

Harnessing the Power of Tangaroa: Assessing New Zealand's Offshore Renewable Energy Act 2026

New Zealand has recently established a technology-neutral framework for offshore renewable energy development. Here are five things you need to know about the Offshore Renewable Energy Act 2026.

In December 2024, we reported on the Offshore Renewable Energy Bill passing its first reading [here](#). Almost 2 years later, the Offshore Renewable Energy Act 2026 (**Act**) came into force on 10 July 2026.

The Act applies to wave, tidal and ocean current energy resources

Under the Act, offshore renewable energy is not defined. The Act instead uses the acronym ORE which is defined as offshore renewable energy and regulates infrastructure that generates energy from a renewable energy resource in the territorial sea or exclusive economic zone. The definition of renewable energy resource is broad and alongside more common resources such as wind and geothermal heat, it also includes wave, tide and ocean current energy resources. The Act also leaves scope for regulations to prescribe other renewable resources in the future.

What is the purpose of the Act?

The purpose of the Act has been refined since our last article. In summary, its purpose is to give greater certainty for developers to invest in ORE, to allow the selection of ORE developments that best meet New Zealand's national interests, and to manage the risks to the Crown and public from these developments. The Act essentially fills a gap that previously existed in relation to New Zealand's offshore energy regulatory framework.

Two-stage permitting process

There are two permits available under the Act. The first is a feasibility permit, which has a duration of 7 years. This permit provides for a permit holder to assess the feasibility of an ORE development in the permit area and gives them the exclusive ability to apply for a commercial permit in relation to the proposed development. A person must have a feasibility permit before they can apply for a resource and/or marine consent (separately obtained).

A commercial permit has a duration of 40 years. This permit is to enable the permit holder to give effect to a resource and/or marine consent that authorises ORE generation infrastructure activities. An application for a commercial permit may only be made by a person who is a permit holder of a feasibility permit in respect of the same area.

Marine space is allocated on an exclusive basis

Under the Act, a feasibility permit must not be granted for a permit area that is already covered by another permit. This is likely to provide certainty to investors and developers by preventing overlapping interests and reduce competition for the same offshore area. However, it could also unintentionally encourage attempts to obtain exclusivity over a large offshore area without a genuine ability to develop it in the near future. To address this, the Act specifies that a feasibility permit application must include a development plan to enable measurable permit conditions.

Implications for wave, tidal and ocean energy development in New Zealand

This regime has the potential to influence future development of wave, tidal and ocean current energy in New Zealand by providing, for the first time, a dedicated legal framework for these kinds of projects.

The Act expressly recognises waves, tides and ocean currents as renewable energy resources, which provides the same statutory footing as other types of offshore energy resources, such as wind.

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Overseas, geographically comparable jurisdictions have already begun to deploy commercial-scale tidal energy projects. One example is the MeyGen tidal array in northern Scotland, currently the world's largest operational tidal stream energy project. Projects such as MeyGen demonstrate what could be explored and assessed for feasibility under the Act in New Zealand.

Want to know more about offshore renewable energy?

If you have any questions about the Act, please contact our specialist [Environment & Planning Team](#).