

26 September 2025

[REDACTED]

General Manager, Resources Branch  
Ministry of Business, Innovation, and Employment

via e-mail: [REDACTED]

Dear [REDACTED]

### Consultation on change to the annual report due date

This letter provides feedback on the proposal to bring forward the **due date** for petroleum annual summary report information from 31 March to **1 February** as set out in an e-mail dated Monday 1 September 2025. Thank you for the opportunity to submit on these proposals.

### Summary

The gas sector in New Zealand is undergoing rapid change and, as we have seen recently, major developments can happen in six months. Current timeframes for making the reserves information public are sub-optimal. The rationale for moving the due date of the annual summary report information is primarily to facilitate earlier release of this reserves data. The policy expectation is that information released earlier will enhance market integrity and facilitate more efficient decisions.<sup>1</sup>

This data has historically been published in July, when the information is for the previous calendar year and by the time of release around half a year out of date (though slight improvements were made this year). We see some public benefit in facilitating this release to happen earlier for the sake of transparency and access to more timely information.

### Key messages

- a. moving the due date to 1 February is not practical for petroleum permit holders, presents unacceptable risks and would put pressure on other processes and stakeholders, including iwi and hapū;
- b. we **recommend 1 March** as the **due date for all annual summary report information** as this is workable and manages the risks;
- c. reserves data should be made publicly available earlier and government processes should also be expedited to achieve this; and
- d. the changes should not be made for the next annual summary reports due in 2026.

<sup>1</sup>

As defined in orthodox economics as productive, allocative and dynamic efficiency.

We have provided responses to the specific questions below, but in light of forthcoming additional information requests regarding the type and nature of annual summary report information we have also set out for your information our evidentiary expectations for such requests in **Appendix 1** attached.

## **Responses to questions**

### **1) *Whether the proposed earlier due date is workable. If not, what alternative date could be suitable.***

We do not think that 1 February is workable for practical reasons, but also that it poses unacceptable risks and burdens on permit holders and other stakeholders.

#### *Practical concerns and risks*

Most New Zealanders take annual leave in the early weeks of January. Businesses, including oil and gas companies, are generally short staffed during this period often operating below capacity. The skilled and expert staff, mostly engineers, required to compile and analyse the data will likely be unavailable to do this before 1 February. If some are, putting them under pressure to produce it early increases the risks for errors.

Even if the information can be generated, further risks relate to the sign-off processes. The senior staff/management authorised to do this may not be available. There would also be risks around expediting the approval process, particularly for companies that need to clear them with a parent company/head office and/or joint venture partners.

#### *Other considerations*

If all the information requested is required, this puts pressure on other processes and stakeholders. In particular, it could mean that consultation on iwi engagement reports had to happen earlier and quicker and royalties information would be due earlier.

Some iwi and hapū are not well resourced to respond to the reports and take time to provide feedback. The royalties calculations and production figures on which they are based are generally not finalised by 1 February.

Other factors beyond the permit holder's control may make compliance with the earlier date more difficult. For example, an auditor's report may be delayed.

***Recommendation (preferred):*** all the information that is required for annual summary reports should be due on **1 March**. This should manage the practical problems and mitigate the risks identified above.

***Recommendation (alternate):*** to split the due dates into tranches, with reserves data due earlier on 1 March and the other information delivered on 31 March.

**2) *Whether this change would result in any increased cost or create barriers to meeting this earlier deadline.***

The costs of generating the information would not change significantly with the earlier due date unless additional staff are needed. Our primary concern is not costs, but the risks, particularly of non-compliance or errors being made when processes are put under pressure.

**3) *Whether it is workable to implement this change for the next annual summary report due in 2026.***

It is already the end of September with only a quarter of the year left to plan for the change and make adjustments to processes. This might have been possible if the information requested had remained the same, but not in light of the additional proposed changes to the requirements. Consultation on the new information requirements has not even begun yet so the details of those new requirements will not be finalised for some time. This will not leave enough time to plan for and implement all the changes for the next annual summary reports due in 2026.

**4) *Whether there are any other considerations we should take into account for changing due date for annual reports.***

The responsibility for making improvements in timeliness must be shared. If permit holders are providing information earlier, the government machinery also needs to reciprocate by compressing the time that it takes to collate, verify and publish that information. It is acknowledged in the correspondence that there are opportunities to improve internal processes, but these are not quantified nor any commitments made. There will be some constraints given that these are official Tier 1 statistics that need to be accurate and validated through a process involving Stats NZ. There should, however, be reasonable scope for this part of the process to be expedited as well (i.e. a *quid pro quo*).

As noted above and in Appendix 1, we have concerns about the cumulative impact of both the change in due date and any changes in information requirements that are signalled in the e-mail (i.e., more and/or different information being required earlier).

**Next steps**

We would welcome the opportunity to work further with officials on these proposals and how they will be operationalised.

Yours sincerely



John Carnegie  
**Chief Executive**

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## **Appendix 1: The economics of information disclosure**

### ***The nature of the information and who benefits from it***

The information provided by permit holders is used by:

- a. operators for their own planning purposes and due diligence;
- b. the regulator to perform its functions;
- c. government officials to inform policy development and advise Ministers;
- d. companies and users in the wider energy sector for investment decisions; and
- e. the general public for information.

It has value and utility for a range of system participants and requests by government to publish privately held information is often seen as beneficial, if not costless. Neither is necessarily the case. As can be seen from the list, the benefits of the information released are shared across the system, but the costs of producing it (both the collection costs and the loss of any competitive positioning) falls on the permit holders. The economic test of 'nationalising' privately held information is reasonably clear:

- a. any information disclosure must be shown to address a clearly identified market failure that has been caused by information asymmetry; and
- b. the net public benefit must exceed the costs incurred by those whose information is forcibly made public and be able to be demonstrated. Improvements to market prices and competition must be demonstrable rather than theoretical.<sup>2</sup>

These are not trivial tests.

### ***Beware of free riders***

It is also important not to be distracted by claims for additional information from those who seek to privately benefit from it but are unwilling to pay to receive it. This is notably but not solely the preserve of those who do not participate in the relevant information market but wish to receive information free of charge that can be used to enhance their commercial position. In this case, provision of free information results in a free riding problem as the cost of provision are socialised while the benefits are privatised. Such effects should be ignored in an assessment of net public benefits.

### ***Good regulatory practice and the consultation process***

Good regulatory practice requires that the impacts of regulatory changes are appropriately and transparently assessed. If the changes being proposed are material, a full regulatory impact statement (RIS) should be prepared. In addition to identifying the problem being addressed, and its cause, this should set out the options that have been considered and their costs, benefits and risks (e.g., undermining private providers of market information).

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<sup>2</sup> In general it is expected that a correction of a market failure (in this case supposed to be an under supply of information) can be shown to result in lower cost provision of the good to which the information relates (productive efficiency), the more efficient allocation of resources to their highest value use (allocative efficiency) and improved investment patterns (dynamic efficiency).