

From carbon costs to gas gaps: NZ energy sector flags rising pressures

New information from the World Energy Council shows affordability, carbon pricing, and demand management are the top energy concerns in New Zealand.

The 2025 *Country Issues Map* is out now. The report surveyed energy leaders across the wider energy sector to get a snapshot of what keeps them awake at night, and busy during the day.

The BusinessNZ Energy Council (BEC) Executive Director Tina Schirr says the map paints a clear picture of the sector's issues that still need to be addressed.

"Affordability being the dominant concern on the 2025 map is no surprise given the strain placed on the electricity sector during last year's dry winter, and the compounding issue of reduced gas availability."

Carbon pricing ranks high on the uncertainty list, reflecting instability in the Emissions Trading Scheme, an oversupply of New Zealand Units, and investor hesitancy.

Schirr says gas users will continue to face difficulties accessing viable alternatives.

"However, there is growing acknowledgement that grid-scale storage and demand response measures can help reduce supply risks, especially during dry years.

"How New Zealand manages the energy trilemma - balancing security, sustainability, and equity - has become an increasing area of concern in these reports. Uncertainty over gas reliability is now a key threat to security of supply and affecting affordability across the wider industry."

Schirr says that over the years, a major blind spot for New Zealand remains unchanged - community engagement.

"Engagement and energy literacy continue to rank low for both uncertainty and impact, despite their importance in building lasting public support for energy transitions.

"On the bright side, infrastructure concerns that dominated previous years have eased somewhat, but transmission grids and long-term planning remain high-priority actions. New Zealand also retains its position as a global energy innovator.

"lastly, The report reinforces that our abundant renewable energy resources and strong public-private position on collaboration will serve us well for energy transition to come."

To read the full BEC commentary and view the New Zealand 2025 issues map, visit <https://www.worldenergy.org/world-energy-community/members/entry/new-zealand>

[ENDS]