

**FURTHER SUBMISSION ON THE PROPOSED NATIONAL POLICY STATEMENT FOR RENEWABLE  
ELECTRICITY GENERATION**

**BY THE NEW ZEALAND WIND ENERGY ASSOCIATION**

**To:** The Chairperson

Board of Inquiry

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### **Introduction**

1. In this Further Submission, NZWEA responds to a number of original submissions made in respect of the Proposed National Policy Statement on Renewable Electricity Generation (the Statement).
2. The format of this Further Submission sets out the particular submission topic which NZWEA is responding to, identifies the organisations who made the submissions relating to that topic, and state's NZWEA's reason for commenting on those submissions. Please note that the Further Submission may not refer to all submitters that made a particular point.

### **Effect of the Statement on Part 2 of the Resource Management Act**

3. Several submitters raised concerns that the Statement will have the effect of overriding Part 2 of the Resource Management Act (RMA). The concern is that draft Policy 1 and/or draft Policy 2 may preclude planners and decisions makers from considering adverse effects of renewable electricity generation proposals, or in any event distort the balancing exercise required in relation to Part 2 matters. Submitters that raised this concern include:
  - (a) Taranaki Regional Council (15);
  - (b) Todd Energy (77);
  - (c) Fish and Game New Zealand (112);
  - (d) Royal Forest & Bird Protection Society Inc. (79);
  - (e) Wellington City Council (36);

- (f) NZ Petroleum Exploration and Production Association (2); and
  - (g) Auckland Regional Council (115).
4. NZWEA wishes to emphasise that these concerns are without foundation. The draft Statement does not, and may not, state or imply that relevant Part 2 considerations should not be taken into account. Draft Policy 1 simply emphasises the need to consider the many positive effects of renewable electricity generation, which forms part of the Part 2 analysis. It does not affect the remainder of the Part 2 analysis to be undertaken by planners or decision makers.
  5. Likewise, draft Policy 2 directs decision makers to have particular regard to the constraints associated with renewable electricity generation in setting any avoidance, remediation, and mitigation measures. The Policy actually implicitly acknowledges that there will be effects that require consideration under Part 2 of the Act. That consideration would still then be undertaken with reference to the Act's overriding purpose of 'sustainable management'.
  6. As such, NZWEA supports the submission of the New Zealand Law Society, which states that the Statement will not affect the application of Part 2 of the RMA.
  7. NZWEA considers that its proposed amendments to draft Policies 1 and 2 (that has become Policy 3 in the NZWEA submission) and its proposed new Policies 2 & 4 will not alter this position.

#### **The Appropriateness of Policies on the Adverse Effects of Renewable Electricity Generation**

8. Several submitters argue that the Statement should specifically include further policies, or at least riders in current draft Policies (or even the draft Objective), that list potential adverse effects of renewable generation activities, or direct that renewable generation activities must comply with various benchmarks. In a broad sense, submitters that argued for consideration of adverse effects of, or for the placing of constraints on, Renewable Electricity generation include:
  - (a) Waitakere City Council (69);
  - (b) Waikato Raupatu Trustee Company Ltd (60);
  - (c) Ngati Kahungunu Iwi Incorporated (27);
  - (d) Auckland Regional Council (115);
  - (e) New Zealand Historic Places Trust (59);
  - (f) Port Nicholson Block Settlement Trust (49); and
  - (g) Local Government New Zealand (109).
9. NZWEA considers that it would not be appropriate to include lists of potential adverse effects of renewable electricity generation, or otherwise include benchmarks that renewable generation activities must or should meet. The Statement has a clear Objective: to promote the achievement of the 90% target for renewable electricity generation by 2025. The Policies should support the achievement of the Objective, rather than detract from it.

10. Given the very wide range of circumstances and types of energy generation facilities, it would be impracticable if not nonsensical to list all the potential types of adverse effects that may need to be considered in the consenting process for any specific proposal. As stated above, such effects would have to be considered by any decision-maker in terms of Part 2 of the Act, as well as the relevant objectives and policies of whatever regional policy statement, regional or district plan that are applicable.
11. Further, as noted above, there is no need to include statements as to the potential adverse effects of renewable electricity generation, or other issues that relate to the overall purpose of the RMA. The Statement will not preclude, or even discourage, consideration of those issues
12. The wind industry recognises that wind energy development, like any form of development, has some effects and goes to great effort to identify these effects and avoid, remedy or mitigate them as appropriate during project design, through the consenting process and during construction and operation.
13. NZWEA therefore asks that the Board ensure the text of the Statement is confined to matters that will support the Objective.

#### **The Need for Central Government Direction and Support for Consent Authorities Implementing the Statement**

14. Several submitters requested that Central Government provide support, in various ways, for consent authorities in implementing the Statement. Submitters that requested such support include:
  - (a) Northpower Ltd (26);
  - (b) North Shore City Council (9);
  - (c) Environment Bay of Plenty (82); and
  - (d) Local Government New Zealand (109).
15. NZWEA supports these submissions, and notes that its original submission also called for support for consent authorities to receive timely and appropriate support from central government in implementing the NPS, given their limited resources and other pressures. NZWEA particularly supports all calls for co-ordination by Central Government on common issues, such as drafting plan changes to implement the Statement that can be readily adopted by consent authorities, in order to ensure consistent application of the Statement while also avoiding unnecessary duplication of efforts.
16. NZWEA considers it crucial that as much Central Government assistance and guidance as possible is provided to consent authorities, so that the Objective of the Statement may be realised. As such, NZWEA strongly supports the submission of Environment Bay of Plenty that a Ministry for the Environment guidance manual should accompany the final version of the Statement, to be issued to consent authorities and updated as required.
17. However, NZWEA considers it is of fundamental importance that the renewable electricity industry be directly involved in the preparation of such guidance. Specifically, the wind energy industry

recognises that wind energy projects need to co-exist in their local community and environment for 25 years, or even longer, so it is important that they are developed appropriately. As the developers of these projects the wind energy industry is also best placed, and has the greatest level of expertise and experience to understand the practicalities associated with the development.

18. NZWEA cannot speak for other sectors of the renewable energy industry, but does consider that renewable energy industry support will be particularly important given the timeframe for giving effect to the Statement, and the need to avoid unnecessary repetition or inconsistency.

#### **Timeframes for Councils Preparing Plan Changes**

19. Some submitters, mostly consent authorities, argued that the timeframes for notifying plan changes required by draft Policies 4 and 5 are too onerous. These submitters included:
  - (a) Local Government New Zealand (109); and
  - (b) Kaikoura District Council (66).
20. On the other hand, Energy3 Limited (1) submitted that the timeframes should be tightened.
21. NZWEA does not agree that the timeframes for plan change notification in the draft Statement are too onerous. As stated in its original submission, NZWEA considers that, given the inherent time pressure associated with achieving the Objective, necessary plan changes must be notified as soon as possible. This means that the timeframes for plan changes to implement draft Policies 4 and 5, as well as NZWEA's suggested new Policy 2 enabling all forms and scales of renewable electricity generation, should in fact be shortened.
22. However, NZWEA considers this issue is directly linked to the need for Central Government to provide guidance to consent authorities on the implementation of the Statement. Strong guidance on plan change development, as well as other necessary steps to allow the implementation of the Statement, are crucial to the successful achievement of the Objective.

#### **Small Scale Renewable Generation Projects as Nationally Significant**

23. Draft Policy 1 states that "...renewable generation activities, at any scale, are of national significance." In its submission, Contact Energy argued that individual small scale generation activities should not be considered of national significance, but that it would not oppose the idea that small scale generation activities are cumulatively of national significance.
24. NZWEA supports Contact's intent to ensure small scale generation activities are not prioritised over large scale generation activities in the Statement. NZWEA agrees that a single small scale generation activity, such as a 1kW wind turbine, will not on its own make a significant contribution to the achievement of the Objective of the Statement.
25. Having said that, if small and community scale renewable generation is enabled by plan changes mandated by draft Policy 5, there is the potential that a large number of these projects would follow. The sum total of those projects could make a significant contribution to the 90% target. NZWEA considers that this should be the aim of draft Policy 5.

26. In order to achieve that aim, NZWEA considers there will need to be a co-ordinated effort by Central Government, consent authorities, and importantly, the renewable electricity industry, to understand the level of effects of small and community scale generation. That should be followed by the development and application of scaled down and simplified standards and consenting processes for small and community scale projects, in recognition of their reduced effects. For example, it may be that certain small and community scale projects are given less stringent activity status in district plans.
27. However, NZWEA wishes to emphasise that enabling large scale renewable electricity generation should be the focus of the Statement. This is reflected in NZWEA's new suggested Policy 2, which mandates enabling plan changes that would enable large scale projects. The reality is that the 90% target is only realistically achievable through the construction of large scale projects.

### **Thermal Generation may be Easier to Consent than Renewable Generation**

28. Meridian Energy's submission pointed out that, given the new Government has just repealed the ban on new thermal generation,<sup>1</sup> without a strong Statement it may be easier to consent thermal generation than renewable electricity generation. This could potentially make it more difficult to achieve the 90% renewable electricity target that is identified as the objective of the Statement. This possibility was recognised in the Section 32 Report.
29. NZWEA supports this submission. Thermal generation is not always subject to the same locational constraints as renewable electricity generation, meaning that thermal generation projects have more flexible siting options to avoid or reduce some of the potential effects on the environment (though the effect on the environment from greenhouse gas emissions will still occur regardless of the location).
30. The likelihood that thermal generation may be easier to have consented than renewable electricity generation starkly highlights, in NZWEA's submission, the pressing need for this Statement, and for the Statement to be strongly enabling in nature. As discussed above, it will be very difficult to achieve the Objective of the Statement if renewable electricity generation becomes a more difficult option for generators.
31. As a related issue, both Meridian and Contact Energy submit that draft Policy 2 needs to apply to the substantive resource consent decision, as well as to decisions on the imposition of conditions. While NZWEA considers that its suggested new Policy 2 covers this issue, it strongly supports the submission that the Statement must focus clearly on enabling renewable electricity generation, and be strong enough to deliver results in terms of the Objective.

NZWEA wishes to be heard in support of its Further Submission.



Fraser Clark

Date: 19 December 2008

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<sup>1</sup> See the *Electricity (Renewable Preference) Repeal Bill*, which passed through the House on 18 December.