

22 June 2009

SUBMISSION REGARDING THE PROPOSED NATIONAL POLICY STATEMENT FOR RENEWABLE ELECTRICITY GENERATION

Submission To: Board of Inquiry for the Proposed National Policy Statement for Renewable Electricity Generation

Submission From: North Shore City Council

1. North Shore City Council (NSCC) welcomes the opportunity to appear before the Board of Inquiry for the Proposed National Policy Statement for Renewable Electricity Generation (NPS).
2. We would like to briefly highlight those matters raised in our submission that are particularly important to NSCC.
3. Being an urban City Council, NSCC has no particular expertise in renewable electricity generation.
4. The NSCC submission comes from the perspective of policy advisors who will be assisting in interpreting and implementing the NPS should it proceed. We have an interest in making the bedding in process as smooth and cost efficient as possible, whilst ensuring that the maximum benefit is gained from the NPS.
5. NSCC is sympathetic to the intent of the NPS and to increased central government guidance, but in its current form the NPS is opposed, as NSCC will incur considerable costs but will not be able to contribute meaningfully to the benefits that arise from renewable electricity generation.
6. I would like to comment briefly on the following matters;
 - The relationship between the proposed NPS and S7 j) of the RMA
 - The reference in the objective to 90% of renewable electricity generation being generated by renewable energy sources
 - Our view of the uncertainty and the difficulties contained in Policies 4 and 5.

Effect of the proposed NPS

7. In the preamble the NPS outlines that costs of renewable electricity are often local, but many of the benefits are experienced nationally. S 7 of the RMA outlines those matters which decision makers 'shall have particular regard to'. Of particular interest is clause j) which deals with the benefits to be derived from renewable energy. Thus, at this level, the national benefit is already dealt with in Part II of the Act.
8. On page 19 of the S32, it states that '*the current RMA decision-making framework requires decision-makers to consider the benefits of renewable electricity generation but does not clarify the nature of these benefits nor provide guidance on the weight that should be afforded to them*'. Policy 1 goes on clarify the nature of the benefits, which a decision-maker must have 'particular regard to'.

9. However, in our view it is not possible to provide meaningful guidance on the weight that should be afforded these benefits. The weight to be given to the benefits in any particular application will vary according to the facts of the situation.
10. As in our view the NPS does not provide effective guidance over and above that already contained in S7, to proceed with the NPS as it is currently drafted creates more problems than it solves, due to the uncertainty inherent in the policies and the costs for local government of implementing those policies.

The objective

11. We have concerns about the reference to the target of 90% of electricity being generated from renewable sources by the year 2025.
12. On a purely procedural basis, should the target be altered in the future, presumably the NPS would also have to be altered. While this process can be less intensive than the current process (S46A 1 b)), we consider it would be best to avoid this possibility.
13. More fundamentally, given that we are dealing with the RMA, it seems sensible to frame the objective in terms of an effects based approach. Another submitter (submitter 36, Wellington City Council) has noted that it would be a better approach to reference the objective in terms of reducing greenhouse gases and improving the security of supply. We agree with this, or also note that the last part of the objective could be removed completely.

Policy 4

14. NSCC is particularly concerned about policies 4 and 5 as these policies have the potential to create the most amount of work for territorial authorities. For a Council such as NSCC which has little or no experience in renewable electricity generation, the application of these policies is unclear.
15. We can see that Part i. is particularly applicable to wind turbine or hydro possibilities. However Part ii. is unclear to us. What is '*research scale investigation*' and '*emerging renewable electricity generation technologies and methods*'? The S32 provides no guidance and a definition or non statutory guidance is, in our view, crucial.
16. Guidance is especially necessary if the methods to be introduced will include rules. Without knowing the envelope of effects that a research scale investigation will create it is difficult to justify any rules regulating them. Generic objectives and policies are possible but these could be done at a national scale to encourage consistency and to save local authorities around the country the multiple expense of doing so.
17. Part of the justification for the requirement to introduce a plan change concerning the '*emerging renewable electricity generation technologies and methods*', is because this will assist the investigation of new technologies by smaller providers. The S 32 advises that smaller providers tend to be more innovative than larger players, who tend to be 'technology followers'.
18. We are unsure how a District Plan may facilitate new innovation in this area. The static nature of District Plans is well understood, and is one of the reasons behind recent initiatives to amend the RMA. By the time a District Plan gets around to enabling research scale investigation into emerging renewable

electricity generation technologies, the technology is likely to be mainstream or already obsolete. Even if a District Plan succeeds in a meaningful way in enabling some research scale investigation into these technologies, this will only be a snapshot in time which will then remain static, probably until the next Plan review.

19. Currently territorial authorities have no discretion in the implementation of policy 4. In an urban environment like North Shore it seems unlikely there will be sufficient opportunities for renewable electricity generation to justify such a plan change. In our view some discretion is appropriate as to whether such a plan change is required. The policy could be amended to read – '*local authorities are to notify, where appropriate...*'.
20. In this policy and also in policy 5 the use of the word 'enable' is potentially problematic. We accept that this word is virtually beyond definition but endorse the suggestion of another submitter (Kapiti Coast DC, 11), who suggested replacing this with the phrase '*remove unnecessary barriers to*'.

Policy 5 and small household scale structures

21. In reading the summary of submissions it is apparent that there is some confusion about Policy 5 and whether it applies to household scale solar water heating and wind structures (eg Christchurch CC, 103). In our view it does (or should) apply to these structures, but this demonstrates that further guidance from MfE is required to clearly delineate the intended application of this policy.
22. For example, the definition of '*renewable electricity generation*' refers specifically to '*generation of electricity from solar, wind, hydro*'... etc. Under this definition it seems to us that a photovoltaic system that converts solar power to electricity, which is then used to heat water, would be included under the NPS. However, a solar water heating system which directly heated the water using the sun's rays, may not, as it is not generating electricity to heat the water.
23. It has not been demonstrated in the S32 that structures of this nature have been precluded by rules, or lack of rules, in District Plans around the country. In North Shore no specific provisions apply to these structures and they are subject only to the normal building envelope restrictions.
24. If Policy 5 does apply to small scale household structures, and there is a demonstrated need to introduce provisions to facilitate these structures, we suggest that it would be more cost efficient for MfE to prepare a National Environmental Standard (NES). Structures that are already on the market could be classed as permitted activities subject to a clearly outlined envelope of effects, in a similar way to the recent National Environmental Standards for Telecommunication Facilities. While this would still require local authorities to implement and administer the NES, it would save the costs of each preparing such a plan change and would ensure consistency across the country.
25. On this point we note again that any introduction of an NPS or NES needs to be supported by information to explain and guide the initiative. This would ensure that the same issues do not have to be researched and addressed many times across the country. Such information also needs to be supplied in a timely fashion; we note that the NES for Telecommunication Facilities was released in September 2008 and the practice guide on the implementation of the Standards is still in draft form, causing unnecessary uncertainty and work across the country.