread over the first two years of the period.</p> <p>Submissions on the draft decision are due by 22 January 2026, with cross-submissions due 12 February 2026.</p> <p>The final decision is required by the end of May 2026 and will take effect on 1 October 2026.</p>	On track
Consumer-Focused Regulation		
Consumer Data Right for Electricity Deliver a CDR for the electricity sector	Confidential advice to Government	
Other priorities		
Confidential advice to Government		

Confidential advice to Government

<p>New Zealand Energy Efficiency and Conservation Strategy (NZECS)</p> <p>Develop a refreshed strategy.</p>	<p>Confidential advice to Government</p>	<p>Delayed</p> <p>Briefing to be sent December</p>
<p>Electricity (Hazards from Trees) Regulations</p>	<p>Confidential advice to Government</p>	
<p>Vehicle-to-Grid (V2G) Enablement</p>	<p>You have asked for advice on barriers and options to enable EV owners and the wider electricity system to benefit from V2G activity, with a particular focus on EV manufacturers supporting V2G in the New Zealand market. We are working to understand what might be reasonably asked of EV manufacturers in a proposed letter or meeting.</p> <p>We met with Australian counterparts (DCCEE) on 27 November. They have confirmed that they are experiencing many of the same challenges with market development, as the technology is relatively nascent, and EV manufacturers are focussed on other markets.</p> <p>We see merit in aligning our efforts with Australia to both have greater impact and share lessons. We note that there is a planned commitment to progress a shared V2G work programme under the 2+2 Climate and Finance Ministerial dialogue.</p>	<p>On Track</p> <p>Update at officials meeting.</p> <p><small>Confidential advice to Government</small></p> 

	<p>MBIE is also continuing engagement with NZ stakeholders (e.g, EECA, EA, Rewiring Aotearoa, Drive Electric, EV and charger manufacturers, EDBs) to confirm the specific barriers preventing V2G uptake.</p> <p>Initial discussions have confirmed concerns around warranties, insurance, misinformation on battery health, charger costs, and network operator uncertainty. EECA's V2G pilot with Rewiring Aotearoa in 2026 will provide real world insights on technical and consumer impacts. We are also working with Drive electric to survey the EV sector with more specific questions.</p> <p>Confidential advice to Government</p>		
Equipment Energy Efficiency (E3) Programme	<p>The Energy and Climate Senior Officials' Group meeting on 20 November 2025 endorsed papers relating to the E3 strategy, heat pump hot water heaters and the energy efficiency of external power supplies. Following this agency level approval, the next step is for Ministerial approval at the Energy and Climate Change Ministerial Council (ECMC) meeting on 16 December. As New Zealand's representative at ECMC, you have agreed to vote in absentia in advance of this meeting. You have now received a joint MBIE EECA briefing and copies of the papers ahead of the ECMC meeting.</p>		On track
Energy Hardship Measure Report	<p>MBIE officials have received data from Stats NZ and are on track to release the second iteration of MBIE's Energy Hardship Measures Report before the end of the calendar year as previously agreed.</p> <p>The release of the report is planned for 10 December 2025, and we are expecting to provide a pre-release copy to your office on 5 December 2025. Reactive communications materials will be provided to your office ahead of release.</p>		On Track Due for release 10 Dec.

Security of supply reporting

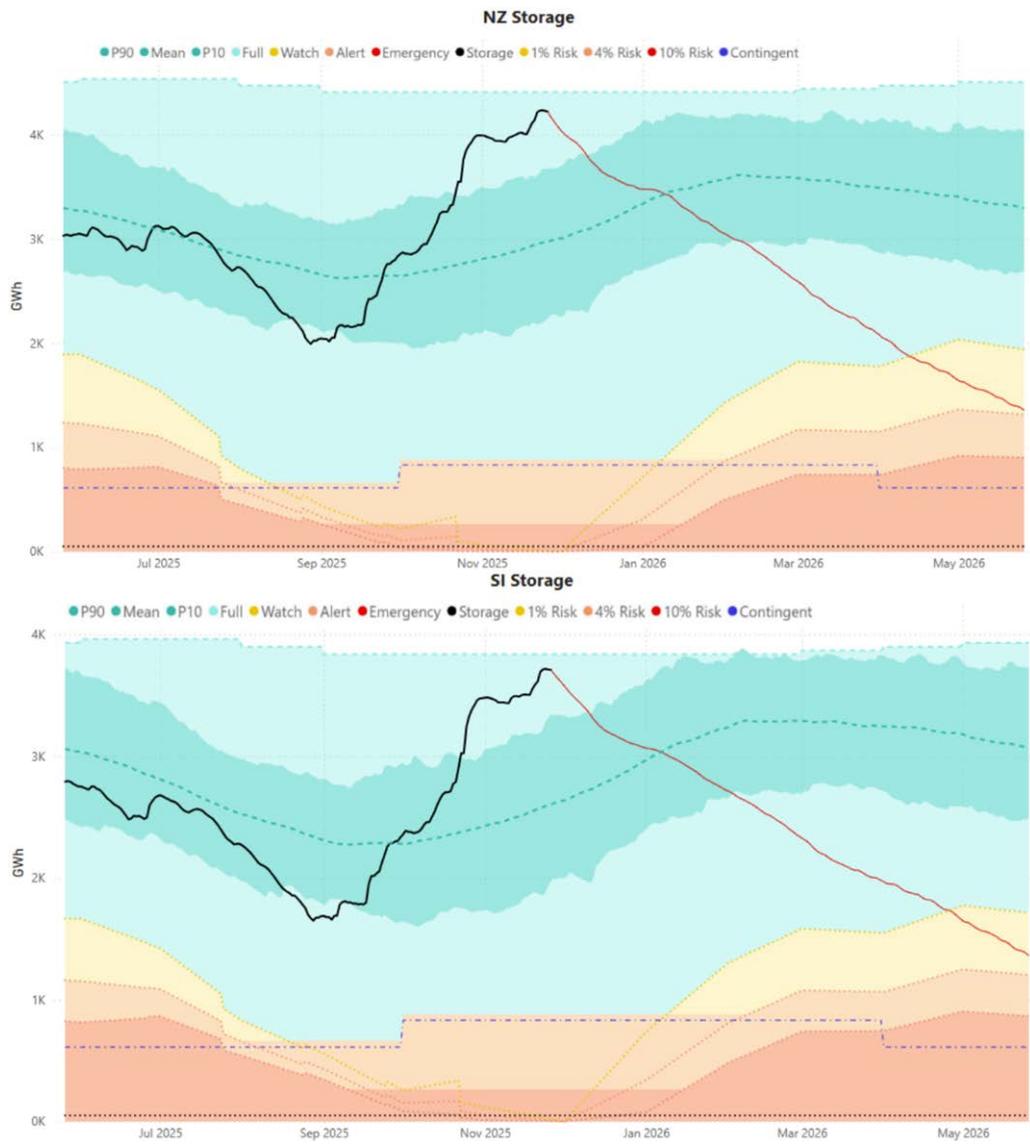
Title	Comment
Key electricity system indicators	<p>As requested in your meeting with officials on 27 November 2025, we will provide you with a dashboard of electricity system indicators in future weekly reports. This will include information on the proportion of electricity generated from renewables, spot prices, and forward prices.</p>
Electricity security of supply report	<p>ELECTRICITY CAPACITY (for the week to Sunday 23 November 2025)</p> <p>Residuals were mostly healthy last week (all above 800 MW). The lowest residual point was 802 MW on Wed (19 Nov).</p> <p>The projected N-1-G margins in the NZGB forecast are healthy through to mid-January 2026:</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 23 November 2025)</p> <p>National hydro storage increased by 5% to 142% of the historic mean. This is the second highest storage this time of year on record, behind only 1983. South Island hydro storage increased from 138% to 143% of the historic mean, while North Island storage increased from 133% to 138%.</p> <p>ELECTRICITY ('ENERGY') SUPPLY RISK (at 23 November 2025)</p> <p>New Zealand controlled energy storage is above average for this time of year. The black curve shows actual hydro storage, and the fields are risk curves:</p> <p>Dark blue (including dotted blue line) = average for this time of year; Yellow = Watch curve; Orange = alert curve; Dark orange = Emergency curve; Lowest hatched blue line = Available contingent storage.</p> <p>New Zealand Electricity Risk Status Curves (Available GWh)</p>  <p>Source: System Operator, Market Operations - Weekly Market Movements</p> <p>On 27 November 2025, Transpower updated its Electricity Risk Curves (ERCs):</p> <ul style="list-style-type: none"> Controlled hydro storage remains very high at 142% of its historical mean on 26 November 2025. The ERCs for 2026 have slightly reduced under the 'base case' model: <ul style="list-style-type: none"> The base case assumes all three Rankine units at Huntly remains operational until 2035, higher starting coal and gas storage. Risk curves for the remainder of 2025 are unchanged reflecting the availability of energy in contingent storage. No SSTs cross the Watch curve in 2025 or 2026. Lower forecast gas production has slightly increased the Watch curve for February 2026.

ERCs show a slight **decrease in risk** for most months in 2026 relative to the October update. The November update of the Energy Security Outlook includes the effects of hydro storage at the time, higher starting coal stockpile and gas storage, and assumed the inclusion of the third Rankine.

The Risk Meter is a dynamic reflection of the current Electricity Risk Status. The Risk Meter shows where current total storage is within these status bands and indicates how close the next status is to being triggered.



To show the number of days until the NZ system hits energy risk curves - if it does not rain - Transpower have extended the actual hydro storage position (black line) along the worst-case simulated storage trajectory (SST) (red line):



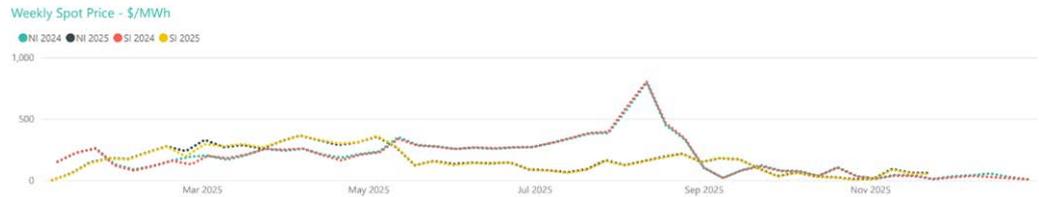
The ERCs shown were calculated using input data as of **15 October** (and published in the ESO on **30 October**). The worst-case SST line was calculated using historic inflow data starting from **24 November**.

Region	Date Watch	Time to Watch	Date Alert	Time to Alert	Date Emergency	Time to Emergency
NZ	13/04/2026	138	N/A	N/A	N/A	N/A
SI	26/04/2026	151	N/A	N/A	N/A	N/A

This week the worst-case SST (the red line) does not cross the national NZ or South Island Watch curves in 2025, but begins to cross the Watch curve in April 2026 nationally and for the South Island, which would be necessary for generators to be able to access contingent storage.

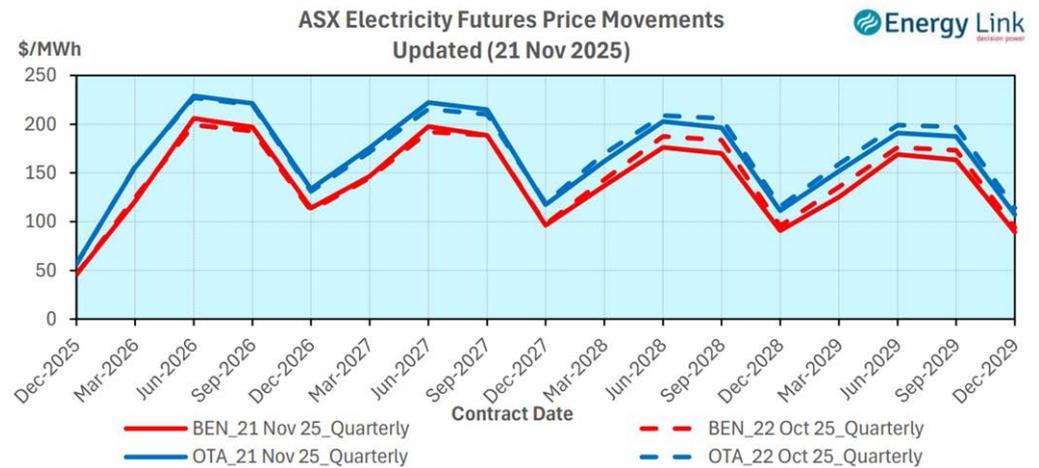
WHOLESALE ELECTRICITY PRICES

Weekly Spot Price (week ended 23 November 2025)



Source: System Operator, Market Operations - Weekly Market Movements

ASX Electricity Future Prices (as at last available 21 November 2025)



Title	Comment
<p>Transpower’s Connections Queue for Generation – improvements to increase project throughput</p> <p>Daniel Brown <small>Privacy of natural persons</small></p>	<p>Queue statistics</p> <p>CY2025 run rate to start generation investigations (queue) up by 80% on 2024. 48 investigation projects started, 16 projects moved to delivery in 2025 and 8 grid connections completed.</p> <p>Counting both generation and non-generation projects:</p> <ul style="list-style-type: none"> • Decrease of 25 projects in queue since January. Maximum wait time for new applications is 12 months. • 28 new applications received since January (and one cancelled and one merged). <p>Update from Transpower:</p> <p>Implemented:</p> <ul style="list-style-type: none"> • Stage-gating within investigation phase. • Starting work elements earlier pre-investigation where resources are available (while they wait in queue). • Published ‘Guidelines for new connections’ document. • Connection status information published monthly on our webpage. Published short guide to SOSA (for RMA decision-makers) to highlight need to consent and build new renewable generation. • New CRM system live, working well. • Guidelines around customer led investigation and delivery completed. • Concept Solution (preferred connection with acceptance and commercial terms) being used as needed. • Transpower are continuing to actively manage the pipeline: 22 projects are currently “on hold” while developers arrange their project financing and consenting; meanwhile we have re-started several projects previously put on hold. This enables us to focus resources on projects that are able to progress. • Right-sizing investigations to meet customer needs and risk appetite. • Standard equipment lists now including digital substation for standardised designs for greenfield substations. <p>Work continuing to investigate/implement:</p> <ul style="list-style-type: none"> • Targeted regional plans, identifying project sequencing and interdependencies to improve efficiency. • Prioritisation options within the queue, based on security of supply (including how soon generation can commence to meet forecast demand) and other measures – specifically including actively re-assessment of readiness of generation connections projects in the “queue” with a view to expediting projects that are ready to progress as early as possible. We plan to publish this next month. • Transpower are updating our grid connection guidelines, to manage issues we have had with very large projects connecting at 33kV, likely including an upper limit. • Transpower are working on procuring long lead equipment for inventory to expedite customer projects. <p>Resourcing improvements:</p> <ul style="list-style-type: none"> • Continuing to work with engineering consultants (ECs) on utilisation, EC’s growing their resources and different work award mechanisms for larger and bundled projects. • Considering additional support for resource planning and portfolio optimisation.

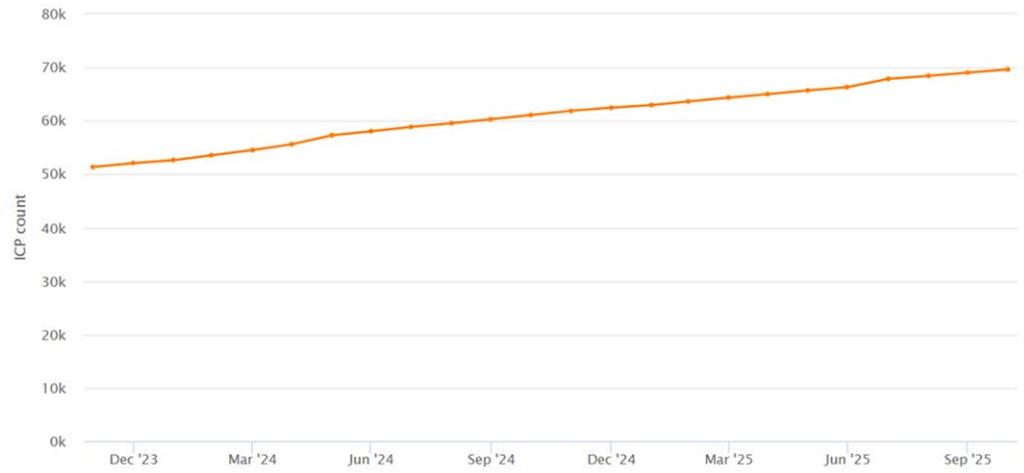
Solar numbers update

Stephen Tat

Privacy of natural persons

The graphs below show the growth in residential rooftop solar systems (less than 10kW) installation numbers. These graphs were taken from the Electricity Authority's public Electricity Market Information (EMI) website.

Residential rooftop solar (all) installations 1 December 2023 – 31 October 2025



Residential rooftop solar (with battery) installations 1 December 2023 – 31 October 2025



Stakeholder Updates

Title	Comment																																				
<p>Update on Fast-track projects</p> <p>Daniel Brown <small>Privacy of natural persons</small></p>	<p>You have agreed to provide comments on substantive Fast-track renewable energy project applications. MBIE is preparing comments for you to submit on the applications for:</p> <ul style="list-style-type: none"> Contact Energy's Southland Windfarm; and Westpower's Waitaha Hydro Scheme. 																																				
<p>Meridian Energy 2026 Investor Update</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>On 20 November Meridian Energy held their 2025 Investor Day. Key points included:</p> <ul style="list-style-type: none"> Short-term EBITDAF was reduced due to lower wholesale prices and wind generation, while the long-term EBITDAF was increased with the addition of solar farms making up ~60% of their development pipeline. Capex is expected to rise due to maintenance projects and cost inflation. The Waitaki hydro power station faces significant maintenance work (~\$400m) with relatively minor forecasted earnings uplift. Revised cost estimates at the Mt Munro and Te Rere Hau wind projects have risen by +10% and +25% over prior expectations. Meridian is revisiting hydro options to deliver additional flexibility and storage, via consent to access contingent storage and raise the operating range at Lake Pūkaki. 																																				
<p>Contact Energy 2026 Investor Update</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>On 25 November Contact Energy held their 2025 Investor Day. Key points included:</p> <ul style="list-style-type: none"> Increased FY31 earnings targets as a result of new investment in generation and battery technology. Slower growth in dividend payout ratio to prioritise reinvestment in solar and wind projects as an alternative to seeking additional capital financing. Expected stay-in-business (SIB) capex has increased, due to near-term spending and the probability of a geothermal well drilling campaign. 																																				
<p>Genesis approves investment for Edgcumbe Solar Farm</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>Genesis has reached Final Investment Decision (FID) for Edgcumbe Solar Farm in the Bay of Plenty (24 Nov). Construction will begin shortly, with first generation expected in the second half of FY27. The project will initially be funded on balance sheet, with capital recycling options considered post-commissioning. Project details are:</p> <ul style="list-style-type: none"> Solar capacity: 136 MWp Annual generation: ~238 GWh Homes powered: ~29,800 Estimated project cost: ~NZ\$236 million Consented. <p>Genesis' current advanced stage pipeline is:</p> <table border="1"> <thead> <tr> <th>Generation</th> <th>Expected generation</th> <th>Update</th> </tr> </thead> <tbody> <tr> <td>Lauriston Solar</td> <td>100GWh/year</td> <td>Delivered (Feb 2025)</td> </tr> <tr> <td>Edgcumbe Solar</td> <td>238 GWh/year</td> <td>FID (24 Nov 2025)</td> </tr> <tr> <td>Leeston Solar</td> <td>110 GWh/year</td> <td>Consented FID: Q3/Q4 FY26</td> </tr> <tr> <td>Foxtton Solar</td> <td>345 GWh/year</td> <td><i>Under consenting</i> (fast-track)</td> </tr> <tr> <td>Rangiriri Solar</td> <td>437 GWh/year</td> <td>Consented FID: mid FY27</td> </tr> <tr> <td>Tauhara Geothermal PPA</td> <td>549 GWh/year</td> <td>Delivered (Jan 2025)</td> </tr> <tr> <td>Kaiwaikawe Wind PPA</td> <td>225 GWh/year</td> <td>First generation Q3 FY27</td> </tr> <tr> <td>Castle Hill Wind</td> <td>1.2 TWh/year</td> <td>Consented: under active review</td> </tr> <tr> <td>Huntly Rankine Extension</td> <td>Up to 2 TWh/year</td> <td>Commerce Commission approved Under construction (operational Q1 FY27)</td> </tr> <tr> <td>BESS Stage 1</td> <td>200 MWh</td> <td>Under construction (operational Q1 FY27)</td> </tr> <tr> <td>BESS Stage 2</td> <td>TBC</td> <td>Under active review</td> </tr> </tbody> </table>	Generation	Expected generation	Update	Lauriston Solar	100GWh/year	Delivered (Feb 2025)	Edgcumbe Solar	238 GWh/year	FID (24 Nov 2025)	Leeston Solar	110 GWh/year	Consented FID: Q3/Q4 FY26	Foxtton Solar	345 GWh/year	<i>Under consenting</i> (fast-track)	Rangiriri Solar	437 GWh/year	Consented FID: mid FY27	Tauhara Geothermal PPA	549 GWh/year	Delivered (Jan 2025)	Kaiwaikawe Wind PPA	225 GWh/year	First generation Q3 FY27	Castle Hill Wind	1.2 TWh/year	Consented: under active review	Huntly Rankine Extension	Up to 2 TWh/year	Commerce Commission approved Under construction (operational Q1 FY27)	BESS Stage 1	200 MWh	Under construction (operational Q1 FY27)	BESS Stage 2	TBC	Under active review
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Confidential advice to Government

Upcoming Ministerial Items

1. Upcoming Energy meetings

Meeting date	Meeting	Details
Monday 1 December 2025 2:30 pm – 3:00 pm	Meat Industry Association of NZ	Briefing Due: 26 November 2025 Officials required: Scott Russell
Monday 1 December 2025 5:00 pm – 5:30 pm	Hon Shane Jones and Russell Shaw (Chief Executive) Top Energy	Briefing Due: 27 November 2025 Officials required: Daniel Brown, with officials from Kanoa
Wednesday 3 December 2025 11:00 am – 11:30 am	Gas Industry Company (GIC)	Briefing Due: N/A Officials required: Dominic Kebbell
Wednesday 3 December 2025 3:45 pm – 4:15 pm	Meridan with Mike Roan, Meridian	Briefing Due: 1 December 2025 Officials required: Sharon Corbett, Gareth Wilson
Thursday 4 December 2025 11:30 am – 12:00 pm	Hon Todd McClay, Forest Owners and Wood Processors	Briefing Due: 1 December 2025 Officials required: Amelie Goldberg

2. Upcoming Briefings, Aides Memoires and Cabinet Papers

To be publically released shortly

To be publically released shortly

3. Written Parliamentary Questions

None this week.

4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
2 December 2025	SW25-332	Privacy of natural persons	Complaint about the Electricity Authority
2 December 2025	SW25-334		Site of proposed LNG terminal
2 December 2025	SW25-335		Cost of disconnecting from Gas
2 December 2025	SW25-336		Liquid Natural Gas Terminal
2 December 2025	SW25-337		Price differences between providers for solar users
2 December 2025	SW25-338		Off Grid Regulations
2 December 2025	SW25-339		Electricity supply in NZ
2 December 2025	SW25-342		Reconsider policy direction that locks New Zealand into expensive fossil fuels and high-emission vehicles
2 December 2025	SW25-343		Natural gas
2 December 2025	SW25-352		Warmer Kiwi Homes subsidy
5 December 2025	SW25-351		Warmer Kiwi Homes subsidy
8 December 2025	SW25-344		Petrol prices
8 December 2025	SW25-353		Price of energy
26 December 2025	SW25-347		Trees planting near power lines

5. Overview of Energy Package Programme

Confidential advice to Government

Confidential advice to Government



Energy Portfolio Weekly Report

Week commencing: 08/12/2025

Priority: Medium

Security classification: In Confidence

Tracking number: BRIEFING-REQ-0024721

Recipient

Action sought

**HON SIMON WATTS
MINISTER FOR ENERGY**

Note the contents of this report

Sharon Corbett
Acting General Manager
Energy Markets Branch

Ministry of Business, Innovation and Employment

Privacy of natural persons

5 December 2025

Minister's comments:

**Energy Portfolio
Officials' Meeting Agenda**

5:00 pm – 5:30 pm Tuesday 9 December 2025

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

Ministry of Business, Innovation & Employment officials attending:

Name	Position
Suzanne Stew	(Acting) Chief Executive and Secretary
Paul Stocks	Deputy Secretary, Building, Resources and Markets
Justine Cannon	General Manager, Energy Markets
Rebecca Heerdegen	Policy Director, Energy Markets
Sharon Corbett	Policy Director, Energy Markets
Stephen Tat	Acting Manager, Innovation and International
Scott Russell	Manager, Energy Use Policy
Michael Bird	General Manager, Entity Performance
Paul Metcalf	Manager, Appointments and Governance

Energy Package tracker (MBIE)

Action and outcome	Updates	Upcoming milestones
WORKSTREAM ONE: Invest in Energy Security		
1.1 Liquefied Natural Gas (LNG Import Facility)	<h1>Commercial Information</h1>	
1.2 Mixed Ownership Model Investment <i>Treasury led</i>	<i>No change:</i> Ministers of Finance and SOEs have written to MOMs. The Treasury will advise as and when MOMs provide proposals. We will advise you outside of the weekly brief of any developments, due to commercial sensitivities.	On track Monitoring
1.3 Leverage All of Government (AoG) Demand	You and the Minister for Economic Growth have received a summary of the responses to the Request for Information, which closed on 12 November 2025 [REQ-0023755]. We have received your feedback and are preparing follow on advice on next steps for December.	On track <small>Confidential advice to Government</small>
1.4 Supercharge Renewable Energy	<p>Offshore Renewable Energy: <small>Confidential advice to Government</small></p> <p><small>Confidential advice to Government</small></p> <p>In the meantime, we will continue to work on the amendment paper, secondary legislation, round notice and implementation planning so the first round can be opened shortly after the Bill passes.</p> <p>We are running targeted consultation with offshore wind and seabed mining developers to test how the changes to the legislation can work in practice.</p>	Delayed <small>Confidential advice to Government</small> The timing of next steps is contingent on the timeframes to amend and finalise the Bill
	<p>Implementing Electrify NZ (RMA work is MFE-led): Consultation on updated RMA national directions, including renewable electricity and electricity networks direction, has closed. The Minister for RMA Reform has consulted you on final proposed changes to energy-related RMA national policy statements – these are intended to be in place by the end of 2025.</p> <p><small>Confidential advice to Government</small></p> <p>The Resource Management (Consenting and Other System Changes) Amendment Bill has now entered into law. This Bill implemented some Electrify NZ proposals including one-year consent decisions for energy projects, and default 35-year consent durations.</p> <p>The Minister for RM Reform intends to introduce the RMA replacement legislation in early December 2025.</p>	On track RMA replacement legislation to be introduced in late 2025 Updated NPS to be in place by end of 2025

<p>2.1 Policy Uncertainty</p>	<p>Confidential advice to Government</p>
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<p>2.2 Strengthening the Electricity Authority</p>	<p>Confidential advice to Government</p>
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<p>2.3 Electricity Market Transparency & Efficiency</p> <p><i>EA led, includes: the EA's work to improve hedge market liquidity via market making, and the Energy Competition Task Force workstreams Package 1, and 2D</i></p>	<p>Commercial market-making requirements (including Task Force 1B Standardised flexibility contracts)</p> <p>On 18 November 2025, the EA released a consultation paper on proposed changes to market making requirements. The paper's proposals include:</p> <ul style="list-style-type: none"> introducing market making requirements for the standardised super-peak contract (this is the next step for Task Force 1B) extending longer dated futures on ASX from three to five years reducing total ASX baseload offer volumes from 12MW to 10MW <p>The consultation closes on 23 December. Subject to feedback, the EA aims to have the amended Code and market making of the super-peak product in place by mid-2026, and the new ASX contracts trading by early 2027.</p> <hr/> <p>1C+D level playing field measures</p> <p>On 14 October 2025 the EA released a consultation paper for the draft Code amendments to implement its 'in principle' non-discrimination obligations. The EA has revised its approach following feedback on its draft consultation paper earlier this year. It views its new proposal as a more practical approach that is faster to implement and easier to enforce.</p> <p>Consultation closed on the 2 December 2025. The EA will now work through stakeholder views, which will inform next steps, and publish submissions shortly. We expect the EA will give you an initial update on submissions during their meeting with you on 11 December 2025.</p> <p>On 9 December, the EA will hold an industry workshop on its methodology for undertaking retail price consistency assessments (RPCAs). The aim of the workshop will be to ensure industry input into the guidance for RPCAs so they are applied by gentailers in a consistent and comparable manner. The EA has also signaled plans to workshop a definition of uncommitted supply.</p> <p>Subject to consultation, the EA aims to have the amended Code in place in early 2026 with the obligations commencing on 1 July 2026.</p> <hr/> <p>2D Better compensating industrial flexibility (demand response)</p> <p><i>No change:</i> On 28 May 2025 the EA published its 'Roadmap for industrial demand flexibility'. The EA consulted during August on an issues paper relating to an industrial flexibility emergency reserve scheme. It is now considering submissions.</p>	<p>On track</p>
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	<p>Task Force 2.0 - 2026 work programme</p> <p>The EA will publish an open letter on 15 December 2025 seeking feedback on options for the scope of a Task Force 2.0 work programme 2026. We have received a draft of the letter. We expect the EA and Commission may provide updates on this during their meeting with you and Minister Jones on 11 December 2025.</p>	
<p>2.4 Gas Market Transparency</p>	<p>More timely annual reserves and forecast information</p> <p><i>No change:</i> On Monday 17 November 2025 Cabinet approved the proposal to bring forward the due date for Annual Summary Reporting from 31 March to 1 March, starting in 2026. Iwi and hapu, and industry were first notified of the policy decision on Friday 31 October 2025 (noting that it was pending Cabinet approval of the regulations) to give them as much notice as possible of the change. Iwi and hapu, and industry received a further communication on Thursday 2 November to announce Cabinet’s approval of the regulations, including a link to the gazette notice.</p> <p>Additional gas market information</p> <p>Consultation on the voluntary information request proposal closed on Friday, 7 November 2025 and we are analysing the submissions. As requested by Energy Resources Aotearoa, we are holding a workshop with upstream producers on the week beginning 15 December to discuss their concerns about the proposed request. In addition, we are engaging with other parts of the gas sector, including the Major Gas Users Group, to discuss what additional gas market information would be most useful to improve gas market transparency.</p> <p>Confidential advice to Government</p>	<p>On track</p> <p><small>Confidential advice to Government</small></p> <p>Legislative vehicle at risk</p> <p>Discussed below</p>
<p>2.5 Dry Year Regulatory Framework</p>	<p>Confidential advice to Government</p>	

<p>2.6 Electricity Distribution Business Efficiency</p>	<p>Standardisation and collaboration</p> <p><i>No change:</i> The letter of expectation to EDBs was sent on Monday 6 October. MBIE met with EDB Chief Executives on 20 October 2025 to answer questions about the letter and clarify what you may expect in their response.</p> <p>We have contracted Asset Dynamics to provide independent recommendations to improve EDB standardisation and collaboration. Asset Dynamics has started stakeholder engagement and is meeting with regulators and a range of EDBs over the next 3 months. MBIE officials are joining these meetings.</p>	<p>On track</p> <p>Letter to EDBs sent on October 6</p> <p>EA Code changes come into effect over various dates from April 2026.</p>
<p>Confidential advice to Government</p>		
<p>Confidential advice to Government</p>		

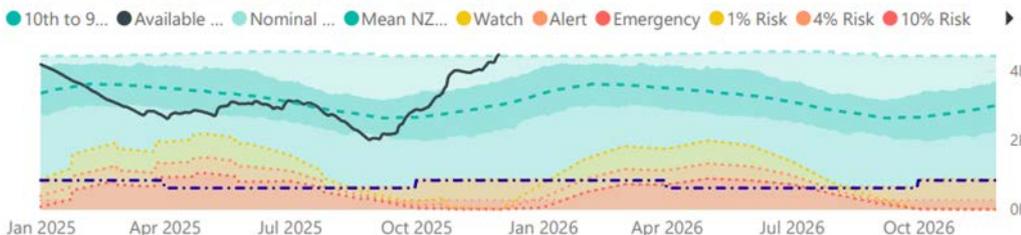
Other portfolio priorities tracker (MBIE)

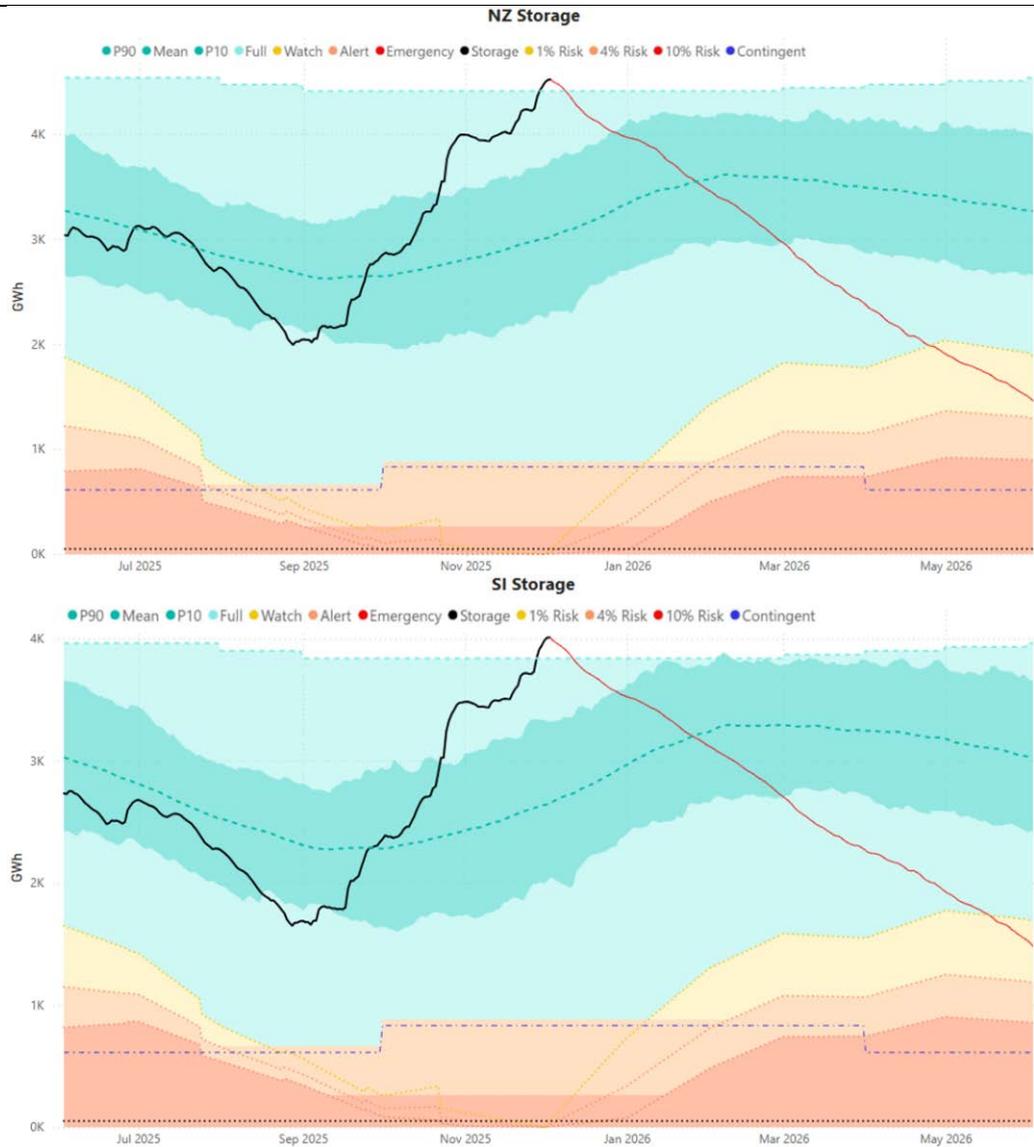
Action and outcome	Updates	Upcoming milestones
Additional Gas Work		
Alternative Fuel/Energy	<p>Biogas</p> <p><i>No change:</i> EECA’s biogas work programme, focused on mapping feedstock for investment, has progressed into its procurement phase. EECA released a Request for Proposals to the market on 29 October 2025, with deadline for submissions by 26 November 2025. It is aiming to engage independent experts to deliver a detailed, region-by-region assessment of organic waste feedstock – starting with three pilot regions (Hawkes Bay, Taranaki and Auckland) before expanding nationally.</p>	On track
Confidential advice to Government		
Market Impacts and Gas Users Sector, regional impacts and other gas user work	<p><i>No change:</i> MBIE has contracted with Sense Partners to complete a study into the impact of declining gas supply on the New Zealand economy, with an aim to understand sectoral, regional, and national economic impacts of industrial gas price increases. This will help to inform further policy work on potential options to manage the effects of our declining gas supply ^{Confidential} Confidential advice to Government. The final report is expected in early December 2025.</p>	On track
Gas Networks	<p>Gas Networks Default Price-Quality Path (DPP4)</p> <p><i>No change:</i> On Thursday 27 November the Commerce Commission released its draft decision on revenue limits and quality standards for regulated pipeline businesses. The decision will cover the five-year period from 1 October 2026 to 30 September 2031.</p> <p>The draft decision provides moderate increases to Gas Pipeline Businesses’ (GPBs’) revenue limits. The estimated average impact of the draft decision on residential bills, excluding inflation, is a price increase of less than 2% spread over two years. However, on Vector’s Auckland network, the estimated average bill increase, excluding inflation, is about 7% spread over the first two years of the period. Vector has relatively low distribution charges having limited its expenditure, so has less room to offset increases in depreciation with reductions in spending elsewhere.</p> <p>Submissions on the draft decision are due by 22 January 2026, with cross-submissions due 12 February 2026.</p> <p>The final decision is required by the end of May 2026 and will take effect on 1 October 2026.</p>	On track
Consumer-Focused Regulation		
Consumer Data Right for Electricity Deliver a CDR for the electricity sector	Confidential advice to Government	
Other priorities		
Confidential advice to Government		

Confidential advice to Government

New Zealand Energy Efficiency and Conservation Strategy (NZECS) Develop a refreshed strategy.	Confidential advice to Government		
Electricity (Hazards from Trees) Regulations	Confidential advice to Government		
Vehicle-to-Grid (V2G) Enablement	You received a briefing (BRIEFING-REQ-0024695) on 5 December on barriers and options to enable EV owners and the wider electricity system to benefit from V2G activity, with a particular focus on EV manufacturers supporting V2G in the New Zealand market.		On Track
Equipment Energy Efficiency (E3) Programme	We have received your endorsement of relevant E3 items for the Energy and Climate Change Ministerial Council (ECMC) meeting on 16 December (the E3 strategy, heat pump hot water heaters, and the energy efficiency of external power supplies). We are preparing your voting papers in advance of this meeting. We are engaging with our Australian counterparts on the communication opportunities for the E3 Strategy following ECMC approval.		On track

<p>Energy Hardship Measure Report</p>	<p>On 5 December, we provided an Aide-Memoire (BRIEFING-REQ-0024768) and final draft of MBIE second Energy Hardship Measures Report. The release of the report is planned for 10 December 2025. Reactive communications materials will be provided to your office ahead of release.</p>	<p>On Track</p> <p>Due for release 10 Dec.</p> <p>We will provide reactive communications ahead of release.</p>
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Title	Comment
<p>Electricity security of supply report</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>ELECTRICITY CAPACITY (for the week to Sunday 30 November 2025)</p> <p>Residuals were mostly healthy last week (all above 500 MW). The lowest residual point was 588 MW on Wed (26 Nov).</p> <p>The projected N-1-G margins in the NZGB forecast are healthy through to late-January 2026:</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 30 November 2025)</p> <p>National hydro storage increased by seven percentage points to 149% of the historic mean. This is now the highest storage this time of year on record.</p> <p>South Island hydro storage increased from 143% to 150% of the historic mean, while North Island storage decreased slightly from 138% to 137%.</p> <p>ELECTRICITY ('ENERGY') SUPPLY RISK (at 30 November 2025)</p> <p>New Zealand controlled energy storage is above average for this time of year. The black curve shows actual hydro storage, and the fields are risk curves:</p> <ul style="list-style-type: none"> Dark blue (including dotted blue line) = average for this time of year Yellow = Watch curve; Orange = alert curve; Dark orange = Emergency curve Lowest hatched blue line = Available contingent storage. <p>New Zealand Electricity Risk Status Curves (Available GWh)</p>  <p>Source: System Operator, Market Operations - Weekly Market Movements</p> <p>ERCs show a slight decrease in risk for most months in 2026 relative to the October update. The November update of the Energy Security Outlook includes the effects of hydro storage at the time, higher starting coal stockpile and gas storage, and assumes the inclusion of the third Rankine.</p> <p>The Risk Meter is a dynamic reflection of the current Electricity Risk Status. The Risk Meter shows where current total storage is within these status bands and indicates how close the next status is to being triggered.</p> <p>New Zealand Energy Risk</p>  <p>South Island Energy Risk</p>  <p>Normal Watch Alert Emergency</p> <p>To show the number of days until the NZ system hits energy risk curves - if it does not rain - Transpower have extended the actual hydro storage position (black line) along the worst-case simulated storage trajectory (SST) (red line):</p>



The ERCs shown were calculated using input data as of **14 November** (and published in the ESO on **26 November**). The worst-case SST line was calculated using historic inflow data starting from **1 December**.

Region	Date Watch	Time to Watch	Date Alert	Time to Alert	Date Emergency	Time to Emergency
NZ	26/04/2026	144	N/A	N/A	N/A	N/A
SI	18/05/2026	166	N/A	N/A	N/A	N/A

This

week the worst-case SST (the **red** line) does not cross the national NZ or South Island Watch curves in 2025, but begin to cross the Watch curve in April 2026 nationally and for the South Island, which would be necessary for generators to be able to access contingent storage.

Key electricity system indicators

Tamara Linnhoff
 Privacy of natural persons

As requested in your meeting with officials on 27 November 2025, this report now includes a dashboard of electricity system indicators. This includes information on the proportion of electricity generated from renewables, spot prices, and forward prices.

RENEWABLE GENERATION PERCENTAGE

Week ending 30 November	98%
Last 52 weeks	89%

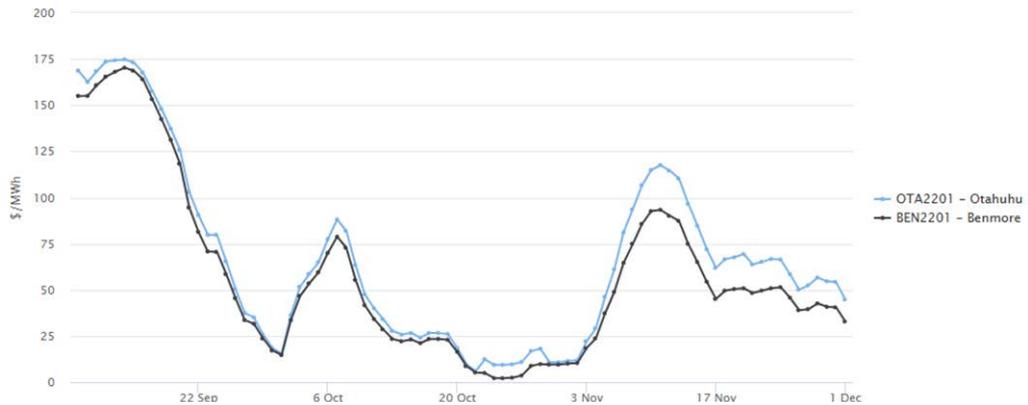
Source: System Operator, Market Operations – Weekly Market Movements

WEEKLY AVERAGE SPOT PRICES

	Otahuhu	Benmore
Week ending 30 November	\$54.14/MWh	\$40.46/MWh
Week ending 23 November	\$66.77/MWh	\$50.88/MWh

Source: EnergyLink – Energy Trendz Weekly

Seven-day rolling average spot prices (last 12 weeks)



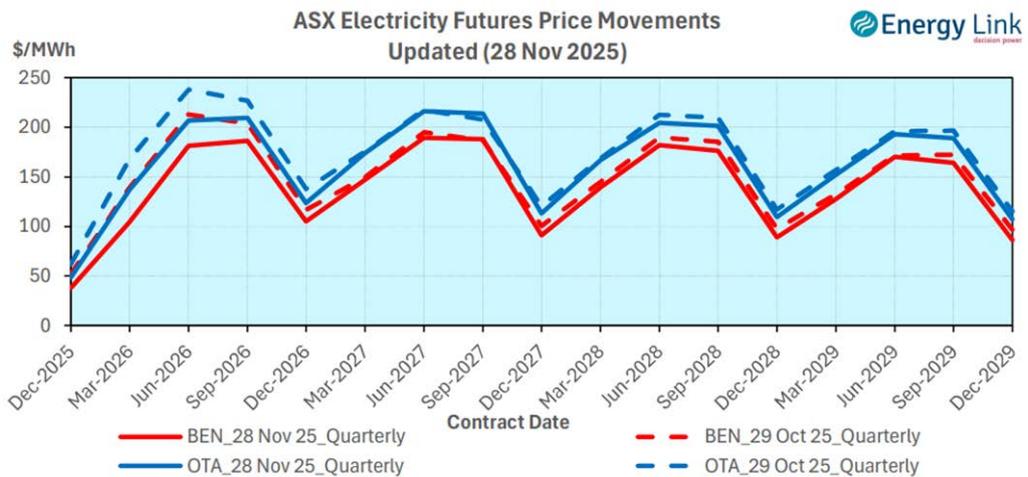
Source:

Electricity Authority – EMI

FORWARD PRICES

ASX Electricity Future Prices (as at last available 28 November 2025)

The chart shows the most recent transactions for all actively traded future contracts at Otahuhu & Benmore nodes. These prices are compared with the same contracts from four weeks ago.



Source:

EnergyLink – Energy Trendz Weekly

Regular reporting

Title	Comment
<p>Transpower’s Connections Queue for Generation – improvements to increase project throughput</p> <p>Daniel Brown <small>Privacy of natural persons</small></p> <p>CY2025 run rate to start generation investigations (queue) up by ~80% on 2024. 50 investigation projects started, 17 projects moved to delivery in 2025 and 8 grid connections completed.</p> <p>Counting both generation and non-generation projects:</p> <p>Decrease of 24 projects in queue since January. Maximum wait time for new applications is 12 months.</p> <p>30 new applications received since January (and one cancelled and one merged).</p>	<p><u>Improving throughput:</u></p> <p>Implemented:</p> <ul style="list-style-type: none"> • Stage-gating within investigation phase. • Starting work elements earlier pre-investigation where resources are available (while they wait in queue). • Published ‘Guidelines for new connections’ document. • Connection status information published monthly on our webpage. Published short guide to SOSA (for RMA decision-makers) to highlight need to consent and build new renewable generation. • New CRM system live, working well. • Guidelines around customer led investigation and delivery completed. • Concept Solution (preferred connection with acceptance and commercial terms) being used as needed. • Transpower are continuing to actively manage the pipeline: 21 projects are currently “on hold” while developers arrange their project financing and consenting; meanwhile we have re-started several projects previously put on hold. This enables us to focus resources on projects that are able to progress. • Right-sizing investigations to meet customer needs and risk appetite. • Standard equipment lists now including digital substation for standardised designs for greenfield substations. <p>Work continuing to investigate/implement:</p> <ul style="list-style-type: none"> • Targeted regional plans, identifying project sequencing and interdependencies to improve efficiency. • Prioritisation options within the queue, based on security of supply (including how soon generation can commence to meet forecast demand) and other measures – specifically including actively re-assessment of readiness of generation connections projects in the “queue” with a view to expediting projects that are ready to progress as early as possible. We plan to publish this next month. • Transpower are updating our grid connection guidelines, to manage issues we have had with very large projects connecting at 33kV, likely including an upper limit. • Transpower are working on procuring long lead equipment for inventory to expedite customer projects. <p>Resourcing improvements:</p> <ul style="list-style-type: none"> • Continuing to work with engineering consultants (ECs) on utilisation, EC’s growing their resources and different work award mechanisms for larger and bundled projects. • Considering additional support for resource planning and portfolio optimisation.

<p>Energy Quarterly for September 2025 quarter</p> <p>Amapola Generosa <small>Privacy of natural persons</small></p>	<p>MBIE will release the Energy Quarterly for the September 2025 quarter on Thursday 11 December 2025. This provides quarterly data and analysis on energy supply, demand, prices, and associated greenhouse gas emissions. This release covers data from July to September 2025.</p> <p>Unless stated otherwise, all changes are in comparison to the 2024 September quarter.</p> <p>Energy supply</p> <ul style="list-style-type: none"> • 89.4% of electricity generation came from renewable sources, up from 81.2% in the September 2024 quarter. • Driving this was a 22.6% increase in hydro generation due to more favourable hydro conditions and continued increases in generation from solar (up 64.2%) and geothermal (up 6.5%). • In contrast, wind generation was down 9.4% with lower-than-average wind speeds during July and August in the lower North Island (where the largest wind farms in the country are located). • With more electricity generation from renewables, less generation was needed from non-renewable sources to meet demand. Generation from coal was down 67.4% (596 GWh) and generation from gas was down 22.5% (284 GWh). <p>Energy demand</p> <ul style="list-style-type: none"> • Electricity consumption increased 3.8%, with residential electricity consumption reaching a new quarterly record at 4,511 GWh. • Industrial electricity consumption increased 10.8% to 3,119 GWh, a similar level to the September 2023 quarter. The September 2024 quarter saw New Zealand Aluminium Smelters' demand response agreement being called on, which reduced their electricity use. An agreement was in place for demand response to be provided over winter 2025, however this was at a lower level. • Gas use in the chemicals sector (both for energy purposes and as a feedstock) increased. The previous September quarter saw Methanex idling their production facilities from mid-August to the end of October 2024. Methanex paused operations again in 2025 to free up gas for the generation market, although this was from mid-May to early July and had minimal impact on the September 2025 quarter. <p>Energy Prices</p> <ul style="list-style-type: none"> • Petrol prices decreased 11.7% from 264.1 cents per litre to 252.4 cents per litre, and diesel prices decreased 11.3% from 192.3 cents per litre to 180.9 cents per litre. In April 2025, eight members of the OPEC+ started gradually increasing their production which has led to reductions in the cost of crude oil and importer costs over the last two quarters. <p>Next Steps</p> <p>Energy Quarterly will be released on 11 December 2025 with a coinciding media release. Associated communications material will be provided to your office 24 hours prior to release.</p>
<p>Gas disconnection prices</p> <p>Dominic Kebbell <small>Privacy of natural persons</small></p>	<p>We provided you a briefing on gas disconnection prices for residential customers on 21 November 2025. You then asked:</p> <ul style="list-style-type: none"> • why the meter must be read after disconnection and whether this obligation should be removed (and if so, how) • the reason for Genesis charging for disconnection while others did not. <p>When a customer stops using gas, the retailer issues a final bill for usage up to the end of supply and remains responsible for the connection unless the customer wants the connection to be decommissioned. The retailer has the option of removing the meter and disconnecting supply (which avoids future meter readings) or leaving the meter in place (as is typical when the premises are merely vacated).</p> <p>If the meter remains in place, it is possible for gas to flow even though there is no contract between the retailer and a consumer. Readings are therefore still required to monitor unaccounted gas, the costs for which would otherwise be allocated across other users. GIC has said it would be happy to discuss this matter with you further if you wish.</p> <p>We have asked Genesis for more information about their disconnection charges. Genesis said it was looking into the process and that it would come back to us with information shortly.</p>

Confidential advice to Government

Monthly Oil and Gas production data

Amapola

Generosa

Privacy of natural persons

We will be publishing the October 2025 update of our monthly oil and gas production data on Thursday 11 December. This shows that net production of natural gas in October 2025 was 8.63 PJ, up 3% on September 2025 levels (8.39 PJ) and down 5% on October 2024 net production (9.13 PJ). This month-on-month increase is driven by increased production from the Mangahewa field.

Net production for the year-to-date totals 85.79 PJ. This is around 80% of expected production levels for the year based on MBIE's most recent reserves data. This value is lower than expected as gas field performance has not matched the levels predicted based on fields' production profile data.

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.

Stakeholder Updates

Title	Comment
<p>Update on Fast-track projects</p> <p>Daniel Brown <small>Privacy of natural persons</small></p>	<p>Recent developments with Fast-track projects include:</p> <ul style="list-style-type: none"> You have agreed to comment on substantive Fast-track applications for energy projects. We have sent your office a draft submission on the Contact Energy Southland Windfarm proposal and are preparing a submission on the Westpower Waitaha Hydro application. The Clutha Pumped Hydro Consortium has applied to have the Clutha Pumped Hydro proposal (i.e., the project at Lake Onslow) referred to a Fast-track process. The Minister for Infrastructure has asked for your comments in this application by 23 January 2026.
<p>Genesis Energy 2025 Investor Day</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>On 26 November 2025 Genesis Energy held their 2025 Investor Day. Key points included:</p> <ul style="list-style-type: none"> Key challenges noted include the need for capital due to a funding gap of ~\$0.6b. Through FY26-FY28 Genesis estimates it will generate ~\$1.3b of free cash. ~\$1.2b of this is pre-committed to stay-in-business (SIB) capex, dividends and under construction growth projects, and ~\$0.7b of near-term development options. Despite funding options including offtake agreements, joint ventures, asset recycling and debt capacity, it is increasingly likely that Genesis will opt to attempt to increase equity via a government-raise in the latter half of 2026. FY28 EBITDA target of ~\$500m remains unchanged. While earnings growth should support higher dividends, increased capital spending on development projects means a material lift of dividends will be challenging. <p>Genesis has slightly increased its hydro storage. Earlier in the month, Genesis announced it was successful in altering its Lake Takapō consents to a less restrictive approach to the increase in minimum lake storage requirements as of 1 October. This has been referred to as the ‘shadow constraint’. Genesis expects to generate an additional +60GWh (+6%) per annum.</p>
<p>Meeting with Mitsui</p> <p>Scott Russell <small>Privacy of natural persons</small></p>	<p>MBIE officials, alongside officials from MfE and MPI met with Mitsui, on 3 December 2025 in Wellington. Mitsui is a Japanese conglomerate, owning and investing in a range of sectors. Current investments in the New Zealand energy sector include the Hiringa green hydrogen station and the forestry management firm New Forests which operates in Australia and New Zealand.</p> <p>Mitsui is interested in investing in wood energy. Mitsui had questions regarding the ETS, how wood energy supply and demand are developing in New Zealand and export opportunities to Asian markets.</p> <p>Mitsui is expecting to import 9 million metric tonnes of white pellets by the end of 2025 into Japan from a range of countries including Vietnam and are considering investments in wood resources in New Zealand. They are also engaging with Genesis on their plans regarding use of pellets.</p>
<p>Summary of SEANZ paper discussing solar and the electricity market</p> <p>Stephen Tat <small>Privacy of natural persons</small></p>	<p>You met with SEANZ on 29 October. They provided you with a paper outlining their views on the value of solar to the electricity market. The report:</p> <ul style="list-style-type: none"> sets out the status quo for some aspects of the electricity market, such as dry year and competition issues provides some suggested opportunities for change (including overbuilding solar/renewables and greater consumer participation); and associated policy recommendations. <p>Officials’ view is that the report provides some useful insights on the electricity market (largely known to date) and our focus will be to better understand their modelling related to dry year risk in the report. We understand SEANZ will release the detail in due course, but they argue that high solar and battery uptake could provide dry year by storing extra hydro. Once released, we will more closely consider this against our own modelling, however we expect they will not be consistent given our work instead shows high levels of intermittent generation can cause lakes to be drawn down more. You will receive a briefing on our modelling next week.</p> <p>All the SEANZ policy recommendations in the report are actions that have been considered by the relevant agencies, and decisions made or pending. For example, they included options to overcome the upfront cost of solar, implementing Energy Competition Task Force decisions, and changes by the EA to allow greater participation from consumers in the electricity market.</p>

Gas working group report

Dominic Kebell

Privacy of natural persons

The Gas Working Group of the Energy Transition Framework (a group of energy sector CEs) this week provided MBIE with their final report and recommended actions. The report highlights the likelihood of a significant gap between supply and demand for gas in 2026, which increases over the decade as domestic production continues to decline.

Currently Government actions are focused on the supply side. The report states we need to work on both improving gas supply and reducing demand if New Zealand's energy needs are to be met.

The report sets out recommendations across four areas:

- Increasing supply and system flexibility – supporting new storage facilities and progressing LNG development
- Reducing demand for gas where there are alternatives – particularly accelerating electrification of commercial and industrial gas use by addressing finance barriers.
- Improving market mechanisms – providing consistent, timely information on the gas market, and providing a market mechanism to recognise the value of dispatchable firming fuels.
- Establishing a clear direction for New Zealand's energy transition, with clear messaging for households, and commercial and industrial energy users.

Several of these actions are already included in the Energy Package however some go beyond what is currently being worked on.

The Gas Working Group is comprised of the major energy generating companies in New Zealand. We met with them last week and understand that the report will be released in the next few days. We will keep in touch with the Working Group as they progress further work under the Energy Transition Framework.

Current appointments

Confidential advice to Government

Upcoming Ministerial Items

1. Upcoming Energy meetings

Meeting date	Meeting	Details
Wednesday 10 December 2025 11:45 am – 12:15 pm	EECA Monthly officials	Briefing Due: N/A Officials required: Scott Russell
Wednesday 10 December 2025 12:30 pm – 1:00 pm	Contact Energy	Briefing Due: 8 December 2025 Officials required: Justine Cannon
Wednesday 10 December 2025 4:15 pm – 4:45 pm	Ara Ake	Briefing Due: 8 December 2025 Officials required: Justine Cannon
Thursday 11 December 2025 8:30 am – 9:00 am	Energy Competition Taskforce Ministerial Meeting	Briefing Due: 11 December 2025 Officials required: Justine Cannon
Thursday 11 December 2025 12:40 pm – 1:00 pm	Comcom fortnightly meeting	Briefing Due: N/A Officials required: Justine Cannon

2. Upcoming Briefings, Aides Memoires and Cabinet Papers

To be publically released shortly

3. Written Parliamentary Questions

None this week

4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
8 December 2025	SW25-344	Privacy of natural persons	Petrol prices
8 December 2025	SW25-353		Price of energy
15 December 2025	SW25-355		Letter from Independent Electricity Generators Association
15 December 2025	SW25-356		Gas and electricity prices

5. Overview of Energy Package Programme

Confidential advice to Government



Energy Portfolio Weekly Report

Week commencing:	15/12/2025	Priority:	Medium
Security classification:	In Confidence	Tracking number:	BRIEFING-REQ-0025073

Recipient	Action sought
HON SIMON WATTS MINISTER FOR ENERGY	Note the contents of this report Agree to have a Merry Christmas. We hope you and your office get to have a wonderful break with your family and friends.

Justine Cannon
General Manager
Energy Markets Branch
Ministry of Business, Innovation and Employment

Privacy of natural persons

12 December 2025

Minister's comments:

Energy Portfolio
Officials' Meeting Agenda
3:45 pm – 4:45 pm Monday 15 December 2025

Item	Subject	People	Oral Item / Paper #	Action Required
Confidential advice to Government				
2.	Smart EV charging check-in	Scott Russell	BRIEFING-REQ-0024710	Discuss
3.	2.5 Dry Year Regulatory Framework	Tamara Linnhoff	BRIEFING-REQ-0023880	Discuss
4.	EA's Focus on customers (Letter of Expectations)	Tamara Linnhoff	Oral	Discuss
5.	Weekly Report & work Programme	Minister	Oral	Discussion
6.	Any other business	All	Oral	Discussion

Ministry of Business, Innovation & Employment officials attending:

Name	Position
Suzanne Stew	(Acting) Chief Executive and Secretary
Paul Stocks	Deputy Secretary, Building, Resources and Markets
Justine Cannon	General Manager, Energy Markets
Sharon Corbett	Policy Director, Energy Markets
Rebecca Heerdegen	Policy Director, Energy Markets
Tamara Linnhoff	Manager, Electricity Markets Policy
Scott Russell	Manager, Energy Use Policy

Energy Package tracker (MBIE)

Action and outcome	Updates	Upcoming milestones
WORKSTREAM ONE: Invest in Energy Security		
1.1 Liquefied Natural Gas (LNG Import Facility)	<h1>Commercial Information</h1>	
1.2 Mixed Ownership Model Investment <i>Treasury led</i>	<i>No change:</i> Ministers of Finance and SOEs have written to MOMs. The Treasury will advise as and when MOMs provide proposals. We will advise you outside of the weekly brief of any developments, due to commercial sensitivities.	On track Monitoring
1.3 Leverage All of Government (AoG) Demand	<i>No change:</i> You and the Minister for Economic Growth have received a summary of the responses to the Request for Information, which closed on 12 November 2025 [REQ-0023755]. We have received your feedback and are preparing follow on advice.	On track <small>Confidential advice to Government</small>
1.4 Supercharge Renewable Energy	<p>Offshore Renewable Energy:</p> <p><small>Confidential advice to Government</small></p> <p><small>Confidential advice to Government</small></p> <p><small>Confidential advice to Government</small> In the meantime, we will continue to work on the amendment paper, secondary legislation, round notice and implementation planning so the first round can be opened shortly after the Bill passes.</p> <p>We are running targeted consultation with offshore wind and seabed mining developers to test how the changes to the legislation can work in practice.</p>	Delayed <small>Confidential advice to Government</small> The timing of next steps is contingent on the timeframes to amend and finalise the Bill
	<p>Implementing Electrify NZ (RMA work is MFE-led):</p> <p>The updated National Policy Statements for Renewable Electricity Generation and Electricity Networks are scheduled to be gazetted around 19 December 2025, to come into force 15 January 2026.</p> <p><small>Confidential advice to Government</small></p> <p>The Resource Management (Consenting and Other System Changes) Amendment Bill has now entered into law. This Bill implemented some Electrify NZ proposals including one-year consent decisions for energy projects, and default 35-year consent durations.</p> <p>The RMA replacement legislation has been introduced to Parliament.</p>	On track RMA replacement legislation introduced. Updated NPS to be gazetted by end of 2025

<p>2.1 Policy Uncertainty</p>	<p>Confidential advice to Government</p>	
<p>2.2 Strengthening the Electricity Authority</p>	<p>Confidential advice to Government</p>	
<p>2.3 Electricity Market Transparency & Efficiency</p> <p><i>EA led, includes:</i></p> <p><i>the EA's work to improve hedge market liquidity via market making, and</i></p> <p><i>the Energy Competition Task Force workstreams Package 1, and 2D</i></p>	<p>Commercial market-making requirements (including Task Force 1B Standardised flexibility contracts)</p> <p><i>No change:</i> On 18 November 2025, the EA released a consultation paper on proposed changes to market making requirements. The paper's proposals include:</p> <ul style="list-style-type: none"> introducing market making requirements for the standardised super-peak contract (this is the next step for Task Force 1B) extending longer dated futures on ASX from three to five years reducing total ASX baseload offer volumes from 12MW to 10MW <p>The consultation closes on 23 December. Subject to feedback, the EA aims to have the amended Code and market making of the super-peak product in place by mid-2026, and the new ASX contracts trading by early 2027.</p>	<p>On track</p>
	<p>1C+D level playing field measures</p> <p>On 14 October 2025 the EA released a consultation paper for the draft Code amendments to implement its 'in principle' non-discrimination obligations. The EA has revised its approach following feedback on its draft consultation paper earlier this year. It views its new proposal as a more practical approach that is faster to implement and easier to enforce.</p> <p>Consultation closed on the 2 December 2025. The EA is working through stakeholder views which will inform next steps, and publish submissions shortly.</p> <p>On 9 December, the EA held an industry workshop on its methodology for undertaking retail price consistency assessments (RPCAs). The workshop aimed to ensure industry input into the guidance for RPCAs, and to support consistent use when they are applied by gentailers. The EA also workshopped the definition of uncommitted supply.</p> <p>Subject to consultation, the EA aims to have the amended Code in place in early 2026 with the obligations commencing on 1 July 2026.</p>	
	<p>2D Better compensating industrial flexibility (demand response)</p> <p><i>No change:</i> On 28 May 2025 the EA published its 'Roadmap for industrial demand flexibility'. The EA consulted during August on an issues paper relating to an industrial flexibility emergency reserve scheme. It is now considering submissions.</p>	
	<p>Task Force 2.0 - 2026 work programme</p> <p>The EA has signaled it plans to publish an open letter on 15 December 2025 seeking feedback on options for the scope of a Task Force 2.0 work programme 2026. We have reviewed a draft of the letter.</p>	

<p>2.4 Gas Market Transparency</p>	<p>More timely annual reserves and forecast information <i>No change:</i> On Monday 17 November 2025 Cabinet approved the proposal to bring forward the due date for Annual Summary Reporting from 31 March to 1 March, starting in 2026. Iwi and hapu, and industry were first notified of the policy decision on Friday 31 October 2025 (noting that it was pending Cabinet approval of the regulations) to give them as much notice as possible of the change. Iwi and hapu, and industry received a further communication on Thursday 2 November to announce Cabinet’s approval of the regulations, including a link to the gazette notice.</p> <p>Additional gas market information Consultation feedback closed in November on the additional information that could be requested and made available to the market. The feedback from submissions was broadly split into two groups. Gas users submitted that more information is needed by participants to plan their investments – particularly a more granular view of the forward projections of gas production. Gas producers submitted that much of the data discussed is already available and that additional information is commercially sensitive. We are working through the detail of submissions feedback and seeking more detail to inform our analysis from submitters. As requested by Energy Resources Aotearoa, we are holding a workshop with upstream producers on the week beginning 15 December to discuss their concerns about the proposed voluntary information request. In addition, we are engaging with other parts of the gas sector, including the Major Gas Users Group, to discuss what additional gas market information would be most useful to improve gas market transparency.</p> <p>Confidential advice to Government</p>	<p>On track</p> <p>Confidential advice to Government</p> <p>Legislative vehicle at risk</p> <p>Discussed below</p>
<p>2.5 Dry Year Regulatory Framework</p>	<p>Confidential advice to Government</p>	
<p>2.6 Electricity Distribution Business Efficiency</p>	<p>Standardisation and collaboration <i>No change:</i> We have contracted Asset Dynamics to provide independent recommendations to improve EDB standardisation and collaboration. Asset Dynamics has started stakeholder engagement and is meeting with regulators and a range of EDBs over the next 3 months. MBIE officials are joining these meetings. Asset Dynamics will also review the responses from EDBs to your letter of expectations sent in October.</p> <p>Confidential advice to Government</p>	<p>On track</p> <p>Letter to EDBs sent on October 6. Response to you due by end of January 2026.</p> <p>EA Code changes come into effect over</p>

	<p>Relevant work at the Electricity Authority (EA)</p> <p>The EA has confirmed several code changes to improve distribution network processes and pricing that will come into effect in 2026 and 2027. These changes introduce greater transparency around connection pipelines and network capacity, standardised connection processes, a requirement to offer the least-cost technical solution, rebates for first movers, published rates for capacity costs, and detailed breakdowns of quotes.</p> <p>The EA is also consulting on further measures, including limiting the extent to which EDBs can rely on capital contributions and introducing an obligation for distributors to connect all applications that meet specified criteria.</p>	various dates from April 2026.
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Confidential advice to Government

Other portfolio priorities tracker (MBIE)

Action and outcome	Updates	Upcoming milestones
Additional Gas Work		
Alternative Fuel/Energy	<p>Biogas</p> <p><i>No change:</i> EECA’s biogas work programme, focused on mapping feedstock for investment, has progressed into its procurement phase. EECA released a Request for Proposals to the market on 29 October 2025, with deadline for submissions by 26 November 2025. It is aiming to engage independent experts to deliver a detailed, region-by-region assessment of organic waste feedstock – starting with three pilot regions (Hawkes Bay, Taranaki and Auckland) before expanding nationally.</p>	On track
	<p>Hydrogen Regulations</p> <p>You received advice on the proactive release of the Cabinet paper (deadline for release is 16 February 2026) setting out policy decisions on changes to health and safety regulations to enable hydrogen.</p> <p>We are working with the Workplace Relations and Safety officials on drafting instructions to PCO.</p>	On track Proactive release and drafting amendment regulations
Market Impacts and Gas Users Sector, regional impacts and other gas user work	<p><i>No change:</i> MBIE has contracted with Sense Partners to complete a study into the impact of declining gas supply on the New Zealand economy, with an aim to understand sectoral, regional, and national economic impacts of industrial gas price increases. This will help to inform further policy work on potential options to manage the effects of our declining gas supply. The final report is expected by mid-December.</p>	On track
Gas Networks Default Price-Quality Path (DPP4)	<p><i>No change:</i> On Thursday 27 November the Commerce Commission released its draft decision on revenue limits and quality standards for regulated pipeline businesses. The decision will cover the five-year period from 1 October 2026 to 30 September 2031.</p> <p>The draft decision provides moderate increases to Gas Pipeline Businesses’ (GPBs’) revenue limits. The estimated average impact of the draft decision on residential bills, excluding inflation, is a price increase of less than 2% spread over two years. However, on Vector’s Auckland network, the estimated average bill increase, excluding inflation, is about 7% spread over the first two years of the period. Vector has relatively low distribution charges having limited its expenditure, so has less room to offset increases in depreciation with reductions in spending elsewhere.</p> <p>Submissions on the draft decision are due by 22 January 2026, with cross-submissions due 12 February 2026.</p> <p>The final decision is required by the end of May 2026 and will take effect on 1 October 2026.</p>	On track
Confidential advice to Government		
Consumer-Focused Regulation		

**Consumer Data
Right for
Electricity**

Deliver a CDR for
the electricity
sector

Confidential advice to Government

Other priorities

Confidential advice to Government

**New Zealand
Energy Efficiency
and Conservation
Strategy**

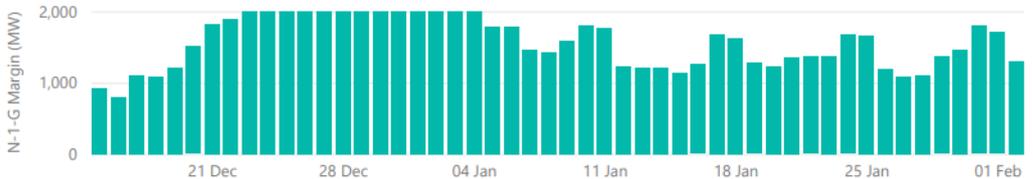
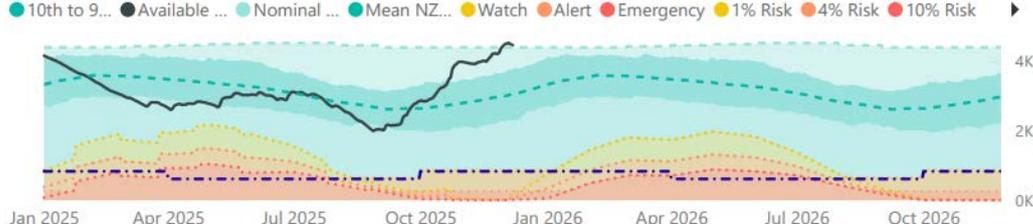
(NZECS) Develop
a refreshed
strategy.

Confidential advice to Government

**Electricity
(Hazards from
Trees)
Regulations**

Confidential advice to Government

Vehicle-to-Grid (V2G) Enablement	<p>You received a briefing (BRIEFING-REQ-0024695) on 5 December on barriers and options to enable EV owners and the wider electricity system to benefit from V2G activity, with a particular focus on EV manufacturers supporting V2G in the New Zealand market. We will provide a further update in January once we have analysed feedback from EV manufacturers.</p> <p>Confidential advice to Government</p>		On Track
Equipment Energy Efficiency (E3) Programme	<p>We have received your endorsement of relevant E3 items for the Energy and Climate Change Ministerial Council (ECMC) meeting on 16 December (the E3 strategy, heat pump hot water heaters, and the energy efficiency of external power supplies). We are preparing your voting papers in advance of this meeting. We are engaging with our Australian counterparts on the communication opportunities for the E3 Strategy following ECMC approval.</p>		On track
Energy Hardship Measures Report	<p>On 5 December, we provided an Aide-Memoire (BRIEFING-REQ-0024768) and final draft of MBIE second Energy Hardship Measures Report. The report is scheduled for release on 12 December 2025. Reactive communications materials have been provided to your office ahead of release.</p>		On Track Release on 12 December We have provided reactive communications.

Title	Comment																
<p>Electricity security of supply report</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>ELECTRICITY CAPACITY (for the week to Sunday 7 December 2025)</p> <p>Residuals were mostly healthy last week (all above 800 MW). The lowest residual point was 869 MW on Thursday (4 Dec).</p> <p>The projected N-1-G margins in the NZGB forecast are healthy through to early February 2026:</p> <p>NZGB Look-Ahead (excluding next 7 days)</p>  <p>ENERGY (HYDRO) STORAGE RELATIVE TO MEAN (for the week to 7 December 2025)</p> <p>National hydro storage decreased to 146% of the historic mean last week but remains at nominal maximum capacity.</p> <table border="1" data-bbox="448 801 1382 981"> <thead> <tr> <th></th> <th colspan="3">Hydro storage level (% of historic mean ▲/▼)</th> </tr> <tr> <th></th> <th>New Zealand</th> <th>South Island</th> <th>North Island</th> </tr> </thead> <tbody> <tr> <td>Prev briefing (to 30 Nov)</td> <td>149%</td> <td>150%</td> <td>137%</td> </tr> <tr> <td>Current briefing (to 7 Dec)</td> <td>146% ▼</td> <td>147% ▼</td> <td>141% ▲</td> </tr> </tbody> </table> <p>ELECTRICITY ('ENERGY') SUPPLY RISK (at 7 December 2025)</p> <p>New Zealand controlled energy storage is above average for this time of year.</p> <p>The black curve shows actual hydro storage, and the field are risk curves:</p> <ul style="list-style-type: none"> Dark blue (including dotted blue line) = average for this time of year; Yellow = Watch curve; Orange = alert curve; Dark orange = Emergency curve; Lowest hatched blue line = Available contingent storage. <p>New Zealand Electricity Risk Status Curves (Available GWh)</p>  <p>Source: System Operator, Market Operations - Weekly Market Movements</p> <p>ERCs show a slight decrease in risk for most months in 2026 relative to the October update. The November update of the Energy Security Outlook includes the effects of hydro storage at the time, slightly decreased gas production forecasts relative to previous outlook, higher starting coal and gas storage, and assumed the inclusion of the third Rankine.</p> <p>The Risk Meter is a dynamic reflection of the current Electricity Risk Status. The Risk Meter shows where current total storage is within these status bands and indicates how close the next status is to being triggered.</p>		Hydro storage level (% of historic mean ▲/▼)				New Zealand	South Island	North Island	Prev briefing (to 30 Nov)	149%	150%	137%	Current briefing (to 7 Dec)	146% ▼	147% ▼	141% ▲
	Hydro storage level (% of historic mean ▲/▼)																
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New Zealand Energy Risk

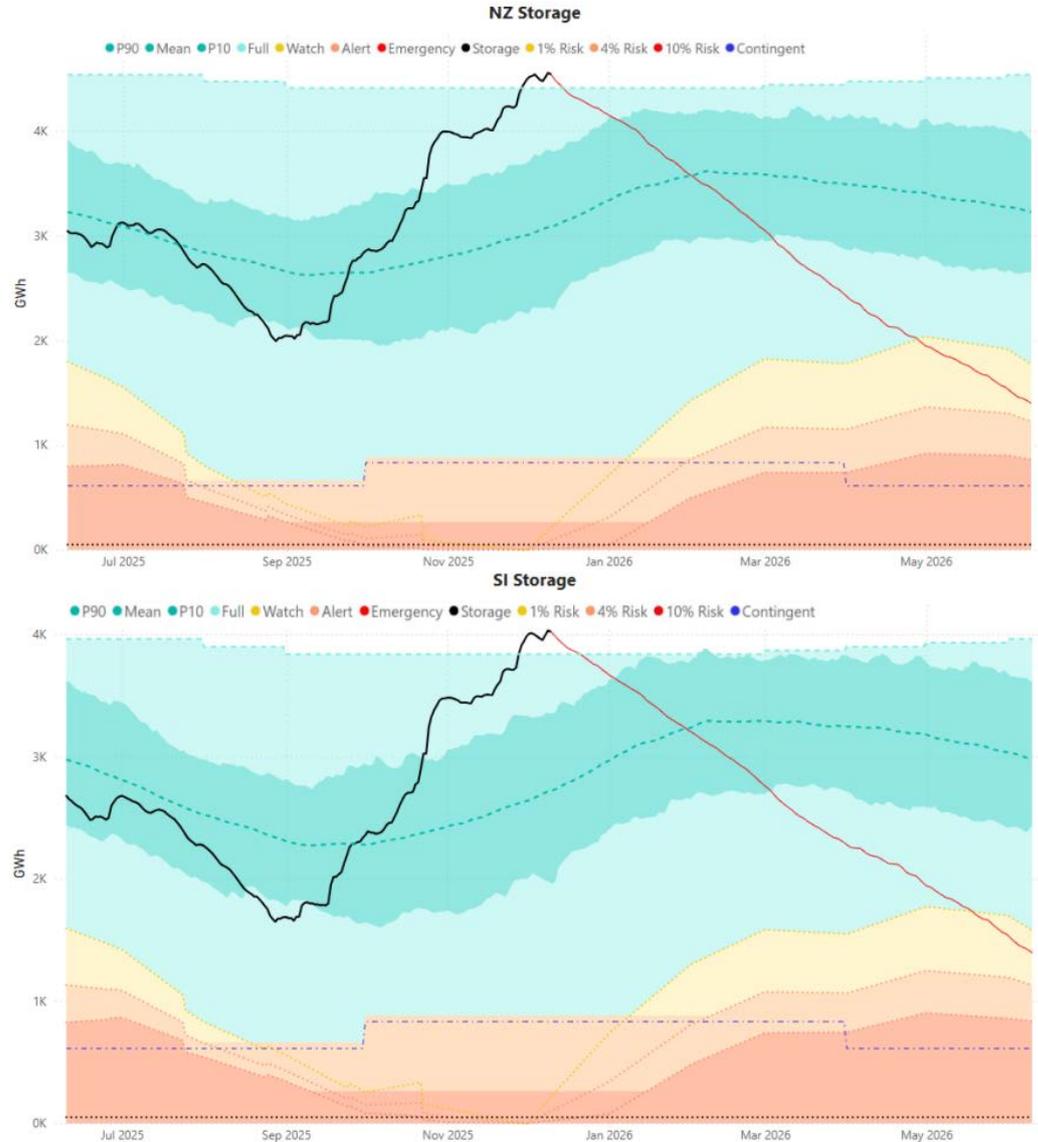


South Island Energy Risk



Normal Watch Alert Emergency

To show the number of days until the NZ system hits energy risk curves - if it does not rain - Transpower have extended the actual hydro storage position (black line) along the worst-case simulated storage trajectory (SST) (red line):



The ERCs shown were calculated using the input data as of **14 November** (and published in the ESO on **26 November**). The worst-case SST line was calculated using historic inflow data starting from **8 December**.

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	29/04/2026	140	N/A	N/A	N/A	N/A
SI	19/05/2026	160	N/A	N/A	N/A	N/A

This week the worst-case SST (the red line) does not cross the national NZ or South Island Watch curves in 2025, but begins to cross the Watch curve in April 2026 nationally and May 2026 for the South Island, which would be necessary for generators to be able to access contingent storage.

Key electricity system indicators

Tamara Linnhoff

Privacy of natural persons

RENEWABLE GENERATION PERCENTAGE

Week endings 07 December	98%
Last 52 weeks	89%

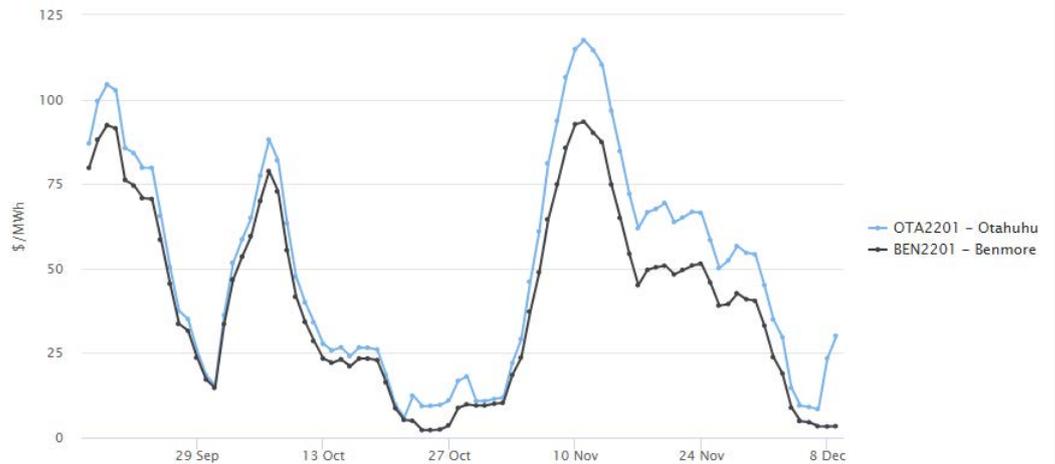
Source: System Operator, Market Operations – Weekly Market Movements

WEEKLY AVERAGE SPOT PRICES

	Otahuhu	Benmore
Week ending 7 December	\$8.42/MWh	\$3.36/MWh
Week ending 30 November	\$54.14/MWh	\$40.46/MWh

Source: EnergyLink – Energy Trendz Weekly

Seven-day rolling average spot prices (last 12 weeks)



Source: Electricity Authority – EMI

FORWARD PRICES

ASX Electricity Future Prices (as at last available 5 December 2025)

The chart shows the most recent transactions for all actively traded future contracts at Otahuhu & Benmore nodes. For comparison, these prices are mapped against the prices of the same contracts from four weeks prior.



Source: EnergyLink – Energy Trendz Weekly

Regular reporting

Title	Comment
<p>Transpower’s Connections Queue for Generation – improvements to increase project throughput</p> <p>Daniel Brown <small>Privacy of natural persons</small></p> <p>2025 run rate to start generation investigations (queue) up by ~80% on 2024. 53 investigation projects started, 18 projects moved to delivery in 2025 and 8 grid connections completed.</p> <p>Counting both generation and non-generation projects:</p> <ul style="list-style-type: none"> • Decrease of 28 projects in queue since January. Maximum wait time for new applications is 12 months. • 31 new applications received since January (and one cancelled and one merged). 	<p><u>Improving throughput:</u></p> <p>Implemented:</p> <ul style="list-style-type: none"> • Stage-gating within investigation phase. • Starting work elements earlier pre-investigation where resources are available (while they wait in queue). • Published ‘Guidelines for new connections’ document. • Connection status information published monthly on Transpower webpage. Published short guide to SOSA (for RMA decision-makers) to highlight need to consent and build new renewable generation. • New CRM system live, working well. • Guidelines around customer led investigation and delivery completed. • Concept Solution (preferred connection with acceptance and commercial terms) being used as needed. • Continuing to actively manage the pipeline: 20 projects are currently “on hold” while developers arrange their project financing and consenting; meanwhile have re-started several projects previously put on hold. This enables Transpower to focus resources on projects that are able to progress. • Right-sizing investigations to meet customer needs and risk appetite. • Standard equipment lists now including digital substation for standardised designs for greenfield substations. <p>Work continuing to investigate/implement:</p> <ul style="list-style-type: none"> • Targeted regional plans, identifying project sequencing and interdependencies to improve efficiency. • Prioritisation options within the queue, based on security of supply (including how soon generation can commence to meet forecast demand) and other measures – specifically including actively re-assessment of readiness of generation connections projects in the “queue” with a view to expediting projects that are ready to progress as early as possible. Transpower plan to publish this next month. • Updating our grid connection guidelines, to manage issues with very large projects connecting at 33kV, likely including an upper limit. • Working on procuring long lead equipment for inventory to expedite customer projects. <p>Resourcing improvements:</p> <ul style="list-style-type: none"> • Continuing to work with engineering consultants (ECs) on utilisation, ECs growing their resources and different work award mechanisms for larger and bundled projects. <p>Considering additional support for resource planning and portfolio optimisation.</p>

Stakeholder Updates

Title	Comment															
<p>Energy Marlborough investigating 500 kW pumped hydro project</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>Energy Marlborough, the generation subsidiary of the EDB Marlborough Lines, has 10.8 MW of wind and solar capacity and plans to add 5-10 MW annually. Construction of a new 6 MW solar farm near Wairau Valley begins in January 2026. The company is also investigating a 500 kW “micro” pumped hydro system at the Seaview winery site, which may not require resource consent as existing dams will be used.</p> <p>Marlborough Lines has invested \$22 million in network upgrades, substation improvements, underground cabling, and emergency response enhancement - a 20% increase on last year. Marlborough Lines owns the Yealands Wine Group.</p>															
<p>Eastland Generation’s TOPP 2 geothermal syncs to grid</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>On 3 December, Eastland Generation’s new geothermal power plant, TOPP2, successfully synchronised to the national grid for the first time. The 49MW Ormat binary plant is the largest of Eastland Generation’s four geothermal stations and represents a significant partnership with Ngāti Tūwharetoa Geothermal Assets Ltd.</p> <p>This milestone follows seven years of development and reflects a strong collaborative approach between Eastland Generation, Ngāti Tūwharetoa, and project partners. Commissioning work continues, with full operation expected early in the new year.</p>															
<p>Lodestone Energy – first generation at Whitianga Solar Farm</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>On 4 December Lodestone Energy announced first generation from its Whitianga Solar Farm, Pāmu Rā ki Whitianga. This is the Coromandel’s first utility-scale solar farm, and once fully operational it will generate approximately 49 GWh of power which is enough to power approximately 6,800 homes.</p> <p>The solar farm operates a ‘dual use’ agrivoltaics model, with stock grazing under and around the panels, in an effort to enable energy generation and traditional farming practices to coexist. Energy generated by the solar farm will be transmitted to the Coromandel network by a new switching station commissioned by PowerCo.</p> <p>Lodestone is currently constructing its fifth site in South Canterbury and has a sixth site in Central Hawke’s Bay planned for construction in 2026.</p>															
<p>Mobil</p> <p>Dominic Kebbell <small>Privacy of natural persons</small></p>	<p>Mobil self-service petrol stations launched</p> <p>Mobil announced that it will launch a low-cost self-service petrol station brand called Mobil Express. Mobil Express will compete with other self-serve brands, such as Z Energy's U-GO, Waitomo and a variety of other self-service brands operating across Aotearoa.</p> <p>Mobil will convert 14 current Mobil sites to the new self-service station model, with further conversions planned in 2026.</p>															
<p>Update on Fast-track projects</p> <p>Daniel Brown <small>Privacy of natural persons</small></p>	<p>Fast-track projects current under consideration (or recently granted) include:</p> <table border="1" data-bbox="363 1442 1484 1984"> <thead> <tr> <th data-bbox="363 1442 644 1496">Project</th> <th data-bbox="644 1442 1126 1496">Description</th> <th data-bbox="1126 1442 1484 1496">Status</th> </tr> </thead> <tbody> <tr> <td colspan="3" data-bbox="363 1496 1484 1547">Projects listed in Fast-track legislation</td> </tr> <tr> <td data-bbox="363 1547 644 1693">Reconsenting of Genesis Energy’s Tekapo hydro scheme</td> <td data-bbox="644 1547 1126 1693">New consents to ensure continuation of scheme, includes some changes to conditions to enable more flexible use at lower water levels.</td> <td data-bbox="1126 1547 1484 1693">Fast-track consents granted in November 2025.</td> </tr> <tr> <td data-bbox="363 1693 644 1776">Haldon Solar Project, Lodestone Energy</td> <td data-bbox="644 1693 1126 1776">180 MW solar farm near Twizel</td> <td data-bbox="1126 1693 1484 1776">Application lodged with EPA in September 2025</td> </tr> <tr> <td data-bbox="363 1776 644 1984">Reconsenting of Kaimai Hydro scheme, Manawa Energy</td> <td data-bbox="644 1776 1126 1984">Reconsent Manawa Energy Limited's existing Kaimai Hydroelectric Power Scheme, including increasing residual river flows, providing fish passage, and implementing a sediment management plan</td> <td data-bbox="1126 1776 1484 1984">Application lodged with EPA in September 2025</td> </tr> </tbody> </table>	Project	Description	Status	Projects listed in Fast-track legislation			Reconsenting of Genesis Energy’s Tekapo hydro scheme	New consents to ensure continuation of scheme, includes some changes to conditions to enable more flexible use at lower water levels.	Fast-track consents granted in November 2025.	Haldon Solar Project, Lodestone Energy	180 MW solar farm near Twizel	Application lodged with EPA in September 2025	Reconsenting of Kaimai Hydro scheme, Manawa Energy	Reconsent Manawa Energy Limited's existing Kaimai Hydroelectric Power Scheme, including increasing residual river flows, providing fish passage, and implementing a sediment management plan	Application lodged with EPA in September 2025
Project	Description	Status														
Projects listed in Fast-track legislation																
Reconsenting of Genesis Energy’s Tekapo hydro scheme	New consents to ensure continuation of scheme, includes some changes to conditions to enable more flexible use at lower water levels.	Fast-track consents granted in November 2025.														
Haldon Solar Project, Lodestone Energy	180 MW solar farm near Twizel	Application lodged with EPA in September 2025														
Reconsenting of Kaimai Hydro scheme, Manawa Energy	Reconsent Manawa Energy Limited's existing Kaimai Hydroelectric Power Scheme, including increasing residual river flows, providing fish passage, and implementing a sediment management plan	Application lodged with EPA in September 2025														

'The Point' Solar Farm, Far North Solar Farms	420 MW solar farm at Benmore	Application lodged with EPA in September 2025
Waitaha hydro scheme – Westpower	23 MW 'run of the river' hydro scheme in South Westland	Application lodged with EPA in August 2025
Mahinerangi Wind Farm (Mercury Energy)	Expands existing windfarm in Otago with additional 164 MW generation	Application lodged with EPA in November 2025.
Projects referred to Fast-track after passage of legislation		
Reconsenting of Managhao hydro scheme, King Country Energy	Reconsenting of 40 MW Mangahao Hydro Power Scheme	Referred to Fast-track process in November 2025.
Reconsenting of Kuratau hydro scheme, King Country Energy	Reconsenting of 6 MW hydro scheme	Referred to Fast-track process in October 2025.
Twizel Solar Project, Nova Energy	300 MW Solar Farm by Twizel	Referred to Fast-track process in August 2025.
Lake Pukaki Hydro storage, Meridian Energy	Additional drawdown of water from Lake Pukaki hydro scheme	Referred to Fast-track process in August 2025.
Southland Wind Farm, Contact Energy	300 MW Solar Farm in Southland	Referred to Fast-track process in July 2025. Application lodged with EPA. Decision expected in April 2026.
Grampians Solar Project Helios Energy	300 MW solar farm, MacKenzie Basin, Canterbury	Referred to Fast-track process in May 2025.
<p>The Minister for Infrastructure also has sought your comments on:</p> <ul style="list-style-type: none"> • Potential referral of the Clutha Pumped Hydro Scheme (ie the new proposed project at Lake Onslow); and <p>The substantive application for Contact Energy's Southland Windfarm (draft sent to your office 3 December).</p>		

Confidential advice to Government

Upcoming Ministerial Items

1. Upcoming Energy meetings

None this week

2. Upcoming Briefings, Aides Memoires and Cabinet Papers

To be publically released shortly

3. Written Parliamentary Questions

Due to Minister	Number	Member	Question
17 December 2025	57897	Francisco Hernandez	What are the holiday shut down dates, if any, for the Minister's departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, during the 2025-26 holiday period?
17 December 2025	57902	Francisco Hernandez	How much has been spent on Chief Executive redundancy payments and payments in lieu of notice, if any, in the Minister's departments, agencies, crown entities and any other bodies that the Minister is responsible for, if any, since 27 November 2023, detailed by chief executive role, payment amount and period?
18 December 2025	58551	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 christmas, holiday, end of year, and any other types of celebratory functions or parties during November and December in 2022?
18 December 2025	58555	Francisco 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 on christmas, holiday, end of year, and any other types of celebratory functions or parties during November and December in 2025?
18 December 2025	58556	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 christmas, holiday, end of year, and any other types of celebratory functions or parties during November and December in 2021?
18 December 2025	58558	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 christmas, holiday, end of year, and any other types of celebratory functions or parties during November and December in 2023?
18 December 2025	58559	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

Due to Minister	Number	Member	Question
			christmas, holiday, end of year, and any other types of celebratory functions or parties during November and December in 2024?
18 December 2025	58560	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 christmas, holiday, end of year, and any other types of celebratory functions or parties during November and December in 2020?

4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
15 December 2025	SW25-355	Privacy of natural persons	Letter from Independent Electricity Generators Association
15 December 2025	SW25-356		Gas and electricity prices
15 December 2025	SW25-357		Biogas Opportunities
15 December 2025	SW25-358		Solar users
15 December 2025	SW25-363		Southland Wind Farm
16 December 2025	SW25-359		Northland power outages
16 December 2025	SW25-360		Letter from University of Canterbury
16 December 2025	SW25-361		Improving efficiency, investment capacity, and customer outcomes across Trust owned EDBs
16 December 2025	SW25-366		Open Letter: LNG Import Terminal
16 December 2025	SW25-367		Letter from Rewiring Aotearoa
16 December 2025	SW25-368		Solar Power pricing
14 January 2026	SW25-362		Restoring Independent Consumer Representation in Electricity Regulation
14 January 2026	SW25-364		EV
19 January 2026	SW25-365		Solar buy back prices
19 January 2026	SW25-369		Line charges
19 January 2026	SW25-370		Emergency electricity shortfall
19 January 2026	SW25-371		Creation of Freehold Electricity Generation Titles
19 January 2026	SW25-372	Fossil fuels	

5. Overview of Energy Package Programme

Confidential advice to Government



Energy Portfolio Weekly Report

Week commencing:	20/01/2026	Priority:	Medium
Security classification:	In Confidence	Tracking number:	BRIEFING-REQ-0026041

Recipient	Action sought
HON SIMON WATTS MINISTER FOR ENERGY	Note the contents of this report

Rebecca Heerdegen
Acting General Manager
Energy Markets Branch

Ministry of Business, Innovation and Employment

Privacy of natural persons

16 January 2026

Minister's comments:

Energy Package tracker (MBIE)

Action and outcome	Updates	Upcoming milestones
WORKSTREAM ONE: Invest in Energy Security		
1.1 Liquefied Natural Gas (LNG Import Facility)	<h1>Commercial Information</h1>	
1.2 Mixed Ownership Model Investment <i>Treasury led</i>	<i>No change:</i> Ministers of Finance and SOEs have written to MOMs. The Treasury will advise as and when MOMs provide proposals. We will advise you outside of the weekly brief of any developments, due to commercial sensitivities.	On track Monitoring
1.3 Leverage All of Government (AoG) Demand	On 18 December 2025 you and the Minister for Economic Growth received advice on options to support energy projects by leveraging Govt energy demand (Briefing REQ00024186 refers).	On track <small>Confidential advice to Government</small>
1.4 Supercharge Renewable Energy	<p>Offshore Renewable Energy: Confidential advice to Government Confidential advice to Government</p> <p>We are continuing to work on the amendment paper, secondary legislation, round notice and implementation planning so the first round can be opened shortly after the Bill passes.</p> <p>We are running targeted consultation with offshore wind and seabed mining developers to test how the changes to the legislation can work in practice.</p> <p>Once we have more clarity on when the Bill is likely to pass, we will update you on timeframes for the regime as a whole.</p>	Delayed The timing of next steps is contingent on the timeframes to amend and finalise the Bill
	<p>Implementing Electrify NZ (RMA work is MFE-led): The updated National Policy Statements for Renewable Electricity Generation and Electricity Networks came in to force on 15 January 2026.</p> <p>Confidential advice to Government</p> <p>The Resource Management (Consenting and Other System Changes) Amendment Bill has now entered into law. This Bill implemented some Electrify NZ proposals including one-year consent decisions for energy projects, and default 35-year consent durations.</p> <p>The RMA replacement legislation has been introduced to Parliament.</p>	On track

<p>2.1 Policy Uncertainty</p>	<p>Confidential advice to Government</p>	
<p>2.2 Strengthening the Electricity Authority</p>	<p>Confidential advice to Government</p>	
<p>2.3 Electricity Market Transparency & Efficiency</p> <p><i>EA led, includes:</i></p> <p><i>EA's work to improve hedge market liquidity via market making, and Energy Competition Task Force workstreams Package 1, and 2D</i></p>	<p>Market-making requirements (including Task Force 1B Standardised flexibility contracts)</p> <p>On 18 November 2025, the EA released a consultation paper on proposed changes to market making requirements. The paper's proposals include:</p> <ul style="list-style-type: none"> introducing market making requirements for the standardised super-peak contract (this is the next step for Task Force 1B) extending longer dated futures on ASX from three to five years reducing total ASX baseload offer volumes from 12MW to 10MW. <p>Consultation closed on 23 December 2025 the EA is now reviewing submissions. Subject to feedback, the EA aims to have the amended Code and market making of the super-peak product in place by mid-2026, and the new ASX contracts trading by early 2027.</p> <hr/> <p>1C+D level playing field measures</p> <p>On 14 October 2025 the EA released a consultation paper for the draft Code amendments to implement its 'in principle' non-discrimination obligations.</p> <p>Consultation closed on the 2 December 2025. The EA is working through stakeholder views which will inform next steps and will publish submissions shortly.</p> <p>Subject to consultation, the EA aims to have the amended Code in place in early 2026 with the obligations commencing on 1 July 2026.</p>	<p>On track</p>

	<p>2D Better compensating industrial flexibility (demand response)</p> <p>On 13 January 2026 the EA announced its decision to proceed with an industrial flexibility Emergency Reserve Scheme. Transpower (as System Operator) will work with industry to develop and implement the scheme which should be in place towards the end of 2026.</p>	
	<p>Task Force 2.0 - 2026 work programme</p> <p>The EA published an open letter in December 2025 seeking feedback on options for the scope of a Task Force 2.0 work programme 2026. We await the sector's feedback.</p>	
<p>2.4 Gas Market Transparency</p>	<p>More timely annual reserves and forecast information</p> <p><i>No change:</i> On Monday 17 November 2025 Cabinet approved the proposal to bring forward the due date for Annual Summary Reporting from 31 March to 1 March, starting in 2026.</p> <p>Additional gas market information</p> <p>Consultation feedback closed in November 2025 on the additional information that could be requested and made available to the market. The feedback from submissions was broadly split into two groups. Gas users submitted that more information is needed by participants to plan their investments – particularly a more granular view of the forward projections of gas production. Gas producers submitted that much of the data discussed is already available and that additional information is commercially sensitive.</p> <p>We engaged with parts of the gas sector, including the Major Gas Users Group, to discuss what additional gas market information would most improve gas market transparency. In addition, we held a workshop with upstream producers in December to discuss their feedback. We are holding a further workshop with gas producers on 30 January 2026 to seek more detailed information from them about the impacts of providing additional gas market information.</p>	<p>On track</p> <p>Confidential advice to Government</p>
<p>2.5 Dry Year Regulatory Framework</p>	<p>Confidential advice to Government</p>	
<p>2.6 Electricity Distribution Business Efficiency</p>	<p>Standardisation and collaboration</p> <p><i>No change:</i> We have contracted Asset Dynamics to provide independent recommendations to improve EDB standardisation and collaboration. Asset Dynamics has started stakeholder engagement and is meeting with regulators and a range of EDBs over the next 3 months. MBIE officials are joining these meetings. Asset Dynamics will also review the responses from EDBs to your letter of expectations sent in October.</p> <p>Confidential advice to Government</p>	<p>On track</p> <p>Letter to EDBs sent on October 6. Response to you due by end of January 2026.</p> <p>EA Code changes come</p>

Confidential advice to Government

into effect over various dates from April 2026.

Relevant work at the Electricity Authority (EA)

The EA has confirmed several code changes to improve distribution network processes and pricing that will come into effect in 2026 and 2027. These changes introduce greater transparency around connection pipelines and network capacity, standardised connection processes, a requirement to offer the least-cost technical solution, rebates for first movers, published rates for capacity costs, and detailed breakdowns of quotes.

The EA is also consulting on further measures, including limiting the extent to which EDBs can rely on capital contributions and introducing an obligation for distributors to connect all applications that meet specified criteria.

Confidential advice to Government

Other portfolio priorities tracker (MBIE)

Action and outcome	Updates	Upcoming milestones
Additional Gas Work		
Alternative Fuel/Energy	<p>Biogas</p> <p>EECA’s biogas work programme, focused on mapping feedstock for investment, is finalising its procurement phase. EECA’s Request for Proposals (RfP) for organic feedstock analysis closed at the end of November, with nine eligible applications received. Proposals were evaluated in December, and one supplier has been selected to deliver work in the Hawke’s Bay, Taranaki and Auckland regions. Next steps include a project briefing and an initiation meeting with the supplier and developing biogas content for publication on the EECA website.</p>	On track
	<p>Hydrogen Regulations</p> <p>You approved the proactive release of the Cabinet paper that sets out policy decisions on changes to health and safety regulations to enable hydrogen. We are now awaiting the Minister for Workplace Relations and Safety’s approval for expected release by 16 February 2026. We will also soon seek your agreement to proactively release the Summary of Submissions and consultation document.</p> <p>We are working with the Workplace Relations and Safety officials on drafting instructions to PCO. We will provide an updated timeline for finalising the regulations once we have been advised by PCO.</p>	On track Proactive release and drafting amendment regulations
Market Impacts and Gas Users Sector, regional impacts and other gas user work	In 2025 MBIE contracted Sense Partners to complete a study into the impact of declining gas supply on the New Zealand economy, with an aim to understand sectoral, regional, and national economic impacts of gas price increases. We will provide a briefing with this report to you before the end of January.	On track
Gas Networks Default Price-Quality Path (DPP4)	<p><i>No change:</i> On Thursday 27 November the Commerce Commission released its draft decision on revenue limits and quality standards for regulated pipeline businesses. The decision will cover the five-year period from 1 October 2026 to 30 September 2031.</p> <p>The draft decision provides moderate increases to Gas Pipeline Businesses’ (GPBs’) revenue limits. The estimated average impact of the draft decision on residential bills, excluding inflation, is a price increase of less than 2% spread over two years. However, on Vector’s Auckland network, the estimated average bill increase, excluding inflation, is about 7% spread over the first two years of the period. Vector has relatively low distribution charges having limited its expenditure, so has less room to offset increases in depreciation with reductions in spending elsewhere.</p> <p>Submissions on the draft decision are due by 22 January 2026, with cross-submissions due 12 February 2026.</p> <p>The final decision is required by the end of May 2026 and will take effect on 1 October 2026.</p>	On track

Confidential advice to Government

Consumer-Focused Regulation

Consumer Data Right for Electricity

Deliver a CDR for the electricity sector

Cabinet agreed to designate the electricity retail sector late last year. On 11 January you 2026 and Minister Simpson issued a press release announcing Cabinet’s decision.

The next step is to develop regulations that deliver on Cabinet’s decision to designate the electricity retail sector. Officials expect this will take up to 6 months, with LEG making decisions around June. We will engage with you on this process in the coming months.

On track

Regulations developed by June 2026

Other priorities

Confidential advice to Government

New Zealand Energy Efficiency and Conservation Strategy (NZECS)

Develop a refreshed strategy.

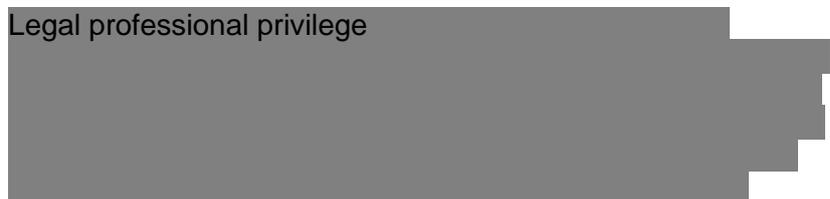
In December 2025, we provided you with a briefing including a draft NZECS consultation document for your consideration. You agreed for officials to start targeted engagement on the NZECS draft as per the legislative requirements. Online engagement meetings have been set up with relevant energy, industry and Iwi stakeholders for late January 2026.

On track

Targeted engagement is scheduled for late January

Electricity (Hazards from Trees) Regulations

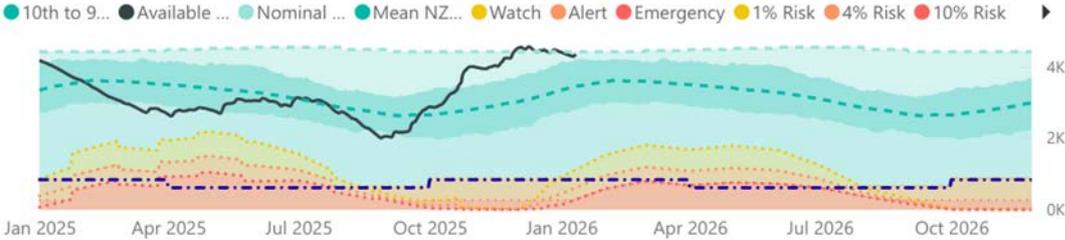
On 17 December 2025, you agreed to the release of the exposure draft for ‘Phase 2’ amendments to the Electricity (Hazards from Trees) Regulations 2003 for targeted consultation.

Legal professional privilege


Delayed

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	<p>Legal professional privilege</p> <p>[Redacted]</p> <p>In the meantime, PCO is continuing work on the draft regulations, and we expect they will be ready for release once legal approval is obtained.</p>		<p>Confidential advice to Government</p> <p>[Redacted]</p>
<p>Vehicle-to-Grid (V2G) Enablement</p>	<p>We are preparing a briefing to update you on progress with V2G work, including identifying barriers and stakeholder engagement. We are also conducting a site visit to learn more about V2G capability.</p> <p>We have provided your office a letter from you to BYD requesting confirmation that participation in EECA’s Queenstown V2G trial will not void warranties for a limited number of vehicles, which is awaiting dispatch.</p>		<p>On Track</p>

Title	Comment															
<p>Electricity security of supply report</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>ELECTRICITY CAPACITY (for the week to Sunday 11 January 2026)</p> <p>Residuals were relatively healthy last week (all above 1000 MW). The lowest residual point was 1039 MW on Thursday (8 January).</p> <p>The projected N-1-G margins in the NZGB forecast are healthy through to early March 2026:</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 11 January 2026)</p> <p>National hydro storage was at 129% of the historic mean last week and remains above the 90th percentile.</p> <table border="1" data-bbox="411 824 1339 996"> <thead> <tr> <th rowspan="2"></th> <th colspan="3">Hydro storage level (% of historic mean ▲/▼)</th> </tr> <tr> <th>New Zealand</th> <th>South Island</th> <th>North Island</th> </tr> </thead> <tbody> <tr> <td>Week ended 4 Jan</td> <td>128%</td> <td>126%</td> <td>141%</td> </tr> <tr> <td>Week ended 11 Jan</td> <td>129% ▲</td> <td>128% ▲</td> <td>144% ▲</td> </tr> </tbody> </table> <p>ELECTRICITY ('ENERGY') SUPPLY RISK (at 11 January 2026)</p> <p>New Zealand controlled energy storage is above average for this time of year.</p> <p>The black curve shows actual hydro storage, and the fields are risk curves:</p> <p>Dark blue (including dotted blue line) = average for this time of year; Yellow = Watch curve; Orange = alert curve; Dark orange = Emergency curve; Lowest hatched blue line = Available contingent storage.</p> <p>New Zealand Electricity Risk Status Curves (Available GWh)</p>  <p>Source: System Operator, Market Operations - Weekly Market Movements</p> <p>ERCs show a slight decrease in risk for most months in 2026 relative to November update. The December 2025 update of the Energy Security Outlook includes the effects of a hydro storage level as of 19 December, higher gas storage and production forecasts relative to the previous outlook, and three Huntly Rankine units (with Huntly Unit 2 on outage until the end of April).</p> <p>The Risk Meter is a dynamic reflection of the current Electricity Risk Status. The Risk Meter shows where current total storage is within these status bands and indicates how close the next status is to being triggered.</p>		Hydro storage level (% of historic mean ▲/▼)			New Zealand	South Island	North Island	Week ended 4 Jan	128%	126%	141%	Week ended 11 Jan	129% ▲	128% ▲	144% ▲
	Hydro storage level (% of historic mean ▲/▼)															
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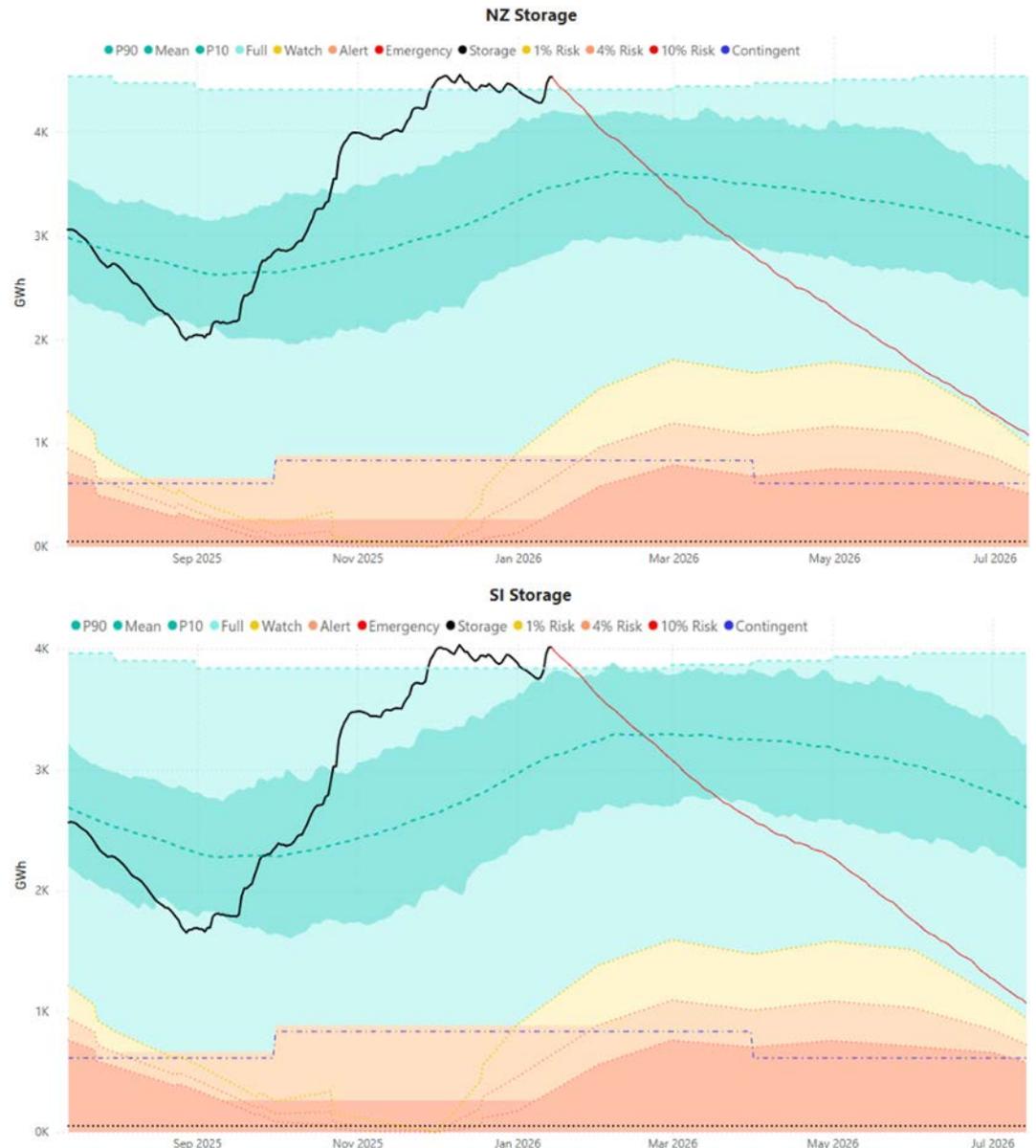
New Zealand Energy Risk

South Island Energy Risk



Normal Watch Alert Emergency

To show the number of days until the NZ system hits energy risk curves - if it does not rain - Transpower have extended actual hydro storage position (black line) along the worst-case stimulated storage trajectory (SST) (red line):



The ERCs shown were calculated using input data as of **12 December** (and published in the ESO on **19 December**). The worst-case SST line was calculated using historic inflow data starting from **12 January**.

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	N/A	N/A	N/A	N/A	N/A	N/A

This week the worst-case SST (the red line) does not cross the Alert curves through to July 2026, which would be necessary for generators to be able to access contingent storage.

Key electricity system indicators

Tamara Linnhoff

Privacy of natural persons

RENEWABLE GENERATION PERCENTAGE

Week ended 4 January 99%

Last 52 weeks 89%

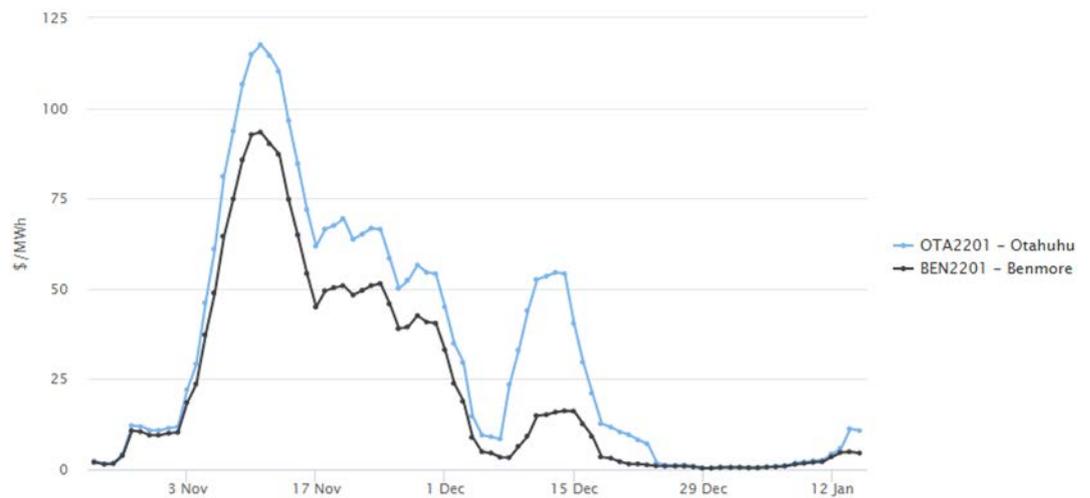
Source: System Operator, Market Operations – Weekly Market Movements

WEEKLY AVERAGE SPOT PRICES

	Otahuhu	Benmore
Week ended 11 Jan	\$2.54/MWh	\$2.11/MWh
Week ended 4 Jan	\$0.55/MWh	\$0.46/MWh

Source: EnergyLink – Energy Trendz Weekly

Seven-day rolling average spot prices (last 12 weeks)



Source: Electricity Authority – EMI

FORWARD PRICES

ASX Electricity Future Prices (as at last available 09 January 2026)

The chart shows the most recent transactions for all actively traded future contracts at Otahuhu & Benmore nodes. For comparison, these prices are mapped against the prices of the same contracts from four weeks prior.



Source: EnergyLink – Energy Trendz Weekly

Gas security of supply report

Dominic Kebbell

Privacy of natural persons

New Zealand begins the year with strong gas reserves and abundant hydro inflows. Ahuroa storage reached 6,474 TJ on 11 January, which if retained until the end of this month would be the highest January level in seven years. Increased production from McKee and Mangahewa fields and Todd Energy's new wells in the Managhewa field contributed to supply strength.

From Energy News: <https://www.energynews.co.nz/news/gas-storage/836783/gas-storage-high-futures-ease>

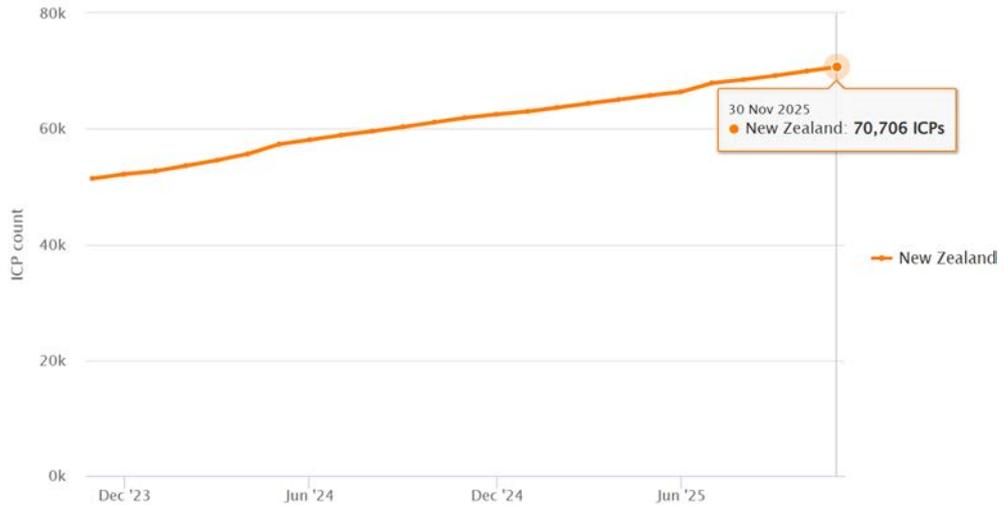
Title	Comment
<p>Transpower’s Connections Queue for Generation – improvements to increase project throughput</p> <p>Daniel Brown <small>Privacy of natural persons</small></p> <p>CY2025 run rate to start generation investigations (queue) up by ~80% on 2024. 54 investigation projects started, 23 projects moved to delivery in 2025 and 8 grid connections completed.</p> <p>Counting both generation and non-generation projects: Decrease of 29 projects in queue since January. Maximum wait time for new applications is 12 months.</p> <p>31 new applications received since January (and one cancelled and one merged).</p>	<p><u>Improving throughput:</u></p> <p>Implemented:</p> <ul style="list-style-type: none"> • Stage-gating within investigation phase. • Starting work elements earlier pre-investigation where resources are available (while they wait in queue). • Published ‘Guidelines for new connections’ document. • Connection status information published monthly on our webpage. Published short guide to SOSA (for RMA decision-makers) to highlight need to consent and build new renewable generation. • New CRM system live, working well. • Guidelines around customer led investigation and delivery completed and published. • Solution Proposals (preferred connection with acceptance and commercial terms) being used as needed. • Transpower are continuing to actively manage the pipeline: 21 projects are currently “on hold” while developers arrange their project financing and consenting; meanwhile we have re-started several projects previously put on hold. This enables them to focus resources on projects that are able to progress. • Right-sizing investigations to meet customer needs and risk appetite. • Standard equipment lists now including digital substation for standardised designs for greenfield substations. <p>Work continuing to investigate/implement:</p> <ul style="list-style-type: none"> • Targeted regional plans, identifying project sequencing and interdependencies to improve efficiency. • Prioritisation options within the queue, based on security of supply (including how soon generation can commence to meet forecast demand) and other measures – specifically including actively re-assessment of readiness of generation connections projects in the “queue” with a view to expediting projects that are ready to progress as early as possible. We plan to publish this in February. • Transpower are updating our grid connection guidelines, to manage issues we have had with very large projects connecting at 33kV, likely including an upper limit. • Transpower are on track to publish a new guide to requirements for the grid protection requirements for distributed energy resources (DERs) in February. This could well become the "go-to guide" for developers of smaller MW scale generation and storage projects connecting via EDBs. • Transpower are working on procuring long lead equipment for inventory to expedite customer projects. <p>Resourcing improvements:</p> <ul style="list-style-type: none"> • Continuing to work with engineering consultants (ECs) on utilisation, EC’s growing their resources and different work award mechanisms for larger and bundled projects. • Considering additional support for resource planning and portfolio optimisation.

Solar numbers update

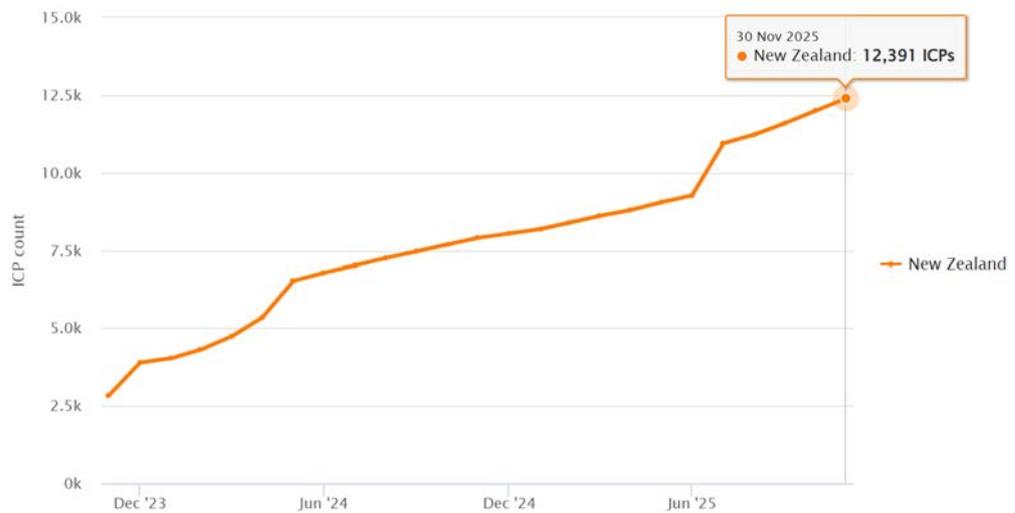
Peter Bartlett
Privacy of natural persons

The graphs below show the growth in residential rooftop solar systems (less than 10kW) installation numbers. These graphs were taken from the Electricity Authority’s public Electricity Market Information (EMI) website and are the latest figures available (up to 30 Nov 2025).

Residential solar (all) installations <10kW 1 Dec 2023 – 30 Nov 2025, ICP count



Residential solar with battery installations <10kW 1 Dec 2023 – 30 Nov 2025, ICP count



Monthly Oil and Gas production data

Amapola Generosa
Privacy of natural persons

We will be publishing the November 2025 update of our monthly oil and gas production data on Thursday 22 January. This shows that net production of natural gas in November 2025 was 8.42 PJ, down 2% on October 2025 levels (8.63 PJ) and down 8% on November 2024 net production (9.14 PJ). Downward trends in production from several fields (including Kapuni, Kupe, Pohokura, and Maui) have been partially offset by Mangahewa field, whose production has been increasing since August 2025 due to new wells.

Net production for the year-to-November totals 94.2 PJ. This is around 88% of expected production levels for the year based on MBIE's most recent reserves data.

We publish this data regularly, on the second Thursday of each month (this month is an exception). 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.

Stakeholder Updates

Title	Comment
<p>Yinson Renewables acquires development rights, and Genesis secures 70% of Mt Cass wind farm generation</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>Yinson Renewables (part of Malaysia-based Yinson Holdings Berhard) acquired development rights to the Mt Cass wind generation project from MainPower in December 2025. Under the connection agreement, MainPower will also upgrade and extend an existing line to 66kV.</p> <p>Genesis Energy has also signed a conditional 15-year PPA to purchase 70% of Mt Cass' output from the 96.4 MW project (around 300 GWh/year). The PPA starts in July 2028, with a fixed price for the first 10 years and a market reset for the final five. Construction will start early this year and will be operational in 2028.</p> <p>Genesis also holds PPA for output from Mercury's 73 MW Kaiwaikawe wind farm (under construction in Northland) and has 63 MW off-take contract from Contact Energy's 174 MW Tauhara geothermal plant (commissioned last year). Genesis's broader wind pipeline includes the 300 MW Castle Hill wind farm (consented) and about 200 MW of early-stage projects.</p>
<p>Transpower has submitted the final draft SOSFIP amendments for the EA approval</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>Transpower has lodged its final draft amendments to the Security of Supply Forecasting and Information Policy (SOSFIP) with the EA, with the aim that this is considered and approved by the EA at its February board meeting. The package includes:</p> <ul style="list-style-type: none"> • Contingent storage buffers – Maintains current contingent storage access with targeted changes, including small increase for Waiau and retention of system-wide buffers. • Forecasting & risk tools – Improves forecasting and alert processes to give clearer risk signals and more timely information for market participants. • System risk & scenarios – Expands risk considerations beyond fuel supply disruptions and adds a new scenario for thermal fuel limits.
<p>Info on smart meter data</p> <p>Peter Bartlett <small>Privacy of natural persons</small></p>	<p>Last year, you asked officials follow-up questions on a ministerial correspondence [SW25-340] related to EDBs' purchasing of smart meter data. You wanted further detail on how data sharing works and whether the EA review on the cost of power-quality data needs to be updated.</p> <p>Over 90 per cent of households have smart meters that measure half hourly consumption data. Meter Equipment Providers (MEPs, such as Bluecurrent) own the smart meters. The half-hourly consumption data is shared with the electricity retailer to enable billing.</p> <p>The MEP also owns any associated power-quality data collected. Collecting power quality data is additional to the half hourly consumption data, and there are additional costs for the MEPs to do this. EDBs want access to power-quality data in order make better decisions around network investments, and responding to faults and capacity issues.</p> <p>EDBs can purchase this data from MEPs, and many have already done so, but others have raised concerns around the cost of this data.</p> <p>The Electricity Authority undertook a review in 2024/25 and determined there were no concerns with the fairness or cost of power quality data, and there are a range of different contracts and services available to meet network's needs. The EA intends to repeat the review in four-five years once the market for power quality data has matured, to ensure pricing remains reasonable. The EA also notes that smart meters are only one source of data, and can have some limitations for use in network management. There are other solutions available for distributors to monitor and gather network operating data.</p> <p>The EA also consulted in October last year on improving the visibility of networks, which would support access-seekers wanting to connect (such as charge point operators). EDBs need good power-quality data to provide visibility of their networks to others, so decisions around visibility may influence EDBs to purchase data. The EA are currently considering submissions on the consultation, which noted the previous review into the cost of data, and that existing smart metering is only one solution for network operating data. The results of that consultation will form the basis of a formal Code amendment consultation, likely to be published in quarter 2, 2026.</p>

Power quality data was also raised by submitters to be included as designated data in the electricity sector consumer data right. After considering submissions, it was ultimately not included at this stage of the designation due to:

- misalignment with the Customer and Product Data Act 2025 purposes,
- commercial availability of access, and
- other more appropriate mechanisms available to support network access e.g., the EA's code.

Confidential advice to Government

Confidential advice to Government

**Smart EV Charging
Cabinet Paper**

Scott Russell

Privacy of natural persons

On 11 December 2025 we provided you with a draft Cabinet paper which seeks policy decisions to progress regulation of smart EV chargers (REQ-0024710 refers).

We have now received comments from agency consultation and an MBIE legal review and are finalising the Cabinet Paper.

As outlined in our December briefing, we propose to target ECO on 11 February. This will require Ministerial consultation to be undertaken over the period 26 January to 2 February ahead of lodgement on 5 February. We will provide you with a finalised copy of the Cabinet paper ahead of this date.

Current appointments

Confidential advice to Government

Upcoming Ministerial Items

1. Upcoming Energy meetings

None this week.

2. Upcoming Briefings, Aides Memoires and Cabinet Papers

To be publically released shortly

3. Written Parliamentary Questions

None this week.

4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
14 January 2026	SW25-364	Privacy of natural persons	EVs and electricity prices
14 January 2026	SW25-365		Solar buy back prices
20 January 2026	SW25-362		Restoring Independent Consumer Representation in Electricity Regulation
20 January 2026	SW25-369		Line charges
20 January 2026	SW25-370		Emergency electricity shortfall
20 January 2026	SW25-371		Creation of Freehold Electricity Generation Titles
20 January 2026	SW25-372		Fossil fuels
20 January 2026	SW25-373		Contract electricity prices

20 January 2026	SW25-374	Privacy of natural persons	Biomass energy
20 January 2026	SW25-375		EV chargers
21 January 2026	SW25-376		Solar panels
21 January 2026	SW25-378		Solar panels
21 January 2026	SW25-380		Electricity price changes
28 January 2026	SW25-381		Fair pricing
28 January 2026	SW25-382		Windfarms
28 January 2026	SW25-383		Globug power prices
28 January 2026	SW25-384		Whenuapai and Invercargill data centre
28 January 2026	SW25-385		Solar panels
29 January 2026	SW25-387		Nuclear Programme
29 January 2026	SW25-388		Electricity costs
29 January 2026	SW26-1		Energy insecurity in NZ



Energy Portfolio Weekly Report

Week commencing:	26/01/2025	Priority:	Medium
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Security classification:	In Confidence	Tracking number:	BRIEFING-REQ-0026278
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Recipient	Action sought
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HON SIMON WATTS MINISTER FOR ENERGY	Note the contents of this report
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Justine Cannon
General Manager
Energy Markets Branch
Ministry of Business, Innovation and Employment

Privacy of natural persons

23 January 2026

Minister's comments:

Energy Portfolio
Officials' Meeting Agenda
3:30 pm – 4:15 pm Wednesday 28 January 2026

Item	Subject	People	Oral Item / Paper #	Action Required
1.	Confidential advice to Government			
2.	2.5 Dry Year Regulatory Framework	Tamara Linnhoff John McCabe	Oral	To update you on direction of this workstream in advance of stakeholder engagement
3.	Weekly Report & Work Programme	Minister	Oral	Discussion
4.	Any other business	All	Oral	Discussion

Ministry of Business, Innovation & Employment officials attending:

Name	Position
Nic Blakely	Secretary for Economic Growth and Chief Executive
Paul Stocks	Deputy Secretary, Building, Resources and Markets
Justine Cannon	General Manager, Energy Markets
Sharon Corbett	Policy Director, Energy Markets
Rebecca Heerdegen	Policy Director, Energy Markets
Peter Bartlett	Director, Innovation and International
Tamara Linnhoff	Manager, Electricity Markets Policy
John McCabe	John McCabe, Team leader, Electricity Markets Policy

Energy Package tracker (MBIE)

Action and outcome	Updates	Upcoming milestones
WORKSTREAM ONE: Invest in Energy Security		
1.1 Liquefied Natural Gas (LNG Import Facility)	<h1>Commercial Information</h1>	
1.2 Mixed Ownership Model Investment <i>Treasury led</i>	<i>No change:</i> Ministers of Finance and SOEs have written to MOMs. The Treasury will advise as and when MOMs provide proposals. We will advise you outside of the weekly brief of any developments, due to commercial sensitivities.	On track Monitoring
1.3 Leverage All of Government (AoG) Demand	On 18 December 2025 you and the Minister for Economic Growth received advice on options to support energy projects by leveraging Government energy demand (Briefing REQ00024186 refers). Minister Willis has now agreed to the recommendations in our December 2025 advice.	On track
1.4 Supercharge Renewable Energy	<p>Offshore Renewable Energy:</p> <p>Confidential advice to Government</p> <p>Confidential advice to Government</p> <p>We are continuing to work on the round notice and implementation planning so the first round can be opened shortly after the Bill passes. You will need to decide where to invite applications in the first round and, jointly with the Minister for Resources, where to restrict seabed mining activities (through the new power in the AP).</p> <p>Confidential advice to Government</p>	Delayed We are working with PCO to finalising the amendment paper so that the Bill can be passed in Q1 2026.
	<p>Implementing Electrify NZ (RMA work is MFE-led):</p> <p>The updated National Policy Statements for Renewable Electricity Generation and Electricity Networks came into force on 15 January 2026.</p> <p>The next tranche of RMA national direction changes – including the National Environmental Standards for Electricity Networks – are being drafted by PCO, Confidential advice to Government</p> <p>The Resource Management (Consenting and Other System Changes) Amendment Bill has now entered into law. This Bill implemented some Electrify NZ proposals including one-year consent decisions for energy projects, and default 35-year consent durations.</p> <p>The RMA replacement legislation has been introduced to Parliament.</p>	On track

<p>2.1 Policy Uncertainty</p>	<p>Confidential advice to Government</p>	
<p>2.2 Strengthening the Electricity Authority</p>	<p>Confidential advice to Government</p>	
<p>2.3 Electricity Market Transparency & Efficiency</p> <p><i>EA led, includes:</i></p> <p><i>EA's work to improve hedge market liquidity via market making, and Energy Competition Task Force workstreams Package 1 and 2D</i></p>	<p>Market-making requirements (including Task Force 1B Standardised flexibility contracts)</p> <p>On 18 November 2025, the EA released a consultation paper on proposed changes to market making requirements. The paper's proposals include:</p> <ul style="list-style-type: none"> introducing market making requirements for the standardised super-peak contract (this is the next step for Task Force 1B) extending longer dated futures on ASX from three to five years reducing total ASX baseload offer volumes from 12MW to 10MW. <p>Consultation closed on 23 December 2025 the EA is now reviewing submissions. Subject to feedback, the EA aims to have the amended Code and market making of the super-peak product in place by Q2 2026, and the new ASX contracts trading by early 2027.</p> <hr/> <p>1C+D level playing field measures</p> <p>On 14 October 2025 the EA released a consultation paper for the draft Code amendments to implement its 'in principle' non-discrimination obligations.</p> <p>Consultation closed on the 2 December 2025. The EA is working through stakeholder views which will inform next steps and will publish submissions shortly.</p> <p>Subject to consultation, the EA aims to have the amended Code in place in Q2 2026 with the obligations commencing on 1 July 2026.</p>	<p>On track</p>

	<p>2D Better compensating industrial flexibility (demand response)</p> <p>On 13 January 2026 the EA announced its decision to proceed with an industrial flexibility Emergency Reserve Scheme. Code amendments to facilitate the ERS have been published. Transpower (as System Operator) will now work with industry to develop and implement the scheme which should be in place towards the end of 2026.</p> <p>The EA has formed a new advisory group – the Standardised Demand Flexibility Product Group – to advise on future demand response options. Its first meeting will be in February.</p>	
	<p>Task Force 2.0 - 2026 work programme</p> <p>Planning is underway for the next areas of focus for the Task Force. The EA and Commerce Commission are reviewing feedback from December’s open letter to stakeholders proposing topics to potentially include.</p>	
<p>2.4 Gas Market Transparency</p>	<p>More timely annual reserves and forecast information</p> <p>On Monday 17 November 2025 Cabinet approved the proposal to bring forward the due date for Annual Summary Reporting from 31 March to 1 March, starting in 2026. Commercial Information</p> <p>[Redacted]</p> <p>We are working to provide you and the Minister for Resources an update estimated time for publication.</p> <p>Additional gas market information</p> <p><i>No change:</i> Consultation feedback closed in November 2025 on the additional information that could be requested and made available to the market. The feedback from submissions was broadly split into two groups. Gas users submitted that more information is needed by participants to plan their investments – particularly a more granular view of the forward projections of gas production. Gas producers submitted that much of the data discussed is already available and that additional information is commercially sensitive.</p> <p>We engaged with parts of the gas sector, including the Major Gas Users Group, to discuss what additional gas market information would most improve gas market transparency. In addition, we held a workshop with upstream producers in December to discuss their feedback. We are holding a further workshop with gas producers on 30 January 2026 to seek detailed information on the impacts of providing additional gas market information.</p>	<p>On track</p> <p>Confidential advice to Government</p> <p>[Redacted]</p>
<p>2.5 Dry Year Regulatory Framework</p>	<p>Confidential advice to Government</p> <p>[Redacted]</p>	

<p>2.6 Electricity Distribution Business Efficiency</p>	<p>Standardisation and collaboration</p> <p><i>No change:</i> We have contracted Asset Dynamics to provide independent recommendations to improve EDB standardisation and collaboration. Asset Dynamics has started stakeholder engagement and is meeting with regulators and a range of EDBs over the next 3 months. MBIE officials are joining these meetings. Asset Dynamics will also review the responses from EDBs to your letter of expectations sent in October.</p> <p>Confidential advice to Government</p> <p>Relevant work at the Electricity Authority (EA)</p> <p>The EA has confirmed several code changes to improve distribution network processes and pricing that will come into effect in 2026 and 2027. These changes introduce greater transparency around connection pipelines and network capacity, standardised connection processes, a requirement to offer the least-cost technical solution, rebates for first movers, published rates for capacity costs, and detailed breakdowns of quotes.</p> <p>The EA is also consulting on further measures, including limiting the extent to which EDBs can rely on capital contributions and introducing an obligation for distributors to connect all applications that meet specified criteria.</p>	<p>On track</p> <p>Letter to EDBs sent on October 6. Response to you due by end of January 2026.</p> <p><small>Confidential advice to Government</small></p> <p>EA Code changes come into effect over various dates from April 2026.</p>
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Confidential advice to Government

Other portfolio priorities tracker (MBIE)

Action and outcome	Updates	Upcoming milestones
Additional Gas Work		
Alternative Fuel/Energy	<p>Biogas</p> <p><i>No change:</i> EECA’s biogas work programme, focused on mapping feedstock for investment, is finalising its procurement phase. EECA’s Request for Proposals (RfP) for organic feedstock analysis closed at the end of November, with nine eligible applications received. Proposals were evaluated in December, and one supplier has been selected to deliver work in the Hawke’s Bay, Taranaki and Auckland regions. Next steps include a project briefing and an initiation meeting with the supplier and developing biogas content for publication on the EECA website.</p>	On track
	<p>Hydrogen Regulations</p> <p><i>No change:</i> You approved the proactive release of the Cabinet paper that sets out policy decisions on changes to health and safety regulations to enable hydrogen. We are now awaiting the Minister for Workplace Relations and Safety’s approval for expected release by 16 February 2026. We will also soon seek your agreement to proactively release the Summary of Submissions and consultation document.</p> <p>We are working with the Workplace Relations and Safety officials on drafting instructions to PCO. We will provide an updated timeline for finalising the regulations once we have been advised by PCO.</p>	On track Proactive release and drafting amendment regulations
Market Impacts and Gas Users Sector, regional impacts and other gas user work	<p><i>No change:</i> In 2025 MBIE contracted Sense Partners to complete a study into the impact of declining gas supply on the New Zealand economy, with an aim to understand sectoral, regional, and national economic impacts of gas price increases. We will provide a briefing with this report to you before the end of January.</p>	On track
Gas Networks Default Price-Quality Path (DPP4)	<p><i>No change:</i> On Thursday 27 November the Commerce Commission released its draft decision on revenue limits and quality standards for regulated pipeline businesses. The decision will cover the five-year period from 1 October 2026 to 30 September 2031.</p> <p>The draft decision provides moderate increases to Gas Pipeline Businesses’ (GPBs’) revenue limits. The estimated average impact of the draft decision on residential bills, excluding inflation, is a price increase of less than 2% spread over two years. However, on Vector’s Auckland network, the estimated average bill increase, excluding inflation, is about 7% spread over the first two years of the period. Vector has relatively low distribution charges having limited its expenditure, so has less room to offset increases in depreciation with reductions in spending elsewhere.</p> <p>Submissions on the draft decision are due by 22 January 2026, with cross-submissions due 12 February 2026. The final decision is required by the end of May 2026 and will take effect on 1 October 2026.</p>	On track

Confidential advice to Government

Consumer-Focused Regulation

<p>Consumer Data Right for Electricity Deliver a CDR for the electricity sector</p>	<p><i>No change:</i> Cabinet agreed to designate the electricity retail sector late last year. On 11 January you 2026 and Minister Simpson issued a press release announcing Cabinet’s decision.</p> <p>The next step is to develop regulations that deliver on Cabinet’s decision to designate the electricity retail sector. Officials expect this will take up to 6 months, with LEG making decisions around June. We will engage with you on this process in the coming months.</p>	<p style="color: green;">On track</p> <p>Regulations developed by June 2026</p>
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Other priorities

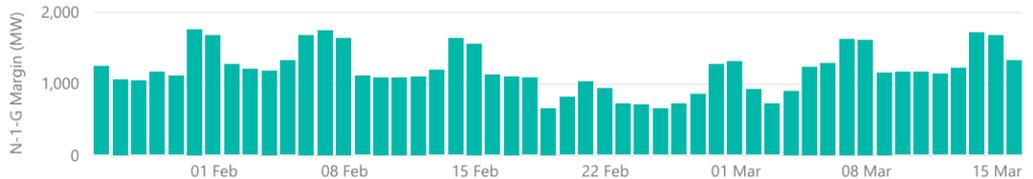
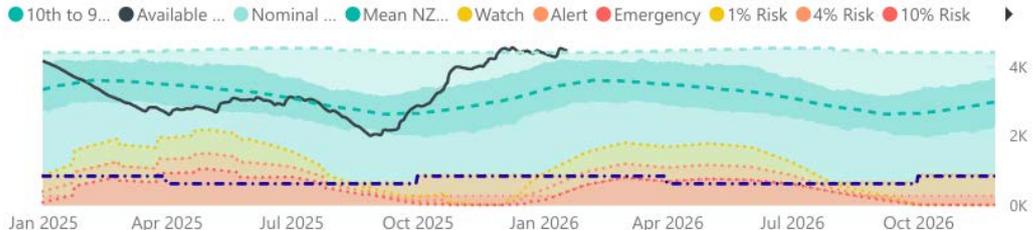
Confidential advice to Government

<p>New Zealand Energy Efficiency and Conservation Strategy (NZECS) Develop a refreshed strategy.</p>	<p><i>No change:</i> In December 2025, we provided you with a briefing including a draft NZECS consultation document for your consideration. You agreed for officials to start targeted engagement on the NZECS draft as per the legislative requirements. Online engagement meetings have been set up with relevant energy, industry and Iwi stakeholders for late January 2026.</p>	<p style="color: green;">On track</p> <p>Targeted engagement is scheduled for late January</p>
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<p>Electricity (Hazards from Trees) Regulations</p>	<p>On 17 December 2025, you agreed to the release of the exposure draft for ‘Phase 2’ amendments to the Electricity (Hazards from Trees) Regulations 2003 for targeted consultation.</p> <p>Legal professional privilege</p> <div style="background-color: #cccccc; height: 100px; width: 100%;"></div> <p>This extra step shifts timelines by approximately 3 weeks, so consultation is now timetabled to begin the week of 2 February</p>	<p style="color: orange;">Delayed</p> <p>Confidential advice to Government</p> <div style="background-color: #cccccc; height: 150px; width: 100%;"></div>
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Confidential advice to Government

Vehicle-to-Grid (V2G) Enablement	<i>No change:</i> We are preparing a briefing to update you on progress with V2G work, including identifying barriers and stakeholder engagement. We have provided your office a letter from you to BYD requesting confirmation that participation in EECA’s Queenstown V2G trial will not void warranties, which is awaiting dispatch.	 On Track
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Title	Comment															
<p>Electricity security of supply report</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>ELECTRICITY CAPACITY (for the week to Sunday 18 January 2026)</p> <p>Residuals were relatively healthy last week (all above 750 MW). The lowest residual point was 761 MW on Wednesday (14 January).</p> <p>The projected N-1-G margins in the NZGB forecast are healthy through to early March 2026:</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 18 January 2026)</p> <p>National hydro storage was at 127% of the historic mean last week and remains above the 90th percentile and just above the nominal full level.</p> <table border="1" data-bbox="448 853 1481 1016"> <thead> <tr> <th rowspan="2"></th> <th colspan="3">Hydro storage level (% of historic mean ▲/▼)</th> </tr> <tr> <th>National</th> <th>South Island</th> <th>North Island</th> </tr> </thead> <tbody> <tr> <td>Week ended 11 Jan</td> <td>129%</td> <td>128%</td> <td>144%</td> </tr> <tr> <td>Week ended 18 Jan</td> <td>127% ▼</td> <td>125% ▼</td> <td>149% ▲</td> </tr> </tbody> </table> <p>ELECTRICITY ('ENERGY') SUPPLY RISK (at 18 January 2026)</p> <p>New Zealand controlled energy storage is above average for this time of year.</p> <p>The black curve shows actual hydro storage, and the fields are risk curves:</p> <ul style="list-style-type: none"> Dark blue (including dotted blue line) = average for this time of year; Yellow = Watch curve; Orange = alert curve; Dark orange = Emergency curve; Lowest hatched blue line = Available contingent storage. <p>New Zealand Electricity Risk Status Curves (Available GWh)</p>  <p>Source: System Operator, Market Operations - Weekly Market Movements</p> <p>ERCs show a slight decrease in risk for most months in 2026 relative to November update. The December 2025 update of the Energy Security Outlook includes the effects of hydro storage level as of 19 December, higher gas storage and production forecasts relative to the previous outlook, and three Huntly Rankine Units (with Huntly Unit 2 on outage until the end of April).</p> <p>The Risk Meter is a dynamic reflection of the current Electricity Risk Status. The Risk Meter shows where current total storage is within these status bands and indicates how close the next status is to being triggered.</p>		Hydro storage level (% of historic mean ▲/▼)			National	South Island	North Island	Week ended 11 Jan	129%	128%	144%	Week ended 18 Jan	127% ▼	125% ▼	149% ▲
	Hydro storage level (% of historic mean ▲/▼)															
	National	South Island	North Island													
Week ended 11 Jan	129%	128%	144%													
Week ended 18 Jan	127% ▼	125% ▼	149% ▲													

New Zealand Energy Risk

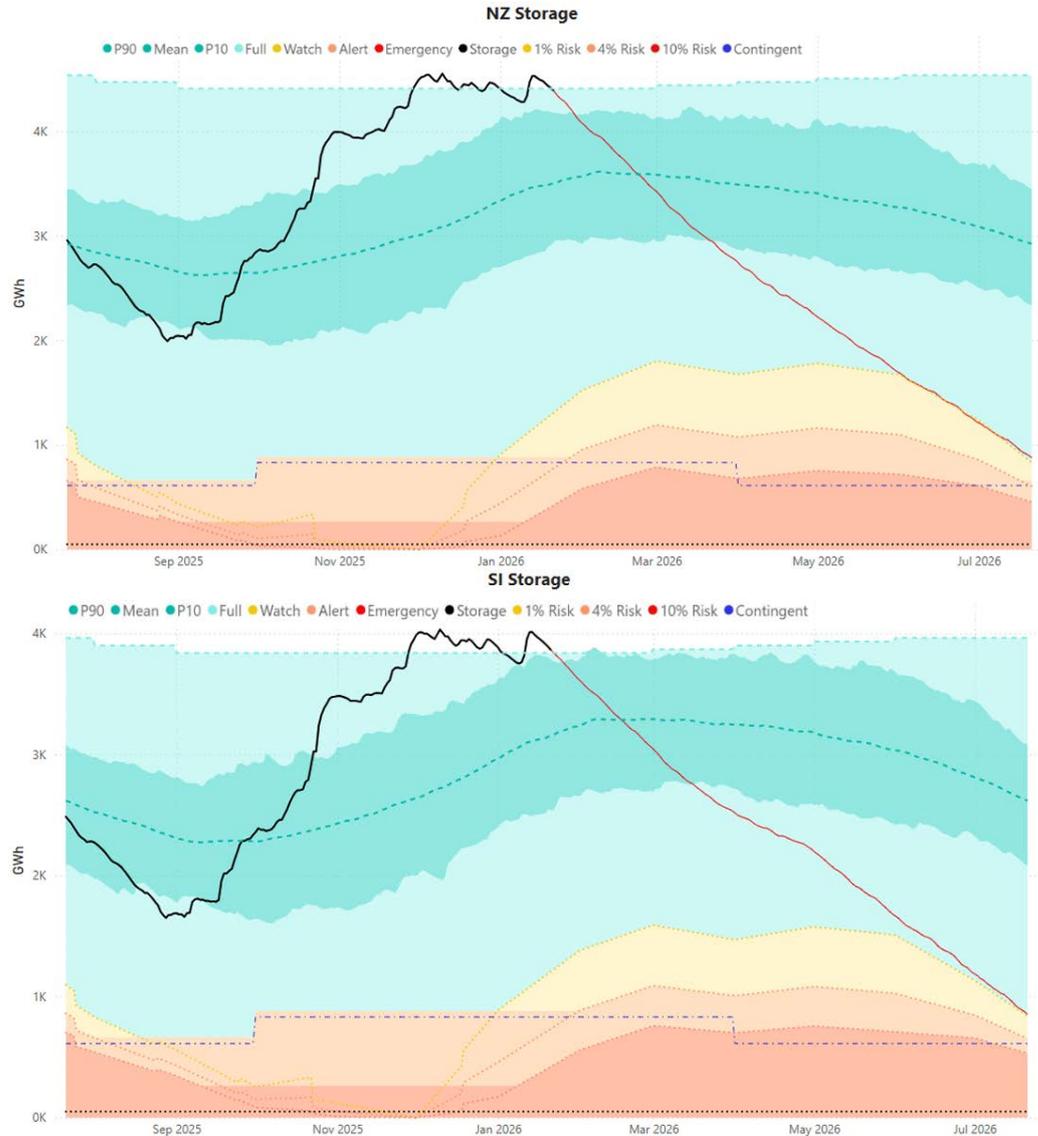


South Island Energy Risk



Normal Watch Alert Emergency

To show the number of days until the NZ system hits energy risk curves - if it does not rain - Transpower have extended the actual hydro storage position (black line) along the worst-case stimulated storage trajectory (SST) (red line):



The ERCs shown were calculated using input data as of **12 December** (and published in the ESO on **19 December**). The worst-case SST line was calculated using historic inflow data starting from **20 January**.

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	5/06/2026	135	N/A	N/A	N/A	N/A
SI	N/A	N/A	N/A	N/A	N/A	N/A

This week the worst-case SST (the red line) does not cross national or South Island Alert curves through to July 2026, which would be necessary for generators to be able to access contingent storage.

Key electricity system indicators

Tamara Linnhoff

Privacy of natural persons

RENEWABLE GENERATION PERCENTAGE

Week ended 18 January 96%
 Last 52 weeks 89%

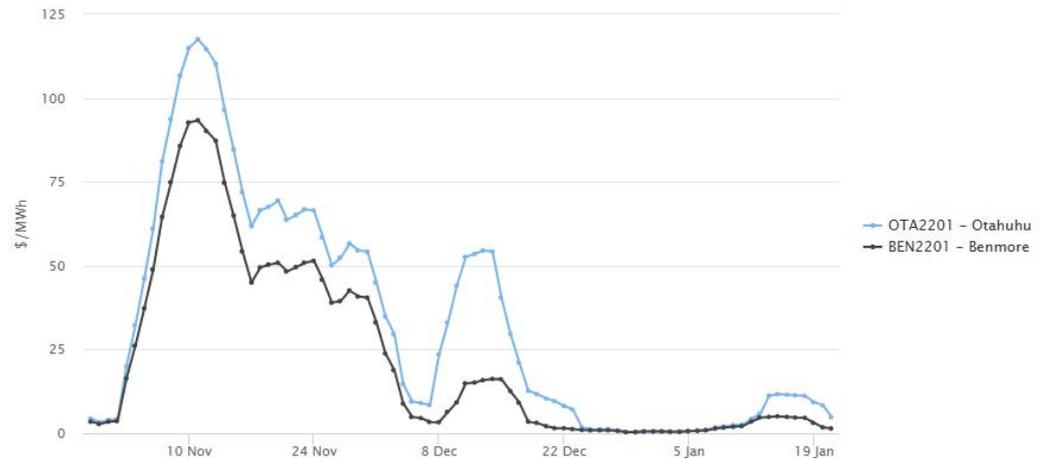
Source: System Operator, Market Operations – Weekly Market Movements

WEEKLY AVERAGE SPOT PRICES

	Otahuhu	Benmore
Week ended 18 Jan	\$11.17/MWh	\$4.57/MWh
Week ended 11 Jan	\$2.54/MWh	\$2.11/MWh

Source: EnergyLink – Energy Trendz Weekly

Seven-day rolling average spot prices (Last 12 weeks)



Source: Electricity Authority – EMI

FORWARD PRICES

ASX Electricity Future Prices (as last available 16 January 2026)

The chart shows the most transactions for all actively traded future contracts at Otahuhu & Benmore nodes. For comparison, these prices are mapped against the prices of the same contracts from four weeks prior.



Source: EnergyLink – Energy Trendz Weekly

Gas security of supply report

- Including gas exploration updates

NZ to figure in OMV write-downs

Energy News reports that OMV, which operates the Maui, Pohokura and Maari fields, expects to write down around €400 million (\$804 million NZD) in asset value. The write-downs reflect production declines in New Zealand, Tunisia and Romania. MBIE data shows net production has fallen at Pohokura from 52.81PJ in 2018 to 16.10PJ in 2024, and at Maui from 30.32PJ in 2018 to 27.80PJ in 2024 (the 2024 figures are the most recent annual data). Maari is primarily an oil field with minimal gas production, which is why

Dominic Kebbell

Privacy of natural persons

detailed gas data is not provided. OMV previously attempted to sell its New Zealand business but was unable to find a buyer.

From Energy News: <https://www.energynews.co.nz/news/oil-production/837126/nz-figure-omv-write-downs>

Regular reporting

Title	Comment
<p>Transpower’s Connections Queue for Generation – improvements to increase project throughput</p> <p>Daniel Brown <small>Privacy of natural persons</small></p> <p>CY2025 run rate to start generation investigations (queue) up by ~80% on 2024. 55 investigation projects started, 23 projects moved to delivery in 2025.</p> <p>Counting both generation and non-generation projects:</p> <p>13 grid connections completed</p> <p>Decrease of 30 projects in queue since January 2025. Maximum wait time for new applications is 12 months.</p> <p>31 new applications received since January 2025 (and one cancelled and one merged).</p>	<p><u>Improving throughput:</u></p> <p>Implemented:</p> <ul style="list-style-type: none"> • Stage-gating within investigation phase. • Starting work elements earlier pre-investigation where resources are available (while they wait in queue). • Published ‘Guidelines for new connections’ document. • Connection status information published monthly on our webpage. Published short guide to SOSA (for RMA decision-makers) to highlight need to consent and build new renewable generation. • New CRM system live, working well. • Guidelines around customer led investigation and delivery completed and published. • Solution Proposals (preferred connection with acceptance and commercial terms) being used as needed. • Transpower continues to actively manage the pipeline: 21 projects are currently “on hold” while developers arrange their project financing and consenting; meanwhile we have re-started several projects previously put on hold. This enables us to focus resources on projects that are able to progress. • Right-sizing investigations to meet customer needs and risk appetite. • Standard equipment lists now including digital substation for standardised designs for greenfield substations. <p>Work continuing to investigate/implement:</p> <ul style="list-style-type: none"> • Targeted regional plans, identifying project sequencing and interdependencies to improve efficiency. • Prioritisation options within the queue, based on security of supply (including how soon generation can commence to meet forecast demand) and other measures – specifically including actively re-assessment of readiness of generation connections projects in the “queue” with a view to expediting projects that are ready to progress as early as possible. We plan to publish this in February. • Transpower is updating grid connection guidelines, to manage issues Transpower have had with very large projects connecting at 33kV, likely including an upper limit. • Transpower are on track to publish a new guide to requirements for the grid protection requirements for distributed energy resources (DERs) in February. This could well become the "go-to guide" for developers of smaller MW scale generation and storage projects connecting via EDBs. • Transpower is working on procuring long lead equipment for inventory to expedite customer projects. <p>Resourcing improvements:</p> <ul style="list-style-type: none"> • Continuing to work with engineering consultants (ECs) on utilisation, EC’s growing their resources and different work award mechanisms for larger and bundled projects. • Considering additional support for resource planning and portfolio optimisation.
<p>Electricity pipeline updates</p> <p>Daniel Brown <small>Privacy of natural persons</small></p>	<p>The Electricity Authority will continue to provide you monthly updates on the generation pipeline.</p>

Stakeholder Updates

Title	Comment
<p>I Squared Capital enters NZ renewables market backed by \$300 million</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>Global infrastructure investor I Squared Capital is a new investor into New Zealand’s renewable energy pipeline. I Squared Capital is investing USD 300 million (EUR 258.4m) in a newly-launched independent power producer (IPP) platform focused on delivering clean energy in Australia and New Zealand.</p> <p>I Squared Capital has completed the purchase of Japan’s Bison Energy Group’s Australia and New Zealand renewables development portfolio. The portfolio includes around 2 GW of development-stage solar, battery energy storage system (BESS), and hybrid renewable energy projects across Australia and New Zealand.</p> <p>It will be rebranded as a new independent power producer, ANZA Power.</p>
<p>Mercury brings a new geothermal generator online at Ngā Tamariki, near Taupo</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>On 21 January Mercury brought a new fifth geothermal unit online at its Ngā Tamariki Geothermal Station, near Taupō.</p> <p>As part of the expansion project, two new geothermal wells have been added. The now nine wells extend to depths of more than 3000 metres, which reach up to 290°C. The upgrade increases the station’s installed capacity from 86MW to 132MW and is expected to be fully commissioned by March. Once running at full output, the new unit will add 390GWh of annual generation (enough to power about 55,000 homes) lifting Ngā Tamariki’s total annual average output to about 1,120GWh (supplying about 158,000 homes).</p> <p>The project was developed with Tauhara North #2 Trust and mana whenua Ngāti Tahu Ngāti Whaoa to support reservoir sustainability. Mercury is reinjecting up to 80% of non-condensable gases (NCGs) back into geothermal reservoirs and plans to extend reinjection to the new unit.</p> <p>The Ngā Tamariki expansion is part of Mercury’s \$1 billion pipeline of renewable projects, which also includes two major wind farms: stage 2 of Kaiwera Downs in Southland, and Kaiwaikawe in Northland.</p>
<p>Contact confirms TCC is no longer in-market</p> <p>Tamara Linnhoff <small>Privacy of natural persons</small></p>	<p>On 22 January Contact confirmed to the market (in its Monthly Operating Report to investors) that decommissioning activities are now commencing on its Taranaki Combined Cycle (TCC) power station. During 2025 TCC had a capacity of up to 310 MW.</p> <p>Contact’s Stratford Peakers are adjacent and remain in operation. These are two fast-start gas turbine peaking units that can go from a cold start to full load in just 10 minutes and generate up to 200 MW.</p>
<p>United Kingdom launches new Warm Homes Plan</p> <p>Scott Russell <small>Privacy of natural persons</small></p>	<p>The United Kingdom Government has launched a £15 billion (NZD\$34.5 billion) Warm Homes Plan, which aims to upgrade 5 million homes and lift 1 million homes out of energy poverty by 2030. The plan aims to support every household across the United Kingdom through either direct grants, low-interest loans and regulatory changes such as greater energy efficiency standards for renters and solar on new builds.</p> <p>The plan will mostly focus on funding solar panels, batteries, insulation and heat pumps through these measures with an aim to triple the number of homes with solar panels installed through an extra 3 million homes by 2030.</p> <p>The plan comprises of a combination of direct grants (targeted at low income households) and loans for all households, for swapping gas boilers to heat pumps, insulation and installing solar, batteries and smart systems.</p> <p>A new ‘Warm Homes Agency’ will be set up to deliver the plan in partnership with local mayors to drive local uptake of the programme. The programme is expected to create an additional 180,000 new jobs across the United Kingdom. More detail on delivery of this plan will be available in the coming months.</p>

Confidential advice to Government

Upcoming Ministerial Items

1. Upcoming Energy meetings

Meeting date	Meeting	Details
Wednesday 28 January 2026 11:00 am – 11:45 am	OECD	Briefing Due: 26 January 2026 Officials required: Justine Cannon, Sharon Corbett, Stephen Tat
Wednesday 28 January 2026 4:30 pm – 5:00 pm	Ara Ake	Briefing Due: 22 January 2026 Officials required: Justine Cannon, Peter Bartlett

2. Upcoming Briefings, Aides Memoires and Cabinet Papers

To be publically released shortly

3. Written Parliamentary Questions

None this week.

4. Ministerial Correspondence received

Due date	Tracking number	Correspondent	Summary of Correspondence
26 January 2026	SW25-370	Privacy of natural persons	Security of Supply and Dry year risk
28 January 2026	SW25-381		Fair pricing
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2 February 2026	SW26-2		High daily charges
5 February 2026	SW26-4		Open Electricity
5 February 2026	SW26-5		Low user plan phased out
5 February 2026	SW26-6		Competition in the Electricity market
5 February 2026	SW26-7		Electricity prices
6 February 2026	SW26-8		Power company dividends

5. Overview of Energy Package Programme

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