



COVERSHEET

Minister	Hon Simeon Brown	Portfolio	Energy
Title of Cabinet paper	Improving gas market transparency	Date to be published	30 June 2026

List of documents that have been proactively released		
Date	Title	Author
April 2026	Improving gas market transparency	Office of the Minister for Energy
1 April 2026	Improving gas market transparency ECO-26-MIN-0043 Minute	Cabinet Office

Information redacted

YES

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

Some information has been withheld for the reason of Confidential advice to Government.

Office of the Minister for Energy
Office of the Minister for Resources
Cabinet Economic Policy Committee

Improving gas market transparency

Proposal

1. This paper seeks approval to amend the *Gas Act 1992* to introduce a new regulation-making power to collect and publish information to improve gas market transparency.
2. The paper also notes that the amendment to the definition of natural gas under the *Commerce Act 1986*, which Cabinet previously approved, will be progressed through the *Regulatory Systems (Energy and Resources) Amendment Bill*.

Relation to government priorities

3. This paper supports the Government's *Going For Growth* plan by contributing to efficient and proportionate energy market regulation and enabling renewable gases.

Executive Summary

4. Information available on the gas market is either incomplete, out of date, or both, reducing its usefulness for the market and government to make informed decisions. In addition, some key information is simply not available. The 2025 Review of Electricity Market Performance, completed by Frontier Economics, concluded that "information published on the New Zealand gas market is fragmented and incomplete".
5. We seek Cabinet agreement to amend the *Gas Act 1992* to include a regulation-making power to collect and publish gas market information, such as reserves, forecasts, supply levels, security-of-supply risks, gas storage, and traded volumes. This is to improve transparency and support informed decisions by market participants and government.
6. Establishing this power is critical for informing the government's oversight and response to the rapidly evolving gas market. However, the gas sector would be consulted on specific regulatory proposals before the new regulation-making power was used, building on recent consultation on improving gas market transparency. Additional gas market transparency is not expected to impose significant costs on consumers, recognising that industry participants should already hold the information to be requested under this power.
7. Separately, this paper proposes progressing a minor amendment to the *Commerce Act 1986* to clarify the regulatory treatment of renewable gases through the *Regulatory Systems (Energy and Resources) Amendment Bill*. Cabinet had previously agreed to make this change through an energy bill, but that bill will no longer be progressed [CAB-25-MIN-0466 refers].

Background

8. The Government commissioned an independent review of electricity market performance in late 2024 in response to high wholesale prices linked to a shortage of fuel for electricity generation. The Review of Electricity Market Performance (**the**

Review) was undertaken by consultants Frontier Economics between January and June 2025.

9. In September 2025, the Cabinet Business Committee agreed to policy recommendations arising from the Review. As part of this, Cabinet agreed to targeted reforms to improve transparency, including improved disclosure of gas market information [CBC-25-MIN-0054 refers].
10. In October 2025, the Minister for Energy announced an Energy Package to deliver a secure, sustainable and competitive energy system that included an action to improve gas market transparency (Action 2.4).

Improving Gas Market Transparency (Action 2.4)

Improved gas market information would support better decision making for the market and government

11. The Ministry of Business, Innovation and Employment (**MBIE**) has been considering options to strengthen gas market transparency through increasing the range and quality of information available to market participants. Frontier also identified gas market transparency as an issue, concluding that “information published on the New Zealand gas market is fragmented and incomplete”.
12. MBIE and the co-regulator, Gas Industry Company (**GIC**), publish some information about the gas market, including on gas production, consumption and pricing. However, much of this information is either incomplete, out-of-date, or both, reducing its usefulness for the market to make informed decisions. Other key pieces of market information are not available.
13. It is important to address this information gap as the gas market continues to change rapidly. Estimates of New Zealand’s gas reserves and forecasts of future production have been steadily declining since 2019, with supply falling faster than expected (even faster than forecast two years ago). Figure 1 illustrates the accelerated decline in projected long-term gas production.

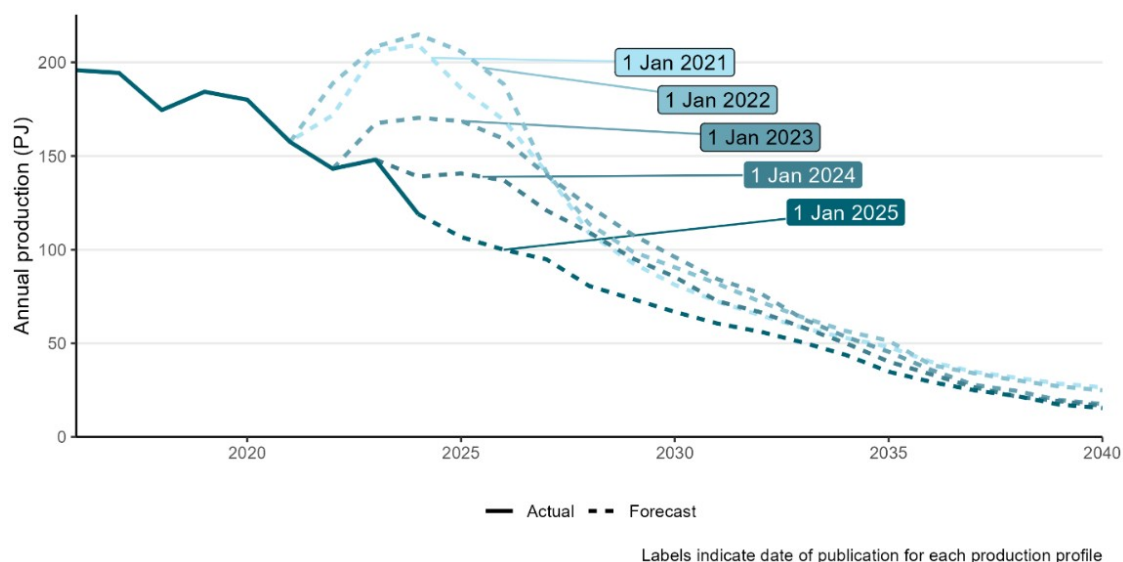


Figure 1 - Gas production forecasts

14. Declining reserves and production levels, combined with overestimated production forecasts, have reduced confidence in future supply. This has contributed to shorter gas contracts and higher prices as increased future risk is priced into agreements.
15. Gas users need better information about the state of the rapidly changing gas market to make informed decisions about their gas consumption. For example, many gas users are uncertain about whether, or when, they need to transition away from gas. Shifting to alternative fuels requires significant capital investment and can take several years to plan and implement, making reliable information on future gas availability essential for effective decision-making.
16. In addition, greater gas market transparency will give confidence around the role that liquefied natural gas (LNG) and the import facility will play in our energy system. For example, greater transparency could help inform decisions on when to procure LNG cargoes once New Zealand is connected to the international gas market.
17. Better information about the gas market will also improve the government's ability to monitor developments effectively. This will help government evaluate potential actions to help manage the declining gas supply.
18. Incomplete and unreliable gas supply information has limited the Electricity Authority's ability to assess security of supply, manage dry-year risks, and verify whether prices reflect genuine scarcity. While the Authority has implemented disclosure requirements for thermal fuel availability (stored coal, diesel and contracted forward gas supply), these only cover gas contracted for electricity generation, and not industrial and other gas uses.
19. Comparable jurisdictions provide a range of gas market information in portals and dashboards, including gas market information not available at all in New Zealand or published less frequently here.

We have consulted gas market participants about a voluntary request for additional gas market information

20. MBIE consulted with the gas sector on a proposed list of additional gas market information to obtain through a voluntary request. The consultation closed on 7 November 2025. There were differing views between gas producers and users on whether additional data should be made available.
21. Gas producers and Energy Resources Aotearoa largely opposed expanding information requirements, arguing that sufficient data is largely already available. They recommended the government focus on improving access and usability of existing information. Many submitters suggested additional data would be commercially sensitive and costly to provide, and argued that supply constraints, rather than information gaps, is the sector's main challenge.
22. Gas users were generally supportive of the proposals, indicating that greater clarity around how much gas is already committed, and up-to-date pricing information would help their planning and address information asymmetries with producers. They said that the lack of complete, timely information on available gas contributes to uncertainty into the market and increases prices.
23. Officials consulted further with the gas sector on what additional information would be most useful for users and feasible for producers to provide. Users highlighted future supply data as particularly valuable, while some producers indicated they could share more detail on reserves and resources annually to show likely contributions to future supply.

Limitations of voluntary requests

24. Making voluntary requests for information is fast and does not require regulatory changes. However, we do not consider it is a good long-term solution. Gas market participants may choose not to respond, respond to part of the request only or provide incomplete or inaccurate information. Being a voluntary request, there is no requirement to comply, nor are there penalties for not complying or only partially complying.
25. Gas producers noted in their submissions that firms who comply would put themselves at a competitive disadvantage to those who do not. Following discussions with producers, officials significantly reduced the scope of the proposed voluntary request to only reserve sub-class data to encourage maximum participation so that it would be useful. Officials are working with Energy Resources Aotearoa and gas producers on the details of a proposal for the provision of this additional information.

Limitations of the Gas Act powers

26. The existing information provision and disclosure powers in the *Gas Act* have limitations. One power, under section 55 of the *Gas Act*, enables regulations to be made to require some gas market participants to publish information to the market directly. This power would not enable the information to be aggregated before publication to protect commercially sensitive information. In addition, this power only covers some gas market participants, but not all (such as gas producers).
27. The other power, under section 43F of the *Gas Act*, enables GIC to recommend regulations, but it would take up to two years to follow the statutory process in this case. In addition, the Minister for Energy would be required to either accept or reject the regulations that GIC recommended in their entirety.

Proposed new power

28. We propose amending the *Gas Act (Market Transparency) Bill* to create a regulation-making power to collect and publish key gas market data. This would allow a range of information to be collected, including information about reserves, forecasts, gas supply and production, security-of-supply risks, traded volumes (including prices, counterparties, and duration of contracts), gas storage, and other relevant information that may have a significant impact on industry participants and consumers or which would help them make informed decisions.
29. The information could help improve transparency and support informed decisions by government and market participants. Some of this information is already collected by government under the *Crown Minerals Act 1991*. However, this information cannot be used to improve gas market transparency as it is collected for the purpose of managing permit and licence conditions under the *Crown Minerals Act* and must be used only for that purpose.
30. Additional work to enhance gas market transparency has centred on improving the accessibility of existing gas market information. Currently some of the existing information is published by MBIE, and some is published by GIC. We propose that the regulation-making power would allow the regulations to specify that either MBIE or GIC could collect and publish this information. This flexibility will help with efforts to make sure key gas market data is accessible through a single dashboard.
31. The new powers could be used to obtain information from any gas industry participant or consumer other than a domestic consumer, including entities involved in the importation or distribution of LNG. Officials will consult the gas sector on specific information disclosure requirements to be set in regulations made under the power, before they are made.

32. We expect any additional information requirements to focus on delivering the greatest value to gas users and the government, while recognising the commercial sensitivity of some information and ensuring the requirements are not onerous for gas producers. The information requested under this power will largely be information gas producers hold already so should not create significant new costs. Officials will aim to minimise compliance costs as much as possible, including by seeking to align and streamline new information requirements with existing requirements where possible, so that compliance activities do not detract from efforts to improve gas supply.

Penalties for not complying with new information disclosure requirements

33. It is already an offence not to comply with any information disclosure requirements put in place under section 55 of the *Gas Act*. The penalties for doing so are a fine on conviction not exceeding \$200,000, and if it is a continuing offence, a further fine not exceeding \$10,000 per day during which the offence is continued. The fine for making a false declaration is a fine not exceeding \$20,000.
34. We propose that this level of penalties also apply to any new disclosure requirements set out in future regulations.

Enabling renewable gases

35. In December 2024, Cabinet agreed that the *Energy and Electricity Security of Supply Bill* amend the *Commerce Act* to clarify that natural gas equivalents that do not require pipeline or consumer appliance conversion be included within Part 4 [CAB-24-SUB-0513 refers]. This change will increase energy security by providing regulatory certainty for gas pipeline businesses, which promotes investment in future renewable gas projects.
36. However, that energy security Bill will no longer be progressed [CAB-25-MIN-0466 refers]. Therefore, it is intended that the amendment, which is a technical change, is progressed through the *Regulatory Systems (Energy and Resources) Amendment Bill*, unless another suitable legislative vehicle is found.

Timing and process for next steps

Action 2.4 of the Energy Package – gas market transparency

37. Subject to Cabinet agreement to the proposals in this paper, officials will issue drafting instructions to the Parliamentary Counsel Office for the *Gas (Market Transparency) Bill* to introduce a new regulation-making power in the *Gas Act* to collect and publish market information. We are engaging with the Leader of the House on the timing of an appropriate legislative vehicle for these proposals.
38. Officials will develop the information disclosure requirements so regulations can be developed soon after legislation is passed.

Enabling renewable gases

39. Confidential advice to Government



Cost-of-living Implications

Action 2.4 of the Energy Package – gas market transparency

40. The proposal in this paper to improve gas market transparency aims to help businesses make more efficient decisions about energy investments and gas consumption. This could lower business costs and may have a small, positive indirect effect on the cost of living for New Zealanders.

Enabling renewable gases

41. There are no cost-of-living implications from the proposal to change the legislative vehicle for the amendment to the *Commerce Act* related to renewable gases.

Financial Implications

42. There are no financial implications associated with the proposals in this paper.

Legislative Implications

Action 2.4 of the Energy Package – gas market transparency

43. The *Gas (Market Transparency) Bill* was accorded a Category 4 priority in the 2026 Legislation Programme, meaning it is to be passed before the 2026 General Election if possible. The Act will bind the Crown.

Enabling renewable gases

44. Confidential advice to Government

Impact Analysis

45. A Regulatory Impact Statement (**RIS**) has been prepared for the gas market transparency proposals. MBIE considers the information and analysis summarised in the RIS meets the quality assurance criteria.

Human Rights

46. We have not identified any human rights implications associated to the proposals in this paper.

Consultation

47. The Treasury, Ministry of Justice, Department of the Prime Minister and Cabinet, Ministry for Regulation and the Parliamentary Counsel Office were consulted in the development of the policy proposals in this paper.

Communications

48. Officials will engage with the gas sector about the regulations to be made under this power after the Bill has been passed.

Proactive Release

49. We intend to release the Cabinet paper proactively, in whole or in part after the Bill is passed.

Recommendations

The Ministers for Energy and Resources recommend that the Committee:

Action 2.4 of the Energy Package: Improving gas market transparency

- 1 *note* that the Review of Electricity Market Performance, completed by Frontier Economics, concluded that “information published on the New Zealand gas market is fragmented and incomplete”;
- 2 *note* that in September 2025, the Cabinet Business Committee agreed to “progress targeted reforms to improve transparency and efficiency, improved disclosure of thermal fuel and gas market information, supported by a public dashboard and regular supply-demand studies” [CBC-25-MIN-0054 refers];
- 3 *agree* to amend the *Gas Act 1992* to include a new regulation-making power to collect and publish information to improve gas market transparency;
- 4 *agree* that this new power would:
 - 4.1 allow the collection and publication of information including, but not limited to: gas reserves, forecasts, gas production and supply levels, security-of-supply risks, traded volumes (including prices, counterparties, and duration), gas storage, and other information that may have a significant impact on other industry participants or consumers (other than domestic consumers) or that would help them make informed decisions;
 - 4.2 be for the purposes of:
 - 4.2.1 helping industry participants or consumers make informed decisions;
 - 4.2.2 assisting the government to oversee, monitor and regulate the gas market;
 - 4.3 apply to any industry participant or consumer (other than a domestic consumer), including entities involved in the importation or distribution of liquefied natural gas;
 - 4.4 enable regulations to be made which specify that either the Ministry of Business, Innovation and Employment or the Gas Industry Company can collect and publish the gas market information;
 - 4.5 include penalties matching the existing regime in the *Gas Act*, where industry participants and non-domestic consumers that are convicted of failing to comply with information disclosure requirements are liable for a fine not exceeding \$200,000, and if the offence is a continuing one, to a further fine not exceeding \$10,000 every day or part of a day during which the offence is continued and a fine not exceeding \$20,000 for making a false declaration;
- 5 *invite* the Ministers for Energy and Resources to issue drafting instructions to the Parliamentary Counsel Office to give effect to the above recommendations;

I N C O N F I D E N C E

- 6 *authorise* the Ministers for Energy and Resources to make additional policy decisions and minor or technical changes to the policy decisions in this paper, consistent with the policy intent, on issues that arise in drafting and passage through the House;
- 7 *note* that the Ministers for Energy and Resources are working with the Leader of the House on the timing of an appropriate legislative vehicle for these proposals;
- 8 *note* that officials will consult the gas sector on specific information disclosure requirements to be set in regulations made under the power described in recommendation 3 before they are made;
- 9 *note* that officials will implement any new information-disclosure requirements in a way that minimises compliance costs and avoids unnecessary duplication of existing information-collection processes where possible;

Enabling renewable gases

- 10 *note* that in December 2024, Cabinet agreed that the *Energy and Electricity Security of Supply Bill* amend the definition of natural gas under the *Commerce Act 1986* to clarify that natural gas equivalents that do not require pipeline or consumer appliance conversion be included within Part 4 [CAB-24-SUB-0513 refers];
- 11 *note* that the amendment to the *Commerce Act 1986* to enable renewable gases does not fit within the scope of the energy bills to progress the Energy Package;
- 12 *note* that the amendment to the *Commerce Act 1986* to enable renewable gases is to be progressed through the *Regulatory Systems (Energy and Resources) Amendment Bill*, or another suitable legislative avenue if one arises.

Hon Simon Watts
Minister for Energy

Hon Shane Jones
Minister for Resources

IN CONFIDENCE

Appendix 1: Regulatory Impact Statement – Improving gas market transparency

IN CONFIDENCE