



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HĪKINA WHAKATUTUKI

Energy and Resource Markets (ERM)

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Agenda

#	Item
1	ERM's objectives
2	ERM's organisation structure
3	Work programmes for 23/24
4	Going forward, the engagement of MEUG and agencies

Energy & Resource Markets (ERM) Branch

- Part of wider Building & Resource Markets Group (BRM) of MBIE
 - **Our roles include:**
 - Ministerial policy advisors across both the energy (electricity, gas and fuel) and resources sectors (petroleum and minerals), and we are the regulatory stewards for the systems
 - The Regulator for petroleum and minerals
 - We have an obligation under the Public Service Act 2020 to support the Crown in its relationships with Māori under Te Tiriti o Waitangi
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ERM branch outcomes

Our key outcomes which guide the work of the branch are that our energy and resource markets are:

- Secure and resilient energy and resource markets
 - Sustainably energy and resource development
 - Fair, affordable and socially responsible use and development
 - Efficient and productive energy and resource sectors
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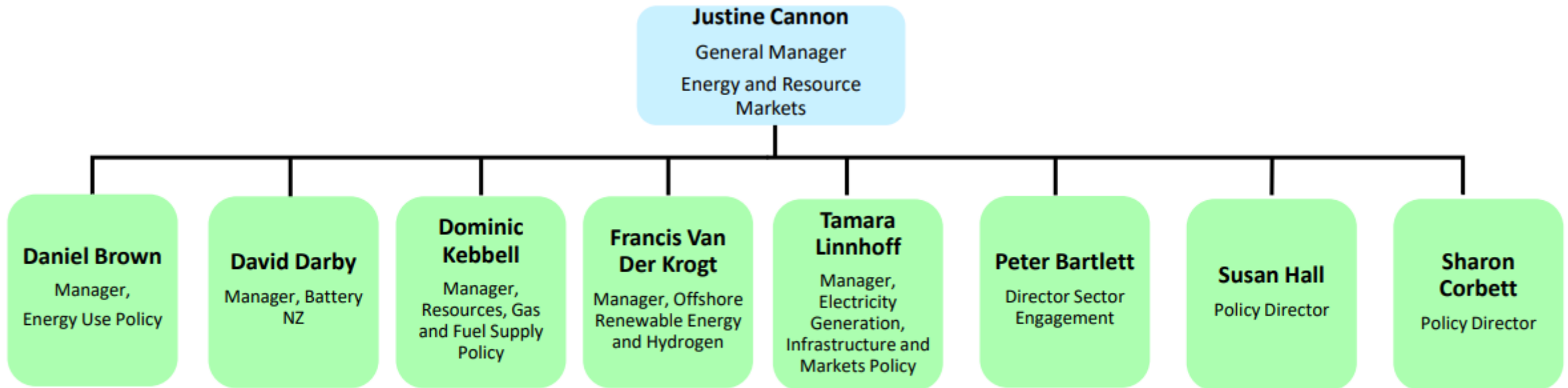
Changes to the ERM branch



Our Policy Function has been restructured to:

- Take on a larger work programme
 - Enhance our ability to work across our teams on increasingly cross-cutting issues
 - Create space for work on long-term systemic challenges
 - Strengthen our capability in project delivery and stakeholder engagement particularly with iwi/Māori
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Policy function structure



Work priorities for 2023-2024

Manager	Team	Priorities	Description	Timeline
Tamara Linnhoff	Electricity Generation, Infrastructure and Markets Policy	<ul style="list-style-type: none"> • Security of Supply - Winter 2023 • Measures to support transition to a highly renewable electricity system (Electricity Market Measures) and implementing ERP action to ban new fossil fuel baseload electricity generation • EV charging • Power Purchase Agreements (PPAs) • National Policy Statement for Renewable Electricity Generation 	<ul style="list-style-type: none"> • Security of supply measures underway for winter this year • Measures to support transition to a highly renewable electricity system (Electricity Market Measures) <ul style="list-style-type: none"> • Renewable generation • Transmission and distribution sectors • Distributed generation • Demand side flexibility • Ceasing new fossil baseload • Ensuring that EV charging is energy efficient and can support a flexible energy system • Investigation into the potential for public sector procurement of renewable electricity via long term power purchase agreements (“PPAs”) • Review of national direction instruments relating to renewable electricity and associated infrastructure 	FY23/24

Work priorities for 2023-2024

Manager	Teams	Priorities	Description	Timeline
Dominic Kebbell	Resources, Gas and Fuel Supply	<ul style="list-style-type: none"> • CMA Bill • Fuel Industry Amendment Bill • Fuel resilience and security • Gas Transition Plan 	<ul style="list-style-type: none"> • Amendments to the Crown Minerals Act to give flexibility in the management of Crown owned resources and improve engagement between minerals permit holders and iwi & hapū. • Amendments to the Fuel Industry Act to introduce interventions to improve competition in the wholesale and retail markets for engine fuel. • The fuel resilience plan includes developing legislation on a minimum onshore fuel stockholding obligation on fuel importers, government procurement of reserve diesel stocks, and dedicating more resources to the implementation of the National Fuel Plan. • The Gas Transition Plan is intended to set out a pathway for phasing out fossil gas, focusing on actions to 2035 that will help reduce emissions and support the transition to net zero carbon economy by 2050. 	<p>End of Y23 for Gas Transition Plan</p> <p>&</p> <p>FY 23/24 for the other projects</p>

Work priorities for 2023-2024

Manager	Team	Priorities	Description	Timeline
Daniel Brown	Energy Use	<ul style="list-style-type: none"> • Process Heat / Industrial Process – eg National Direction on GHG emissions; GIDI Fund, Industry decarbonisation plan, Energy and Emissions Reporting Scheme; • Energy Efficiency work – eg update of EECA legislation and regulations, Minimum Energy Performance Standards (MEPS) • Carbon neutral government programme – eg State Sector Decarbonisation Fund • Energy Hardship work and education, community fund such as SEEC, community energy funds 	<ul style="list-style-type: none"> • GIDI is a fund which helps decarbonize industrial process heat of large emitters • SSD is a fund to make the public sector carbon neutral by 2025 (hospitals, institutions, vehicle fleets) • Energy efficiency Act works on regulating products so they can be more energy efficient • National direction on GHG: helping councils' decision-making on greenhouse gas discharges when planning for and consenting air discharge permits 	<p>March 23 for current GIDI round; future rounds later this year</p> <p>&</p> <p>Q2 of Y23 for Energy Efficiency</p>

Work priorities for 2023-2024

Manager	Team	Priorities	Description	Timeline
David Darby	NZ Battery Project	<ul style="list-style-type: none">• Obtain Cabinet feedback on whether to continue work on the NZ Battery project.	<ul style="list-style-type: none">• The NZ Battery Project is investigating potential solutions to New Zealand's dry year problem in a 100% renewable electricity system	

Work priorities for 2023-2024

Manager	Teams	Priorities	Description	Timeline
Sharon Corbett	Energy strategy	Phase 1: Exploring what's possible <ul style="list-style-type: none">• Targeted engagement• Modelling and analysis• Developing consultation paper	<ul style="list-style-type: none">• Preparing for a series of workshops as part of targeted engagement for phase 1 of energy strategy. Purpose is to build a common understanding of the biggest challenges and opportunities facing energy sector during transition. Detail on how to get involved coming soon.• Seeking feedback on assumptions and inputs for modelling pathways forward to identify big choices.• Developing a public consultation paper to be released end of 2023 bringing together insights from targeted engagement and modelling.	March/April End 2023 Final strategy end 2024

Work priorities for 2023-2024

Manager	Teams	Priorities	Description	Timeline
Francis van der Krogt	Offshore Renewable Energy and Hydrogen	<ul style="list-style-type: none">• Release Interim Hydrogen roadmap in mid-2023 (consulting on the role for hydrogen in New Zealand's energy transition. Final in 2024.• Release second discussion document on deploying offshore renewable energy in mid-2023. Regulatory regime in 2024/25	<ul style="list-style-type: none">• Hydrogen – the roadmap intends to assess the role of hydrogen in the New Zealand energy system, and which Government actions may be necessary to support hydrogen developing in New Zealand• Offshore renewables – this work responds to the commitment in the Emissions Reduction Plan to put in place a regulatory regime for offshore renewable energy by 2024. Offshore wind in particular could be an important component of New Zealand's future energy mix.	June 2025

Key engagement points



Energy Use: Engagement on GIDI funding rounds.

Energy Strategy: MEUG members involved throughout development of strategy to understand specific implications of decarbonisation for their operations and opportunities going forward.

Electricity market measures: We expect to publish an issues paper on a wide range of potential measures to support transition to a more highly renewable electricity system, more demand side flexibility, and a ban new fossil baseload. Submissions encouraged.

Gas Transition Plan: We are aiming to consult on potential pathways to transition away from fossil gas.

Hydrogen & Offshore renewable energy: A submission would be encouraged! [Enabling investment in offshore renewable energy | Ministry of Business, Innovation & Employment \(mbie.govt.nz\)](#)
