

IN THE MATTER OF the Resource Management
Act 1991

AND

IN THE MATTER OF the Proposed One Plan
notified by the Manawatu-
Wanganui Regional Council,
hearing related to
Infrastructure, Energy &
Waste.

STATEMENT OF EVIDENCE OF RICHARD ZANE PETERSON

1.0 INTRODUCTION

- 1.1 My name is Richard Zane Peterson and I am an Associate and the Wellington Planning Manager of Harrison Grierson Consultants Limited.
- 1.2 I have a Masters Degree in Regional and Resource Planning (with Distinction), completed in 1997, and have some 12 years planning and resource management experience. I have worked as a planner in both the private and public sector, including work for both territorial authorities and a regional council. During my career I have been involved in a number of resource consent, designation and plan and policy making processes and consequently have been involved in many local authority hearings.
- 1.3 In my role as Manager of Harrison Grierson's Wellington Planning team, I oversee a team of five planners (myself included) who work for a wide range of clients including the resource consent and policy arms of local authorities, telecommunication providers, central government ministries and agencies, industry bodies, land developers and other private clients.
- 1.4 Amongst other things I have recently assisted the Greater Wellington Regional Council in preparing draft Regional Policy Statement provisions in relation to energy and regional form. I have also recently worked with the New Zealand Institute of Economic Research to complete the Section 32 evaluation for the

proposed National Policy Statement on Electricity Transmission, on behalf of the Ministry for the Environment. I am currently assisting the Ministry for the Environment to review the Section 32 guidance material available on the Quality Planning Website.

- 1.5 I appear in connection with the submissions and further submissions lodged on the proposed One Plan by Mighty River Power Limited ("Mighty River Power"). I was engaged by Mighty River Power to present evidence in relation to its submissions, but was not involved in the preparation of the submissions.
- 1.6 I have read the Environment Court Consolidated Practice Note 2006 and agree to comply with it and to apply it as if it was a duty to the Hearings Panel. I understand that as an expert witness I have an overriding duty to assist the Hearings Panel impartially on relevant matters within my area of expertise. Except where I state that I am relying upon the specified evidence of another person, my evidence in this statement is within my area of expertise. I have not omitted to consider material facts known to me that might alter or detract from the opinions which I express.

2.0 SCOPE & SUMMARY OF EVIDENCE

- 2.1 My evidence is divided into two parts. In Part One, I provide a background and overview to the Mighty River Power submissions on the proposed One Plan Infrastructure, Energy and Waste provisions. To a large extent this part of my evidence repeats evidence that I presented to the hearing panel at the Overall Plan Hearing. I therefore do not propose to address this evidence in any detail in this summary except to note that in paragraphs 5.10 to 5.20 of this evidence I give more detailed consideration to the content of the relevant national policy documents.
- 2.2 In Part Two of my evidence, I present revised provisions for both Chapters 1 and 3 of the One Plan. I have addressed Chapter 1 at this point for two reasons: first, in response to comments from the Hearing Panel at the Overall Plan hearing; and, second, because the amendments that I propose to Chapter 1 are closely related to those that I believe should be made to Chapter 3.
- 2.3 The amendments that I recommend to Chapter 1 seek to address two issues:
- Place the focus on the 'big four' issues within the context of the much broader purpose of Regional Policy Statements and of the RMA; and,

- Broaden the scope of the One Plan's focus in relation to climate change so that it not only seeks to address the effects *of* climate change but also seeks to address the region's contribution to addressing effects *on* climate change.

2.4 The amendments that I recommend in relation to Chapter 3 seek:

1. Enhanced recognition of the region's renewable energy resource;
2. The consistent treatment of infrastructure corridors and infrastructure (Policy 3-2); and
3. To remove tension between Policy 3-3 and related provisions in the environment resource chapters of the One Plan.

2.5 Section 8 of my evidence addresses point 1 and seeks to:

- Additional paragraphs in section 3-1 Scope and Background;
- Amendments to Issue 3-1;
- The inclusion of an additional Objective and Anticipated Environmental Result;
- That the Officer's recommendation in relation to Policy 3-4 be generally adopted; and,
- Amendments to section 3.7 Explanation and Principal Reasons.

2.6 In relation to Policy 3-2, this Policy addresses reverse sensitivity effects on infrastructure within the region. In paragraphs 9.6-9.9 I seek an amendment to this Policy to ensure that infrastructure and infrastructure corridors are addressed consistently.

2.7 In relation to Policy 3-3, this Policy seeks to provide guidance on how decision makers should balance the benefits of infrastructure when considering adverse environmental effects. It is my view that this policy does not appropriately reflect direction in the RMA or in national energy policy. I also believe that the Policy creates tensions with the related Policies in the environmental resource chapters of the One Plan. In paragraphs 9.10 to 9.15 I therefore recommend significant amendments to Policy 3-3.

Part One – Background to the Mighty River Power Submissions

3.0 INTRODUCTION

- 3.1 Mighty River Power's submission on Chapter 3, and on the One Plan more broadly, seeks explicit recognition that the sustainable use of the region's natural resources for electricity generation is a significant resource management issue for the region. Following from such recognition, Mighty River Power also seeks appropriately worded objectives and policies which direct how this natural resource will be managed and integrated with the management of the region's other significant resources.
- 3.2 The evidence of Mr Hunter and Mr Nash, of Mighty River Power, details why the natural resources of the region that have the potential for the generation of electricity are of national significance.
- 3.3 If the hearing panel accepts their evidence, then from a planning perspective I believe it is appropriate that greater recognition and greater direction should be included in the One Plan.
- 3.4 In support of this broad view, sections 5 and 6 of my evidence outline my understanding regarding the purpose of Regional Policy Statements, relevant sections of the RMA and relevant national policy. As noted, the majority of these sections are repeated from evidence I presented at the Overall Plan hearing. However, in paragraphs 5.10 to 5.20 I provide greater detail on the content and direction of relevant national policy.

4.0 THE ROLE & FUNCTION OF REGIONAL POLICY STATEMENTS

- 4.1 The proposed One Plan is broken into two parts. Part One includes the Regional Policy Statement, while Part Two is the Regional Plan.
- 4.2 The Hearing Panel will be aware that section 59 of the RMA sets out the purpose of RPSs as follows:

"The purpose of a regional policy statement 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".

- 4.3 This reflects the functions of regional councils under the RMA, which section 30 states to be, among other matters¹:

"The establishment, implementation, and review of objectives, policies, and methods to achieve integrated management of the natural and physical resources of the region..."

- 4.4 As these sections of the RMA indicate, RPSs are critical resource management documents in that, in achieving the purpose of the Act, they must provide an overview of the resource management issues for the region and set the policy direction to achieving integrated management in the region. RPSs in this regard are key to setting the resource management policy for the region, and not just for the functions and environmental activities of the regional council. In this connection it is relevant to recognise that through sections 67 and 75 of the RMA both regional plans and district plans must give effect to any RPS.

- 4.5 The emphasis on integrated management and the reference back to the purpose of the RMA requires Council to give consideration to all values placed on the region's natural and physical resources, including values and benefits which are derived from the *use and development* of those resources. To achieve the integrated management of natural and physical resources within a region, in my opinion a Council must explicitly recognise that the ongoing use and development of natural and physical resources is a significant resource management issue for the region. In some cases the use of such resources is critical for the social and economic well being of the region's communities as well as for health and safety. Examples being the supply of drinking water at safe drinking standards and a secure electricity supply.

5.0 THE LEGISLATIVE AND POLICY FRAMEWORK

- 5.1 The following section provides an overview of the legislative and policy framework within which the proposed One Plan needs to be considered.

The Resource Management Act

- 5.2 The Hearings Panel will be well aware that in making its decisions on submissions, Part II of the RMA requires it to, among other things:

- Promote the "sustainable management" purpose in Section 5; and,

¹ Section 30(1)

- Have particular regard to the matters in Section 7.

5.3 I shall comment on the following matters in relation to Mighty River Power's submissions:

- That the proposed One Plan should explicitly reflect the 'enabling' presumption within the RMA as well as the 'management' function (as presented to the Overall Plan Hearing); and
- Request amendments to Chapter 3 more specifically.

5.4 By not explicitly mentioning all sections and subsections of Part II, it is not my intent to disregard the significance of those provisions. My purpose is to highlight those provisions of Part II that go to the RMA's enabling element. These provisions provide support to Mighty River Power's submission and my view that the enabling element of Section 5 should be given explicit recognition in the One Plan, in the regional context.

Section 5, Purpose of RMA

5.5 Section 5 of the RMA provides that the purpose of the Act is to promote sustainable management of natural and physical resources. "Sustainable management" is defined to mean:

"... managing the use, development and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic and cultural wellbeing and for their health and safety while –

(a) sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and

(b) safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and

(c) avoiding, remedying, or mitigating any adverse effects of activities on the environment."

5.6 Section 5 requires the Hearings Panel, in making its decisions on the proposed One Plan, to make an overall judgement as to whether the proposed provisions would appropriately enable people and communities to achieve their well-being, and maintain their health and safety, both now and in the future. The people

and communities of the Manawatu-Wanganui Region and of New Zealand seek to provide for their social, economic and cultural well-being, and their health and safety in a wide range of ways.

- 5.7 One of the ways for communities to provide for their well-being is through the use of natural and physical resources for the generation and transmission of electricity. The essential nature of electricity to the well-being of people and communities is reflected in the national policy described below, and is described in the evidence of Mr Hunter presented on behalf of Mighty River Power.

Section 7, Other matters

- 5.8 The Council is required by Section 7 of the Act to "have particular regard" to the specified "other matters" listed in that section which, in connection to the Mighty River Power submission, relate to:

- (b) efficient use and development of natural and physical resources; and,*
- (j) the benefits to be derived from the use and development of renewable energy.*

- 5.9 Both Section 7 (b) and (j) require Council to have particular regard to the efficient use and development of natural and physical resources, and to the use of renewable energy resources, when considering the provisions of the One Plan.

National Policy Statements & Environmental Standards

- 5.10 The Ministry for the Environment has over the past few years looked to provide an increasing amount of national level policy guidance and regulation in relation to specific resource management issues and specific natural or physical resources. This material has not only sought to provide a more consistent framework for the management of environmental effects, it has introduced provisions to facilitate and enable the use and development of resources.

- 5.11 As part of this programme a national policy statement (NPS) on electricity transmission was recently released. In addition to setting a national policy framework for the management of the adverse environmental effects of electricity transmission, the NPS also seeks to facilitate the use and development of electricity transmission facilities by requiring local authorities to include facilitative provisions in their resource management plans.

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- 5.12 It is also noted that the Ministry is currently preparing an NPS for renewable electricity generation. This document, which is understood to be due for release shortly, will set out the Government's objectives for future energy development in New Zealand, assisting to guide often competing values surrounding the benefits of renewable energy and local environmental impacts.
- 5.13 An August 2007 Cabinet Paper (Providing National Guidance on Renewable Energy Projects through the Resource Management Act 1991) suggests that as a minimum it could be expected that a NPS on renewable energy generation could contain objectives and policies requiring that councils consider the government's objectives that are relevant for promoting the sustainable management of renewable energy generation, and recognise the national benefits of renewable energy, when preparing plans and policy statements.
- 5.14 Both the NPS on Electricity Transmission and that being developed on renewable energy generation are examples of how central government is attempting to build on the broad direction provided by Part II of the RMA in a manner that reflects both the enabling and management elements of the Act's purpose.
- 5.15 Finally it is noted that a Proposed National Policy Statement on Freshwater Management was recently released. This relates only indirectly to Chapter 3 of the One Plan, but will be of more significance to the consideration of the water allocation provisions of the Plan.

National Energy Policy

- 5.16 Recent years have seen the Government progressively develop strategies and policies relating to matters of sustainable development, focussing particularly on energy and climate change issues. Its Energy Policy Framework (Feb 2002) and its Sustainable Development Programme of Action (Jan 2003) were amongst the initial efforts to introduce objectives and principles to guide sustainable policy and decision making nationwide. More recently, in October 2007, the Government released its New Zealand Energy Efficiency and Conservation Strategy and also its New Zealand Energy Strategy to 2050.
- 5.17 The New Zealand Energy Strategy (NZES) is entitled "Powering Our Future: Towards a sustainable low emissions energy system" (Oct 2007). This states (page 15) the energy vision for New Zealand to be:

"A reliable and resilient system delivering New Zealand sustainable, low emissions energy services, through:

- Providing clear direction on the future of New Zealand's energy system;*
- Utilising markets and focussed regulation to securely deliver energy services at competitive prices;*
- Reducing greenhouse gas emissions, including through an emissions trading scheme;*
- Maximising the contribution of cost-effective energy efficiency and conservation of energy;*
- Maximising the contribution of cost-effective renewable energy resources while safeguarding our environment;*
- Promoting early adoption of environmentally sustainable energy technologies; and,*
- Supporting consumers through the transition".*

5.18 One of the seven focus areas for the NZES is the promotion of renewable energy. The NZES states (page 22) that:

"It is in New Zealand's longer-term economic and environmental interests to meet increases in demand through an economic mix of renewable energy sources that will meet our security objectives. ...In this strategy, the government is introducing a target for 90 percent of electricity being generated from renewable sources by 2025.... To achieve this outcome, a very high rate of investment in new renewable generation, lower utilisation of existing fossil fuel plant and decommissioning of older fossil fuel plant is required."

5.19 Climate change considerations, and a desire to reduce greenhouse gas emissions, is one of the key drivers of the NZES. The NZES states (page 36) that:

"Aggressively pursuing existing and new renewable-based electricity generation drives the majority of the (planned) emissions reductions"

5.20 The New Zealand Energy Efficiency Conservation Strategy (NZECS), prepared under the Energy Efficiency and Conservation Act, is an action plan which seeks

to give effect to a number of the objectives in the NZES (page 10). The NZEECS includes a series of high level objectives, including the target included in the NZES, *'to have 90 percent of electricity generated from renewable sources by 2025* (page 12).

- 5.21 One of the two core directions of Chapter 5 of the NZEECS, which addresses this target in detail, is to promote the uptake of renewable energy. This chapter recognises that regulatory barriers are one of a number of barriers to the greater uptake of renewable energy in New Zealand. Chapter 5 of the NZEECS also outlines numerous actions to promote greater uptake including developing a National Policy Statement on renewable energy and assisting local government with RMA policy and plan making through the provision of renewable energy information (page 69).
- 5.22 This developing policy framework, both RMA and non-RMA, provides important background to the Mighty River Power submission and is relevant to Council's consideration of the specific decisions requested by Mighty River Power. In this regard it is noted that Mighty River Power's legal counsel set out her view on the relevance of the NZES at the Overall Plan hearing, following questioning by the Committee. Genesis has also addressed in further legal submissions the relevance of the NZES in this context. I understand Mighty River Power agrees with the submissions of Genesis on the matter, as is set out in its legal submissions to this hearing. Regardless of the exact status of the NZES, it is clear that the NZCEES, as a statutory document, must be had regard to in this hearing under sections 61 and 66 of the RMA.

Part Two –Amendments to Chapters 1 & 3

6.0 OVERVIEW

- 6.1 The following sections of my evidence address the specific amendments that I believe should be made to the One Plan in order to more appropriately reflect its purpose, and ultimately the purpose of the RMA.
- 6.2 I consider that the amendments recommended fall within the scope of the relief sought by Mighty River Power. In this connection I note that Mighty River Power's submission includes more than one request that seeks very broad relief (see sections 2.1, 2.2, 2.3 and 3.1.4.1 of the Mighty River Power submission).

7.0 CHAPTER 1

7.1 As noted I have included recommended amendments in relation to Chapter 1. I recognise that this Chapter is not the subject of this hearing, however I have included these to provide the hearing panel with a clear picture of how I believe renewable energy/electricity generation issues and Mighty River Power's submissions are most appropriately addressed in the Plan as a whole.

7.2 As I have stated, the amendments that I recommend to Chapter 1 seek to:

- Place the focus on the 'big four' issues within the context of the much broader purpose of Regional Policy Statements and of the RMA; and
- Broaden the scope of the One Plan's focus in relation to climate change so that it not only seeks to address the effects *of* climate change but also seeks to address the region's contribution to addressing effects *on* climate change.

7.3 In relation to the first bullet point, the recommended amendments ensure that recognition is given within Chapter 1 to the benefits that people and communities gain from the use of resources, not only to the environmental values of resources.

7.4 In relation to the second bullet, the recommended changes in my opinion appropriately set the scene for the provisions of Chapter 3.

8.0 THE SIGNIFICANCE & BENEFITS OF THE REGION'S RENEWABLE ENERGY RESOURCES

8.1 The majority of the amendments that I have recommended in relation to Chapter 3 seek more explicit recognition of the significance of the region's renewable energy resources and seek clear regional policy on the value of their utilisation.

8.2 To this end I recommend:

- Additional paragraphs in section 3-1 Scope and Background;
- Amendments to Issue 3-1;
- The inclusion of an additional Objective and Anticipated Environmental Result;

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- The Officer's recommendation in relation to Policy 3-4 be generally adopted, with the addition of explicit recognition of the benefits of renewable energy; and,
 - Amendments to section 3.7 Explanation and Principal Reasons.

8.3 As already mentioned, I believe these provisions are a more appropriate way of recognising the significance of the region's renewable energy resources than the provisions contained in the proposed One Plan. In addition, while the amendments recommended by the Officer in relation to Policy 3-4 are supported, I consider that amendments to this and other provisions are required.

8.4 In this connection it is my view that Issue 3-1, which recognises the potential for concerns about local adverse effects to prevail over regional and national benefits, does not fully describe the resource management issue. Consequently I recommend that the issue description be expanded to clarify the implications of local concerns prevailing over regional or national interests.

8.5 In addition, I believe it is also appropriate to include an Objective in the One Plan that seeks to increase the utilisation of the region's renewable energy resources, and subsequently a more explicit Anticipated Environmental Result and, as a non-regulatory method, a Regional Energy Strategy.

8.6 I believe a new objective is appropriate given the significance of the region's renewable energy resource and the potential of this resource to assist with the achievement of national targets.

8.7 I realise that there may be concerns about including an Objective which seeks to increase the utilisation of the region's renewable energy resources. The utilisation of some of the region's resource has the potential to generate significant adverse environmental effects. The inclusion of the term 'sustainable' in the recommended objective is intended to address such concerns. I also note that the Objective would sit within the context of the other One Plan chapters which seek to appropriately manage the adverse effects of all activities, including the use of renewable energy resources. Given this context I do not believe that further 'balancing' is required within the recommended Objective itself.

8.8 While generally supporting Policy 3-4, I believe that it is relevant, and appropriate in terms of clarity, to explicitly state within the Policy what the benefits of renewables are.

9.0 THE MANAGEMENT OF INFRASTRUCTURE

9.1 The remainder of the amendments included in Appendix 1 to my evidence relate to the management of infrastructure. In this regard, Appendix 1 combines both my recommendations (outlined in this evidence) and Mighty River Power's legal submissions.

9.2 I now address each of these amendments in turn.

Policy 3-1 Benefits of Infrastructure

9.3 Policy 3-1 identifies infrastructure that is a physical resource of regional and national importance and directs that:

(a) Persons exercising powers under the Resource Management Act must recognise certain infrastructure as being of regional and national importance;

(b) The benefits of infrastructure, including those listed in (a), shall be taken into account in decision making; and

(c) The management of infrastructure should occur in a manner which achieves as much consistency as reasonably possible across local authority boundaries.

9.4 Mighty River Power seeks a minor amendment to Clause (b) of Policy 3-1 that replaces the phrase '*taken into account*' with the words recognised and provided for. The reasons for these points are outlined in Mighty River Power's legal submissions.

9.5 In addition, Mighty River Power's legal submissions argue that the introductory words of the paragraph should be amended to appropriately link with definitions in the Plan of "infrastructure of regional or national importance".

Policy 3-2 Adverse effects on infrastructure

- 9.6 As the Officer Report notes (page 122), the *'general purpose of Policy 3-2 is to deal with matters of reverse sensitivity, in other words manage the potential effects third parties could have on existing infrastructure'*.
- 9.7 The Mighty River Power submission supports this Policy in part, but seeks to amend Clause (a) through the deletion of the word 'corridors'. The intent is to ensure that Clause (a), as well as Clause (b), applies to non-linear infrastructure.
- 9.8 Having discussed this with Mighty River Power, it is my understanding that this submission has arisen out of their interpretation that, while clauses (a) and (b) are worded differently, they are intended to provide the same level of protection to linear and non-linear infrastructure. Further, Mighty River Power is of the view that there is no reason to afford differing levels of protection to either linear or non-linear infrastructure. I concur with this view.
- 9.9 I therefore recommend that Clauses (a) and (b) be combined as outlined in the Appendix to my evidence.

Policy 3-3 Adverse effects of infrastructure on the environment

- 9.10 The Officer report notes (page 154) that Policy 3-3 seeks to *give guidance to decision makers on how to weigh up the adverse effects of infrastructure against its regional and national benefits'*.
- 9.11 Mighty River Power's submission opposed the Policy in part for several reasons. In summary the requirement to *avoid* all effects is inappropriate and does not reflect less stringent requirements in section 6 of the RMA (such as 6 (b) which requires the protection of outstanding natural landscapes from inappropriate subdivision, use, and development).
- 9.12 Taking into account the amendments recommended by the Officer I believe that:
- i) much of the policy is unnecessary because more detailed policies have been proposed or can be included in the environmental resource chapters of the One Plan that address the 'weighting' of adverse effects and benefits;

- ii) the Policy has the potential to create tensions with the Policies included in the environmental resource chapters; and
- iii) the Policy does not give appropriate weight to subsection 7 (j) of the RMA or national policy on renewable energy (see part one of my evidence).

9.13 To illustrate these points, I note that in the Living Heritage Chapter for example, Policy 7-2 (Activities in Rare and Threatened Habitats) as it would be amended by the Officer Recommendations most appropriately addresses the 'weighting' of adverse effects and benefits in relation to rare and threatened habitats. This Policy states that (page 48 of the Officer Report):

- (a) *Rare and threatened habitats* are identified in accordance with Schedule E.*
- (b) *Rare and threatened habitats* shall be protected by generally not allowing any of the following activities unless the provisions of subsection (c) or (d) or (e) apply:*
 - (i) *vegetation clearance* or land disturbance* within these areas*
 - (ii) *discharges of contaminants to land or water, or drainage or diversion or takes of water, within or near these areas.*
- (c) *The activities described in subsection (b) will be allowed where they are for the purpose of pest control or habitat maintenance or enhancement.*
- (d) *The activities described in subsection (b) may be allowed where the activity is for the purpose of providing or maintaining infrastructure of regional or national importance as identified in Policy 3-1 and*
 - (i) *There will be no significant adverse effect on the factors which contribute to the significance of the area as assessed in accordance with table 7.1, and*
 - (ii) *Any more than minor adverse effects are avoided as far as practicable, and*
 - (iii) *Any more than minor (but less than significant) adverse effects are adequately remedied or mitigated, including through the use of financial contributions to adequately compensate or offset the adverse effects, and*

(iv) The remedy, mitigation or financial contribution identified in (ii) above results in a net conservation gain to the habitat type in the Region

(e) The activities described in subsection (b) may be allowed for other purposes where there are no more than minor adverse effects on the representativeness, rarity and distinctiveness or ecological context of the rare and threatened habitat, as assessed in accordance with Table 7.1 Schedule E.*

9.14 Policy 7-2 sets a more appropriate balance between adverse effects and benefits of regionally and nationally significant infrastructure, than is set in Policy 3-2². I note that Mighty River Power has sought changes to the Policy 7-7 (Outstanding Landscapes) seeking similar balancing of adverse effects and benefits. I believe this approach is more appropriate than attempting to address such balancing in a single Policy in Chapter 3.

9.15 In general the One Plan is weighted towards the consideration of the adverse effects of activities and gives only limited recognition to the benefits of such activities. Policies such as Policy 7-2 provide some recognition of the enabling element in section 5 of the Act, 'balancing' to some degree the general approach of the One Plan. It would not be appropriate if Policy 3-3 was retained in a manner that 'watered-down' or contradicted the already limited 'balancing' provisions contained within the Plan.

9.16 Notwithstanding this general view, I believe that the recognition of the restriction imposed by functional constraints on the ability of infrastructure to avoid and mitigate adverse effects should be recognised. This element is not recognised in other policies, and this particular part of Policy 3-3 should remain. In relation to electricity transmission I believe that this recognition would appropriately reflect Policy 3, and to a lesser extent Policy 4, of the National Policy Statement on Electricity Transmission.

9.17 Consequently, I recommend the retention of Policy 3-3 only to the extent that it recognises such functional constraints and as outlined in the Appendix to my evidence.

² I note that in my evidence to the Biodiversity Hearing I recommend that minor alterations be made to clause (d) to ensure that the mechanisms available to off-set adverse effects are not just restricted to financial contributions.

10.0 CONCLUSION

- 10.1 In conclusion, the Hearing Panel will recall that Part One of my evidence provided a broad background to Mighty River Power's submission and highlighted the RMA sections and national policy framework which I believe support my view that electricity generation is a significant issue for the region, and should be explicitly recognised in the One Plan.
- 10.2 Part Two of my evidence presents recommended amendments to both Chapters 1 and 3 of the One Plan which would address the broader background set out in Part One of my evidence.



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Appendix 1 – Recommended Amendments to Chapters 1 & 3 of the One Plan

Chapter 1

1.1 ...

1.2 ...

1.3 Our Region's Challenges – the 'Big Four'

The focus of the One Plan is four keystone environmental issues: surface water quality degradation, increasing water demand, unsustainable hillcountry land use and threatened native biodiversity. These issues were identified during public consultation and confirmed by Horizons' science team research.

By focusing on these Big Four issues, substantial progress can be made at an affordable level of expenditure for the Region. The Big Four have significant interconnection and it is expected that work on one issue will also benefit progress on one or more of the other issues.

It is recognised that the focus on the 'Big Four' issues needs to be undertaken in a manner consistent with the broader purpose of the One Plan and of the Resource Management Act, which is to promote the sustainable management of natural and physical resources. The benefits, particularly those of national and regional significance, that people and communities obtain from the use and development of natural and physical resource will be given due regard in the approaches identified to manage the 'big four' issues.

Issue 1 ...

Issue 2 ...

Issue 3 ...

Issue 4 ...

1.4 ~~Adapting to~~ Climate Change

Climate change is not one of the Big Four issues dealt with in the One Plan, but it is an overarching issue for our community and touches on many of the keystone issues.

The Problem:

There is conclusive evidence that our climate is changing. Our Region can expect (New Zealand Climate Change Office 2005):

- a 30-50 cm rise in sea level in the next 100 years
- an increase of up to 3°C in temperature in the next 70-100 years
- more rainfall in the western part of the Region and less in the east
- more westerly winds
- an increase in more extreme weather events – floods, droughts and high winds.

Climate change could result in both positive and negative effects for the Region. People are likely to enjoy the benefits of warmer winters with fewer frosts but hotter summers will bring increased risks of heat stress, drought and possibly the introduction of new pests and subtropical diseases. The Region is likely to experience more frequent heavy rainfalls and floods. Changing weather patterns may provide new horticultural or cropping opportunities, but may also impact on biodiversity by affecting the balance of ecosystems. Species that are already under threat or are at the limit of their climatic range may not be able to survive.

Proposed Approach:

Horizons' primary focus is to help the Region adapt to the effects of climate change by:

- promoting resilient land-management practices under the Sustainable Land Use Initiative, which will reduce the effects of climate change and provide carbon sinks at the same time
- managing water quality within a values framework responsive to climate change
- managing water quantity according to minimum flows and core allocation framework responsive to climate change
- planning for changes to the scale and frequency of natural hazards

Horizons also recognises the need to, wherever possible, avoid additional climate change effects and to contribute to national targets for the reduction of greenhouse gas emissions by:

- recognising the nationally significant renewable energy resources in the region;
- recognising the benefits that arise from the utilisation of the region's renewable energy resources;
- promoting energy efficient subdivision and building location and design; and
- promoting energy efficient transport systems and the efficient integration of land use and transportation.

Look for:

Objectives, policies and methods that directly or indirectly address climate change in Chapters 3, 5, 6 and 10.

Chapter 3 Infrastructure, Energy & Waste

3.1 Scope and Background

This chapter details with how activities involving infrastructure*, renewable energy, waste*, hazardous substances* and contaminated land will be addressed. In general, policy relating to these activities is integrated into the resource-based chapters of this Plan. Specific policies developed by Horizons for these activities are detailed in this chapter.

The use and development of the region's natural and physical resources enables people and communities to provide for their well-being. Particular activities, such as infrastructure and the use of renewable energy resources, can generate benefits that are of significance not only to the local community but also regionally and nationally. Some activities, which are of regional or national significance, may not generate local benefits. The integrated and sustainable management of the region's resources requires that a balance be achieved between recognising such benefits and managing the effects of resource use.

Infrastructure

Horizons recognises that some infrastructure* is regionally and nationally important. Infrastructure* can have adverse effects on the environment and other activities can have adverse effects on infrastructure*. Horizons wants to ensure the benefits and effects are balanced and managed appropriately.

Infrastructure* includes road and rail networks, energy networks for electricity, oil and gas, facilities for energy generation, water supply and wastewater networks, drainage systems, telecommunications, airports, ports, and any other network utility operations. Infrastructure* has significant community benefit.

Renewable energy

Access to reliable and sustainable energy supplies is essential to the way we function as a society. People and communities rely on energy for transportation, and electricity for everyday activities at home and at work. A reliable and secure supply of energy and electricity is fundamental for economic and social wellbeing. Furthermore the demand for electricity is increasing.

Due to a shortage of non-renewable fuel supply or through policies to reduce greenhouse gas emissions, there is a trend toward finding alternative sources of renewable energy to meet the demand for electricity.

The region contains natural energy resources that are able to be harnessed economically for renewable electricity production. There are limited places in New Zealand where resources of such quality exist. It is important for the social and economic well being of the region and the nation that these resources are able to be utilised, where it is sustainable to do so.

Horizons recognises it has a requirement to provide for development of renewable energy resources and using renewable energy. Government has developed energy strategies and made changes to the RMA to encourage energy efficiency and greater uptake of renewable energy over use of non-renewable resources. One of the barriers facing development of renewable energy includes the difficulty in securing access to natural resources.

Waste, hazardous substances and contaminated land

...

3.2 Issues

Issue 3-1: Infrastructure and energy

There is potential for concerns about local adverse effects to prevail over the regional and national benefits of developing infrastructure* and renewable energy, thereby inappropriately restricting the ability to develop infrastructure and to utilise the region's significant renewable energy resources.

3.3 Objectives

Objective 3-1: Infrastructure and Energy

As per the proposed Plan:

Resource use activities associated with the provision, maintenance and upgrading of infrastructure*, and/or with the use of renewable energy, will be recognised and enabled.

Objective (New): Renewable Energy

An increase in the utilisation of the region's natural energy resources for renewable electricity generation, in a sustainable manner.

3.4 Policies

Policy 3-1: Benefits of Infrastructure

As per the Officer Recommendation, except in relation to Clause b:

(a) All persons exercising functions and powers under the RMA shall recognise the following infrastructure* ~~within the Region as being physical resources as~~ infrastructure of regional and national importance:

- (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

Etc...

(b) In making decisions about the establishment, maintenance, alteration, upgrading, and expansion of infrastructure* within the Region, including the infrastructure* of regional and national importance listed in subsection (a), the benefits derived from the infrastructure* at a local, regional and national level shall be ~~taken into account~~ recognised and provided for.

Policy 3-2: Adverse effects of other activities on infrastructure

Adverse effects from other activities on infrastructure* shall be avoided by using the following mechanisms:

-
- a. ensuring that current infrastructure and infrastructure* corridors are taken into account in all resource management decision-making, and any development that will adversely affect the efficiency or effectiveness of infrastructure*, including that within these corridors is avoided
- ~~b. ensuring that any new activities that will adversely affect the efficiency or effectiveness of infrastructure* are not located near existing infrastructure* and that there is no change to existing activities that increases their incompatibility with existing infrastructure*~~

Etc...

Policy 3-3: Adverse effects of infrastructure on the environment

Delete the proposed Policy and replace with:

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

Policy 3-4: Renewable energy

As per the Officer recommendation, except in relation to clause (i):

- (a) All persons exercising functions and powers under the RMA shall have particular regard to:
- i. The social, economic, cultural and environmental benefits of renewable energy generation including the:
 - Benefits to social and economic wellbeing;
 - Contribution to reduction of greenhouse gases in New Zealand, and globally;
 - Reduced dependency on imported energy sources; and
 - Security of supply for current and future generations.
 - ii. The Manawatu-Wanganui Region's potential for the development of renewable energy resources
 - iii. The need for renewable energy facilities to locate where the renewable energy resource is located

- iv. The development of renewable energy generation and use of renewable energy resources is preferred to the development and use of non-renewable energy resources in policy development and resource consent decision-making.
- (b) Local authority decisions and controls on land use should generally not restrict the use of small domestic-scale renewable energy production for individual domestic use.

3.6 Anticipated Environmental Results

Anticipated Environmental Result	Link to Policy	Indicator	Data Source
This Plan is perceived as even-handed by resource users in the way it deals with existing and development of infrastructure and renewable energy activities.	Policies: 3-1, 3-2, 3-3, 3-4 and 3-5	Customer satisfaction	Horizons customer surveys
<u>Increased level of electricity generated from renewable energy sources.</u>	<u>Policies: 3-1 and 3-4</u> <u>Method: (new)</u>	<u>Electricity generation figures</u>	<u>Electricity Commission and Ministry for Economic Development</u>

3.7 Explanation and Principal Reasons

3.7.1 Infrastructure and energy

Objective 3-1 and 3-X and Policies 3-1 to 3-5 have been adopted to recognise the benefits of infrastructure* and having it well integrated with other land uses, and to recognise and provide for renewable energy and energy efficiency measures. The policies on infrastructure* aim to give guidance to decision makers about how to weigh up the local adverse effects of infrastructure* against the positive regional and national benefits. They also aim to provide guidance on how to avoid adverse effects on important infrastructure* through the inappropriate use of land near or adjoining important infrastructure*.

The policies regarding energy efficiency and renewable energy seek to recognise the benefits to be derived from the use and development of renewable energy, and the efficient use of energy and resources (both of which are matters to be had in particular regard in Part II of the Resource Management Act 1991). These benefits include benefits associated with:

- Utilisation of sustainable sources of energy for the long term and thereby supports:
 - Healthy and safe living and working environments;
 - Economic growth and employment;
- reducing the need to utilise non-renewable energy sources to limit additional greenhouse gas emissions;
- reducing our dependence on imported energy supplies;
- the security of supply in New Zealand, including through the diversification of energy sources.

Parts of Policies 3-1, 3-2 and 3-5 are included to give effect to parts of the Regional Land Transport Strategy which seeks to protect the strategic transport network and create opportunity for the uptake of public transport options in the future.