



## COVERSHEET

<b>Minister</b>	Hon Dr Megan Woods	<b>Portfolio</b>	Energy and Resources
<b>Title of Cabinet paper</b>	Clarifying Energy Resources Levy Obligations for Fossil Gas Production Energy Resources Levy Amendment Bill: Approval for Introduction Energy Resources Levy Amendment Bill: Amendments to Policy Decisions and Approval for Introduction by Delegated Ministers	<b>Date to be published</b>	26 June 2023

<b>List of documents that have been proactively released</b>		
<b>Date</b>	<b>Title</b>	<b>Author</b>
8 March 2023	Clarifying Energy Resources Levy Obligations for Fossil Gas Production	Office of the Minister of Energy and Resources
13 March 2023	Clarifying Energy Resources Levy Obligations for Fossil Gas Production DEV-23-MIN-0018 Minute	Cabinet Office
4 May 2023	Energy Resources Levy Amendment Bill: Approval for Introduction	Office of the Minister of Energy and Resources
8 May 2023	Energy Resources Levy Amendment Bill: Approval for Introduction – Minute of Decision CAB-23-MIN-0162.01 Minute	Cabinet Office
15 May 2023	Additional Item: Energy Resources Levy Amendment Bill CAB-23-MIN-0179 Minute	Cabinet Office
17 May 2023	Energy Resources Levy Amendment Bill: Amendments to Policy Decisions and Approval for Introduction by Delegated Ministers	Office of the Minister of Energy and Resources
17 May 2023	Energy Resources Levy Amendment Bill: Amendments to Policy Decisions and Approval for Introduction by Delegated Ministers DEV-23-MIN-0089 Minute	Cabinet Office

**Information redacted****YES / 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.

Some information has been withheld for the reasons of confidentiality, commercial information, free and frank opinion, and legal professional privilege.

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# Cabinet Economic Development 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.*

### Energy Resources Levy Amendment Bill: Amendments to Policy Decisions and Approval for Introduction by Delegated Ministers

Portfolio                      Energy and Resources

On 17 May 2023, the Cabinet Economic Development Committee:

- 1        **noted** that on 8 May 2023, Cabinet approved the Energy Resources Levy Bill for introduction, and agreed that the Bill be progressed through all parliamentary stages under urgency on Budget night 18 May 2023 [CAB-23-MIN-0162.01];
- 2        **noted** that approval to introduction was subject to ongoing discussions with the Minister of Finance and the Leader of the House, which the Minister of Energy and Resources has now had;
- 3        Confidential information entrusted to the Government
- 4        **noted** that on 15 May 2023, MBIE identified a letter from the regulator (the then Ministry of Commerce) to the Natural Gas Corporation dated 21 November 1996 that advised *‘that as these [Māui F] sands [within the 1973 Māui licence] were discovered after 1 January 1986 no Energy Resource Levy would be applicable to the gas derived from these sands’*;
- 5        **noted** that the letter referred to above suggests the Crown may have taken an inconsistent approach to the application of the levy;
- 6        **noted** that:
  - 6.1        the fundamental basis on which Cabinet is making this amendment is to ensure the Crown receives a fair financial return on its fossil gas;
  - 6.2        the retrospective application of the law should be rarely applied, Confidential information shows there has been inconsistent applications of the law in the past;
- 7        **noted** that on 15 May 2023, Cabinet authorised the Prime Minister, the Minister of Finance and the Minister of Energy and Resources to have Power to Act to take further decisions on matters relating to the Bill, prior to its introduction in the House [CAB-23-MIN-0179];

- 8 **noted** that the Prime Minister, the Minister of Finance and the Minister of Energy and Resources have:
- 8.1 agreed to remove the retrospective application of the amendment by rescinding paragraph 5.2 from CAB-23-MIN-0162.01;
  - 8.2 agreed to validate past levy payments (or lack of payments);
  - 8.3 approved the Energy Resources Levy Amendment Bill for introduction, to be passed through all stages on Budget night, 18 May 2023;
  - 8.4 agreed that the Minister of Energy and Resources may make minor changes to the Bill that are not inconsistent with the agreed policy, as outlined in the paper under DEV-23-SUB-0089, up until the time that the Bill is introduced, to allow the Parliamentary Counsel Office to finalise the Bill.

Janine Harvey  
Committee Secretary

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**Present:**

Hon Grant Robertson (Chair)  
Hon Dr Megan Woods  
Hon Michael Wood  
Hon Dr Ayesha Verrall  
Hon Willie Jackson  
Hon Kiri Allan  
Hon Damien O'Connor  
Hon David Parker  
Hon Peeni Henare  
Hon Priyanca Radhakrishnan  
Hon Kieran McAnulty  
Hon Barbara Edmonds  
Hon Dr Duncan Webb  
Hon Rino Tirikatene  
Hon Dr Deborah Russell  
Hon Rachel Brooking  
Hon Jo Luxton

**Officials present from:**

Office of the Prime Minister  
Officials Committee for DEV