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## Offshore Renewable Energy Bill - Overview

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Below is an overview of the Offshore Renewable Energy Bill

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The Government has this week delivered on its promise to introduce to the House bespoke legislation establishing a permitting regime for offshore renewable energy, continuing work started several years ago to encourage more renewable energy as part of our net carbon zero goals.

The Offshore Renewable Energy Bill is not limited to offshore wind, and could for example enable the development of tidal or other marine energy projects. Offshore wind developers have been working closely with MBIE for several years to help shape a fit for purpose regime for New Zealand.

In a way not dissimilar to how the Crown Minerals Act provides for the petroleum and minerals permitting regime, the Bill will afford exclusivity of tenure to selected developers who have the best prospect of delivering offshore renewable energy developments that will maximise the benefit to New Zealand.

The Bill introduces a permitting regime similar to that of the Australia. The closely aligned regimes have the potential to allow developments in New Zealand to track closely behind those being initiated by developers in Australia, enabling developers to benefit from regional collaboration and supply chain synergies.

The Bill will create:

- a two-stage permitting regime (an initial feasibility permit of up to 7 years' duration and a subsequent commercial permit), to give technically and financially capable developers time to undertake preliminary feasibility assessments and environmental studies, before moving to a commercial permit of 40 years. Importantly, the grant of a feasibility permit ensures that only that permitholder will be able to apply for the subsequent commercial permit over that area of the seabed;
- consultation requirements including specific requirements for consultation with Māori groups (noting that most developers have been actively engaging with relevant iwi for several years);
- decommissioning and financial security obligations to ensure appropriate decommissioning of offshore renewable energy infrastructure is at the expense of permit holders;
- safety zones of up to 500 metres around offshore renewable energy infrastructure; and
- administration, monitoring and enforcement of the regime and associated offences and penalties.

The Bill is the next step in the Government's Electrify NZ policy to double renewable energy generation and transition to net-zero carbon emissions by 2050. The Government estimates the Bill will be passed by the middle of 2025 with the first feasibility round initiated by late 2025 and the first

feasibility permits granted in 2026.

The Bill does not deal with environmental approvals, which will fall to be dealt with under a mix of the Resource Management Act (as amended), the Continental Shelf and Exclusive Economic Zone (Environmental Effects) Act and the Fast-Track Approvals Bill once enacted. Other marine legislation will also apply depending on the development.

If you are interested in offshore renewable energy developments in New Zealand and need to know more about the Bill and related regulatory and industry issues, please contact:

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