



## COVERSHEET

<b>Minister</b>	Hon Dr Megan Woods	<b>Portfolio</b>	Energy and Resources
<b>Title of Cabinet paper</b>	Offshore renewable energy: Next steps for regulatory proposals	<b>Date to be published</b>	9 August 2023

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
June 2023	Offshore renewable energy: Next steps for regulatory proposals	Office of the Minister of Energy and Resource
June 2023	Regulatory Impact Statement - Offshore Renewables	Ministry of Business, Innovation and Employment
28 June 2023	Offshore renewable energy: Next steps for regulatory proposals DEV-23-MIN-0126 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 Legal professional privilege.



# Cabinet Economic Development Committee

## Minute of Decision

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### Offshore Renewable Energy: Next Steps for Regulatory Proposals

**Portfolio**                      **Energy and Resources**

On 28 June 2023, the Cabinet Economic Development Committee (DEV):

#### **Developing regulatory settings to enable investment in offshore renewable energy**

- 1        **noted** that New Zealand's first emissions reduction plan, *Te hau mārohi ki anamata: Towards a productive, sustainable and inclusive economy*, commits the government to developing regulatory settings to enable investment in offshore renewable energy generation (such as offshore wind farms) and innovation [CAB-22-MIN-0152];
- 2        **noted** that the Minister of Energy and Resources is developing the regulatory proposals in two phases:
  - 2.1      Phase One: managing the feasibility stage of offshore renewable energy development;
  - 2.2      Phase Two: managing the construction, operation, and decommissioning of offshore renewable energy infrastructure;

#### **Phase One: In principle decisions on managing the feasibility stage of offshore renewable energy development**

- 3        **noted** that on 7 December 2022, DEV approved the release of a discussion document on *Enabling Investment in Offshore Renewable Energy*, to seek feedback on regulatory proposals for managing the feasibility stage of offshore renewable energy development [DEV-22-MIN-0299];
- 4        **noted** that:
  - 4.1      a developer-led approach to establishing an offshore renewable energy industry, as consulted, remains the best approach for the near-term;
  - 4.2      more government involvement (including marine spatial planning) may be suitable and possible in the medium-to-long term as an effective model for balancing the needs of all users and meeting protection aims;
- 5        **noted** that in principle decisions are required on elements of the regulatory regime that deal with feasibility (Phase One) to inform the development of the remainder of the regime dealing with managing the construction, operation, and decommissioning of offshore renewable energy infrastructure (Phase Two);

- 6 **agreed in principle**, subject to the further report to Cabinet referred to in paragraph 12 below, to the following elements being included in the regulatory regime:
- 6.1 a feasibility permit process, with permits providing an exclusive right for the holder to apply for a subsequent commercial permit to construct and operate offshore renewable energy infrastructure;
  - 6.2 feasibility permits to have a maximum duration of seven years (subject to ‘use it or lose it’ provisions);
  - 6.3 where applications for feasibility permits overlap, applicants will be encouraged to resolve the overlap between themselves and, where necessary, the area of overlap will be granted to the applicant with the stronger application according to the feasibility permit criteria;
  - 6.4 criteria for the grant of feasibility permits to include, but not be limited to:
    - 6.4.1 financial, technical and commercial capability;
    - 6.4.2 iwi and hapū involvement prior and during feasibility (based on specific criteria);
    - 6.4.3 indicative electricity system impacts;
    - 6.4.4 indicative economic development opportunities;
    - 6.4.5 indicative decommissioning capability;
    - 6.4.6 health and safety capability;
    - 6.4.7 national interest considerations;
- 7 **directed** the Ministry of Business, Innovation and Employment (working with partners) to report to the Minister of Energy and Resources, by the end of 2023, on options for a collaborative approach to environmental data collection within a feasibility permitting model;

### **Iwi and hapū participation in the offshore renewable energy regime**

- 8 **noted** that the Minister of Energy and Resources will continue to engage with iwi and hapū to develop proposals for iwi and hapū participation in the offshore renewable energy regulatory regime;
- 9 **invited** the Minister of Energy and Resources to report back to Cabinet, in late 2023, on specific proposals for iwi and hapū participation;

### **Phase Two: Release of discussion document on the construction, operation, and decommissioning stages of offshore renewable energy development**

- 10 **approved** the release of the discussion document *Developing a Regulatory Framework for Offshore Renewable Energy* (the discussion document), attached to the paper under DEV-23-SUB-0126, for public consultation and iwi and hapū engagement on approaches to the construction, operation, and decommissioning stages of offshore renewable energy development;
- 11 **authorised** the Minister of Energy and Resources to make any required minor and/or technical amendments to the discussion document prior to its release;

- 12 **noted** that the Minister of Energy and Resources intends to report back to Cabinet in late 2023 with final proposals for regulating offshore renewable energy development and to seek authority to issue drafting instructions to the Parliamentary Counsel Office.

Janine Harvey  
Committee Secretary

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**Present:**

Hon Grant Robertson (Chair)  
Hon Dr Megan Woods  
Hon Willie Jackson  
Hon David Parker  
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