



COVERSHEET

Minister	Hon Simeon Brown	Portfolio	Energy
Title of Cabinet paper	Gas (Market Transparency) Amendment Bill: Approval for Introduction	Date to be published	30 June 2026

List of documents that have been proactively released

Date	Title	Author
May 2026	Gas (Market Transparency) Amendment Bill: Approval for Introduction	Office of the Minister for Energy
21 May 2026	Gas (Market Transparency) Amendment Bill: Approval for Introduction LEG-26-MIN-0092	Cabinet Office

Information redacted

NO

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Office of the Minister for Energy

Office of the Minister for Resources

Cabinet Legislation Committee

Gas (Market Transparency) Amendment Bill: Approval for Introduction

Proposal

- 1 This paper seeks approval for the introduction of the Gas (Market Transparency) Amendment Bill (the Bill).

Policy

- 2 On 3 April 2026, Cabinet agreed to amend the Gas Act 1992 (the Act) to include a new regulation-making power to collect and publish information to improve gas market transparency [CAB-26-MIN-0110 refers].
- 3 Cabinet agreed that this new power would:
 - 3.1 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;
 - 3.2 be for the purposes of:
 - 3.2.1 helping industry participants or consumers make informed decisions;
 - 3.2.2 assisting the government to oversee, monitor and regulate the gas market;
 - 3.3 apply to any industry participant or consumer (other than a domestic consumer), including entities involved in the importation or distribution of liquefied natural gas;
 - 3.4 enable regulations to be made which specify that either the Ministry of Business, Innovation and Employment or the Gas Industry Company (GIC) can collect and publish the gas market information;
 - 3.5 include penalties matching the existing regime in the 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

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exceeding \$200,000, and if the offence is a continuing one, to a further fine not exceeding \$10,000 for 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.

4 The Bill gives effect to these decisions.

Why is the Bill required?

- 5 There is a need to improve transparency in the gas market. This was reinforced by Frontier Economics' *Review of Electricity Market Performance* report, which concluded that "information published on the New Zealand gas market is fragmented and incomplete". Frontier noted that gas supply, production, infrastructure, and demand data is dispersed across multiple sources, published inconsistently, and often on a voluntary basis.
- 6 The lack of transparency in the gas market makes it difficult for market participants to form a clear, timely picture of current and future gas availability, which undermines investment and contracting decisions. Frontier noted that the situation "limits any assessment of the adequacy of gas reserves, resources and infrastructure to meet domestic gas needs".
- 7 The repercussions of gas market information gaps are becoming more serious as gas reserves and production decline, exemplified by the recent announcements around Māui and Methanex likely shutting operations by the end of 2026. The declining market has reduced confidence in future supply, contributing to shorter contracts and higher prices. A lack of transparency in these circumstances makes it harder for gas users to plan for capital investments (including deciding whether to transition away from gas) or to assess the future role of LNG, while also constraining the Government's ability to monitor risks and respond to declining supply accordingly.
- 8 Increased visibility of contract terms and duration will help gas users manage their business risk and inform commercial decisions. It will also help the Government understand where the impacts of constrained gas supply will fall and who will be affected, better informing the Government's policy responses.
- 9 The existing information-gathering powers under the Act are insufficient to allow for the collection of data to improve gas market transparency. While section 55 of the Act enables regulations to be made to require some market participants to publish information directly, it does not permit aggregation to protect commercially sensitive data and does not cover all participants – most notably gas producers.
- 10 Section 43F allows GIC to recommend new regulations for information disclosure, but this process is slow – potentially taking up to two years. It would also not guarantee improvements to gas market transparency (for example, if GIC decided not to recommend the making of regulations). And the Minister for Energy would have to either approve or reject any recommendation the GIC did make in their entirety (ie, the Government could not substitute its own information-gathering provisions if it did not agree with GIC's proposed approach).

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Why does the Bill need to be progressed quickly?

- 11 Additional gas market information is particularly important in an environment of rapidly declining gas supply, rapidly changing gas demand, and market volatility. Changes in gas supply or demand can lead to system-wide knock-on effects. Gas users need market information as soon as possible so that they can make informed commercial decisions about their ongoing gas use and future operations.
- 12 Many large users that may either need or choose to transition away from gas require sufficient lead time to assess options, make investment decisions, and procure long lead-time equipment. Earlier access to clear, reliable information about future gas availability and market conditions is therefore critical to support timely, well-informed planning and investment decisions.
- 13 Given the declining domestic gas supply and the importance of the gas market to the New Zealand economy – both in terms of the many industries and businesses that use natural gas directly and in terms of its role in setting the price of electricity – the earlier we can improve gas market transparency the better.
- 14 If the Bill passes on Budget night, work on information disclosure regulations could commence rapidly and new regulations could be in place before the end of 2026 or early 2027.

Anticipated stakeholder reaction to the Bill

- 15 Major gas users and retailers were very supportive of additional gas market information being provided and are likely to react positively to this Bill. Meridian Energy – who operate seven hydroelectric power stations – also told us that gas market information is useful for them to estimate the value of stored water and efficiently plan for when to generate electricity or hold water for future generation.
- 16 Gas producers are likely to oppose the proposal. They consider that much of the information we seek is commercially confidential. They are also likely to be concerned about the costs they would incur if additional forecasts of gas production are required.
- 17 We will consult with the sector before making regulations under this new power. Gas market participants will have the opportunity to provide their views on how the new regulation-making power should be used at that point.

Impact analysis

- 18 A [regulatory impact statement](#) was prepared in accordance with the necessary requirements and was submitted at the time that Cabinet approval of the policy relating to the Bill was sought [CAB-26-MIN-0110 refers].
- 19 A Climate Implications of Policy Assessment was not required for the policy proposals contained in this Bill as the threshold for significance was not met.

Compliance

- 20 The Bill complies with:
- 20.1 the principles of the Treaty of Waitangi;
 - 20.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993;
 - 20.3 the disclosure statement requirements and a disclosure statement has been prepared and is attached to the paper;
 - 20.4 the principles and guidelines set out in the Privacy Act 2020;
 - 20.5 relevant international standards and obligations;
 - 20.6 the *Legislation Guidelines (2021 edition)*, which are maintained by the Legislation Design and Advisory Committee.

Consultation

Government departments

- 21 The Treasury, Ministry of Justice and Ministry for Regulation were consulted in the development of the proposals in this paper. The Department of Prime Minister and Cabinet was informed.

Public consultation

- 22 Targeted consultation with was undertaken over October and November 2025 on the types of gas market information the Government should request. The focus of that engagement was on a voluntary information request, but the consultation noted that regulatory proposals could be considered if voluntary collection was not effective. Fourteen submissions were received from a mix of gas users, retailers and producers. These submissions informed our proposals to Cabinet.

Binding on the Crown

- 23 The Act will bind the Crown.

Creating new agencies or amending law relating to existing agencies.

- 24 The Bill does not create any new agencies.

Allocation of decision-making powers

- 25 The Bill does not create any new decision-making powers between the executive, the courts, and tribunals.

Associated regulations

- 26 The Bill inserts a new regulation making power into the Act but regulations are not needed to be made to bring the Bill into operation.

Other instruments

- 27 The Bill includes provisions empowering the making of regulations. These regulations are intended to facilitate the collection of additional, accurate and complete information on the gas market, and the publication of a subset of that information. This will allow the Government to address key information gaps and asymmetric access to information needed for the gas market to function efficiently.
- 28 The reasons for the provision are set out in the explanatory note to the Bill.

Definition of Minister/department

- 29 The Bill does not contain a definition of Minister, department (or equivalent government agency), or chief executive of a department.

Commencement of legislation

- 30 This Bill comes into force on the day after Royal assent.

Parliamentary stages

- 31 We intend to introduce this Bill and pass it through all stages in the Budget night urgency on 28 May 2026. This means it will not be referred to select committee.

Proactive Release

- 32 We propose to release this paper proactively, subject to any redactions that may be required consistent with the Official Information Act 1992, within 30 business days following its consideration.

Recommendations

We recommend that the Cabinet Legislation Committee:

- 1 note that the Gas (Market Transparency) Amendment Bill holds a category 4 priority on the 2026 Legislation Programme - to be passed before the 2026 General Election if possible;
- 2 note that the purpose of the Bill is to facilitate the collection of additional, accurate and complete information on the gas market, and the publication of a subset of that information;
- 3 approve the Gas (Market Transparency) Amendment Bill for introduction, subject to the final approval of the government caucus and sufficient support in the House of Representatives;

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- 4 agree that the Bill be introduced on 28 May 2026;
- 5 note our intention to pass the Bill through all stages under urgency on Budget night.

Authorised for lodgement

Hon Simeon Brown
Minister for Energy

Hon Shane Jones
Minister for Resources

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