



COVERSHEET

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| Minister | Hon Megan Woods | Portfolio | Energy and Resources |
| Title of Cabinet paper | Options for Amending the Gas Act 1992 Release of Discussion Document | Date to be published | 18 June 2019 |

List of documents that have been proactively released

| Date | Title | Author |
|-------------|--|---|
| 1 May 2019 | Options for Amending the Gas Act 1992 Release of Discussion Document | Office of the Minister for Energy and Resources |
| May 2019 | Discussion Document Options for Amending the Gas Act 1992 | Ministry of Business, Innovation and Employment |
| 1 May 2019 | DEV-19-MIN-0096 Minute | Cabinet Office |

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.



Cabinet Economic Development Committee

Summary

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.

Options for Amending the Gas Act 1992: Release of Discussion Document

Portfolio Energy and Resources

On 1 May 2019, the Cabinet Economic Development Committee:

The Gas Act 1992

- 1 **noted** that the Gas Act 1992 regulates the use of gas as a fuel in New Zealand, and that the definition of gas is quite broad, and would include fuels such as biogas and hydrogen;
- 2 **noted** that the co-regulation model with the industry means that an industry body, the Gas Industry Company (GIC), can only recommend regulations and rules for a range of purposes under the Gas Act;

Emerging technologies and alternative fuels

- 3 **noted** that the Minister of Energy and Resources considers that the Gas Act should allow New Zealand to make the most of the opportunities presented by hydrogen, as well as other emerging technologies or low-carbon alternative fuels;
- 4 **noted** that the discussion document *Options for Amending the Gas Act 1992* (the discussion document), attached to the paper under DEV-19-SUB-0096, seeks stakeholder views on the suitability of the Gas Act in regulating the use of relevant emerging technologies and alternative fuels in New Zealand;
- 5 **noted** that if there are no immediate issues identified through consultation, any feedback will inform a longer-term programme of work to determine how best to regulate these technologies and fuels;

Targeted changes to the Act

- 6 **noted** that the gas supply shortages in 2018 have highlighted concerns regarding information disclosure in the gas industry, and that legislative amendment will be required to provide regulatory empowering provisions to support the GIC's work programme on information disclosure;
- 7 **noted** that the Minister of Energy and Resources wishes to make some changes to ensure that the penalties regime for both industry participants and non-industry participants incentivises the appropriate behaviour;
- 8 **noted** that the discussion document will seek stakeholder's views on both of these issues;

Release of discussion document

- 9 **agreed** to the release of the discussion document for public consultation, subject to any minor technical or editorial changes that may be required;
- 10 **invited** the Minister of Energy and Resources to report back to the Cabinet Economic Development Committee in July 2019 with the outcome of this consultation and any proposed policy changes;
- 11 **noted** that the Ministry of Business, Innovation and Employment will work with the Ministry of Justice on the design of any offences or penalties under the Gas Act.

Janine Harvey
Committee Secretary

Present:

Rt Hon Winston Peters
Hon Kelvin Davis
Hon Grant Robertson (Chair)
Hon Dr Megan Woods
Hon David Parker
Hon Nanaia Mahuta
Hon Stuart Nash
Hon Jenny Salesa
Hon Shane Jones
Hon Kris Faafoi
Hon James Shaw
Hon Eugenie Sage

Officials present from:

Office of the Prime Minister
Officials Committee for DEV

Hard-copy distribution:

Minister of Energy and Resources