



COVERSHEET

Minister	Hon Simeon Brown	Portfolio	Energy
Title of Cabinet paper	Improving the gas critical contingency management regime	Date to be published	1 November 2024

List of documents that have been proactively released

Date	Title	Author
September 2024	Improving the gas critical contingency management regime	Office of the Minister for Energy
18 September 2024	Improving the gas critical contingency management regime ECO-24-MIN-0194 Minute	Cabinet Office
29 August 2024	Regulatory Impact Statement: Amendments to the Gas Governance (Critical Contingency Management) Regulations 2008	MBIE

Information redacted

YES / NO (please select)

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 Confidential advice to Government.



Cabinet Economic Policy 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.

Improving the Gas Critical Contingency Management Regime

Portfolio **Energy**

On 18 September 2024, the Cabinet Economic Policy Committee:

- 1 **noted** that the critical contingency management regime is in place to manage the risk to the gas transmission and distribution systems from an unplanned disruption, such as a pipeline rupture;
- 2 **noted** that the Gas Governance (Critical Contingency Management) Regulations 2008 (CCM Regulations) that govern this regime were last significantly amended in 2013;
- 3 **noted** that the Gas Industry Company (GIC) has been engaging with the gas sector on potential amendments to the CCM Regulations to improve the critical contingency management regime;
- 4 **noted** that on 2 July 2024, the GIC recommended that the CCM Regulations be amended to make a range of changes and refinements to improve the critical contingency management regime;
- 5 **noted** that the Minister for Energy (the Minister) is required to accept or reject the GIC's recommendation to amend the CCM Regulations to improve the critical contingency management regime as a package and publish his decision by 30 September 2024;
- 6 **noted** that the Minister is satisfied that:
 - 6.1 the GIC has met the statutory requirements to make this recommendation to him, including assessing the practicable options, preparing a statement of proposal, and then consulting stakeholders on this proposal;
 - 6.2 the changes would improve the critical contingency management regime overall by better managing the risk of a gas network failure, enabling more efficient curtailment of gas and making the regime more fit-for-purpose;
- 7 **noted** that the Minister intends to accept the GIC's recommendation to amend the CCM Regulations to improve the gas critical contingency management regime;
- 8 **agreed** to amend the CCM Regulations as per the GIC's recommendation to improve the gas critical contingency management regime;
- 9 **invited** the Minister to issue drafting instructions to the Parliamentary Counsel Office to give effect to the above decision;

10 **authorised** the Minister to make decisions, consistent with the above paragraphs, on any issues which arise during the drafting process;

11 Confidential advice to Government



Rachel Clarke
Committee Secretary

Present:

Rt Hon Christopher Luxon
Hon David Seymour
Hon Nicola Willis (Chair)
Hon Shane Jones
Hon Simeon Brown
Hon Erica Stanford
Hon Paul Goldsmith
Hon Louise Upston
Hon Tama Potaka
Hon Penny Simmonds
Hon Chris Penk
Hon Nicola Grigg
Hon Andrew Bayly
Hon Andrew Hoggard
Hon Mark Patterson
Simon Court MP

Officials present from:

Office of Hon Erica Stanford
Officials Committee for ECO