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Sent: Thursday, 30 October 2008 9:00 a.m.

To: Renewable Electricity

Subject: Submission: NPS Renewable Energy

Form 3

Submission on proposal for national policy statement for renewable energy generation

To the Chairperson  
Board of Inquiry

This is a submission on the proposed national policy statement for renewable electricity that was publicly notified on September 2008.

The specific provisions of the proposal that my submission relates to are

#### 1.1.1 Electricity generation in New Zealand

That government measures to increase efficiency of end- use of electricity-a specific requirement of Section 7 of Part 2 of the RMA-have not been included in this analysis of the proposed NPS is a major omission and skews the evaluations and eventual conclusions drawn.

#### 2.1.2.Ministerial call-in

There needs to be a national public consensus regarding the call-in provisions as these could become Government decisions without adequate consultation. History tells us that arbitrary control by Energy Ministers and their Government have the potential to be very divisive.

#### 2.2.1 Emerging trends

'The decisions of generators regarding investing significant sums , sometimes in the hundreds of millions of dollars, in the construction of large-scale renewable electricity generation projects'.

The reality of this situation is that consumers of electricity pay for generation , large- or small-scale. In the case of present actual and projected industrial wind farms , sited on many iconic landscapes,the costs at last count were \$12 BILLION and rising. No wonder there is opposition to their presence, and the increasing power bills confronting consumers.

This NPS does not deal with public concerns , but seeks to bulldoze through 'enabling' legislation permitting generators more influence over local authority decisions for large-scale generation-wind or hydro.

#### 2.2.1.2 Consenting existing generation capacity

There can be little argument with maintaining existing renewable generating capacity providing it is confined to efficiency and refurbishment.

However, much of the existing hydro generation was built at significant financial, social and environmental cost. It can only be categorised as sustainable if the rivers dammed are thought of as channels rather than ecosystems.

Re-consenting these power stations provides an opportunity to redress mistakes made during the original consent process when many of the adverse environmental impacts were not so obvious.

To all intents and purposes the present dams are permanent so it requires all New Zealanders to use the electricity efficiently and carefully, to cater for a continued demand in different, more environmentally-sound ways.

The frustration of generators is not a good reason for pushing this NPS, it is not the answer to the present situation.

### 2.3 Likely future scenario under the status quo

Given the global collapse of the capitalist, market economy the assumptions outlined are now redundant and can no longer be the basis of a sound future energy plan.

Investment decisions for renewable energy need to reflect the future financial position of this country. Expensive generation is unaffordable.

The 'Bradford' reforms which allowed the market to lead the investment in new energy have failed to live up to their promotion of cheap, affordable energy for the public of New Zealand.

It may have been more favourable to those sectors using a significant amount of electricity, but that is cold comfort to other affected consumers.

Government policy should be directed toward generators and the public who invest in megawatts by

awarding carbon credits as a reward for reducing New Zealand's carbon footprint.

Megawatts are less expensive, directly benefit the consumer, local economies, national economies and generators while reaching the same sustainable energy goal.

Positive promotion negates the concerns expressed in 2.4 (Problem statement).

#### 3.2.1.1 Support the status quo.

#### 3.2.1.1 Amending section 166 of the RMA

I am absolutely opposed to generators being given powers of designation under any circumstances. They already exert considerable pressure on consent applications, making for an unbalanced process. If the application enjoys popular local support this draconian measure will not be necessary.

3.2.3 An NES for the protection of landscapes would be a more positive approach. If alternative strategies for sustainable energy (outlined elsewhere) are implemented in the very near future, which is possible, landscape protection could be given time for proper public consultation and support.

3.2.6 Public consultation regarding ways to reach energy sustainability should avoid the necessity of an NPS which could be used as a blunt instrument to influence local-body decision-making. Security of supply can be gained by other means- as mentioned elsewhere.

### 3.3. Conclusion

These do not need to be complex proposals. The issues are clear. Saving energy is cheaper than creating new sources of traditional electricity, and delivers immediate benefits to individuals, communities, the nation, and globally, by reducing greenhouse emissions.

The saved energy is then available for other needs or as a buffer to avoid power shortages.

Coupled with progressive pricing , to lock in conservation and efficiency gains and reward the efforts of those creating the negawatts, security of supply should be assured, but only if the Government pursues this alternative strategy aggressively.

#### 4.3 Evaluation of the policies

Any cost -benefit analysis must be based on social, financial and environmental impacts, loss of ecosystem services, and the Genuine Progress Index (GPI) , and whether or not the efficiency gains are as a result of electricity use, as well as the creation of new sources.

There is no guarantee that the proposed policies will deliver the required results.

#### 5.1 Evaluation of the objective

The statement 'Although in SOME (My emphasis) areas efficiency gains could be made and electricity could be used more wisely, an increase in supply will be necessary to support improvement in the economic , social and cultural well -being of New Zealanders ', requires closer scrutiny.

It must be the modern equivalent of the rationale for the building of the Clyde dam by the then Minister of Energy, the Hon. George Gair , when he said "If we don't build the Clyde Dam we will have cold baths in Winter.

Most OECD countries have managed to de-couple growth from increased energy requirements.

New Zealand has begun to change tentatively, but needs to whole-heartedly embrace the concept to ensure export competitiveness , simultaneously giving substance to our Clean, Green image.

In MANY areas efficiency and wise use of our present electricity supply would deliver huge gains.

One example is the oft-quoted EECA example from their Annual Report 2006/7-

'The replacement of incandescent bulbs with CFL bulbs has the potential to save enough electricity to power about 120,000 homes annually and save consumers up to \$180 Million over 10 years (the average life of each bulb).1000 Imperial pounds of carbon per CFL bulb are removed per year which is a not-insignificant saving on our carbon footprint from a million and a half households, let alone other buildings in New Zealand.

Costed at about \$20 to replace the most-used domestic incandescent bulbs , this policy would cost about \$20 Million and save approximately the output of the Clyde dam...a virtual source of 'new', 'sustainable' available electricity.

That is one example of negawatts, there are many others mentioned in the EECA report , as part of the new Urban planning protocol, the Dark Sky Association, and on many Google sites.

Indeed, there is a requirement in some American States for Energy generators to exhaust all negawatt possibilities before planning new generation.

Trading in negawatts is another source of installed energy which is part of the American energy strategy in a number of States , and there seems no reason for not adopting this in New Zealand, except lack of political will and entrenched attitudes in the energy sector, and elsewhere.

Page 31 First bullet point Cost of renewable Wind energy in the form of Industrial Wind Farms either consented or applied for under the RMA at the time of writing is \$12 BILLION and rising, not \$1.1 Billion noted in this paragraph.

At this time in our economic history it is unthinkable to continue the present process, let alone what is contemplated in this policy.

Public discussion is urgently required to set a new course in carbon reduction and truly sustainable energy.

The other objectives can be reached without this policy.

## 5.2 Evaluation of the policies

### 5.2.1.2 Benefits

The policy seems to be focussed on putting pressure on local authorities to add a 'weighting' to any proposed new 'renewable' electricity generation, covert rather than overt, but there, nevertheless.

As noted elsewhere, the market has been a dismal failure in delivering promised improvements in the electricity sector, so increasing market 'certainty' must now be a contradiction in terms, given the present global response of responsible regulation to the economic market 'meltdown', which must have parallels in the 'market for energy'. Without better public consultation regarding this policy there is every possibility of a significant negative reaction, making 'consentability' even more problematical.

### 5.2.1.4 Conclusions

#### Table 7 Summary

All the perceived benefits of this policy can be gained without undue emphasis on new, expensive wind or hydro generation.

The potential to increase pressure on the present transmission structure is a clear and present danger now, let alone if this policy were implemented.

All efforts need to be focussed on future-proofing domestic, public, commercial and industrial buildings and taking as much pressure as possible off the national grid. This policy will not do that.

### 5.2.2 Policy 2

I consider this policy to be inappropriate, as it is not conducive to good decision making and should be rejected.

Good decisions, made for all the right reasons, should not need this policy reinforcement.

### 5.2.3. Policy 3 Reversibility

This has very limited positive potential unless generators are required to pay a bond upfront for the de-commissioning of all structures associated with new Industrial Wind or hydro generation. This would then become an additional factor in weighing up the costs and benefits of the proposed renewable energy strategy compared with the cheaper, more sustainable, fiscally responsible negawatt alternatives, which can deliver security of supply.

### 5.2.4 Policy 4

The removal of unnecessary barriers to generators...5.2.4.2 first paragraph - needs further explanation. Generators should not be allowed carte blanche when ostensibly investigating new industrial wind farm or hydro-generation sites.

The last of our 'wild' rivers need to be protected from damming. There is no over-riding imperative to destroy them when we have alternative choices to achieve the same end results.

A Landscape NPS needs to be in place first before any decisions are made about the suitability of new Industrial Wind farm sites.

Support for new emerging technologies can be at Government level where the costs and benefits have national agreement after extensive meaningful public consultation.

The 'market' will then be responsive to democratic imperatives rather than the present 'tyranny' of the market place which has brought the global economy to it's knees and delivered few positive improvements to domestic electricity consumers in this country.

I do not support Policy 4 as written.

#### 5.2.5 Policy 5 Small and community-scale distributed energy generation

Has a part to play in future-proofing individual buildings and supporting small communities while taking pressure off the national grid, and reducing the need for further large-scale generation.

However, it is not demonstrated through this paper what is meant by 'enable' and 'unnecessary barriers', except the financial expenses incurred when applying for resource consents which are presumably considered fully justifiable by the local authority processing them. The cumulative effects of area-wide small-scale wind turbines, for instance, need to be considered.

Local support for any proposed generation would be important. It is too easy to divide and rule small communities by over-selling the potential benefits while minimising the negative impacts.

As part of a negawatt strategy distributed energy could be a positive alternative to large-scale projects but should not need a policy such as this .

I seek the following change to this proposal:

That an NPS as suggested be set aside until New Zealanders have been given the opportunity to reassess the risks and opportunities now prevailing during this global Recession.

Investment in energy conservation and efficiency will deliver significant savings in electricity, releasing virtual renewable energy from already built hydro generation.

It is a cheaper option, can be activated immediately, has direct benefits for all sectors of society, reduces our carbon footprint significantly and permanently, has the potential to be almost fiscally neutral if paid through power accounts from fixed tariffs and by progressive pricing regimes, takes pressure off the national grid, has a lesser environmental impact, and does not require damming of the last of our wild rivers nor the sullyng of our beautiful landscapes.

Thank you for the opportunity to participate in this process.

I wish to be heard in support of my submission.

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