

Submission on the

Proposed National Policy Statement for Renewable Electricity Generation 2008

Kaikoura District Council

1. Kaikoura District Council **supports in part** the Proposed National Policy Statement for Renewable Electricity Generation. In general support is given as New Zealand has a number of untapped options for renewable electricity generation. Greater utilisation of renewable energy allows New Zealand to “walk the talk” in response to New Zealand’s “Clean and Green” image and other messages such as “100% Pure”.

The specific parts of the Proposed National Policy Statement for Renewable Electricity Generation Kaikoura District Council’s submission relate to is the Policy Statement in entirety.

The Kaikoura District Council submission is:

Policy 1

Support for the policy is provided.

Policy 2

General support for the policy is provided. Effects of transmission loss need to be considered. The National Policy Statement for Electricity Transmission nor this proposed national policy addresses losses associated with long distance transmission.

Point iv recognises existing structures and infrastructure however this can be strengthen to encourage renewable electricity generation at the source where it is required. Such an approach allows communities to take better ownerships of their electricity requirements. This may help to remove the not in my back yard (NIMBY) perceptions, as communities will be able to see direct benefits from infrastructure in renewable electricity.

Policy 3

Support for the policy is provided. The policy reinforces Part II of the Act.

Policy 4

The Kaikoura District Council opposes the mandatory requirement to make plan changes within a specific time frame and at the Council’s cost.

Currently district plans should not discount renewable energy given Part II Section 7 of the Act. The Section 32 evaluation is clear that a number of councils have already made changes and other plans may not need changes. If a blanket plan changes are suggested a more rigorous Section 32 analysis should be undertaken. Presently the costs of undertaking such plan changes required for Policy 4 and 5 is estimated at \$19.9 million, however it is not stated how many plan have policies, objectives and rules which specifically inhibit or discourage activities associated with:

- i. the identification and assessment by generators of potential sites and energy sources for renewable electricity generation*
- ii. research-scale investigation into emerging renewable electricity generation technologies and methods*

This aspect requires greater consideration. If only a small number of plans inhibit or discourage activities it may be more cost effective and appropriate for the Ministry of Environment (MFE) to work with these council to ensure the requirement of Part II Section 7 of Act are met. Opportunity may also exist for MFE to work at a national level with renewable energy providers for preparing model plan change applications or to provided funding for private plan changes. Private plan changes ensures renewable energy companies promote what they consider appropriate for individual areas. Energy Efficiency and Conservation Authority (EECA) have adopted a variety of approaches for enabling solar water heating. Given the expected costs of \$19.9 million a number of opportunities should be explored.

Given Section 7 of the Act it is suspected the number of plans inhibiting or discourage activities would be small and greater benefits exist nationally by funding or assisting to fund key players in renewable energy generation. Funding at a national level will help keep New Zealand's innovative reputation.

The Kaikoura District Plan current includes the following objective and policies and permitted activities under the utilities section:

Objective 10.2.1.1 - To provide for the establishment, use, maintenance and upgrading of utilities in a way that promotes sustainable management of natural and physical resources and which avoids, remedies or mitigates adverse effects on the environment.

Policy 10.3.2.3 - To encourage utility operators to adopt more efficient technology and structures to benefit the community, provided any potential adverse effects are mitigated or avoided.

10.5.1 Permitted Activities - To encourage utility operators to adopt more efficient technology and structures to benefit the community, provided any potential adverse effects are mitigated or avoided

The section 32 assessment comment that costs will be limited as changes will be required for the National Policy Statement for Electricity Transmission. This is disputed. In Kaikoura's case no changes are required as a result of the NPS for Electricity Transmission. Costs for our council will not be limited. If the estimated \$150,000 is correct for the combined plan changes for Policy 4 and 5, significant costs will be placed on the residents of Kaikoura. By significant each ratepayer will be required to pay an extra \$60 of rates which will more than double the proposed rates take for District Planning. Over all it will result in a 3.5% increase in rates.

Policy 5

The Kaikoura District Council opposes the mandatory requirement to make plan changes within a specific time frame and at the Council's cost.

Kaikoura support the inclusion of objective, polices and method to enable appropriate activities associated with the development and operation of small and community-scale distributed renewable electricity generation.

Before imposing a mandatory time requirement for plan changes it is important to know:
How many plans do not provide for renewable electricity generation?

In how many districts are problems relating because of lack of specific policy in plan?

Kaikoura is currently encouraging renewable energy by an appendix attached to our plan which deals with energy efficiency and includes the following statements:

- Insulate all wall and roof cavities.
 - Use insulating building materials including flooring.
 - **Consider using photovoltaic panels (solar panels) to generate free electricity.**
 - **Design for maximum use of the sun for heating.**
 - **Use heat retaining floor in sun rooms such as conservatories.**
 - Use low emissivity double or triple glazing.
 - Use energy efficient appliances and heating methods.
 - Consider nil discharge sewage disposal systems (such as compost toilets and reed beds).
 - **Consider use of wind for electricity generation in rural areas.**
 - Convert to “night store” electricity supply if available.
 - Lag hot water cylinders and pipes to reduce heat loss.
- (bold added)

The culture of our organisation is also an important factor in promoting renewable electricity generation. Home solar generation is becoming more common, and with little to no adverse effects on amenity values. Kaikoura has not specifically identified wind turbines as appropriate for residential areas, however neither does our plan specifically isolate them. The plan is silent on this aspect and the proposals have to comply with all performance standards. Although a number of manufacturers provide for domestic wind turbines promoting structures may result in conflict to arising with Section 16 of the Act. Drafting of any object, policies and rules is therefore unlikely to be a simple process.

Regardless of plan change it is likely that some renewable electricity options will still need consent – no plan is likely to provide blanket approval for small scale renewable energy projects. Regardless of any policies there will still be a delicate balance between generation and amenity. Parliamentary Commission for the Environment report Wind Power, People and Place highlights these conflicts.

If the activities are truly of small or community-scale then they are unlikely to struggle through a consent process as their effects should also be minimal. Section 88 provides that environmental assessments have to be of a scale which corresponds to the significance of the effects that the activity may have on the environment.

Does the inclusion of specific time dated policy in an NPS result in any real cost savings to renewable electricity generators? Little is gained from a specific time dated policy and it would be more practical to allow councils the freedom to make such changes as and when seen appropriate.

Additional Policies

Consideration should also be given to:

Effects of Renewable Electricity Generation policies on amenity values. A greater balance in the National Policy Statement can be achieved by ensure that amenity aspects are referred to in a policy. Concern exists without a subsequent National Policy Statement on Landscape greater emphasis will be placed on the importance of Renewable Electricity Generation and landscape values will subsequently suffer.

Summary

The Kaikoura District Council provides general support for the proposed NPS. Reinforcement of Part II of the Act is positive step forward. In addition renewable electricity generation should be encouraged at the location of intended use and the mention of amenity values should be included in polices.

A plan change simply to address the proposed NPS is not a silver bullet. It cannot be guaranteed that more renewable electricity will result from the changing of district plans. Plan changes are a public processes and open to submission. What is however guaranteed is specific time frames and plans changes will require rates increases. Before specific and real costs are passed to ratepayers the number of plans inhibiting or discouraging opportunities for renewable electricity generation should be considered.

The Kaikoura District Council wishes to be heard in support of this submission, and if appropriate would consider presenting by phone to minimise impacts on the environment.