



## COVERSHEET

<b>Minister</b>	Hon Simeon Brown	<b>Portfolio</b>	Energy
<b>Title of Cabinet paper</b>	Gas (Levy of Industry Participants) Regulations 2026	<b>Date to be published</b>	25 June 2026

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
May 2026	Gas (Levy of Industry Participants) Regulations 2026	Office of the Minister for Energy
14 May 2026	Gas (Levy of Industry Participants) Regulations 2026 LEG-26-MIN-0080 Minute	Cabinet Office

### Information redacted

**NO**

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



# Cabinet Legislation Committee

## Minute of Decision

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

### Gas (Levy of Industry Participants) Regulations 2026

**Portfolio**                      **Energy**

On 14 May 2026, the Cabinet Legislation Committee:

- 1        **noted** that most of the costs of Gas Industry Company Limited (GIC), the co-regulator for the gas industry, have largely been funded by an annual levy on gas industry participants since 2005 (the remainder of costs are recovered from market fees revenue and equity reserves);
- 2        **noted** that:
  - 2.1      the Gas Act 1992 provides for GIC to make a recommendation to the Minister for Energy (the Minister) regarding levy regulations, including on levy rates;
  - 2.2      levy regulations can only apply to the financial year they are made in, meaning that it is necessary to set new levy regulations each year for GIC to recover certain costs;
- 3        **noted** that the Minister has brought the Gas (Levy of Industry Participants) Regulations 2026 (the Regulations) directly to the Cabinet Legislation Committee under paragraph 7.95(d) of the Cabinet Manual on the basis that the Regulations are routine and do not require new policy decisions;
- 4        **noted** that the Minister has received the GIC's levy recommendation for the 2026/27 financial year, which would enable it to recover up to \$2.97 million through:
  - 4.1      an annual retail levy on gas retailers of \$4.98 (excluding GST) per customer/Installation Control Point;
  - 4.2      a wholesale levy on participants that purchase gas directly from producers of 1.7058 cents (excluding GST) per gigajoule purchased;
- 5        **noted** that section 43ZZD(2) of the Gas Act 1992 requires the Minister to accept the GIC's recommendation to make levy regulations if the Minister is satisfied that:
  - 5.1      the levy rate or amount is reasonable, having regard to the industry body statement of intent, the latest industry body annual report, and any objectives and outcomes in the Government Policy Statement on Gas Governance 2008;
  - 5.2      the industry body has consulted with industry participants on the levy rate or amount;

- 5.3 the requirements of sections 43ZZB to 43ZZE have been met;
- 6 **noted** that the Minister has accepted GIC's recommendation as the Minister is satisfied that the requirements in section 43ZZD(2) of the Gas Act 1992 have been met;
- 7 **noted** that the Regulations will give effect to a retail levy and a wholesale levy for the financial year from 1 July 2026, to recover up to \$2.97 million;
- 8 **noted** that the Regulations will also revoke the Gas (Levy of Industry Participants) Regulations 2024 as they are now spent;
- 9 **authorised** the submission to the Executive Council of the Gas (Levy of Industry Participants) Regulations 2026 [PCO 28908/3.0];
- 10 **noted** that the Regulations will come into force on 1 July 2026.

Sam Moffett  
Committee Secretary

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**Present:**

Rt Hon Winston Peters  
Hon Louise Upston (Chair)  
Hon Todd McClay  
Hon Tama Potaka  
Hon Brooke van Velden  
Hon Nicole McKee  
Hon James Meager  
Hon Scott Simpson  
Hon Mike Butterick  
Stuart Smith MP  
Todd Stephenson MP  
Jamie Arbuckle MP

**Officials present from:**

Officials Committee for LEG