

**BOARD OF INQUIRY
PROPOSED NATIONAL POLICY STATEMENT
ON RENEWABLE ELECTRICITY GENERATION**

In the Matter of the Resource Management Act 1991

And

In the matter of a Proposed National Policy Statement on Renewable
Electricity Generation

BRIEF OF EVIDENCE IN CHIEF OF MARK BULPITT CHRISP

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INDEX	
Heading	Page
Introduction	3
Scope of Evidence	4
The Need for a National Perspective and Guidance	5
The Need for a Diversified Electricity Generation Portfolio	7
The Ability to Consent Renewable Electricity Generation	8
Specific Changes Sought to the NPS by Contact	9
Additional Policies	17
Conclusion	20

Introduction

1. My name is Mark Bulpitt Chrisp. I am a Director and a Principal Environmental Planner in the Hamilton Office of Environmental Management Services Ltd.
2. I have been asked by Contact Energy Limited (Contact) to provide planning evidence in relation to the issues raised in its submission on the Proposed National Policy Statement for Renewable Electricity Generation (the NPS).
3. I have the following qualifications and experience relevant to the evidence I shall give:
 - (a) I have a Master of Social Sciences degree in Resources and Environmental Planning from the University of Waikato. I am a member of the New Zealand Planning Institute and have more than 19 years experience as a resource management consultant;
 - (b) Dealing with environmental issues associated with the development, expansion, and on-going operation of activities within the energy sector is one of my specialties. I have been a planning advisor for the following industrial / energy projects over the last 15 years:
 - Wairakei Binary Plant (1994 – 1998);
 - Te Rapa Dairy Factory Expansion and Co-generation Power Plant (1996 – 1997);
 - Ohaaki Geothermal Power Plant Re-consenting (1998 – 1999);
 - Tauhara Geothermal Power Development (1999 – 2000);
 - Tongariro Power Development Re-consenting – advising the Waikato Regional Council (Environment Waikato) (2000 – 2002);
 - Wairakei Geothermal Power Plant Re-consenting (1999 – 2007);
 - Exploratory Drilling on the Wairakei - Tauhara Geothermal System (2007 - 2009);
 - Te Mihi Geothermal Power Station (2007 – 2008);
 - Mokau Hydro-electric Power Scheme (2006 – Present);

- Hauāuru mā raki Project – Waikato Wind Farm (2006 – Present).
- Crest Energy – Kaipara Harbour Marine Turbine Project (2008 – Present); and
- Tauhara Geothermal Project (2008 – Present).

(c) I have assisted, or am currently assisting, Contact in relation to the following policy and planning matters:

- National Policy Statement on Freshwater Management (Current);
- An application by Fish and Game to amend the Water Conservation (Kawarau River) Order 1997 in respect of the Nevis River (Current);
- Variation 6 to the Waikato Regional Plan – Water Allocation (Current);
- Change 1 to the Waikato Regional Policy Statement and Variation 2 to the Waikato Regional Plan in relation to the management of geothermal resources (Completed);
- Review of the Waikato Regional Policy Statement (Current); and
- Proposed Plan Change 1C (Water Allocation and Use) to the Regional Plan: Water for Otago (Current).

4. I confirm that I have read the 'Code of Conduct for Expert Witnesses' contained in the Environment Court Consolidated Practice Note 2006. My evidence has been prepared in compliance with that Code in the same way as I would if giving evidence in the Environment Court. In particular, unless I state otherwise, this evidence is within my sphere of expertise and I have not omitted to consider material facts known to me that might alter or detract from the opinions I express.

Scope of Evidence

5. My evidence will focus on the key issues of concern in relation to the NPS raised in Contact's submission under the following headings:

- The Need for a National Perspective and Guidance
- The Need for a Diversified Electricity Generation Portfolio

- The Ability to Consent Renewable Electricity Generation
- Specific Changes Sought to the NPS by Contact
- Additional Policies
- Conclusion

The Need for a National Perspective and Guidance

6. Section 45(1) of the RMA states:

“The purpose of national policy statements is to state objectives and policies for matters of national significance that are relevant to achieving the purpose of this Act.”

7. By virtue of its title and the reference to “national significance”¹ in section 45(1) of the RMA, a national policy statement should, in my view, provide a national perspective whereby the objectives and policies provide direction and guidance as to outcomes that are considered to be national priorities.

8. The preamble to the NPS refers to the New Zealand Energy Strategy and the Objective of the NPS seeking that 90% of New Zealand’s electricity be generated from renewable sources by 2025 is clearly derived from the New Zealand Energy Strategy.

9. The preamble to the NPS accurately captures the issue that I consider the NPS needs to address, namely the fact that the benefits of renewable electricity generation tend to compete with matters of national importance as set out in section 6 of the RMA and with matters to which decision-makers are required to have particular regard under section 7 of the RMA. The preamble concludes with the statement:

“Adopting a nationally consistent approach to balancing the competing values associated with the development of New Zealand’s renewable energy resources will provide greater certainty to decision-makers, applicants, and the wider community.”

10. From my experience, the reality is that the way in which the NPS can, and should, contribute to the achievement of the ‘balance’ between these competing interests and resource management imperatives is to provide a

strong policy direction seeking to achieve the development of new renewable electricity generation capacity along with the re-consenting of existing renewable electricity generation capacity. In addition to the New Zealand Energy Strategy, re-consenting is important in terms of the requirement under section 104(2A) of the RMA for decision-makers to have regard to the value of the investment of existing consent holders (particularly in infrastructure) when assessing and determining resource consent applications.

11. A strong enabling focus is needed in the NPS so that decision-makers can place more weight (i.e. more than has typically been the situation) on the benefits of renewable electricity generation as a form of 'counter-balance' to the predominantly protectionist body of the policy and planning guidance that has a bearing on resource consent application decision making. In this regard, it has been my observation that most of the objectives and policies in regional policy statements and regional and district plans are what could be described as 'negative imperatives'. They typically require that activities not cause adverse effects on aspects of the environment, whether it be (for example) coastal character, archaeological sites, or amenity values. The objectives and policies that promote and encourage development (and the benefits to be derived from such development) are usually small in number and small as a proportion of the overall policy or planning instrument.
12. I have participated in many resource consent application (and/or notice of requirement) hearings where decision makers have been alerted to the anticipated national benefits of a particular proposal, yet no one has been able to point to any definitive statement as to what are the national priorities (in terms of any definitive policy statement under the RMA²) and what weight should be placed on any national benefits or priorities identified. This is particularly an issue in circumstances where decision makers are having to weigh up and consider the national benefits or positive effects of a proposal versus the local adverse effects on the environment.
13. This is precisely the situation I have experienced with most of the renewable energy projects I have worked on (as outlined in paragraph 3(b) of my evidence) including geothermal, wind, hydro, and tidal electricity generation projects.

¹ Matters of 'national significance' are wider than those identified as being of 'national importance' under section 6 of the RMA.

² Apart from the New Zealand Coastal Policy Statement and the more recent National Policy Statement (NPS) on Electricity Transmission 2008.

14. In terms of any guidance being provided by Central Government, these situations are often confused by different government departments lodging submissions on the same applications and attending the hearings seeking completely opposite outcomes. In the case of energy projects, a common scenario is the Ministry of Economic Development lodging submissions seeking that consents be granted, while the Department of Conservation seeks that the same applications be declined.
15. A national policy statement provides the opportunity for Central Government (and, in this case, the Board of Inquiry in its role of advising the Minister for the Environment) to provide some leadership on how resources should be managed in accordance with a set of national priorities so that the Objective of the NPS is achieved.
16. This is not to say that 'one size should fit all', but rather some guidance should be provided as to which values or outcomes should be accorded a greater weight in terms of a national perspective. This may require some recognition of the fact that there may be circumstances whereby the national benefit will need to prevail over concerns about localised adverse effects.
17. The NPS on Electricity Transmission 2008 provides a good template as to how a NPS can be drafted to achieve the type of guidance required. In particular, it is unequivocal as to the importance and need to facilitate the operation, maintenance and upgrade of the transmission network and the establishment of new transmission resources and embodies an approach to 'managing' adverse effects on the environment, rather than, for example, (unrealistically) requiring that any environmental effect be no more than minor.
18. This is particularly important as the way many RMA plans are written (particularly district plans) the presumption in section 9 of the RMA is typically reversed and a catch-all rule usually results in activities not specifically provided for within the plan being a non-complying activity. This is particularly the case in relation to large scale electricity generation activities. It is very unlikely that a large scale energy project will be able to pass the threshold tests in section 104D of the RMA on the basis that at least some aspect of the project will have environmental effects which are more than minor, and in the circumstances where the relevant plan has not

contemplated the activity being developed it is unlikely to be consistent with the relevant objectives and policies.

The Need for a Diversified Electricity Generation Portfolio

19. Like any well structured investment portfolio, New Zealand needs a high level of diversification when investing in additional renewable electricity generation capacity.³ Because of operational requirements and comparatively lower cost per unit of electricity generated, geothermal based electricity generation is a form of 'base load' generation meaning that it runs relatively constantly apart from outages for maintenance purposes. In contrast, most other forms of renewable electricity generation are weather dependent.⁴ A number of wind farm proposals are being advanced through the resource consent application process around the country (with mixed success), however it needs to be kept in mind that wind alone will not be able to deliver a renewables future by 2025. Because of the need for 'quick start' facilities during times when the wind stops blowing, hydro-electricity generation capacity is the best renewable source of electricity to work in tandem with wind farms (the best non-renewable alternative being open-cycle gas turbine power stations such as the Stratford Peaker Project).
20. Accordingly, the NPS needs to provide for all forms of renewable energy and not include 'qualifications' which effectively limit or prohibit certain forms of renewable electricity generation, particularly large scale projects.

The Ability to Consent Renewable Electricity Generation

21. It is my opinion that the NPS needs to clearly articulate the fact that the ability to develop new renewable electricity generation (along with the re-consenting of existing renewable electricity generation capacity) is vitally important to the social, economic, and cultural wellbeing of all New Zealanders and for their health and safety.
22. Contact has recently announced that it is investigating four options for the development of another dam on the Clutha River. Any of these proposals would be a significant undertaking and the advancement of any of them through the resource consent application process is highly likely to give rise to major objections from various sectors of the community.

³ Section 2 of the RMA defines 'renewable energy' as "energy produced from solar, wind, hydro, geothermal, biomass, tidal, wave and ocean current sources".

⁴ Tidal generation is not weather dependent however opportunities for the development of large scale electricity generation capacity from tidal sources are very limited in New Zealand.

23. One way of 'road testing' the NPS is to consider how it would assist decision-makers or otherwise in identifying a 'national' perspective so as to inform their decision as to whether or not any such proposal should proceed. It is my assessment that the NPS, as currently drafted, falls short of its potential in this regard. Even if the 'prescription' in the NPS eventuates in regional policy and planning documents (in accordance with Policies 4 and 5 of the NPS – the outcome and force of which remains uncertain), we still need the benefit of a 'national' perspective.
24. In short, if the Government (and, in this case, the Board of Inquiry in its role of advising the Minister for the Environment) accepts the proposition that the development of new renewable electricity generation (and re-consenting of existing renewable electricity generation capacity) is vitally important to the social, economic, and cultural wellbeing of all New Zealanders and for their health and safety, then the NPS should state that as a position and include objectives and policies which recognise and provide for such outcomes to be achieved in appropriate circumstances.
25. I have been heavily involved in the planning issues associated with the Karapiro Domain and the adjacent Lake Karapiro since 1996, including recently securing resource consents for the 2010 World Cup Rowing Championships and a High Performance Centre for Rowing New Zealand and other developments on the Karapiro Domain. Lake Karapiro was formed as a result of the construction of the Karapiro Dam which was completed in 1947. Leaving aside the benefits associated with generation of electricity from renewable sources, it would be fair to say that Lake Karapiro is one of the most highly valued aquatic sporting and recreational resources in the country. It is booked out for aquatic events most weekends throughout summer months and beyond. However, imagine for a moment if the Karapiro Dam did not exist and was the subject of a resource consent application under the RMA now. There would inevitably be significant protest and accusations of environmental vandalism due to adverse effects of damming the Waikato River being perceived as overriding the benefits damming would provide.
26. Accordingly, it would be helpful if the NPS articulated some high level recognition that a significant change to the nature of the environment may not necessarily be regarded as a significant adverse effect on the environment in the longer term (the construction of a new dam being an obvious example in this regard) or at least one whose benefits are able to

be appreciated over time. Similar to Lake Karapiro, Lake Dunstan (formed by the construction of the Clyde Dam) is now widely regarded as having high value as a scenic and recreational resource forming part of a modified landscape.

Specific Changes Sought to the NPS by Contact

27. The balance of my evidence will discuss the specific changes to the NPS sought by Contact. I support the changes sought by Contact from a planning perspective and I consider that, if accepted, they will enhance the ability of the NPS to achieve its purpose.

Objective

28. Contact's submission seeks a minor wording change to the Objective so that it reads:

"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 in order that 90% of New Zealand's electricity will be generated from renewable sources by 2025 (based on delivered electricity in an average hydrological year)".

29. The suggested change makes the 90% target an explicit part of the Objective (being an outcome sought in its own right) rather than being expressed as a consequence of the Objective.

Policy 1

30. Contact's submission supports Policy 1 which recognises the benefits of renewable electricity generation, but notes that its value is somewhat limited given that it is largely restating section 7(j) of the RMA.
31. However, Contact has concerns as to the inclusion of the phrase "at any scale" in the Policy. The Policy is thus stating that any individual renewable generation activity, irrespective of size or energy contribution, is of national significance (and thus promoted by Policy 1). This is factually incorrect and weakens the assistance given by the Policy to projects that are of sufficient size to make a meaningful contribution to reduction of greenhouse gas emissions and to the security of New Zealand's electricity supply. Even

without those words, the inclusion in the Interpretation section of an explanation that “*renewable electricity generation activities*” include “*small and community-scale distributed renewable electricity generation*” has the effect that the Policy would promote small scale generation as being nationally significant.

32. The RMA includes guidance as to what is nationally significant in section 141B(2) in the context of a called-in application. Small scale generation activities (for example, a 100 kW hydro power scheme supplying electricity to an isolated farm) would not pass any of the section 141B(2) tests to be considered ‘nationally significant’ and does not fall within the ambit of section 45(1) of the RMA (discussed above). It is my view that the NPS should not include a policy that adopts a standard which is inconsistent with the RMA.
33. If the intention of Policy 1 is to suggest that small scale generation activities may **cumulatively** be of national significance, then that would be appropriate and the policy should be amended to make that clear.
34. So, for example, the words “at any scale” could be deleted and a new second sentence added to the effect that: “*The benefits contributed will vary according to the scale of the renewable electricity generation activity but small scale renewable electricity generation activities may cumulatively be of national significance*”.
35. As noted, this policy is an expression of section 7(j) of the RMA. As such it would be useful to identify more than the two benefits listed that caselaw has developed in discussing this section. In the Awhitu Wind Farm decision⁵, the Environment Court identified a number of benefits of general application such as industry development, profitable business opportunities and regional development. It would assist if those development benefits were added to the list of benefits to be derived from renewable electricity generation.
36. And as a small point, the first benefit listed is in reality two benefits: that of maintaining or increasing electricity generation capacity and also that of avoiding, reducing or displacing greenhouse gas emissions. Accordingly, I would suggest that these be separated to make it clear that these are different benefits.

⁵ *Genesis Power Ltd v Franklin DC* [2005] NZRMA 541 (EnvC).

37. In light of the above considerations, Contact's submission seeks that Policy 1 be amended to read as follows (or similar):

"The benefits of renewable electricity generation activities are of national significance. The benefits contributed will vary according to the scale of the renewable electricity generation activity but small scale renewable electricity generation activities may cumulatively be of national significance. Decision-makers must have particular regard to the national, regional and local benefits relevant to renewable electricity generation activities. These benefits may include, but are not limited to:

- i. maintaining or increasing electricity generation capacity;*
- ii. avoiding, reducing or displacing greenhouse gas emissions;*
- iii. maintaining or increasing security of electricity supply at local, regional and national levels by diversifying the type and/or location of electricity generation;*
- iv. providing development benefits and business opportunities and regional development."*

Policy 2

38. Contact's submission considers the intention of Policy 2 is that decision makers should recognise, sympathetically, the difficulties of consenting renewable projects and should not make unreasonable demands in any mitigation imposed on those projects. The Section 32 Analysis suggests that the emphasis is on the way conditions are drafted (mitigate rather than avoid effects). Assuming this is a correct interpretation as to the intent of Policy 2, this Policy is supported but there is a lack of clarity in the drafting.
39. It is not clear that Policy 2 requires consent authorities to have a **positive** particular regard to the listed constraints.
40. For example (iii), *"the nature and location of existing renewable electricity generation activities"*, could mean that particular regard should only be given to the constraints imposed on achieving the measures to avoid, remedy or mitigate the adverse effects of a renewable electricity generation project if there are other similar existing projects in the area. This is an interpretation that should be avoided if the 90% renewables target is to be met. Alternatively, the interpretation might be that (positive) particular regard should only be given if there are no other similar existing projects in

the area, thus avoiding cumulative effects. To address this concern the relief sought in Contact's submission has deleted (iii) in its suggested redraft of this Policy (stated in full below).

41. Accordingly, the Policy needs amending to clarify that the regard that the consent authority is intended to have in relation to the factors listed in setting conditions is intended to assist in the promotion of renewable electricity generation projects.
42. However, this Policy needs more radical amendment to expand its scope. As noted above, there is no Policy in the NPS that promotes unambiguously the granting of consents for renewable projects. The benefits of renewable generation are identified (as does the RMA already) in Policy 1, and Policy 2 suggests a degree of sympathetic assessment in relation to conditions. Policy 2 is the appropriate policy to broaden to become a positive promotion of consents for renewable electricity generation projects.
43. Without such a revised Policy the NPS presents a package of policies that implicitly support renewable generation but then qualify that support by scale (Policy 5), by mitigation (Policy 2), and by type (Policy 3).
44. The relief sought in Contact's submission suggests the following (or text to similar effect) to unambiguously promote the granting of consents to renewable generation projects while also clarifying that the factors to which regard is to be had are intended to be supportive of such projects:

***“Promoting the granting of consents for renewable projects and acknowledging the practical constraints associated with the development, upgrading, maintenance and operation of new and existing renewable electricity generation activities.*”**

Policy 2

When considering whether to grant consents and/or what conditions might be imposed to avoid, remedy or mitigate the adverse environmental effects of renewable electricity generation activities, consent authorities shall recognise and must have particular regard to:

- i. the need to locate the renewable electricity generation activity where the particular renewable resource is available;*

- ii. *logistical or technical practicalities associated with developing, operating or maintaining the renewable electricity generation activity;*
- iii. *the location of existing structures and infrastructure including, but not limited to, roads, the local electricity distribution network, and the national grid in relation to the renewable electricity generation activity.”*

Policy 3

45. Policy 3 states:

“When considering proposals to develop new renewable electricity generation activities, decision-makers must have particular regard to the relative degree of reversibility of the adverse environmental effects associated with proposed generation technologies”.

46. Section 3 of the RMA defines ‘effect’ to include:

- (a) *Any positive or adverse effect; and*
- (b) *Any temporary or permanent effect; and*
- (c) *Any past, present, or future effect; and*
- (d) *Any cumulative effect which arises over time or in combination with other effects—

regardless of the scale, intensity, duration, or frequency of the effect, and also includes—*
- (e) *Any potential effect of high probability; and*
- (f) *Any potential effect of low probability which has a high potential impact.*

47. The definition of effect, in (b) and (c), already requires consent authorities to take into account ‘permanent’ and ‘future’ effects. That is, the concept of reversibility of a proposal is already a matter for consideration under the RMA.

48. On that basis it is unnecessary for the NPS to identify this particular “effect”. However, the result of identifying this effect and turning it into a Policy in the NPS is also to distort its importance in the RMA framework. Rather than being one potential effect within the RMA, selecting this as a Policy

elevates it in the consideration of any application. The balance the RMA provides is lost.

49. The result is that a renewable project that is less “reversible” starts from a disadvantage which it does not do under the RMA. Any hydro-electric power development that is larger than micro-size is in this category. Similarly, geothermal has aspects that are either not reversible (induced subsidence) or only reversible over long time periods (heat recovery within the geothermal system). By contrast wind generation is more reversible than either hydro or geothermal and would clearly benefit from the suggested emphasis on reversibility. Contact considers that such a “picking winners” approach is inappropriate in an NPS.
50. More importantly, the effect of this Policy is also to undermine the Objective of the NPS as this Policy is inconsistent with the objective of “...*promoting the development, upgrading, maintenance and operation of new and existing renewable electricity generation activities...*” by putting barriers in the way of consenting some renewable proposals.
51. This is a matter of concern as to meet the 90% renewable generation target by 2025 New Zealand must be able to utilise a wide variety of renewable generation sources. The 90% target is a challenge and only achievable if some sources of generation (such as hydro and geothermal) are not excluded from the development mix. This view is supported by analysis work from the Electricity Commission in its Statement of Opportunities (SOO) discussed in the evidence of Mr Macintyre.
52. The work undertaken by the Electricity Commission reveals that a large amount of hydro and geothermal development is essential to meet the 90% target. Policy 3, as drafted, will negatively effect the consenting process for these technologies and therefore the country’s ability to achieve its 90% renewable generation target by 2025.
53. Contact’s preference is that Policy 3 be deleted.
54. However, Contact has also noted the analysis in the Section 32 Report that suggests that it is not the intention of this Policy to be anti-hydro (5.2.3.4, page 42) where it states:

“...the policy does not suggest that, because the effects of hydro schemes are less reversible than some other forms of renewable energy, such schemes should not proceed”.

55. Contact considers that this will be the effect in practice (as well as impacting geothermal projects). However, if the Board determines that it does not wish to delete this Policy, the Policy needs to be amended to meet the intent apparently sought and to ameliorate its adverse effect on the 90% renewable target. The Policy should be amended so that “reversibility” is an additional point of argument in favour of a project that can demonstrate “reversibility”. If that factor is not available to a particular project, its absence should be neutral, not negative.

Policy 4

56. I am not aware of any major issue with the identification of renewable generation possibilities. For example, when testing the strength of a wind resource in the area of a prospective wind farm, Contact has not encountered any particular barriers to setting up equipment like wind testing masts. However, Contact does not oppose such a policy as this might well extend the knowledge base from which renewable electricity generation can be developed.
57. It is noted that the Policy will require local authorities to introduce objectives, policies and methods to enable activities associated with, in bullet point (i), “*the identification and assessment by generators ...*”. Whilst it is important that generators be given this ability, it is not just generators that might need to take advantage of these provisions. Other parties are also involved in identification and assessment of potential sites and energy sources for renewable electricity generation. The removal of the words ‘*by generators*’ from bullet point (i) of Policy 4 would provide suitable relief.
58. Contact is also concerned that consent authorities could read Policy 4 to require that they should undertake some sort of mapping exercise to identify zones where renewable generation should be developed. This is unnecessary, in my opinion, and would impose additional cost on consent authorities and hence should be avoided. In addition, one of the concerns I have about local authorities zoning areas for particular types of renewable electricity generation (e.g. wind farms) in advance of any such proposals being advanced by power companies is that it will, by default or by implication, exclude other locations identified and/or promoted by applicants and mean that consenting other (un-zoned) sites becomes more difficult (contrary to the purpose of the NPS).

59. It is therefore suggested that Policy 4 is clarified to make it clear that this is not for the advantage of generators alone and to make it clear that local authorities are not mandated to zone for renewable electricity generation.

Policy 5

60. Contact is concerned that this Policy makes provision only for small and community-scale electricity generation but the NPS, as proposed, does not provide similar support for large scale renewable electricity generation which will be essential if the 90% renewables target is to be met by 2025.
61. Scale is important to the development of new generation resources. This is clear from the Electricity Commission's SOO where small and community scale generation is forecast to increase, but will not increase to the level required to make a major contribution to achieving the 90% renewable electricity generation target.
62. The proposed changes to Policy 1 set out in Contact's submission are intended to correct this imbalance.
63. Contact's submission also questions why the definition of "small and community-scale distributed renewable electricity generation" specifically excludes offshore wind, tidal and wave generation. It would seem that if the land based forms of renewable electricity generation are appropriate for use by communities then so too are these technologies.
64. Accordingly, it is suggested that the definition of "small and community-scale distributed renewable electricity generation" is amended to include offshore wind, tidal and wave generation.

Additional Policies

65. Contact considers that there is a need for additional policies in the NPS to fully address the issues relevant to renewable generation.

Additional Policy to Address Reverse Sensitivity

66. Policy 4 makes provision for identifying future renewable electricity generation sources. However, until these sources are developed they are vulnerable to encroaching sensitive uses that then constrain or even prevent that development. These identified renewable generation sources require protection to ensure development remains an option. For instance, it could take up to five or more years to investigate, apply for, and have

processed consent applications for a hydro dam after the initial feasibility study has been completed. In that time, changing local land uses may effectively prevent the consenting and subsequent development of the project.

67. Accordingly, Contact's submission suggests the following Policy to address these reverse sensitivity issues to protect potential future generation sites and energy sources. This Policy should follow existing Policy 4. As already noted, Policy 4 concerns identifying renewable sources. This Policy addresses the protection of those sources once identified.

“By 13 March 2012, local authorities are to notify in accordance with Schedule 1 of the Act, a plan change, proposed plan or variation to introduce objectives, policies and where appropriate methods, into policy statements and plans to manage new uses or development of land in the vicinity of identified potential sites and energy sources for renewable electricity generation in a way that recognises:

- (a) Uses and development of land have the potential to constrain existing and new renewable electricity developments in the vicinity; and*
- (b) Use and development of identified renewable electricity sources is a matter of national significance and should not be constrained by incompatible new uses (including intensification of existing uses) or developments of land.”*

Additional Policy to Protect Existing Renewables

68. Contact considers that existing well run consented plant should be protected. For example, in 2007 the Environment Court confirmed consent conditions for a further 35 years on Contact's Hawea, Roxburgh and Clyde hydro dams.
69. The 2007 Environment Court decision ended a long and costly process that started in 2001. If Contact's consent conditions had not been confirmed when they were and the operation of its Clutha dams were constrained, then meeting the 90% renewables target by the 2025 deadline would have been made considerably more difficult for the country.

70. If the renewable electricity generation target of 90% by 2025 is to be met, all the existing renewable electricity generation will need to be maintained at its current operating capacity.
71. It is suggested that a policy be included making re-consenting of existing renewable plant a controlled activity. This would significantly reduce re-consenting time delays and costs. Making re-consenting a controlled activity would also give existing operators (and those looking to develop new plant) some certainty as to being able to continue the operation of plant beyond the term of the consent. Often as not, the term of the consent commences at the time that development commences and the first 3 to 10 years of the term is lost in design and construction of the project. That leaves as little as 25 years of operation within which to economically justify the project if there is no reasonable certainty of being able to re-consent.

Additional Policy to Facilitate Transmission Lines

72. Renewable electricity generating plant is often located in remote areas and requires quite long transmission lines to connect them to the national grid. In some cases these connecting lines are installed by the developer of the renewable electricity generation project. Without these lines to transmit power to the national grid the renewable electricity generating plant would be of no value.
73. Currently, the National Policy Statement on Electricity Transmission applies only to the electricity transmission network, which is defined as being:
- “part of the national grid of transmission lines and cables (aerial, underground and undersea, including the high-voltage direct current link), stations and sub-stations and other works used to connect grid injection points and grid exit points to convey electricity throughout the North and South Islands of New Zealand”.*
74. That NPS therefore does not apply to any other lines in New Zealand, even though they have the same generic effects, and link to the national grid what might be nationally significant electricity generating plant under the renewables NPS.
75. Accordingly, a policy is needed to support the connection of renewable generation projects to the national grid. Even on a small scale, renewable generation is useless without transmission to connect it to the point of use.

It is therefore suggested that the NPS includes a policy that imports all the elements of the National Policy Statement on Electricity Transmission (“transmission NPS”) and is applied to electricity transmission lines that link renewable electricity generating plants to the national grid.

Security of Supply to Support Generation

76. In paragraphs 7 and 8 of Contact’s submission the importance of peaker power stations to supporting renewables to provide security of electricity supply to New Zealand was briefly outlined. Contact is currently committed to installing plant to perform this role in the firm belief that such plant is essential for the New Zealand system to perform reliably, especially whilst it has a very constrained transmission system.
77. While it might appear to be directly inconsistent with the Objective of the proposed NPS, having peaker plant available is indirectly important in achieving the Objective of the NPS.
78. Contact’s submission suggests that mention be made in the preamble of the need for peaker power stations to support weather dependent renewable electricity generation during periods when the output from that plant is low.

Conclusion

79. The NPS must promote and help facilitate renewable electricity generation. As currently drafted, the NPS does not provide this strong lead. Rather, having recognised the benefits of renewable generation, it limits its support of renewable generation projects to those with particular technologies or on a particular scale or it focuses on conditions rather than the granting of consents.
80. If New Zealand is to meet its target of 90% generation from renewable sources by 2025 there must be continued operation of all existing renewable plants and a significant number of new renewable generation plants built as well. Achieving that in turn requires a suitable regulatory environment within which new renewables can be developed and existing renewables be re-consented. It is my opinion that what is needed is an overall plan to promote renewables of all types. The NPS should provide

unequivocal policies that will actively promote and facilitate this through the RMA process.

MB Crisp

19 June 2009