

Changes to Provisions promoted by Generators 9th March 2009

Chapter 3 Infrastructure & Energy Provisions

Wording considered by Electricity Generators (Mighty River Power, Genesis Energy, Meridian Energy ,Trustpower) and EECA to improve the position presented by Horizons in the Track Change Document dated 10 February and presented to the pre-hearing meeting on 16 February. Each Organisation will have wording preferences in addition to those presented here that will be addressed in evidence at the hearing. Powerco have also provided comment on Policy 3-1 (iii) and (iv)

Issue 3-1

Include new issues as follows: (as per Catherine Clarke s evidence appearing for Meridian).

Issue 3.1 Infrastructure and energy

- (i) (i) The use and development of infrastructure and renewable energy resources is essential to the economic, cultural, social and environmental wellbeing of people and communities and offers potentially significant national and regional benefits.
- (ii) (ii) There is potential for concerns about local adverse effects to prevail over the regional and national benefits of developing infrastructure and renewable energy
- (iii) (iii) Energy conservation and efficiency measures will assist, but alone, will not be sufficient to meet future energy demands.
- (iv) (iv) Additional electricity generation will be needed to meet regional and national growth in energy demand. To meet national renewable energy targets the region needs to provide for additional electricity generation through the use and development of its renewable energy resources in a manner consistent with the RMA.
- (v) (v) The Manawatu-Wanganui region contains significant potential for the use and development of new renewable resource, However the use and development of new renewable energy generation facilities face a number of barriers including securing access to natural resource, an operational and technical factors which constrain the location , lay out, design and generation capacity of renewable energy facilities.

Trustpower has suggested an additional issue dealing with reverse sensitivity to support Policy 3-2, and no view has been expressed by the other generators about this issue at this point. The issue would read:

- (vi) (vi) New activities within close proximity to existing or authorised infrastructure including generation from renewable energy resources can constrain or affect the effective operation , maintenance, and upgrading of such facilities.

Objective 3-1

The amendments to Objective 3-1 as proposed by the Council in the pre-hearing track change version are shown below with deletions struck through and additions underlined:

- (i) *To recognise the local, regional and national benefits of ~~providing for its development~~ activities associated with its upgrading the development, operation, maintenance, and upgrading of infrastructure ~~while managing its adverse environmental effects and the adverse effects of other activities on it.~~*
- (ii) *(ii) To recognise the local, regional and national benefits of and to provide for the increased development and use of the regions renewable resources in decision making processes while managing adverse environmental effects and encouraging efficiency in energy use.*
- (iii) *(iii) To encourage efficiency in energy use.*

It is noted that the Electricity Generators and EECA have a significant concern about the Horizons view expressed at the pre-hearing meeting that the associated resource use is not considered part of the policy framework in Chapter 3. This will be the subject of submissions and evidence for the Infrastructure Energy and Waste hearing and subsequent hearings dealing with water. The amendments set out above would go some way to clarifying this issue.

Policy 3-1: Benefits of Infrastructure

Amendments to Policy 3-1 as proposed by the Council in the pre-hearing track change version are shown below with deletions struck through and additions underlined including comments from Powerco to (a) (ii) and (iii).

- (a) *All persons exercising functions and powers under the RMA shall recognise the following infrastructure* as being physical resources of regional and / or national importance:*
 - (i) *(i) facilities for the generation of more than 1 MW of electricity and its supporting infrastructure where the electricity generated is supplied to the electricity transmission and distribution networks ~~grid and facilities and infrastructure to transmit the electricity generated into the electricity grid;~~*
 - (ii) *(ii) the electricity grid as defined as the system of transmission lines, substations and other works, including the HVDC link used to connect grid injection points and grid exit points to convey electricity throughout the North and South Island by the Electricity Governance Rules 2003 space*
 - (iii) *(iii) electricity transmission and distribution networks defined as the system of transmission lines, sub-transmission, and distribution feeders (6.6kV) and above) and all associated substations and other works used to convey electricity;*
 - (iv) *(iv) Pipelines, and gas facilities used for the transmission and distribution of natural, and manufactured gas;*
 - (v) *(v) The strategic road and rail network as defined in the Regional Land Transport Strategy;*
 - (vi) *(vi) The Palmerston North and Wanganui Airports;*
 - (vii) *(vii) The RNZAF airport at Ohakea;*
 - (viii) *(viii) Telecommunications and radiocommunications facilities;*

- (ix) (ix) *Public sewerage treatment plants and distribution systems;*
 (x) (x) *Flood protection and drainage schemes managed by a local authority;*
 (xi) (xi) *Port of Wanganui*
- (b) ~~*In making decisions about*~~ *All persons exercising functions and powers under the RMA in relation to the establishment, upgrading, maintenance and operation alteration and expansion of infrastructure* within the Region including the infrastructure of regional and /or national importance listed in subsection (a), shall recognise and provide for the benefits derived from the infrastructure* at a local, regional and national level shall be taken into account.*
- (c) *Existing and future infrastructure* shall be managed in a manner which achieves as much consistency across local authority boundaries as reasonably practicable.*

Chapter 3 Policy 3-2

The following amendments are sought to Policy 3-2.

Policy 3-2

- (b) *Ensuring that any new activities that will adversely affect the efficiency or effectiveness of infrastructure are not located near existing infrastructure; infrastructure allowed by unimplemented resource consents; or infrastructure allowed by other RMA authorisations such as designations. ~~and,~~ Ensuring that there is no change to existing activities that increases their incompatibility with existing infrastructure or unimplemented resource consents, or other RMA authorisations which allow for infrastructure.*

Chapter 3 Policy 3-3

Potential wording for Policy 3-3 is as follows:

Policy 3-3 Particular Characteristics of Infrastructure

All persons exercising functions and powers under the RMA shall take into account any functional, operational, and technical constraints which require infrastructure to be located and designed in the manner proposed.

The above wording largely follows the evidence of Richard Peterson appearing for Mighty River Power.

Chapter 3 Policy 3-4

Proposed wording for Policy 3-4 as follows:

- (a) *All persons exercising functions and powers under the RMA shall have particular regard to:*
- i. *The social, economic, cultural and environmental benefits of the use and development of renewable energy including electricity generation from renewable energy including the benefits: ∴*
- *to social and economic wellbeing;*

- Contributing to a reduction of greenhouse gases in New Zealand, and globally;
 - Of reduced dependency on imported energy sources;
 - Of reduced exposure to fossil fuel price volatility;
 - For security of supply for current and future generations.
- ii *The Manawatu-Wanganui Region's potential for the use and development of renewable energy resources*
- iii *The need for renewable energy ~~facilities~~ activities to locate where the renewable energy resource is located*
- iv *The development of electricity generation from renewable energy ~~generation~~ and use of renewable energy resources in policy development and resource consent decision making.*

It is noted that EECA prefers the retention to the broader reference to renewable energy in (i) and the Generators seek specific reference to electricity generation.

There are different views among the Generators as to the wording of (iv) above. Genesis oppose subsection (iv) and in particular the phrase “shall be preferred to the development and use of non-renewable energy resources” as shown deleted. Mighty River Power would also prefer that those words were deleted from iv so that it reads as above. Meridian Energy and Trustpower would support the retention of (iv) as it is written in the Horizons 10 February 2009 version.

Chapter 3 New Policy 3-5

EECA sought in its submission a new policy and this is supported for inclusion:

District and regional plans shall include objectives, policies and rules that:

- (i) recognise and provide for the development, operation, maintenance and upgrade of renewable energy activities; and
- (ii) (ii) recognise the social, economic and environmental benefits of the production and transmission of renewable energy, including national and regional benefits; and
- (iii) (iii) recognise the functional need for renewable energy facilities to locate where the renewable energy resource is; and
- (iv) (iv) Manage activities that adversely affect renewable energy infrastructure, including reverse sensitivity.