

Departmental Disclosure Statement

Gas (Market Transparency) Amendment Bill
--

The departmental disclosure statement for a government Bill seeks to bring together in one place a range of information to support and enhance the Parliamentary and public scrutiny of that Bill.

It identifies:

- the general policy intent of the Bill and other background policy material;
- some of the key quality assurance products and processes used to develop and test the content of the Bill;
- the presence of certain significant powers or features in the Bill that might be of particular Parliamentary or public interest and warrant an explanation.

This disclosure statement was prepared by the Ministry of Business, Innovation and Employment (MBIE).

The Ministry of Business, Innovation and Employment certifies that, to the best of its knowledge and understanding, the information provided is complete and accurate at the date of finalisation below.

14 May 2026.

Contents

Contents.....	2
Part One: General Policy Statement.....	3
Part Two: Background Material and Policy Information	4
Part Three: Testing of Legislative Content.....	6
Part Four: Significant Legislative Features	8

Part One: General Policy Statement

The Bill aims to improve the information available to government and to the gas market to help the government monitor the market and help market participants make more efficient decisions.

The Bill does this by inserting a new regulation making power under the Gas Act 1992. This power will allow the Government, through regulations, to require gas market participants to disclose relevant market information to the Ministry of Business, Innovation and Employment, or to the Industry Body for Gas, Gas Industry Company. These regulations are intended to facilitate the collection of additional, accurate and complete information on the gas market, and the publication of a subset of that information. The power will allow the government to address asymmetric access to information and key gaps in information needed for the market to function efficiently.

Much of the information available on the gas market is either incomplete, out of date, or both, reducing its usefulness to the market and government. Poor information leads to inefficient decisions about the constrained supply of gas and, ultimately, to higher costs for New Zealanders. The utilisation of existing powers under the Gas Act would not ensure that information gaps are addressed or would not allow regulations to be made in a timely manner.

Part Two: Background Material and Policy Information

Published reviews or evaluations

2.1. Are there any publicly available inquiry, review or evaluation reports that have informed, or are relevant to, the policy to be given effect by this Bill?	YES
The 2025 Review of Electricity Market Performance by Frontier Economics informed the policy decisions behind this Bill (see chapter 7). The review report is available at: https://www.mbie.govt.nz/building-and-energy/energy-and-natural-resources/energy-consultations-and-reviews/review-of-electricity-market-performance	

Relevant international treaties

2.2. Does this Bill seek to give effect to New Zealand action in relation to an international treaty?	NO

Regulatory impact analysis

2.3. Were any regulatory impact statements provided to inform the policy decisions that led to this Bill?	YES
Regulatory Impact Statement: Improving gas market transparency. Finalised 10 February 2026. Authored by MBIE. https://www.regulation.govt.nz/our-work/regulatory-impact-statements/	

2.3.1. If so, did the Ministry for Regulation provide an independent opinion on the quality of any of these regulatory impact statements?	YES
On 27 February 2026 the Ministry for Regulation provided the following feedback: <i>Thank you very much for the opportunity to review. No comment from us at the Ministry for Regulation, except to say you've done a good job in the RIS making the case that poor gas reserve information is likely to have led poor decisions on gas use and investment in recent years, that extra information will help improve the situation (appendix 2 was very useful), and you've thought clearly about how to best go about obtaining that information (including through non-regulatory channels).</i>	

2.3.2. Are there aspects of the policy to be given effect by this Bill that were not addressed by, or that now vary materially from, the policy options analysed in these regulatory impact statements?	NO

Extent of impact analysis available

2.4. Has further impact analysis become available for any aspects of the policy to be given effect by this Bill?	NO

2.5. For the policy to be given effect by this Bill, is there analysis available on:	
(a) the size of the potential costs and benefits?	YES
(b) the potential for any group of persons to suffer a substantial unavoidable loss of income or wealth?	NO
Page 23 and 24 of the RIS set out a qualitative view of the costs and benefits.	

2.6. For the policy to be given effect by this Bill, are the potential costs or benefits likely to be impacted by:	
(a) the level of effective compliance or non-compliance with applicable obligations or standards?	YES
(b) the nature and level of regulator effort put into encouraging or securing compliance?	NO
<p>The options assessment at pages 16-22 of the RIS compares the relative effectiveness of regulatory and non-regulatory measures, accounting for the likely compliance with regulations.</p> <p>The implementation of the regulations and intended penalty provisions (which can inform on the level of regulator effort needed to encourage compliance) is set out on pages 25 and 26 of the RIS.</p>	

Part Three: Testing of Legislative Content

Consistency with New Zealand's international obligations

3.1. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with New Zealand's international obligations?
--

A search of the MFAT New Zealand Treaties Online database of treaties New Zealand is a party to has been completed, searching for relevant key words to identify any treaties that may be impacted by this Bill. None were identified.
--

Consistency with the government's Treaty of Waitangi obligations

3.2. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with the principles of the Treaty of Waitangi?

No specific aspects of the Treaty of Waitangi are engaged directly by this Bill as the Bill only creates a regulation-making provision for information disclosure.
--

Consistency with the New Zealand Bill of Rights Act 1990

3.3. Has advice been provided to the Attorney-General on whether any provisions of this Bill appear to limit any of the rights and freedoms affirmed in the New Zealand Bill of Rights Act 1990?	YES
---	------------

Advice provided to the Attorney-General by the Ministry of Justice, or a section 7 report of the Attorney-General, is generally expected to be available on the Ministry of Justice's website upon introduction of a Bill. Such advice, or reports, will be accessible on the Ministry's website at https://www.justice.govt.nz/justice-sector-policy/constitutional-issues-and-human-rights/the-bill-of-rights-act/advice/

Offences, penalties and court jurisdictions

3.4. Does this Bill create, amend, or remove:	
--	--

(a) offences or penalties (including infringement offences or penalties and civil pecuniary penalty regimes)?	YES
--	------------

(b) the jurisdiction of a court or tribunal (including rights to judicial review or rights of appeal)?	NO
---	-----------

Clause 5 of the Bill includes the new regulation making power in the scope of existing penalty provisions relating to information disclosure in s. 57 of the Gas Act 1992. This will only have the effect of broadening the scope of offences once regulations are made.
--

3.4.1. Was the Ministry of Justice consulted about these provisions?	YES
---	------------

The Ministry of Justice was engaged as part of the consultation on the policy proposals in the Bill. The Ministry's preference was to not to create a new penalty regime but instead to use the existing penalty provisions in the Gas Act for other information disclosure offences. The Bill aligns with this advice.

Privacy issues

3.5. Does this Bill create, amend or remove any provisions relating to the collection, storage, access to, correction of, use or disclosure of personal information?	NO
---	-----------

The information to be collected under the regulation-making power introduced in this Bill relates only to the New Zealand Gas Market and not any personal information.

External consultation

3.6. Has there been any external consultation on the policy to be given effect by this Bill, or on a draft of this Bill?	YES
<p>The policy is to improve the information available to government and to the gas market to help the government monitor the market and help market participants make more efficient decisions.</p> <p>Over October and November 2025 MBIE undertook targeted engagement with major gas market participants and sector representatives on a wide range of possible additional gas market information that could be requested. The focus of that engagement was on a possible voluntary request for information, but the consultation document noted that regulatory measures could be considered if the voluntary approach proved ineffective.</p> <p>Submissions were received from 14 organisations, representing a mix of gas users, gas producers, electricity generators, and industry associations. Broadly feedback fell into two groups:</p> <ol style="list-style-type: none">1. Gas users were supportive of the options discussed, telling us that a better forward view of likely gas supply was essential to manage their operational, contracting and investment decisions relating to gas. Some also indicated that information on gas prices and contracted volumes was needed.2. Gas producers did not support the options discussed, telling us that the fundamental problem is limited gas availability, not inadequate information. They considered existing disclosure sufficient for an efficient market.	

Other testing of proposals

3.7. Have the policy details to be given effect by this Bill been otherwise tested or assessed in any way to ensure the Bill's provisions are workable and complete?	YES
<p>The provisions of the Bill are modelled on existing information gathering provisions in the Gas Act which have been tested for workability. Further assessment of the workability of policy details will be done as proposals for regulations are developed and consulted on.</p>	

Part Four: Significant Legislative Features

Compulsory acquisition of private property

4.1. Does this Bill contain any provisions that could result in the compulsory acquisition of private property?	NO

Charges in the nature of a tax

4.2. Does this Bill create or amend a power to impose a fee, levy or charge in the nature of a tax?	NO

Retrospective effect

4.3. Does this Bill affect rights, freedoms, or impose obligations, retrospectively?	NO

Strict liability or reversal of the usual burden of proof for offences

4.4. Does this Bill:	
(a) create or amend a strict or absolute liability offence?	YES
(b) reverse or modify the usual burden of proof for an offence or a civil pecuniary penalty proceeding?	NO
<p>Clause 5 of the Bill extends the application of existing strict liability penalty provisions in the Gas Act for lack of compliance with information disclosure requirements. A strict liability offence is necessary here since it would be straightforward to demonstrate that the offence was committed negligently or without much thought – because the offence is a failure to act rather than a positive action. If the offence required demonstrating a positive intent not to comply, it would defeat the intent of the policy as everyone could simply claim they forgot to comply.</p> <p>While the offence provisions are strict liability in the sense that mens rea is not required, they are not absolute liability as there is a defence available. The wording of the offence is: <i>“Every person commits an offence against this section who – fails without reasonable excuse to comply with any information disclosure requirements prescribed in regulations...”</i></p> <p>The allowance of a “reasonable excuse” defence mitigates the impact of the strict liability test on the presumption of innocence.</p>	

Civil or criminal immunity

4.5. Does this Bill create or amend a civil or criminal immunity for any person?	NO

Significant decision-making powers

4.6. Does this Bill create or amend a decision-making power to make a determination about a person's rights, obligations, or interests protected or recognised by law, and that could have a significant impact on those rights, obligations, or interests?	NO

Powers to make delegated legislation

4.7. Does this Bill create or amend a power to make delegated legislation that could amend an Act, define the meaning of a term in an Act, or grant an exemption from an Act or delegated legislation?	NO

4.8. Does this Bill create or amend any other powers to make delegated legislation?	YES
<p>Clause 4 of the Bill allows the Governor-General, on the advice of the Minister for Energy, to make regulations to require the disclosure of information relating to the gas market and prescribe the circumstances in which the information must be disclosed.</p> <p>The regulations will provide for matters of detail necessary to support the implementation and operation of the policy for which it is not appropriate to use Parliamentary time. They will also enable flexibility to be maintained in the information, and how it is prescribed, that is required as new developments or unforeseen matters arise.</p> <p>There are several safeguards in how this power will be exercised. The Bill requires that before regulations can be made the Minister must be satisfied that they are necessary or desirable to either:</p> <ol style="list-style-type: none">1. assist industry participants to make decisions, or2. assist the government to oversee, monitor or regulate the gas market, or3. to assist in the co-regulation of the gas industry with the industry body. <p>Regulations will be drafted by Parliamentary Counsel Office and be subject to Cabinet scrutiny. Regulations will be subject to the Acts and Regulations Publication Act 1989, disallowance under the Regulations Disallowance Act 1989, and subject to review by the Regulations Review Committee under Standing Order 326.</p>	

Any other unusual provisions or features

4.9. Does this Bill contain any provisions (other than those noted above) that are unusual or call for special comment?	NO

