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Indigenous Biodiversity Team
Ministry for the Environment
Wellington

By Email: indigenusbiodiversity@mfe.govt.nz

Submission on Draft National Policy Statement on Indigenous Biodiversity (“NPSIB”)

Tena koe

I write on behalf of Ngati Tuwharetoa (Bay of Plenty) Settlement Trust (**NTST** - a Post Treaty Settlement entity) and its’ commercial subsidiaries, Ngati Tuwharetoa Geothermal Assets Limited and Ngati Tuwharetoa Electricity Limited (“**Group**”) who have strong interests in geothermal.

As part of the Treaty Settlement with NTST, the Crown granted a Geothermal Statutory Acknowledgement recognising Ngati Tuwharetoa’ historic use and custodianship of geothermal energy and water located in the Kawerau Geothermal system. NTST and all of its’ commercial subsidiaries take special attention and care of the geothermal taonga (resource).

Careful utilisation of the geothermal taonga is being maintained in Kawerau by NTST and its Group to support local industries with a supply of sustainable low carbon process steam and to generate sustainable low carbon electricity for the national grid. A proportion of the commercial returns being made from geothermal are returned to the Owners (those who can Whakapapa as descendants of Tuwharetoa, many of who live in the Eastern Bay of Plenty) in form of grants for education, sporting, Pakeke (elderly) and Tamariki (children). These grants are of significant support to many individuals who live in hardship.

At an overall conceptual level, NTST has always been supportive of the concept of protecting National Biodiversity - the Kaitiakitanga principle followed by Maori has protection and conservation at its heart. While the objective is shared, the details are important to ensure practical and workable solutions are found to achieving the right balance between utilisation and conservation. For NTST with a Statutory Acknowledgement as Kaitiaki for the Kawerau geothermal resource, any proposed policy changes that could affect the Kawerau resource must be considered in partnership between the Crown and Ngati Tuwharetoa (Bay of Plenty).

Discussion

NTST representatives have considered the Draft Policy Statement Information on Indigenous Biodiversity (NPSIB) and cover the following topics in our response:

- Importance of geothermal generation, current and future; and
- Potential impacts of proposed NPSIB on existing and new geothermal capacity; and
- Highlight of the mechanisms already in place to protect Biodiversity in the Kawerau Geothermal system; and
- Confirm NTST’s preference for how the NPSIB can strike the right balance between protecting and enabling responsible utilisation of the geothermal taonga.

Importance of geothermal generation, current and future

As you will have already been informed by others, geothermal is a vital part of the electricity generation mix in New Zealand (approx. 18% New Zealand’s electricity generation). What is not well understood is the increasing role geothermal is playing in Industrial process heat in New Zealand.

Ngati Tuwharetoa Geothermal Assets Limited (“**NTGA**”) supplies geothermal steam to Industrial businesses in Kawerau for the production of:

- Newsprint (Norske Skog)
- Tissue Products (Asaelo Care)
- Sawn Lumber (2 mills, Carter Holt Harvey and Sequal Lumber)
- Milk Powder production (Waiu Dairy Plant)
- Kraft Pulp (Oji Fibre Solutions)

All of these businesses would need to use gas or coal to raise steam if it were not for the utilisation of geothermal steam from the Kawerau reservoir. Geothermal steam has been used at Kawerau for Industrial process heat since 1953.

Potential impacts of the proposed NPSIB on existing and new geothermal capacity

If the implementation of the NPSIB required the avoidance of any effects on Significant Natural Areas (SNA's) (due to their scarcity all geothermal areas are likely to be defined as SNA's) then there is a risk that no further geothermal development could occur and possibility some existing development may have to cease.

Highlight of the mechanisms already in place to protect Biodiversity in the Kawerau Geothermal system

Mechanisms are already in place to protect Biodiversity in New Zealand Geothermal Systems via our Resource Consent Conditions. In Kawerau our geothermal use consents require the frequent monitoring of Natural Geothermal features (including vegetation) within the Parimahana Reserve and Te Taukahiwi o Tirotirowhetu. Geothermal Operators have to report detailed scientific assessments on the geothermal features annually and these reports are assessed by the Regional Council with assistance from scientific experts.

What is required is an NPSIB that strikes the right balance between protection and enabling development of the geothermal resource

In the discussion document, 3 options are outlined to deal with geothermal biodiversity - Section C9, page 58 as follows:

- Option 1 would exclude all geothermal biodiversity from Management under the proposed NPSIB
- Option 2 would exclude the Taupo Volcanic Zone (TVZ) from management under the proposed NPSIB
- Option 3 would include geothermal biodiversity in the NPSIB in a yet to be drafted Policy 9 and Implementation Method 3.11.

Recommendation

For NTST and its Group, Option 1 appears the most practical, given we are already closely monitoring and managing the effects our geothermal developments have on Natural Geothermal features. We do this for two reasons, one - Kaitiakitanga principles of preservation and care for the resource and two - our resource consents require us to do so as part of the conditions by which we are permitted to utilise the resource.

NTST and its Group see limited value in further consideration being given to a protracted drafting exercise (Option 3) that will result in very similar outcomes at a practical level to that achieved today via the RMA processes. The level of detail in the resource consent monitoring processes conducted by geothermal operators is far in excess of other natural resource consents (e.g. water takes).

Naku noa na

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