



Fuel Industry (Diesel Resilience) Amendment Regulations 2025

Cindy Kiro, Governor-General

Order in Council

At Wellington this 8th day of December 2025

Present:

Her Excellency the Governor-General in Council

These regulations are made under section 69 of the Fuel Industry Act 2020—

- (a) on the advice and with the consent of the Executive Council; and
- (b) on the recommendation of the Minister for Energy made in accordance with sections 58(3), 63(3), and 69(2) of that Act.

Contents

	Page
1 Title	2
2 Commencement	2
3 Principal regulations	2
Part 1	
Amendments to provide for calculation of diesel market share percentage and related information requirements	
4 New regulation 33A inserted (Calculation of diesel market share percentage)	2
33A Calculation of diesel market share percentage	2
5 Regulation 44 amended (Annual disclosure of storage capacity)	3
6 New subpart 5 of Part 5 inserted	3

Subpart 5—Notification of information by chief
executive for purpose of calculating diesel stockholding
obligation

51	Chief executive must notify obliged persons of national diesel demand	4
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Part 2

**Amendments to create different numbers of days of demand or
consumption for obliged persons in respect of diesel based on
market share**

7	Regulation 33 amended (Required number of days of demand or consumption)	4
8	Regulation 34 amended (Formula for translating minimum level of cover to required minimum stockholding volume)	4

Regulations

1 Title

These regulations are the Fuel Industry (Diesel Resilience) Amendment Regulations 2025.

2 Commencement

- (1) These regulations come into force on 1 April 2027.
- (2) However, Part 2 comes into force on 1 July 2028.

3 Principal regulations

These regulations amend the Fuel Industry Regulations 2021.

Part 1

**Amendments to provide for calculation of diesel market share
percentage and related information requirements**

4 New regulation 33A inserted (Calculation of diesel market share percentage)

After regulation 33, insert:

33A Calculation of diesel market share percentage

- (1) The diesel market share percentage of an obliged person in respect of diesel that applies in each particular compliance period must be calculated in accordance with the following formula:

$$a = (b \div c) \times 100$$

where—

- a is the obliged person’s diesel market share percentage
- b is the overall diesel demand for the obliged person, as calculated from the sum of all of the monthly total volumes of diesel drawn by the obliged person from all MSO storage facilities as recorded and retained in accordance with regulation 41(1)(b)(vi) for each month of the relevant period
- c is the total demand for diesel in New Zealand over the relevant period calculated by the chief executive and notified to obliged persons in respect of diesel in accordance with regulation 51.

Guidance note

This formula is relevant to calculating whether an obliged person in respect of diesel is a class 1 obliged person in respect of diesel or a class 2 obliged person in respect of diesel. From 1 July 2028, different required numbers of days of demand or consumption apply to obliged persons in respect of diesel under regulation 33 depending on whether they are categorised as a class 1 or class 2 obliged person in respect of diesel.

- (2) For every compliance period within a particular financial year (**Year P**) in which the stockholding obligation is calculated under this subpart, the **relevant period** is the financial year ending on 31 March of the calendar year before the calendar year in which Year P commenced.

Example

For every compliance period (calendar month) within the financial year that begins on 1 April 2031 and ends on 31 March 2032, the relevant period that is used to calculate an obliged person’s diesel market share percentage for those compliance periods is the period that begins on 1 April 2029 and ends on 31 March 2030.

5 Regulation 44 amended (Annual disclosure of storage capacity)

- (1) After regulation 44(1), insert:
 - (1A) An obliged person in respect of diesel must record and retain for each financial year the obliged person’s diesel market share percentage, calculated in accordance with the formula in regulation 33A.
- (2) In regulation 44(2), replace “under subclause (1)”, with “under subclauses (1) and (1A)”.

6 New subpart 5 of Part 5 inserted

After regulation 50, insert:

Subpart 5—Notification of information by chief executive for purpose of calculating diesel stockholding obligation**51 Chief executive must notify obliged persons of national diesel demand**

- (1) By 30 June of each year, the chief executive must notify obliged persons in respect of diesel of the total demand for diesel in New Zealand for the financial year that ended on 31 March of that year.
- (2) The notification may be made by making the information publicly available (for example, by publishing the information on an internet site maintained by or on behalf of the chief executive) or by individually notifying obliged persons in respect of diesel (for example, by emailing the information to each obliged person's email address).

Part 2**Amendments to create different numbers of days of demand or consumption for obliged persons in respect of diesel based on market share****7 Regulation 33 amended (Required number of days of demand or consumption)**

- (1) In regulation 33, replace “is—” with “is,—”.
- (2) Replace regulation 33(a) with:
 - (a) for a class 1 obliged person in respect of diesel, 21:
 - (aa) for a class 2 obliged person in respect of diesel, 28:

- (3) In regulation 33, insert as subclause (2):

- (2) For the purposes of this regulation and regulation 33A,—

class 1 obliged person in respect of diesel means an obliged person in respect of diesel whose diesel market share percentage that applies in the relevant compliance period (as calculated in accordance with regulation 33A) is less than 10%

class 2 obliged person in respect of diesel means an obliged person in respect of diesel whose diesel market share percentage that applies in the relevant compliance period (as calculated in accordance with regulation 33A) is 10% or more.

8 Regulation 34 amended (Formula for translating minimum level of cover to required minimum stockholding volume)

In regulation 34, formula, item b, after “fuel type”, insert “(or, in respect of diesel, the class of obliged person during the compliance period)”.

Rachel Hayward,
Clerk of the Executive Council.

Explanatory note

This note is not part of the regulations but is intended to indicate their general effect.

These regulations amend the Fuel Industry Regulations 2021 (the **principal regulations**) to make changes to how the stockholding obligation for a fuel industry participant who has stockholding obligations in respect of diesel (an **obliged person in respect of diesel**) is calculated. These amendment regulations commence in 2 stages.

Most of these amendment regulations, including *Part 1*, come into force on 1 April 2027. *Part 1* includes the insertion of *new regulation 33A*, which introduces—

- a calculation of the diesel market share percentage for obliged persons in respect of diesel; and
- a new obligation in regulation 44 of the principal regulations for obliged persons in respect of diesel to record and retain that diesel market share percentage information.

Under regulation 44(2) of the principal regulations, an obliged person must disclose their diesel market share percentage to the chief executive by no later than 1 September of each year.

Part 1 of these amendment regulations also inserts *new subpart 5 of Part 5* of the principal regulations, which includes an annual requirement in *new regulation 51* for the chief executive to notify obliged persons in respect of diesel of the total demand for diesel in New Zealand for each financial year. The information on the total demand for diesel is necessary for the calculation of the diesel market share percentage of obliged persons in respect of diesel under *new regulation 33A*. The chief executive will be required to provide the information by 30 June of each year from 2027, allowing sufficient time for an obliged person to make the calculation under *new regulation 33A* and disclose the information under regulation 44(2) before the due date of 1 September each year.

The changes relating to the calculation and disclosure of information on the diesel market share percentage for obliged persons in respect of diesel come into force in advance of the changes affecting their stockholding obligations. This is because the diesel market share percentage applicable to each calendar month within a particular financial year relies on the information collected in relation to a previous financial year. The staged commencement of these amendment regulations allows sufficient time after the relevant information is calculated and disclosed before any change to an obliged person's stockholding obligation takes effect.

Part 2 of the amendment regulations comes into force on 1 July 2028. *Part 2* amends regulation 33 of the principal regulations, which sets the required number of days of demand or consumption for fuel industry participants that have stockholding obligations in respect of different types of fuel. This figure is a key part of the calculation of

each participant's required minimum stockholding volume for a fuel type. The amendments to regulation 33 set different numbers of days of demand or consumption for obliged persons in respect of diesel based on whether an obliged person's diesel market share percentage is less than 10% or 10% or more. For those with a diesel market share percentage of less than 10%, the required number of days of demand or consumption will remain at 21 days. For those with a diesel market share percentage of 10% or more, the required number of days of demand or consumption will increase from 21 to 28 days. This increase takes effect for each calendar month from 1 July 2028, meaning any increase to an obliged person's stockholding obligation takes effect from this date. *Part 2* also makes a consequential amendment to regulation 34 of the principal regulations.

Regulatory impact statement

The Ministry of Business, Innovation, and Employment produced a regulatory impact statement on 14 May 2025 to help inform the decisions taken by the Government relating to the contents of this instrument.

A copy of this regulatory impact statement can be found at—

- <https://www.mbie.govt.nz/dmsdocument/30729-regulatory-impact-statement-increasing-the-minimum-stockholding-obligation-for-reserve-diesel-pdf>
- <https://www.regulation.govt.nz/our-work/regulatory-impact-statements/>

Issued under the authority of the Legislation Act 2019.

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These regulations are administered by the Ministry of Business, Innovation, and Employment.