



# Cabinet Environment, Energy and Climate Committee

## Minute of Decision

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### Amendments to the Exclusive Economic Zone and Continental Shelf (Fees and Charges) Regulations 2013: Final Policy Decisions

Portfolio Environment

On 6 April 2023, the Cabinet Environment, Energy and Climate Committee:

#### Background

- 1 **noted** that the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012 (the EEZ Act) requires the Environmental Protection Authority (EPA) to recover direct and indirect costs that are not provided for by Crown appropriation;
- 2 **noted** that the those fees, referred to in paragraph 1 above, have not been updated since the Exclusive Economic Zone and Continental Shelf (Fees and Charges) Regulations 2013 (the Regulations) were established in 2013;
- 3 **noted** that the Regulations need to be updated to enable the EPA to better cost recover in line with EEZ Act requirements;
- 4 **noted** that in November 2022, Cabinet approved the release of a discussion document on proposals to increase the hourly charge-out rates and update staff categories contained in the Regulations [ENV-22-MIN-0055];

#### Policy decisions

- 5 **agreed** to amend the staff categories to better align with current EPA staffing practices, as follows:

Current staff categories	Recommended staff categories
Principal technical advisor	<i>Remove</i>
Delegated authority to determine acceptance of a decommissioning plan	<i>Remove</i>
<i>New staff category</i>	Principal advisor/officer/investigator and team leader
Project leader	Project leader/senior advisor 1/compliance officer/investigator
Senior advisor	Senior advisor 2/officer/investigator

Advisor	Advisor/officer/investigator
Administrator	Administrator

- 6 **agreed** to increase the hourly charge-out rates (exclusive of GST) to allow the EPA to better recover its direct and indirect costs of performing functions and services under the EEZ Act from 1 July 2023, as follows:

Staff category	2023/24 (financial year)	2024/25 (financial year)	2025/26 and out years
Principal advisor/officer/investigator and team leader	301.00	310.00	319.00
Project leader/senior advisor 1/compliance officer/investigator	251.00	259.00	266.00
Senior advisor 2/officer/investigator	211.00	218.00	224.00
Advisor/officer/investigator	181.00	186.00	192.00
Administrator	143.00	148.00	152.00

- 7 **agreed** to consequential amendment of the Exclusive Economic Zone and Continental Shelf (Environmental Effects – Decommissioning Plans) Regulations 2021 to remove the specific rate of recovery for a staff member with the delegated authority to determine whether to accept a decommissioning plan;

**Consultation**

- 8 **noted** that three submissions were received during consultation which were all supportive of the policy objective and cost recovery principles (equity, efficiency, justification, transparency, effectiveness, simplicity, and accountability);
- 9 **noted** that the Minister for the Environment (the Minister) has considered submissions received;
- 10 **noted** that the submissions included suggestions to reduce the costs that are recovered, creating a daily cap on hours charged, benchmarking rates to the private sector, and using other charging methods;
- 11 **noted** that the Minister considers lowering the fees would not allow the EPA to recover all the direct and indirect costs that are not provided for by Crown funding, so do not propose reducing the fees below those consulted on;

**Legislative requirements**

- 12 **invited** the Minister for the Environment to issue drafting instructions to the Parliamentary Counsel Office to draft the proposed amendments to the Regulations based on the above policy decisions;
- 13 **authorised** the Minister for the Environment to approve minor policy changes during drafting of the amended Regulations;

- 14 **agreed** the Minister for the Environment may consult with, and provide Parliamentary Counsel Office drafts of the regulations to, the EPA as a directly affected party in respect of the amended Regulations.

Vivien Meek  
Committee Secretary

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**Present:**

Hon Kelvin Davis  
Hon David Parker (Chair)  
Jo Luxton, MP

**Officials present from:**

Office of the Prime Minister  
Officials Committee for ENV

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