Consultation submission form

From the Ground Up – A draft strategy to unlock New Zealand's geothermal potential

How to submit using this form

This form is used to provide feedback on the document *From the Ground Up – A draft strategy to unlock New Zealand's geothermal potential*.

When completing this submission form, please provide reasons explaining your answers. Your feedback provides valuable information and will inform decisions about the final geothermal strategy.

You can submit this form by 5pm, 12 September 2025 by:

- Emailing to resourcesfeedback@mbie.govt.nz with the subject line **'Submission on a draft geothermal strategy'** or
- Posting to:
  Submission on a draft geothermal strategy
  Resource Policy
  Ministry of Business, Innovation and Employment
  PO Box 1473
  Wellington 6140

Your feedback will contribute to further development of a geothermal strategy for New Zealand. It will also become official information, which means it may be requested under the Official Information Act 1982 (OIA).

The OIA specifies that information is to be made available upon request unless there are sufficient grounds for withholding it. If we receive a request, we cannot guarantee that feedback you provide us will not be made public. Any decision to withhold information requested under the OIA is reviewable by the Ombudsman.

Submitter information

The Ministry of Business, Innovation and Employment (MBIE) would appreciate if you would provide some information about yourself. If you choose to provide information in the section below, it will be used to help MBIE understand how different groups view the draft geothermal strategy. Any information you provide will be stored securely.

A. About you

Name:	Graeme Muller, CEO NZTech
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B. Are you happy for MBIE to contact you if we have questions about your submission?

☒ Yes ☐ No

C. Are you making this submission on behalf of a business or organisation?

☒ Yes ☐ No

If yes, please tell us the title of your company/organisation:

NZTech.

NZTech is a member-funded, not-for-profit organisation representing more than 2,500 members who together employ 10 percent of the New Zealand workforce, comprising startups, local tech firms, multinationals, education providers, financial institutions, major corporations, network providers, hi-tech manufacturers, and government agencies that work closely with the tech ecosystem.

The tech sector is a significant and growing part of the New Zealand economy, employing 121,000 people and contributing around $22b in GDP. It is also one of the fastest-growing export sectors – New Zealand's 3rd largest – with export receipts of $10.7b in 2023. Software exports, for example, are growing at more than 20% p.a.

We note that "tech" includes physically manufactured products with a significant digital/knowledge-intensive component (e.g. Rakon, Tait Communications, F&P Healthcare), as well as weightless "digital" exports such as software, AI or gaming (e.g. Datacom, Xero, Orion Health, RocketWerkz).

D. Privacy information

☐ The Privacy Act 2020 applies to submissions. Please check the box if you do not wish your name or other personal information to be included in any information about submissions that MBIE may publish.

☐ MBIE may upload submissions, or a summary of submissions, received to MBIE's website at www.mbie.govt.nz. If you do not want your submission or a summary of your submission to be placed on our website, please check the box and type an explanation below:

I do not want my submission placed on MBIE's website because… [insert reasoning here]

E. Confidential information

☐ I would like my submission (or identifiable parts of my submission) to be kept confidential and have stated my reasons and ground under section 9 of the Official Information Act that I believe apply, for consideration by MBIE.

If you have checked this box, please tell us what parts of your submission are to be kept confidential.

From the Ground Up – A draft strategy to unlock New Zealand's geothermal potential

The Government is developing a geothermal strategy for New Zealand to provide a focused pathway to geothermal leadership and growth and unlock the potential of our geothermal resources across a broad range of applications.

New Zealand's geographical location has given us a unique geothermal advantage, and New Zealand has been a global leader in geothermal development since the late 1950s. Geothermal contributes nearly one-fifth of our annual electricity generation, is a strong tourism attraction, and geothermal heat and steam are utilised both directly and indirectly in industrial, commercial and residential applications.

However, despite our world-class resource, geothermal development faces some barriers, including high upfront drilling costs, fragmented access to data, complex and dated regulatory settings and the scale of the sector. New technologies, such as supercritical geothermal, are also on the horizon. In order to drive the energy resilience, regional development, economic growth and climate leadership, deliberate and coordinated action is required.

The draft strategy sets out a vision for New Zealand to be a global leader in sustainable geothermal development. Three interconnected strategic outcomes, centred around being a world-leader in geothermal innovation, accelerating energy resilience, and strengthening regional economies and te Ōhanga Māori, have been identified to guide action and focus. Five action plan goals have been identified to guide the Government's approach, underpinned by a draft action plan. The draft strategy also includes an energy-focused goal to double the use of geothermal energy by 2040.

We are seeking feedback on the draft strategy, particularly whether the proposed direction, ambition and outcomes, and accompanying action plan, capture the necessary government intervention and priorities. We are also interested in views about how the wider geothermal sector can contribute to unlocking our geothermal potential.

Please see the draft geothermal strategy for more information, available on our website:

https://www.mbie.govt.nz/have-your-say/consultation-on-a-draft-geothermal-strategy-for-new-zealand

Questions for the consultation

1. Are the three strategic outcomes of the strategy, centred around **world-leading geothermal innovation**, **accelerating energy resilience** and **strengthening regional economies and te Ōhanga Māori**, suitable, or is there more we need to consider?

   While the strategic outcomes of the strategy include 'energy resilience' there is no mention of 'low emissions energy', 'climate' or 'net zero' within the strategy. This is a primary benefit of geothermal energy compared to other generation sources and should be reflected as an opportunity for the sector to generate a premium.

2. Do the five overarching **action plan goals capture the areas that are most important for achieving** the vision, strategic outcomes and energy goal?

Missing from the five overarching action plan goals is supporting the development of the industry with private sector investment. This would specifically include attracting international investment in geothermal energy in New Zealand.

This investment could also help support the piloting of supercritical geothermal energy and further enable iwi/Māori to convert land to income-producing geothermal sites.

3. Does the proposed action plan correctly capture the necessary **government interventions and priorities**?

Largely, yes. It could, however, also discuss more opportunities for developing geothermal energy demand. Development of supply and demand together creates investment certainty for both parties, and government actions should include the investment/education and enablement of both to support the activity in New Zealand.

The strategy could also include government actions relating to 'Renewable Electricity Certificates' (RECs) to better align standards in New Zealand to the principle of additionality and support development of low-carbon geothermal energy in New Zealand.

4. Is the **role for the sector** clear? How can the wider geothermal sector play a role (e.g. are there specific actions that the sector could own)?

While the Draft Action Plan outlines the next steps for Government, private sector actions are not explicit within the strategy.

5. Does the strategy and proposed action plan create the right settings to **enable tāngata whenua to realise their aspirations** for geothermal resources in their rohe?

Iwi should be brought onboard throughout the planning and development process of new geothermal facilities, with education and support of iwi-lead geothermal energy demand opportunities in their rohe. Iwi could have many development opportunities from considering a partnership with data centre developers and operators.

Developers are reliant on partnerships with iwi/Māori to develop geothermal resources long-term; joint ventures between iwi/Māori and other private sector participants create these partnerships and provide long-term joint incentives.

6. Are there **opportunities** for our geothermal sector that we haven't considered?

While the synergy between data centres and geothermal energy development is mentioned briefly within the document, it is not explicitly considered as a major export opportunity for the sector.

As an export service, data centres can scale to provide consistent/predictable demand for energy throughout the planning process of new developments.

Additionally, the development of place-based geothermal clusters (and existing geographic relativity of geothermal assets) constitutes a major opportunity for data centres which require the construction of supporting fibre and power infrastructure to function.

Working with data centres, the enablement of place-based geothermal clusters could lead to further Māori and economic development within geothermal regions.

7. Are there **challenges** for our geothermal sector that we haven't considered?

A major challenge for geothermal, like any infrastructure planning, is political instability. The strategy does not include any controls on government partisanship in the planning of geothermal assets. This is especially relevant given the expansion of geothermal assets would largely take place on iwi/Māori land.

8. Are there **any other things** that the strategy should include or exclude?

Ensuring geothermal facilities are constructed as 'closed-loop systems' and are low emissions ensures the industry is future-proofed and the industry maintains its social licence to operate.

Thank you

Thanks for your feedback, we really appreciate your insight. It helps us establish a long-term strategic approach to unlock the potential of our geothermal resources in a sustainable manner.

To help us continue to develop a geothermal strategy for New Zealand, we would appreciate any additional suggestions or comments you may have.

Please leave your feedback here:

The consultation document is very supply-side focussed, with the majority of proposed government actions and interventions considering how to develop geothermal assets. The strategy doesn't adequately consider where the demand for these geothermal investments will come from.

In New Zealand additional geothermal power plant capacity can help to:

- Meet forecast levels of power demand growth, including BAU growth for data centre demand (including for the delivery of AI services)
- Ensure security of supply at affordable prices, particularly over winter when the system is most at risk
- Help decarbonise industry to meet our national emission reduction targets
- Reduce the financial and economic risk posed by gas shortages by switching gas use to electrical energy

In addition to meeting these traditional sources of power demand, Aotearoa has a unique opportunity to use geothermal energy as part of an effort to further scale up its data centre industry. Additional data centre capacity can contribute to the expansion of technology- and AI-driven companies and employment within the country, as well as providing clean export opportunities in support of the Government's objective to double exports by 2034.

Government could also consider the geographic clustering of geothermal power plants and data centres to reduce the additional investments in grid and network infrastructure which might otherwise be needed.

This additional development of geothermal power stations would bring more geothermal expertise and experience into New Zealand. As a result, it would be easier and cheaper to develop a broader range of geothermal applications.