

**Proposed Amendments to the National Policy Statement for  
Freshwater Management 2011  
Discussion Document**

**To:** Freshwater Reform  
Ministry for the Environment  
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**By email:** [watersubmissions@mfe.govt.nz](mailto:watersubmissions@mfe.govt.nz)

**Submission on:** Proposed Amendments to the National Policy Statement for  
Freshwater Management 2011 – Discussion Document

**Name:** King Country Energy Limited

**Address:** [ withheld ]

**Signature:**



**Date:** 4<sup>th</sup> of February 2014

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## 1.0 INTRODUCTION AND OVERVIEW

King Country Energy Limited (hereafter referred to as 'KCE') is a publicly owned renewable electricity generation company, with its two largest shareholders being Todd Energy Limited (54%) and King Country Electric Power Trust (16%). The remainder of its shareholding is divided between approximately 8,500 smaller shareholders. KCE was incorporated in 1991, taking over the business of the King Country Electric Power Board and was subsequently restructured in 1999 as a consequence of the Electricity Industry Reforms Act 1998. The reforms resulted in KCE and Waitomo Energy Services firstly combining their assets, and then splitting their assets. It was at this point that KCE acquired the generation and retail businesses held by the two organisations. KCE has its head office in Taumarunui.

KCE owns and operates five hydroelectric power generation schemes (hereafter referred to as 'Schemes' or 'HEPS'), all of which are small to moderate in scale. These schemes include Kuratau (6MW, 28GWh), Mokauiti (1.7MW, 7 GWh), Piriaka (1.3MW, 7 GWh), Wairere (4.6MW, 18GWh) and the Mangahao Scheme (42MW, 130GWh). Figure 1 below shows the location of KCE's Schemes.

**Figure 1: Location of KCE's Hydroelectric Power Generation Schemes**



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The Schemes generate approximately 70% of the Company's current electricity sales. The balance is purchased from the electricity market.

KCE's renewable electricity generation Schemes provide a range of benefits both to their customers and nationally including, but not limited to, additional security of renewable supply of electricity and reduced transmission losses. The Company's Schemes are

embedded in the local electricity supply of the region, meaning that all electricity generated at the sites goes to the local area. Consequently the on-going operation of the Schemes is particularly important to the supply of electricity to the King Country and Waikato Regions.

This submission is made to the *'Proposed Amendments to the National Policy Statement for Freshwater Management 2011: A Discussion Document'* (hereafter referred to as the **'Discussion Document'**). KCE is aware that this consultation process seeks to inform the proposed amendments to the National Policy Statement for Freshwater Management 2011 (hereafter referred to as the **'NPS FM 2011'**). The Company records that it wishes to be involved with all (currently proposed and future) amendments of the NPS FM 2011.

## **2.0 STRUCTURE OF SUBMISSION**

KCE is generally supportive of the intention of the amendments proposed in the Discussion Document. The Company notes that the proposed amendments aim to make the NPS FM 2011 more effective and to improve the way in which freshwater is managed in New Zealand. The amendments proposed build on the recommendations of the Land and Water Forum and are intended to ensure that regional councils account for all water takes and sources of contaminants, in order to inform decisions on the setting of freshwater objectives and limits. While KCE supports the aim or intent of the proposed amendments, the Company has a number of concerns and points of clarification that it considers must be addressed before amendments to the NPS FM 2011 are advanced. Further KCE considers that the Water Research Strategy, Resource Management Act 1991 (hereafter referred to as the **'RMA'** or **'the Act'**) Reforms, amendments proposed within the Discussion Document and national guidance material prepared to support the same, should be advanced together, in order to provide clarity, and ensure that all of the various documents, policies and proposed changes, fit together cohesively.

KCE's specific points of submission are included within **Table A**, which is attached within **Appendix One**. In this regard, Table A identifies one general submission point and seven points of submission which relate to the specific amendments proposed within the Discussion Document, and freshwater management more generally. These are:

- 1: *The Importance of Adequate Consultation;*
- 2: *Accounting for Water Quality and Quantity;*
- 3: *A National Objectives Framework;*
- 4: *Setting Compulsory National Values;*
- 5: *Setting National Bottom Lines;*
- 6: *Exceptions to the National Bottom Lines;*
- 7: *Articulating Tangata Whenua Values; and*
- 8: *Monitoring.*

## **3.0 SUMMARY**

In summary, KCE supports the overall intent of the amendments proposed within the Discussion Document, which seek to make the NPS FM a more effective document and to

improve the way that freshwater is managed in New Zealand. As outlined in the Company's submissions, while KCE agrees that the NPS FM 2011 requires amendment, the Company has concerns with some aspects of the proposed amendments and the implications that they may have on both the Company, and its shareholders. Overall KCE considers that a number of the amendments require clarification, additional thought and refinement, and consideration of the appropriate time for implementation, as set out in the submissions included within Table A (within **Appendix One**). Further, KCE considers that it is crucial that all of the freshwater reforms currently being progressed should be advanced together as a package, so as to ensure that they fit together cohesively.

KCE would be happy to meet with the Ministry for the Environment to discuss the points raised within its submission, or any questions, or queries the Ministry might have, regarding the same. Please do not hesitate to contact the undersigned to arrange such a meeting. Further, and as set out within this submission, KCE wishes to be involved with all (currently proposed and future) amendments of the NPS FM 2011.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Sheehan', with a long horizontal flourish extending to the right.

[ withheld ]

