

Mā tō tātou takiwā
For our District

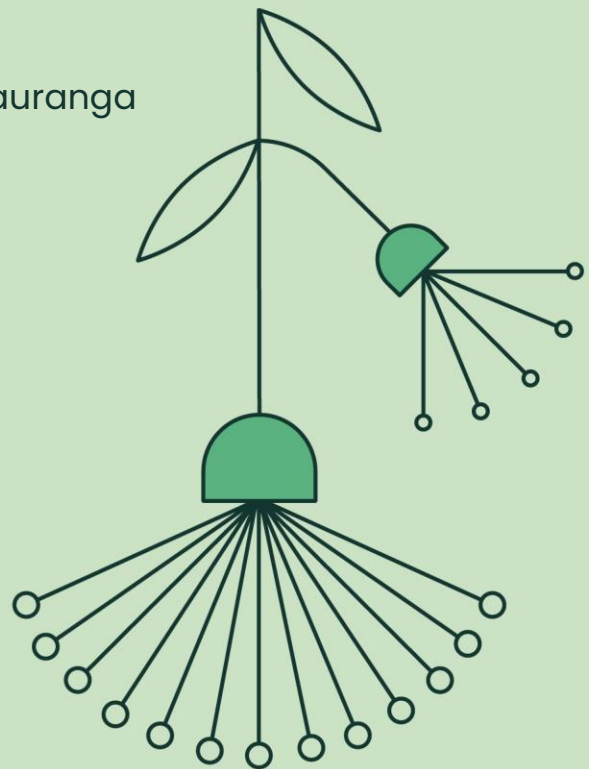
Strategy and Policy Committee

Kōmiti Rautaki me Kaupapa Here

SPC23-4

Thursday, 6 July 2023, 9.30am

Council Chambers, 1484 Cameron Road, Tauranga



Strategy and Policy Committee

Membership:

Chairperson	Mayor James Denyer
Deputy Chairperson	Cr Richard Crawford
Members	Cr Tracey Coxhead Cr Grant Dally Cr Murray Grainger Cr Anne Henry Cr Rodney Joyce Cr Margaret Murray-Benge Deputy Mayor John Scrimgeour Cr Allan Sole Cr Don Thwaites Cr Andy Wichers
Quorum	Six (6)
Frequency	Six weekly

Role:

- To develop and review strategies, policies, plans and bylaws to advance the strategic direction of Council and its communities.
- To ensure an integrated approach to land development (including land for housing), land use and transportation to enable, support and shape sustainable, vibrant and safe communities.
- To ensure there is sufficient and appropriate housing supply and choice in existing and new urban areas to meet current and future needs.

Scope:

- Development and review of bylaws in accordance with legislation including determination of the nature and extent of community engagement approaches to be deployed.
- Development, review and approval of strategies and plans in accordance with legislation including
- determination of the nature and extent of community engagement approaches to be deployed.
- Subject to compliance with legislation and the Long Term Plan, to resolve all matters of strategic policy outside of the Long Term Plan process which does not require, under the Local Government Act 2002, a resolution of Council.

- Development of District Plan changes up to the point of public notification under the Resource Management Act 1991.
- Endorsement of the Future Development Strategy and sub-regional or regional spatial plans.
- Consider and approve changes to service delivery arrangements arising from service delivery reviews required under the Local Government Act 2002 (provided that where a service delivery proposal requires an amendment to the Long Term Plan, it shall thereafter be progressed by the Annual Plan and Long Term Plan Committee).
- Where un-budgeted financial implications arise from the development or review of policies, bylaws or plans, recommend to Council any changes or variations necessary to give effect to such policies, bylaws or plans.
- Listen to and receive the presentation of views by people and engage in spoken interaction in relation to any matters Council undertakes to consult on whether under the Local Government Act 2002 or any other Act.
- Oversee the development of strategies relating to sub-regional parks and sub-regional community facilities for the enhancement of community wellbeing of the Western Bay of Plenty District communities, for recommendation to Tauranga City Council and Western Bay of Plenty District Council.
- Consider and decide applications to the Community Matching Fund (including accumulated Ecological Financial Contributions).
- Consider and decide applications to the Facilities in the Community Grant Fund.
- Approve Council submissions to central government, councils and other organisations, including submissions on proposed legislation, plan changes or policy statements.
- Receive and make decisions and recommendations to Council and its Committees, as appropriate, on reports, recommendations and minutes of the following:
 - SmartGrowth Leadership Group
 - Regional Transport Committee
 - Any other Joint Committee, Forum or Working Group, as directed by Council.
- Receive and make decisions on, as appropriate, any matters of a policy or planning nature from the following:
 - Waihi Beach, Katikati, Ōmokoroa, Te Puke and Maketu Community Boards.
 - Community Committee.

Power to Act:

- To make all decisions necessary to fulfil the role and scope of the Committee subject to the limitations imposed.

Power to Recommend:

- To Council and/or any Committee as it deems appropriate.

Power to sub-delegate:

- The Committee may delegate any of its functions, duties or powers to a subcommittee, working group or other subordinate decision-making body subject to the restrictions within its delegations and provided that any such sub-delegation includes a statement of purpose and specification of task.
- Should there be insufficient time for Strategy and Policy Committee to consider approval for a final submission to an external body, the Chair has delegated authority to sign the submission on behalf of Council, provided that the final submission is reported to the next scheduled meeting of the Strategy and Policy Committee.

Notice is hereby given that a Strategy and Policy Committee Meeting will be held in the Council Chambers, 1484 Cameron Road, Tauranga on: Thursday, 6 July 2023 at 9.30am

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1 KARAKIA

Whakatau mai te wairua
Whakawātea mai te hinengaro
Whakarite mai te tinana
Kia ea ai ngā mahi

Āe

Settle the spirit
Clear the mind
Prepare the body
To achieve what needs to be
achieved.
Yes

2 PRESENT

3 IN ATTENDANCE

4 APOLOGIES

5 CONSIDERATION OF LATE ITEMS

6 DECLARATIONS OF INTEREST

7 PUBLIC EXCLUDED ITEMS

8 PUBLIC FORUM

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10.1 SUBMISSION ON 'STRENGTHENING NATIONAL DIRECTION ON RENEWABLE ENERGY ELECTRICITY GENERATION AND ELECTRICITY TRANSMISSION'

File Number: A5485570

Author: Monique Va'ai Matatia, Senior Environmental Planner

Authoriser: Rachael Davie, General Manager Strategy and Community

EXECUTIVE SUMMARY

For the information of the Strategy and Policy Committee, this report presents a submission made by the Western Bay of Plenty District Council on the following matter:

- (a) The Ministry of Business, Innovation and Employment (MBIE): Proposed changes to the National Policy Statement for Renewable Electricity Generation and the National Policy Statement for Electricity Transmission under the Resource Management Act.

RECOMMENDATION

1. That the Senior Environmental Planner report dated 6 July 2023 titled 'Submission on 'Strengthening National Direction on Renewable Energy Electricity Generation and Electricity Transmission'', be received.
2. That the submission, shown as **Attachment 1** to this report, be received by the Strategy and Policy Committee and the information is noted.

ATTACHMENTS

1. **Signed submission – National Policy Statement for Renewable Electricity General and the National Policy Statement for Electricity Transmission under the RMA** 



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1st June 2023

Electricity RMA Project Team
MBIE Energy and Resource Markets
Ministry of Business, Innovation and Employment
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Strengthening national direction on renewable energy electricity generation and electricity transmission

We appreciate the opportunity to provide feedback to the proposed central Government changes to strengthening national direction on renewable energy generation (REG) and electricity transmission (ET).

At the Western Bay of Plenty District Council (WBOPDC) we generally have only very few resource consent applications for large scale REG projects; however, we do occasionally receive resource consent applications for REG at a more domestic/household level. Our current Operative District Plan as it stands is generally quite permissive for domestic scale REG projects subject to the usual considerations that come with these kinds of applications.

We note that essentially what is being proposed to 'strengthen national direction' are *changes* to the existing National Policy Statement for REG (NPS-REG) and the National Policy Statement for Electricity Transmission (NPS-ET). In addition, changes to the National Environmental Standards for Electricity Transmission Activities (NES-ETA) and introducing a new NES for Renewable Energy Generation (NES-REG). We understand that Government intends for the new NPSs to be in force by the end of 2023 or early 2024, whereas the NESs would come into force by the end of 2024.

We understand that a key focus for the proposed changes in this document is clarifying and balancing the policy objectives so that renewable energy (RE) infrastructure can be readily enabled if it is appropriately located, and the adverse effects appropriately managed. The policy objective of the changes is to substantially increase REG output and to achieve this by improving the consenting of REG and ET while managing adverse effects on the environment. Other supporting objectives are stated as: better manage competing interests with other Part 2 RMA



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matters through nationally consistent consenting pathways; and, to provide for Māori interests and incorporating the principles of Te Tiriti o Waitangi.

We recognise the effects of climate change, particularly exacerbated by recent weather events, and the need for Government to achieve its legislative requirements of our country having significantly lowered emissions by 2050. We acknowledge that there is a need to move away from fossil fuel energy sources, and to more renewable energy-based sources – thus the urgency of these changes to the above-mentioned NPSs.

Our submission addresses each section individually with the issues, and our comments in response to them. Secondly, we provide technical comments on the draft NPSs and NESs. Lastly, we make comments regarding the difficult balancing act of expanding and growing REG/ET projects (to lower our emissions and address climate change) versus the importance of protecting our natural environment, and particularly for our District, our significant ecological areas.

a. A response to each section within the Consultation Document

1. *Recognising and providing for the national significance of renewable energy generation*

We understand that by changing some of the wording of the said NPSs, the changes will provide greater certainty to developers as to the weight that should be given to REG projects. We agree that there may be limitations within the current NPSs that have affected the processing of REG/ET resource consent applications. As mentioned, our District Plan is generally permissive of REG projects on a domestic scale. However, we generally have not received in recent years many applications for commercial level REG projects which would have allowed us to consider the apparent restrictiveness of the NPS. We provide further comments on the drafting and implementation of the NPSs and NESs below.

2. *Enabling REG in areas with significant environment values*

We understand that the enabling of REG projects in areas of significant environmental values arises from concerns from the electricity sector that REG projects are being precluded from the outset where the projects have 'more than minor' effects on the areas with significant environment values, and some planning provisions required the avoidance of effects on these areas. To manage this, Government proposes a consenting pathway. This imposes a set of requirements that a REG project must undertake and meet as part of a consent application. The pathway involves a '**gateway test**': thresholds a project must meet to progress further – and the use of the effects management hierarchy (EMH), which are the

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collective steps a project needs to go through to manage adverse effects of a project in a sequential manner.

In our view, the use of a gateway test seems useful as it provides what could be described as a 'coarse sieve' that would ensure the proposal fits within the ambit of REGs. However, consideration of what 'significant residual effects' are (compared to what was previously termed 'minor') would need to be clarified. Another concern is how District Plan policies would be considered with the new proposed NPSs, as guidance as to what is defined as 'significant', absent of reference to a District Plan, can be challenging at an implementation level. This may be particularly so if we receive applications for large scale REG projects such as a new dam or wind turbines.

The two proposed options by Government to guide the consenting process are below:

2A: Requirement to *avoid* REG activities when there are *significant residual adverse effects* on any significant environmental value.

1. The REG activities must be avoided if the residual adverse effects are significant, **but**
2. REG Activities must be enabled if the national significant and benefits of the REG activities outweigh the residual adverse effects.

2B: Requirement to *avoid* REG activities when there are *significant residual adverse effects* on SNA (significant natural areas).

- 1 In the case of REG activities with adverse effects on SNAs, the REG activity *must be avoided if the residual adverse effects are significant; but*
- 2 REG Activities must be enabled if the national significant and benefits of the REG activities outweigh the residual adverse effects.

We understand that the main change here is that (residual adverse effects) must be 'significant' (as opposed to minor), and even if effects are significant, the REG activities must be enabled if the 'national significance and benefit' outweighs the (residual adverse) effects. The overall effect of this is that Councils must balance the adverse effects on the environment with the need to expand our electrical economy. In considering the EMH within the gateway test, those tasked with the resource consent application can also consider whether there is 'another practicable location' – but on whom does the onus lie of proving what is practicable? If a Council considers a location not practicable, how can an alternative be found? This can be especially challenging if REG projects are sought to be placed in significant ecological areas within our District. We do not intend to create roadblocks to the development of important projects for the increasing of



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our electricity supply. We very much support the growth of renewable energy in Aotearoa New Zealand. However, we do have our reservations about allowing for significant adverse effects on the natural environment in the name of 'national significance and benefit.'

3. *Enabling REG in other areas*

We note that sometimes, large scale REG projects can attract significant opposition based on adverse effects (of the projects) on amenity values. To address this, Government proposes enabling of REG projects provided that any adverse effects on the values of those areas (including local amenity values) are avoided, remedied, mitigated to the extent practicable.

Amenity values (amongst others) are important to our District, and we support the direction provided here that any effects on amenity values are managed as best possible for REG projects.

4. *Recognising for and providing for Māori interests*

We note the introduction of policy direction to recognise and provide for Māori interests in relation to REG and ET activities, including through early engagement, protection of sites of significance and enabling small/community scale REG.

The recognition of Tangata Whenua views through 'early engagement' appears vague, as there is no indication within the NPSs of what that means, or where in the process that is to occur. It may be helpful to give clearer direction on what that 'early engagement' looks like in practice or clarify whether 'giving effect' to Te Tiriti o Waitangi means a compulsory Tangata Whenua voice throughout.

5. *Upgrading and re-powering existing wind and solar generation*

We note the concerns raised by the electricity sector that the issue of repowering or upgrading activities are treated by some decision makers as brand-new activities. As such, the options proposed look to strengthen policy direction or having nationally consistent rules for upgrading/repowering wind and solar generation.

We support strengthened policy direction to allow for upgrades and repowering as it appears these are already existing assets and infrastructure that would benefit from policies/direction that improve its usability.

6. *Reconsenting existing hydro-generation assets*

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Government has indicated that there are significant cultural concerns and historical grievances associated with hydro schemes. Reconsenting of existing hydro assets provides an important opportunity to efficiently maintain existing generation output and lowering emissions. Government considers considering reconsenting options as part of the National Planning Framework and maintaining the status quo for now.

We agree with maintaining the status quo for now.

7. *Enabling small and community scale renewable energy generation; and, improving the definition of 'small and community scale' renewable electricity generation.*

We note that there is significant interest from Māori and community groups in developing small and community scale energy projects that make energy more affordable for their communities. Government proposes to 'strengthen the policy direction on small and community scale REG'.

In terms of 'small and community scale' REG the Government believes this definition is too broad. Government proposes that this is changed so that 'small scale' is defined in terms of its primary purpose for residential or small scale commercial on site. Community scale would be defined in terms of its primary purpose of providing electricity for collective or community benefit.

We support the enabling of small and community scale REG projects, indeed we provide for such projects in our District Plan. We know that placing solutions within the hands of our community can help to generate a sense of contribution and ownership for our goals towards lowered emissions and encourage these initiatives. Further comments on technical drafting are provided for in the next section of our submission.

8. *Other issues such as: nationally consistent rules for new large-scale wind and solar, battery storage and lapse periods for unimplemented consents.*

The issues within this sub-point are relevant to the electricity sector, therefore we do not have any comments regarding this section.

9. *Recognising and providing for the national significance of electricity transmission*

We note that the NPS-ET was developed before emissions reductions targets were incorporated into New Zealand law. Government proposes stronger policy direction to recognise and provide for the national significance of the electricity transmission network – achieved through drafting changes to the NPS- ET.



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We support that changes to the NPS-ET may be necessary towards improving the outcomes of increased electricity transmission. Suggestions as to technical terms and drafting are in the second part of our submission.

10. *Managing the environmental and amenity effects of electricity transmission*

We note that the electricity transmission network (ETN) experiences difficulties particularly with upgrades to the ETN infrastructure. Government is proposing two split options. First, to allow 'minor ETN activities' without restriction provided adverse effects are avoided or mitigated where practicable. The policy intent is to enable minor ETN activities to occur in a timely and efficient way without restriction, while Transpower takes appropriate steps to avoid or mitigate adverse environment effects to the extent practicable. Secondly, a new definition for 'ETN development activities' and allowing for the 'ETN development activities' in areas with significant environmental values – following the same 'gateway test' as per REG projects canvassed earlier in this submission.

We see as the important things to note from these changes are the definitions:

'Minor ETN activities' means:

- a. activities required for or associated with the operation or maintenance of ETN assets; or the upgrade of, or changes to, ETN assets where the upgrade or other change:
 - i. Will have no more than minor adverse effects on the environment over time; and
 - ii. Results in the assets occupying a physical space, in any direction, that is the same as, or is not significantly greater than, the existing ETN assets; and
- b. Includes activities such as vegetation clearance, tree trimming, maintaining and improving access roads and tracks, and replacing structure with like more structures.

'ETN development activities' mean:

- a. The construction of new ETN activities;
- b. The upgrade of, or changes to, ETN assets where the upgrade is not a minor ETN activity and will or may have more than minor adverse effects on the economy.

Our concerns for the changes within this section are similar to those outlined in section 2 above ('enabling REG in areas with significant environment values). We can see the expediency value of allowing 'minor ETN activities' without restriction,

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however the acknowledgement that this may cause more than minor effects on the environment signals that environmental harm is anticipated. Furthermore, the construction of new ETN activities and/or upgrades to ETN activities that follow the same 'gateway test' of enabling of such activities after considering the adverse residual effects balanced against the competing national interests. We simply re-affirm our concerns on our areas of ecological significance, and the desire to protect these areas to the greatest extent possible.

11. Amending the NES-ETA

The NES-ETA evaluation report identified that it (NES-ETA) having less impact on streamlining consent processes for projects located in more sensitive areas, could better enable routine maintenance activities with minor environmental impacts. The option preferred by Government is: to enable activities with mainly visual effects, align with updated standards and definitions, and propose other minor alterations to definitions to improve workability. This option is assessed as being more effective in its ability to meet targets and improve consenting while avoiding the risk of unintended impacts on environmental outcomes and cultural values.

We understand that the NES-ETA consultation process continues into next year with an exposure draft consultation process that we may comment and submit on. We support this suggested route for change.

12. High voltage electricity lines not owned or operated by the national grid

We note that there appears to be a lack of national direction applicable to distribution network and high voltage lines. Therefore, Government proposes including high voltage lines owned and operated by distribution companies and REG developers in provisions relating to transmission infrastructure.

This section appears to apply to the electricity sector and we therefore have no comments regarding this section.

13. Impact assessment

Government contends that the updates to the NPSs relate to: greater certainty and outcomes for Transpower and related parties; provision of stronger and more directive policy to enable REG and ET activities at all scales; specified consenting pathways involving gateway tests and EMH will provide greater clarity for development and upgrades of REG and ET; the national significance of REG and ET being enabled in other areas and effects avoided, remedied, mitigated and/or compensated where possible; policy direction recognising and providing for Māori interests.



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Whereas the risks and uncertainties are: precise impacts of proposals are unknown, there is uncertainty about the effects of the proposals given this consultation does not propose for the NPS-REG and NPS-ET to prevail over the NPS-FM, the proposed National Policy Statement for Indigenous Biodiversity (NPS-IB) and the New Zealand Coastal Policy Statement (NZCPS) at this time. It is difficult to determine whether the proposals sufficiently balance the imperative to increase the REG output with the protective policies provided by the National Policy Statement Freshwater Management (NPS-FM), the proposed NPS-IB, and the NZCPS.

We agree that there are several uncertainties that come about with these proposals. It is encouraging (and necessary) that with the 'enabling provisions' that these NPSs and NESs allude to, that there are stringent criteria (as provided for in the 'gateway tests) to ensure that our natural environment is not greatly compromised to make way for these projects. For our District however, we are encouraged by initiatives to allow for small scale and community scale REG projects that seem to be more common to our District currently.

14. *Implementation*

We understand that the Government's intention is that the NPS-REG and NPS-ET are in place during the transition to the new resource management system until it takes full effect. We note that evaluation reports of the NPS-REG and NPS -ET highlighted that several local authorities were yet to give effect to either instrument. The purpose of the proposed changes to the NPSs is to influence consenting decisions without requiring any plan changes by a set timeframe. This is to reduce administration, time and cost burden on local authorities. The preferred option from Government is direct changes to regional policy statements and district plans using section 55(2) of the RMA for certain provisions and any other changes to be made part of the next plan review. The implementation risk is that the policy direction in NPSs will be interpreted and implemented inconsistently or have unintended outcomes; and the risk of compliance burden on local authorities.

We support a change that will result in less cost, time and compliance burden on local government and councils. If this means going through a process that does not involve full district plan changes, that may be the best route forward. We acknowledge that interpretations of the NPSs and how they may be implemented may vary from council to council. We also support the provision of non-statutory guidance and support as well as other institutional support in assisting with the consenting process – as this would ideally provide national consistency. Implementation is the most important aspect of these changes and we would encourage thorough consideration of the points raised in our submission, and assistance with effective implementation.

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11 INFORMATION FOR RECEIPT