

17 April 2009

LUMLEY CENTRE 88 SHORTLAND ST AUCKLAND
PO BOX 3798 AUCKLAND NEW ZEALAND
DX CP24061 www.minterellison.co.nz
TELEPHONE +64 9 353 9700 FACSIMILE +64 9 353 9701

BY EMAIL: robyn.harrison@horizons.govt.nz

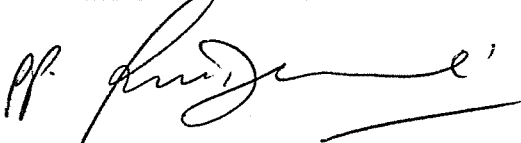
Robyn Harrison
Horizons Regional Council
11-15 Victoria Avenue
Palmerston North 3204

Dear Robyn Harrison,

Powerco Limited Submissions on Proposed One Plan

Please find attached submissions on behalf of Powerco Limited on the Proposed One Plan for Manawatu-Wanganui Region. If you have any questions please do not hesitate to contact us.

Yours faithfully
Minter Ellison Rudd Watts



Catherine Ross
Senior Associate

Contact: Catherine Ross +64 4 498 5186
catherine.ross@minterellison.co.nz
Partner responsible: Rachel Devine +64 9 353 9912

BEFORE THE HEARINGS COMMITTEE

IN THE MATTER

of hearings on submissions concerning the Proposed One Plan notified by the Manawatu-Wanganui Regional Council – Administration and Finance, Infrastructure Energy and Waste and Landscapes and Natural Character

SUBMISSIONS ON BEHALF OF POWERCO LIMITED

Dated: 17 April 2009

MinterEllisonRuddWatts |
LAWYERS

P O BOX 2793 WELLINGTON
TELEPHONE 04-498 5000
FACSIMILE 04-498 5001
SOLICITOR ACTING: CATHERINE ROSS
rachel.devine@minterellison.co.nz
PARTNER RESPONSIBLE: RACHEL DEVINE

1. Introduction

- 1.1 This submission is made in support of the submissions and further submissions lodged by Powerco Limited (**Powerco**) on the Proposed One Plan. Submissions are focused on the Administration and Finance; Landscapes and Natural Character and Infrastructure, Energy and Waste Chapters.
- 1.2 The purpose and principles contained in Part 2 of the Resource Management Act 1991 (**the Act**) guide decision makers in their implementation of the Act. The sustainable management of natural and physical resources (section 5) requires integrated management of our natural and physical resources and at times explicit trade-offs between a range of values. Infrastructure is an important physical resource and planning provisions have a significant impact on the ability of infrastructure providers to efficiently meet the needs of current and future generations. The proactive approach the Manawatu-Wanganui Regional Council has taken to enable the efficient provision of infrastructure is to be applauded.
- 1.3 Powerco's submissions seek to ensure that the provisions of the One Plan are as consistent as possible with Part 2 of the Act.

2. Administration and Finance

- 2.1 Powerco made submissions seeking the removal of financial contributions for infrastructure providers and in the alternative that if they were to remain that they be used sparingly (272/7). The Officers' report has made a number of recommendations for change to those policies. Although the changes do not meet Powerco's primary submission they are a positive step forward in that they provide clearer guidance as to the application of financial contributions.

3. Chapter 7 - Landscape and Natural Character

- 3.1 Powerco made submissions supporting Policy 7-7(c) which required the policies in Chapter 3 to be taken into account when assessing activities involving renewable energy and infrastructure of regional importance.
- 3.2 Officers' have recommended wording changes to Policy 7-7 which include the deletion of Policy 7-7(c). Powerco supports the changes to 7-7 (a) and (b) but is concerned at the deletion of Policy 7-7(c). Likewise there is no reference in Policy 7-8 to Chapter 3. The Officers' logic for the removal of Policy 7-7(c) (and no Chapter 3 reference in 7-8) is contained in the Planning Evidence and Recommendations Report, Horizons Regional Council's Planning Officer's Report on Submissions to the Proposed One Plan – Landscapes and Natural Character (page 72):

I do not support retention of part (c) of Policy 7-7 because I consider that these matters will, as a matter of course, be taken into account when assessing activities involving renewable energy and infrastructure of regional importance. I consider that the inclusion of the words in (c) creates redundancy in the Proposed One Plan.

- 3.3 This is at odds with the current recommended version of Policy 7-1A for activities affecting indigenous biological diversity, which includes a specific reference to Chapter 3.

3.4 The approach taken in Policies 7-7 and 7-8 should be consistent with the approach in Policy 7-1A. An inconsistent approach to cross referencing may result in different weightings being given to the matters contained in Chapter 3 depending on whether a decision relates to indigenous biological diversity or natural features, landscapes and natural character. This would be undesirable. Powerco's preference is that an explicit reference be made to the consideration of Chapter 3 policies as per the recommended version of Policy 7-1A.

4. Chapter 3 - Infrastructure, energy and waste provisions

4.1 One of Powerco's main concerns with Chapter 3 and the One Plan has been to ensure that electricity distribution lines and gas distribution pipelines have the same status as other network utilities – namely that they be recognised as infrastructure of regional importance.

4.2 Discussions with Officers have given Powerco confidence that this issue has been understood and this has been reflected in the "Planning Evidence and Recommendations Report, Horizons Regional Council's Planners Report on Submissions to the Proposed One Plan – Infrastructure, Energy and Waste" and the Officers' track change version (**track change version**) of Chapter 3 dated 10 February (Attachment A) tabled prior to the pre hearing meeting held on 16 February 2009.

4.3 The purpose of the RPS is "*to achieve the purpose of the Act by providing an overview of the resource management issues of the region and policies and methods to achieve integrated management of the natural and physical resources of the whole region*" (section 59). Electricity distribution lines and gas distribution pipelines are physical assets of regional importance and it is therefore pleasing to note that the Officers are recommending that these assets are explicitly provided for and recognised as such.

4.4 Powerco attended the Chapter 3 pre-hearing meeting and has had further discussions with Council Officers and other interested submitters on the content of Chapter 3. Discussions at the pre-hearing meeting were based around the Officers' track change version. Linear network providers (namely Powerco, Transpower and Transit) have taken a similar view of the provisions and Powerco's submissions on Chapter 3 are aligned with Transpower's. Generators have taken a different approach. For reference the generators' proposed version is attached as Attachment B.

4.5 Subject to some relatively minor amendments Powerco supports the track change version of Chapter 3. Powerco's preferred version is attached as Attachment C and is the same as Transpower's. For convenience it could be called the linear network version.

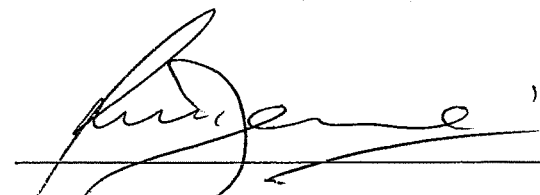
4.6 The linear network version seeks to enhance the Officers' track change version by elaborating better aligning

4.7 Important elements of the linear network version include:

- (a) Electricity and gas distribution assets are treated as infrastructure of regional importance
- (b) Reference is made to the National Policy Statement on Electricity (2008 NPSET);
- (c) Reference is made to the operating code standard for Pipelines – Gas and Liquid Petroleum (NZ/AS2885)

- (d) There is an expanded list of issues (in line with the list prepared by the generators). Specific reference is made in Issue (vi) to infrastructure corridors. The maintenance of infrastructure corridors is an important aspect of enabling and supporting the efficient delivery of linear infrastructure and this is reflected in Policy 3-2(a). It is therefore appropriate to include it in the list of issues.
- (e) Reference to decision making processes and managing adverse effects is retained in Objective 3-1 (ii). It is appropriate and reasonable for the effects of infrastructure to be considered within this section (in much the same way as there are stand alone utility sections in many district plans and now recent RPS's) rather than requiring the effects from infrastructure to be spread throughout and subject to the provisions of all chapters.
- (f) The generators' proposed changes to Policy 3-2 (b) are supported. These changes strengthen protections available to infrastructure from future developments and changes to existing activities. For the providers of linear network assets this is particularly important. Linear networks can be compromised at any point on the network. The monitoring of under-build of electricity distribution and transmission lines is an ongoing and significant task. Any regulatory support in this area is welcome. The proposed amendments are consistent with "*the efficient use and development of natural and physical resources*" (section 7(b)).
- (g) Policy 3-3 as proposed by Officers is supported. It deals appropriately with adverse effects in relation to new and existing infrastructure and should be retained as per the Officers track change version.
- (h) There is an expanded list of benefits of renewable energy in Policy 3-4 (as proposed by the generators). This is consistent with section 7(j) which requires all persons exercising functions and powers under the Act to have particular regard to "*the benefits to be derived from the use and development of renewable energy*".

4.8 The linear network version will provide an adequate basis for the RPS to address the effects from and the effects on regionally significant infrastructure. In so doing it will also satisfy Powerco's submissions on this Chapter and it will also ensure that the infrastructure is managed in a way that is consistent with Part 2 of the Act.


CM Ross/ RM Devine
For and on behalf of Powerco Limited