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Ministry for the Environment
PO Box 10362
Wellington 6143

Dear Sir/Madam

THE PROPOSED AMENDMENTS TO THE AMBIENT AIR QUALITY STANDARDS

Thank you for the opportunity to participate in the review of the Air Quality National Environmental Standard.

In principle the West Coast Regional Council agrees with the preferred options as they generally reflect its submission to the Technical Advisory Group, however, the Council considers that any amendments need to reflect that there are impacts on communities from this legislation. The example shown below illustrates our viewpoint.

Costs and Benefits

People need to be warm and to be able to afford to be warm. For the Reefton airshed where domestic fires are the main source of PM₁₀ the following issues need to be considered:

- Reefton is situated alongside a river valley bordered on all sides by steeply rising ground in the rain/wind shadow of the adjacent mountains creating unavoidable winter inversion conditions. A lack of winter wind to move the air compounds emissions from household fires, for what can be lengthy periods during the winter months. This is a significant factor with the issue Reefton faces with foggy winter temperatures routinely dipping to -8degC.
- Reefton has 414 households in its airshed
- 132 of those households are receiving some form of government assistance as their income.
- 330 of those households use multifuel burners (many use them for both home heating and hot water heating)
- Most of the houses are old and poorly insulated
- Studies indicate that even if the majority of homes changed to NES compliant woodburners, Reefton may still not be able to meet the current standard.
- Estimated total kWh equivalent from burning wood and coal is 19,933,511 kWh conservatively costed at a total of \$771,074 per annum or approximately \$1862 per household. Given the sources of cheap fuel in the area this is considered to over-estimate actual cost.
- As a comparison with the above bullet point, if the estimated total kWh of heating from wood and coal was replaced with heating by electricity at the current price is 22c/unit the cost could be \$4,385,372 per annum or \$10,592 per household. Even given

- the increased efficiency of heat-pumps at say 300% the annual household cost would be \$3,530 per household.

This does not take into account the reducing efficiencies of heat pumps below four degrees celsius or the fact that current fuel use generates a double benefit of providing both home heating and hot water heating in most cases. For some households the cheap fuel means this is the primary source for hot water heating throughout the year. With this in mind the cost per household is likely to be at least \$5,000 which is a significant sum at any time but even more so when a one third or 84 of the 246 family incomes are less than \$30,000 and nearly 50% or 113 family incomes are less than \$50,000.

Preliminary estimates of the capital expenditure required to upgrade a home's burner and insulation, based on a very basic upgrade of 75% of the houses in the Reefton airshed, has been costed at \$1.5 million. This does not take into account the additional cost that the general ratepayer has to meet for the plan change process to amend the Air Quality Plan to impose the regulations necessary to implement the NES. To put these costs into perspective, the West Coast Regional Council's annual rate take is less than \$2 million for the whole region.

Reefton's Ability to Pay?

The Council is mindful of the Reefton community's ability to pay not only for the capital costs of the required upgrading but also the ongoing operating costs. Many people in Reefton still receive free coal from being employees or relatives of employees of the State Mine. There is also a substantial and cheap source of firewood in the immediate area which all contributes to keeping the communities heating (home and hot water) costs currently very low. To require them to change to alternative heating sources is likely to impact significantly on their ability to afford to keep themselves warm.

The Council is concerned that the NES will cause health effects from people living in cold damp houses because they are unable to afford to keep their home warm without coal.

A recent study by a Canterbury University Masters student looking at the adverse health effects caused by PM₁₀ in Reefton was unable to identify any increase in hospital admissions due to air pollution. The Council is yet to see, and would be very interested in seeing, any relevant health statistics that indicate a necessity to force change on our community. Particularly when that change is likely to create serious financial hardship and quite possibly cause perverse health effects from people being forced to live in colder damper homes. Our Council is of the general view that there is insufficient information to show sufficient health benefits of stopping multi-fuel burners in Reefton, compared to the high costs of making that happen. The community do not support a regulatory approach.

In fact now would be a good time to have a comparative study undertaken in improved airsheds to determine whether the health benefits that were expected have been realised. In our view determining the efficiency and effectiveness of the Standard is an essential element of the planning cycle and also what is required of Councils and the Ministry under Section 32 RMA.

Compliance by 2018

The Council believes that there should be flexibility within National Environmental Standards (and National Policy Statements for that matter) that reflects the differences across regions.

Reefton is an airshed with generally a low socio-economic community, poor housing stock, access to relatively cheap fuel, and an affection for using coal regardless of the air pollution.

At a community meeting where this issue was discussed the predominant view was that they would like to have the EECA subsidy to insulate their homes but that they didn't want that at the expense of being able to burn coal.

With the above viewpoints taken into account, the Council believes a compliance deadline is the wrong approach. Without clear health benefit statistics for the Reefton area supporting the implementation of such costly measures this Council considers a Guideline of compliance by 2018 is more appropriate.

Air Quality Compliance Strategies?

The Council is pleased to see that the suggestion of previously proposed punitive measures for not meeting the standard and that further affect the regions ratepayers have been dropped. There are generally very good reasons why Councils have not met a deadline or been prepared to coerce a community into a course of action. These reasons need to be recognised and the best interim solution is to make the deadline into a guideline only, while retaining the reporting requirement.

Where a Council, or the Minister, is particularly concerned about the effects on the community of implementing the NES, or the health effects of not meeting the guideline, either could seek a review of the appropriateness of any or all aspects of the NES for a particular airshed(s).

The result of such a review would be an agreed action plan that may or may not allow for exemptions from part or all of the NES.

Industry

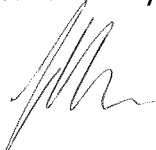
This Council agrees that industry is unfairly penalised by the current regulations given that PM₁₀ emissions from industry contribute only a minor amount of the pollution in many, if not most, airsheds. In principle the Council supports the use of offsets for new industry consents in breaching airsheds as it would be inequitable for new activities to undermine the efforts of existing householders and industry to meet the NES.

Decisions Sought

The Council seeks that the Minister:

- That any Air Quality Compliance Strategy includes the ability for either the Council or the Minister to seek a review of the NES's application for any particular airshed, and agree a specific management plan that takes into account the key issues for that community.
- That the compliance deadline of 2018 should be deleted and replaced with a guideline and a reporting standard only.
- Retain the amendments related to industry and allow the opportunity for offsets to be offered as mitigation of the effects of the activity.

Yours faithfully,



Simon Moran
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West Coast Regional Council