

Electrify NZ – Offshore Wind



 PARTY VOTE
National

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National's vision is for a growing New Zealand economy where transport and industry are powered by clean energy rather than fossil fuels. But switching cars and industrial production to electricity makes no sense if the extra electricity is generated by burning coal.

New Zealand's abundant solar, wind and geothermal resources make renewable energy a viable pathway to a low-emissions economy. Achieving this will require an unprecedented investment in renewable energy.

Offshore wind is one of this country's great untapped energy sources. New Zealand's shallow offshore seabeds and isolated, windy location in the South Pacific means offshore wind has enormous potential to deliver clean energy at scale. However, offshore wind currently generates none of New Zealand's electricity because investment rules are not yet in place.

National will fast track rules to unleash investment in offshore wind generation as part of our plan to [Electrify NZ](#) and help rebuild the economy.

National will:

- Fast track permits so feasibility studies for offshore wind can get underway.
- Complete the development of offshore wind regulations including commercial permits within one year to unleash investment.
- Require decisions on resource consents for offshore wind generation within two years of an application.
- Require consents for new transmission lines to be issued within one year and eliminate consents for upgrades to existing transmission lines, within limits.
- Work with Crown Research Institutes to publish weather and geology data to accelerate investment in offshore wind.

National wants a growing economy powered by renewable energy

National wants a future where buses and trains are powered by clean electricity, where we go on holiday in cars powered by clean electricity, and where industrial processing plants are powered by clean electricity – not coal.

To achieve this, New Zealand needs to double the amount of renewable electricity we produce including from solar, wind and geothermal. But the transition away from fossil fuels to electricity will only happen if electricity remains affordable. There must be enough renewable electricity to meet rising demand.

Right now, the planning system puts barrier after barrier in the way of investment in renewable energy. For example, it can take ten years to build an onshore wind farm – eight years to obtain resource consent, and just two years to build.

Despite our long coastline and ample wind, there is currently no offshore wind generation in New Zealand. The Government has been developing rules to allow offshore wind farms including a dedicated new permitting regime, but these rules are nowhere near being finalised. Offshore wind will also be caught by the same onerous planning rules that are limiting investment in onshore renewable energy.

Investors are lining up to build more renewable energy, including offshore wind. At least four companies are proposing to build offshore wind farms near Taranaki and Waikato, with each farm capable of generating more than 800 megawatts – about eight per cent of New Zealand’s current generating capacity *each*.¹

However, these investments cannot start until the rules are in place.

National’s plan to fast track offshore wind generation

Offshore wind is an opportunity to showcase how well-designed regulation can enable investment and protect the natural environment.

The Ministry of Business, Innovation and Employment (MBIE) is developing a permits system for offshore wind.² MBIE proposes permits and resource consents will be required to build and operate offshore wind farms.

MBIE proposes a two-stage permits process:

- **Feasibility permits** grant exclusive rights over a certain area for seven years to test an area’s suitability for offshore wind; and
- **Commercial permits** allow an offshore wind farm to be built. Commercial permits are issued after feasibility studies are complete and only to the holder of the feasibility permit for an area.

MBIE proposes extensive criteria for permits, including energy system impacts, economic development potential, health and safety credentials, and the national interest.

National will build on the work already done by MBIE on permits and seek to align the New Zealand system with Australia. However, National believes offshore wind permits should be simpler and avoid duplicating checks and balances elsewhere. Offshore wind should compete on the same commercial basis as other electricity generation.³

¹BusinessDesk, “Govt seeks advice on first offshore wind farm consent application,” 1 September 2023, [link](#).

²MBIE has recently proposed ([presentation](#), [paper](#)) a regime where investors require both environmental consents and permits to build offshore wind.

³National will make a final decision on whether there should be seabed royalties in government.

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National will use a contestable process to issue feasibility permits with a goal to have feasibility studies underway as soon as possible.⁴ Permits should ensure each offshore wind project is successfully decommissioned at the end of its useful life to protect the environment. National will retain MBIE's "use it or lose it" rule to avoid speculative behaviour.

National's goal is a simpler, more consistent approach to offshore wind regulation to promote certainty and competition, to keep electricity secure and support a growing New Zealand economy.

National will:

- Fast track the introduction of offshore wind permits so feasibility studies for offshore wind sites can get underway as soon as possible.
- Complete the commercial permits process within one year to clear the way for investment as feasibility studies are completed.
- Require resource consents for offshore wind generation to be issued within two years of an application by updating the National Policy Statement for Renewable Energy, with this timeframe to be reviewed as offshore wind becomes embedded.
- Require consents for new transmission lines to be issued within one year and eliminate consents for upgrades to existing transmission lines within limits, with transmission funding rules to be updated to support investment.
- Work with NIWA and GNS Science to publish weather and geology data to support feasibility studies.⁵

To reduce funding pressures on councils for other infrastructure including local port upgrades needed for offshore wind, a National Infrastructure Agency will improve funding, procurement and delivery of infrastructure. National will also seek to remove barriers to port upgrades through City and Regional Deals.

National will work constructively with iwi in a manner consistent with Treaty principles.

Electrify NZ Summary:

	Controlled activity	1 year consent	35+ year duration	10 year lapse	1 year re-consent
Hydro	✗	✗	✓	✓	✓
Other onshore renewables (solar, wind, geothermal, biomass)	✓	✓	✓	✓	✓
Offshore wind	✗	✗	✓	✓	✓
Transmission and local lines	✓	✓	✓	✓	✓

⁴Our goal is to give companies that are developing offshore wind the opportunity to participate fairly in the feasibility permits process. A National Government will make early decisions on timeframes and other details of the feasibility permits process to provide certainty.

⁵NIWA is the National Institute of Water and Atmospheric Research. NIWA and GNS Science are Crown Research Institutes.

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