

Submission on Proposal for National Policy Statement for Renewable Electricity Generation

Section 49 of the Resource Management Act 1991.

To: The Chairperson
Board of Inquiry

From: Rodney District Council

This is a submission on the following proposed national policy statement (the proposal):

- Proposed National Policy Statement for Renewable Electricity Generation.

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

- The entire national policy statement.

My submission is:

General

The Rodney District Council generally supports the development of a national policy statement (NPS) for renewable electricity generation. It is considered that the nature and extent of benefits to be derived from renewable electricity generation are such that additional direction is required when assessing the environmental effects and benefits of such generation.

In addition to providing for renewable energy generation, the Council supports measures to conserve and make more efficient use of electricity, so that less electricity needs to be generated in the first place. The NPS does not address this issue.

The Council is also concerned that other complementary measures, such as allowing those who provide their own electricity to be paid for feeding surplus electricity back into the grid, have not been provided. While these issues are largely beyond the scope of the board of inquiry it is considered that other policy initiatives are needed to complement NPS for it to be fully effective.

This support is subject to the following discussion which requests a number of changes to specific parts of the NPS.

Objective

While the overall objective is supported as being consistent with the New Zealand Energy Strategy it is considered that the objective fails to recognise short and medium term fluctuations in some forms of renewable energy supply and the need to provide a secure energy supply at all times into the future. A secure electricity supply is essential for household amenity and economic development and this should be recognised within the objective. Accordingly it is requested that the objective be altered as follows or to a similar wording that recognises the need for a secure electricity supply (additions underlined and ~~deletions struck through~~);

“To recognise the national significance of renewable electricity generation by promoting the development, upgrading, maintenance and operation of new and existing renewable electricity generation activities such that, and subject to the provision of a secure electricity supply, 90 per cent of New Zealand’s electricity will be generated from renewable sources by 2025 (based on delivered electricity in an average hydrological year).”

Policy 1

Policy 1 requires decision makers to recognise the national significance of the benefits of renewable electricity generation activities and sets out a number of benefits including providing electricity generation while not emitting greenhouse gases and the diversification of the type and / or location of electricity generation.

This policy reflects section 7 (Other matters) of the Resource Management Act but goes somewhat further by using the term ‘national significance’.

The Environment Court has previously commented on the benefits of renewable energy. (Genesis Power Ltd and The Energy Efficiency and Conservation Authority v Franklin District Council A148/2005. This decision related to a resource consent application to establish a wind farm on the Awhitu Peninsula in Franklin District. The court identified the benefits to be derived from renewable energy to include:

- Security of supply
- Reduction in greenhouse gas emissions
- Reduction in dependence on the national grid
- Reduction in transmission losses
- Reliability
- Development benefits
- Contribution to the renewable energy target.

It is considered that the full range of benefits identified by the Court could be included in the policy. Some of these are less obvious than the benefits included in the policy and while the

policy does not preclude other benefits being recognised it is appropriate that a wider range of benefits are identified in the NPS.

Policy 2

Policy is concerned with acknowledging the practical constraints associated with the development, upgrading and operation of new and existing renewable electricity generation activities. These include the ;

- Nature or location of the resource
- Practicalities associated with the renewable electricity generation activity.
- The nature and location of existing renewable generation activities
- The location of existing structures and infrastructure.

It is considered that this policy adequately addresses a number of locational issues associated with renewable generation which is more constrained by the location of the resource than non-renewable generation which can be more foot loose. It also recognises that existing renewable generation facilities may have been established under less stringent environmental policy.

Policy 3

Policy 3 requires decision makers to have regard to the relative reversibility of the adverse effects of particular generation types.

This policy has the effect of placing greater constraints on major developments, such as hydro developments, which include large dams that cannot be easily removed.

The policy fails to recognise a number of issues.

Firstly while hydro developments generally cannot be reversed the policy fails to recognise the recreational and community benefit that may arise from hydro-lakes and relatively stable ecosystems that may exist for many years after construction. It also fails to recognise that the likely life of such facilities is considerable.

The policy is also likely to be contrary to the NPS objective in that a significant proportion of the nations renewable electricity generation comes from hydro (approximately 62% of total electricity generation in 2005).

While hydro generation is affected by medium term weather fluctuations (i.e. drought) it is not affected by day to day weather changes in the same way that wind or perhaps solar. If a good

base load renewable energy is not established through other methods then the apparent bias against hydro generation could result in a less secure supply than would otherwise be available.

The policy in raising the issue of reversibility of adverse effects does not consider the scale of effects and nowhere else in the NPS are other types of effects (i.e. area of land covered etc) given specific guidance.

The policy is also somewhat unclear in that reversibility is related quite closely to the economics of putting an effect right and to continuing an effect. For example it is likely to be more costly to remove a hydro dam and reinstate a pre existing ecosystem than removing a wind farm. However the cost structures of a wind farm may make it far less likely that a wind farm would ever be removed as components can be easily repaired, replaced or upgraded over time. Hence while a wind farm may be physically more easily removed than a dam (i.e. effects reversed), the likelihood of either being removed may be similar.

Policies 4 and 5

It is considered that these two policies will provide greater certainty for generators and greater control for Council over the generation of renewable energy and accordingly are supported.

Policy 5 is especially important for Rodney District in enabling small scale generation in more remote areas after 2013 when the obligation for electricity companies to supply existing customers expires.

As noted in the introduction to this submission it is considered that such policies (and especially Policy 5) need to be supported by wider government policy initiatives that make smaller scale generation more attractive to individuals.

I seek the following changes to the proposal:

- a. That the objective be altered as follows or to a similar wording that recognises the need for a secure electricity supply (additions underlined and ~~deletions struck through~~);

"To recognise the national significance of renewable electricity generation by promoting the development, upgrading, maintenance and operation of new and existing renewable electricity generation activities such that, and subject to the provision of a secure electricity supply, 90 per cent of New Zealand's electricity will be generated from renewable sources by 2025 (based on delivered electricity in an average hydrological year)."

- b. That that a wider range of benefits of renewable electricity generation be identified in Policy 1 including but not limited to;
 - o Security of supply
 - o Reduction in greenhouse gas emissions
 - o Reduction in dependence on the national grid
 - o Reduction in transmission losses
 - o Reliability
 - o Development benefits
 - o Contribution to the renewable energy target.

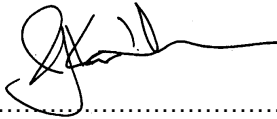
- c. That Policy 3 be deleted.

- d. That Policies 2, 4 and 5 be retained.

- e. That the government develop policies that would complement the provisions of the NPS including ;
 - o Measures to conserve and make more efficient use of electricity so that less electricity needs to be generated in the first place. The NPS does not address this issue.
 - o Other complementary measures that would encourage the generation of small scale renewable electricity, such as allowing those who provide their own electricity to be paid for feeding surplus electricity back into the grid, be developed.

I wish to be heard in support of my submission.

If others make a similar submission, I will consider presenting a joint case with them at a hearing.



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Chief Executive Officer – Rodney District Council
(person authorised to sign)

22 October 2008

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Date

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