

Hospitality urged to 'bite the bullet' on energy costs

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May 15, 2026

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Hospitality plays a big part in driving the region's economy but the sector is vulnerable energy market disruption, Mission Zero says. The organisation is offering businesses like restaurants and hotels a free workshop on how to survive things like price shocks and blackouts, through cost-cutting measures like electrification. (File photo)

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Hospitality businesses are being urged to act now to reduce their vulnerability to future price shocks and energy market instability.

Nelson-based organisation Mission Zero said operations such as bars, restaurants, hotels, motels and campgrounds were running on "very narrow margins" amid the continuing [cost-of-living crisis and recent fuel price hikes](#).

Energy was the biggest expense for hospitality businesses, which were key drivers of the economy in the tourist destination of Nelson and Tasman District, trustee Marta Karlik-Neale said.

Energy price volatility would likely continue, not least due to climate change disrupting supply, she said.

"It's not going to get any easier.

"This is about ... staying in the game."

Karlik-Neale was among experts offering local hospitality businesses free advice about how to cut costs.

Switching to electricity from gas for cooking or heating would save the businesses money, while decreasing their dependence on unpredictable fossil fuel supply, she said.

Using electricity generated through solar panels on their roofs would also help them stay open during power cuts, which were increasingly likely with extreme weather, she said.

Mission Zero, an initiative of NGO Businesses for Climate Action, would be co-hosting a free workshop on Monday, to help hospitality businesses explore changes they could make to reduce both their costs and carbon emissions.



Little Dove Cafe owner Andrew Clancey says the business chose induction cooktops when it opened six years ago, and is "loving the efficiency".

MARTA KARLIK-NEALE

That included using electric stoves, which were now "just as good a cooking experience" as with gas, and cheaper, often healthier and faster, and easier to clean, Karlik-Neal said.

With a lot of energy wasted in the hospitality sector, businesses could cut costs immediately through small efficiencies, like moving fridges out of the sun and putting timers on heaters, she said.

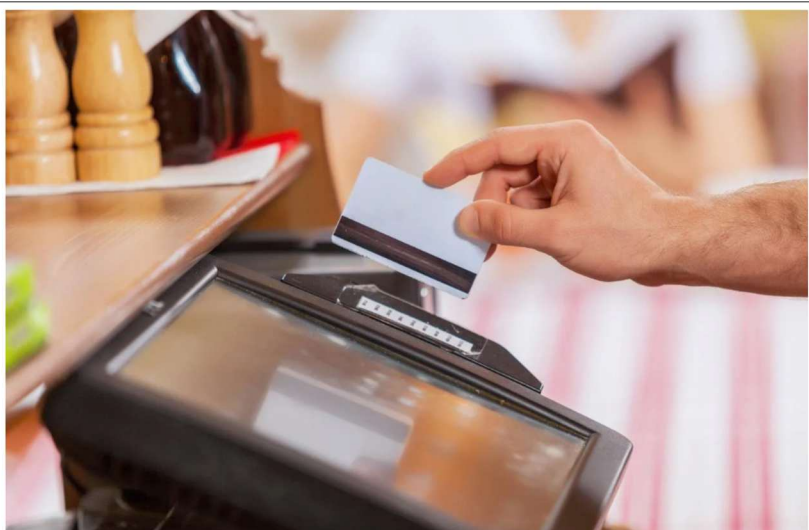
Money was available to help businesses start to switch to electrification through things like council climate change grants and "green loans", with workshop speakers including bank representatives.

While businesses were busy, and change could be scary, not preparing for future energy market disruption risked even higher costs, Karlik-Neale said.

"It's not going to get easier.

"Bite the bullet now; invest.

"Those who will survive ... [and] continue thriving are going to be those who will manage their energy well."



The organisation Mission Zero is putting on a free workshop to help hospitality businesses in the region cut costs and increase resilience to increasing market and climate volatility. (File photo)

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The changes would also help meet the target of cutting the community's greenhouse gas emissions by an average of 8.3% a year until 2035.

The target, set by the Nelson City Council, aligned with the Paris Agreement to limit global heating to 1.5% above pre-industrial levels.

Heating, cooking and refrigeration were the biggest source of emissions for Nelson and Tasman District hospitality businesses, Karlik-Neale said.

Landlords of businesses such as cafes needed to get on board too, she said.

"It's also really important that we have thriving hospitality in the city centre," she said.

City revitalisation recently topped the list of strategic priorities the council aimed to set for the next few years.

The "Energy Future for Hospitality workshop" would also feature live demonstrations of emerging cooking technology, including induction systems and the Merrychef appliance – a high-speed, energy-efficient alternative to the deep fryer.

[Registrations were required for the event](#), presented by Mission Zero, an initiative of the NGO Businesses for Climate Action, and commercial kitchen supplier, Southern Hospitality, with support from Nelson City Council and Chia Sisters.

The workshop takes place at Southern Hospitality, 12 Paru Paru Road, from 4pm–6pm on Monday May 18.