



# Cabinet Business Committee

## Minute of Decision

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### New Zealand Emissions Trading Scheme: Technical Updates 2024

Portfolio                      Climate Change

On 12 August 2024, the Cabinet Business Committee:

- 1        **noted** that the New Zealand Emissions Trading Scheme (NZ ETS) requires regular maintenance via regulatory update to ensure that the scheme remains credible;
- 2        **noted** that consultation ran on a range of NZ ETS technical regulatory updates and NZ ETS settings from 15 May 2024 to 14 June 2024, with a total of 38 submissions received that responded to the technical regulatory update proposals;
- 3        **agreed** to update the Climate Change (Stationary Energy and Industrial Processes) Regulations 2009 (SEIP Regulations) with the values listed in Table 1 of the paper under CBC-24-SUB-0084;
- 4        **agreed** to update the Climate Change (Unique Emissions Factors) Regulations 2009 (UEF Regulations) with the methodologies set out in paragraphs 13-15 of the paper under CBC-24-SUB-0084;
- 5        **noted** that the Minister of Climate Change (the Minister) intends to update geothermal default emissions factors (DEFs) in future, as authorised by the Cabinet Economic Policy Committee in May 2024 [ECO-24-MIN-0075];
- 6        **agreed** to update the Climate Change (Liquid Fossil Fuels) Regulations 2008 (LFF Regulations) to the values listed in Table 2 of the paper under CBC-24-SUB-0084;
- 7        **noted** that updating liquid fossil fuel DEFs will affect fuel costs, but the changes and overall NZ ETS impact are well within the range of typical fuel price fluctuations;
- 8        **noted** that the excise and tariff reference numbers in the LFF Regulations also require replacing with the latest reference numbers;
- 9        **authorised** the Minister to issue drafting instructions to the Parliamentary Counsel Office to amend the SEIP, UEF, and LFF regulations to give effect to the decisions under CBC-24-MIN-0084;

- 10 **authorised** the Minister to further clarify and develop policy matters relating to the decisions under CBC-24-MIN-0084, in a manner consistent with Cabinet decisions.

Jenny Vickers  
Committee Secretary

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**Present:**

Rt Hon Christopher Luxon (Chair)  
Hon David Seymour  
Hon Nicola Willis  
Hon Brooke van Velden  
Hon Chris Bishop  
Hon Dr Shane Reti  
Hon Simeon Brown  
Hon Erica Stanford  
Hon Paul Goldsmith  
Hon Matt Doocey  
Hon Simon Watts

**Officials present from:**

Office of the Prime Minister  
Department of the Prime Minister and Cabinet