

**SUBMISSIONS TO THE BOARD OF INQUIRY ON THE PROPOSED
NATIONAL POLICY STATEMENT FOR RENEWABLE ELECTRICITY
GENERATION**

**STATEMENT BY NIALL WATSON ON BEHALF OF OTAGO FISH & GAME
COUNCIL**

DUNEDIN,

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Introduction

1. My name is Niall Robert Nicoll Watson. I am the Chief Executive of Otago Fish and Game Council (the Council). I have qualifications in resource planning (MRRP) and Science (BSc) and have over 25 years experience working in freshwater fisheries and gamebird management
2. The Council is one of 12 regionally based Fish and Game Councils established to manage, maintain and enhance sports fish and game resources in the interests of anglers and hunters. [s26Q Conservation Act 1987].

Sports Fish and Game Resources

3. Sports fish and game populations are the product of natural ecosystems (primarily rivers, lakes and wetlands) which are habitats for the various fish and game species throughout their life cycles. The health and quality of these habitats dictates the productive capacity of the population and provides a surplus of fish or game for harvest by anglers and hunters. Fish and game populations in New Zealand are almost exclusively wild, self sustaining populations and as such are dependant on habitat quality and diversity
4. Freshwater angling is an important recreational activity in Otago with almost 20,000 licences sold each year in all categories. It is also a key component of a range of nature based tourism activities which visitors come to Otago to enjoy from both within New Zealand and Overseas. Many of these activities are based on rivers. Rivers are an extremely important component of Otago's landscape.

Adverse Trends in Freshwater Resources

5. Freshwater resources in Otago are used for a wide range of commercial and community uses as well as for the maintenance of environmental quality and aquatic ecosystems. Competition for the use of these resources is increasing. Freshwater resources are finite in terms of both the quantities of water available and their natural configuration. Trends in the changing character of freshwater resources are
 - a. Loss of free flowing natural rivers
 - b. Increase in still water reservoirs through dam construction

c. Increases in depleted, regulated, modified and polluted rivers

6. Despite 18 years of water management under the RMA, freshwater water resources are not in good shape due primarily to growing adverse effects of land use intensification via non-point source pollution. In general terms adverse effects of water use are most evident in the lower reaches of catchments but degradation and loss of natural values in moving steadily in an upstream direct. Headwater areas are the least affected.
7. The NPS for renewable electricity has the potential to create additional major pressures on the few remaining rivers with hydro development potential unless it clearly favours some forms of renewable energy over others based on the relative significance of adverse environmental effects. The danger is that power companies will see the NPS in its present form as a green light for new hydro development.
8. Central Otago District provides a good example of the extent to which river resources have been modified or lost. At the present time there is only one river (the Nevis) that flows naturally from its source to its confluence without significant modification. All the other rivers of any size (Clutha, Kawarau, Lindis, Fraser, Upper Taieri, Teviot, Manuherikia) have been dammed, diminished, channelised, or have fluctuating flows or serious non-point pollution. Further major hydro development has been proposed recently for the Clutha River by Contact Energy despite major wind farm developments within the district.
9. As far as the Nevis River is concerned, Pioneer Generation Limited has plans to build a 40 MW hydro station on the Nevis despite its very high natural, recreational and cultural values. The idea of leaving one river in its natural state seems eminently sensible, particularly when tourism is such an important industry within Otago but it may not happen.

Policy 3

10. While policy 3 addresses environmental considerations of the move to renewable energy, it is not sufficiently clear or emphatic. Having particular regard to the relative degree of reversibility is presumably intended to steer developers towards first, geothermal, and second, wind power because of a hierarchy of reversibility with geothermal being the most reversible, hydro being the least reversible and wind somewhere in between. This policy should be strengthened by making reference to other environmental considerations apart from reversibility such as:

- a. The relative contribution to national power supply from any particular region by comparison with its power requirements.

Electricity development does not come without environment cost and it is only fair that these environmental costs should be shared across the country rather than concentrated in any one region.

- b. The proximity of potential renewable energy production sites to areas of significant energy demand.

Energy production sites should be steered towards areas of significant demand to address national grid capacity issues and transmission losses

Achievability of the NPS Objective without Hydro Development

11. Recent evidence given by the Hon David Parker MP in support of Otago Fish and Game's application to amend a water conservation order to prohibit dams on the Nevis River mentioned earlier, concludes that the NPS objective of 90% renewable energy by 2025 can be achieved without damming every last river noting that there is significant renewable energy development in the pipeline – under construction, consented or in the consent process. A copy of his evidence is attached for your information.

Conclusion

12. The proposed NPS for Renewable Electricity Generation is important from a global environmental viewpoint but is likely to have unintended consequences within New Zealand unless Policy 3 is strengthened and clarified. It is important that those parties developing electricity generation facilities are steered away from development of New Zealand's remaining rivers for hydro power towards the more reversible options – geothermal and wind (the latter in less sensitive areas).
13. Other environmental issues should be addressed in Policy 3 as well. For example encouraging the siting of new renewable generation capacity close to areas of significant demand makes a lot of sense from the point of view of transmission losses and security of supply.
14. It is also important that the burden of environment costs is spread equitably across the country and not concentrated in any one region.
15. Otago has already paid a high price in terms of rivers lost for power production. Those few with high landscape, natural and recreational values should be retained as far as possible. The alternative – developing them all – will only meet additional demand for a short while but will permanently remove an important element of the New Zealand landscape.