

IN THE MATTER of the Resource
Management Act 1991

AND

IN THE MATTER of the submissions by
GENESIS POWER
LIMITED on the
Horizons Regional
Plan One Plan

**SUPPLEMENTARY STATEMENT OF EVIDENCE OF
RICHARD JOHN MATTHEWS**

16 July 2009

1. INTRODUCTION

- 1.1 I prepared a first statement of evidence¹ in respect of Genesis Energy's submissions and further submissions on Chapter Three (Infrastructure, Energy and Waste) and Chapter Seven (with respect to Landscape and Natural Character) of the Horizons Regional Plan One Plan ("One Plan"). I confirm the detail of my experience and qualifications set out therein.
- 1.2 That first statement of evidence was prepared following caucusing undertaken with other "generators" on Chapter 3 as directed by the Panel, and following discussions on Chapter 3 at a prehearing meeting held in Palmerston North on 16 February 2009 (as recorded in Prehearing Report 33). However, that first statement of evidence was prepared prior to the release of Council Officers' supplementary recommendations following their participation in the aforementioned pre-hearing process².
- 1.3 In this supplementary statement of evidence I address those supplementary recommendations made by the Council Officers'.

2. The Proposed Changes

- 2.1 Before I discuss the Officer's supplementary recommendations for each Objective and Policy of Chapter 3, an overarching preliminary matter concerning the whole of Chapter 3 is the Regional Council's view that "*it was never intended or contemplated that Chapter 3 [infrastructure, energy & waste] would cover associated resource use*"³, and the associated provision of a new definition for the "operation" of infrastructure in Officer's supplementary recommendations:

Operation means operation of any structure or part of a structure defined as infrastructure.

¹ Submitted 17 April 2009

² Introductory Statement and Supplementary Recommendations of Barry Gilliland for the General Hearing on Chapter 3: Infrastructure, Energy and Waste & Section 42a Report Of Andrea Ruth Bell On Behalf Of The Manawatu-Wanganui Regional Council.

³ Paragraph 85, Introductory Statement and Supplementary Recommendations of Barry Gilliland for the General Hearing on Chapter 3: Infrastructure, Energy and Waste.

- 2.2 Under the proposed definition the scope of the objectives and policies addressing for example, the “operation” of a hydro station, would not stretch to include the use of the water by the hydro station to rotate the turbines and generate electricity. This is inappropriate. In my opinion you cannot decouple the operation of a piece of infrastructure from the use of the resource which enables that operation as they are inherently linked.
- 2.3 As such, in my opinion the proposed definition for “operation” should be deleted such that a broader interpretation, including the resource use is afforded.
- 2.4 By expanding the scope to include the associated resource use I am not suggesting that policies supportive of infrastructure in Chapter 3 would supersede provisions governing resource use in other chapters, for example the allocation of water. Rather, when assessing how the regional policy statement chapters of the One Plan address resource use, those policies addressing infrastructure within Chapter 3 should be considered alongside those which specifically govern the particular resource use. I consider such an approach to be entirely appropriate and to be consistent with the purpose of including Chapter 3 in the One Plan.
- 2.5 In the remainder of this statement I address each objective and policy proposed by the Council Officer’s supplementary recommendations relating to the Infrastructure Energy and Waste section in turn.
- 2.6 With respect to Objective 3-1, notwithstanding my earlier comments regarding the definition of “operation”, I agree with the Officer’s recommendations, subject to some minor wording changes to clarify its intent.

Objective 3-1: Infrastructure and energy

To recognise ~~the~~ the benefits of infrastructure ~~will be recognised~~ by providing for the establishment of new infrastructure and allowing the operation, maintenance and upgrading of existing infrastructure.

This objective relates to Issue 3-1

Objective 3-1A: Energy

~~There will be an~~ To increase in the use of renewable energy resources and ~~an~~ improvement in energy efficiency in the Region.

This objective relates to Issue 3-1A

- 2.7 I also support the supplementary recommendations for Policy 3-1 and Policy 3-2. However, I note the policies have been changed such that they are directed specifically at “regional and territorial authorities” rather than “all persons exercising powers under the RMA”. I consider that consistency in wording should be maintained between all the chapters of the One Plan.

Policy 3-1: Benefits of infrastructure

- (a) The Regional Council and territorial authorities shall recognise the following infrastructure within the Region as being physical resources of regional and or 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
 - (iii) The National Grid and electricity distribution and transmission networks defined as the system of transmission lines, subtransmission and distribution feeders (6.6kV and above) and all associated substations and other works to convey electricity
 - ~~(iiiv)~~ Pipelines, and gas facilities used for the transmission and distribution of natural, and manufactured gas
 - (iv) ~~T~~he strategic road and rail network as mapped in the Regional Land Transport Strategy
 - (vi) ~~T~~he Palmerston North and Wanganui airports
 - (vii) ~~T~~he RNZAF airport in Ohakea
 - (viii) ~~T~~elecommunications and radiocommunications facilities
 - ~~(viii)~~ ~~P~~ublic sewerage treatment plants and associated sewerage systems.
 - (ix) Public water supply treatment plants and distribution systems.
 - (xii) Port of Wanganui
- (b) The Regional Council and territorial authorities shall, in relation to the establishment, operation, maintenance, and upgrading, of infrastructure, including the infrastructure of regional and national importance listed in subsection (a), recognise and provide for the benefits derived from the infrastructure.
- (c) The Regional Council and territorial authorities shall manage existing and future infrastructure in a manner which achieves as much consistency across local authority boundaries as is reasonably possible.

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

The Regional Council and territorial authorities shall ensure that adverse effects on infrastructure from other activities are avoided, including by using the following mechanisms:

- (a) ensuring that current infrastructure corridors are identified and taken into account in all resource management decision-making, and any

development that will would adversely affect operation, maintenance and upgrading of infrastructure within these corridors is avoided.

- (b) ensuring that any new activities that would adversely affect the operation, maintenance and upgrading of infrastructure are not located near existing infrastructure or infrastructure allowed by unimplemented resource consents or other RMA authorisations.
- (ba) ensuring that there is no change to existing activities that increases their incompatibility with existing infrastructure or infrastructure allowed by unimplemented resource consents or other RMA authorisations.
- (c) notifying the owners or managers of infrastructure of consent applications that may adversely affect the infrastructure that they own or manage
- (d) giving effect to the New Zealand Code of Practice for Electrical Safe Distances (NZECP 34:2001), prepared under the Electricity Act 1992, when establishing rules and considering applications for buildings, structures, and other activities near overhead electric lines and conductors
- (e) giving effect to the operating code standard for Pipelines - Gas and Liquid Petroleum (NZS/AS2885), when establishing rules and considering applications for buildings, structures and other activities near transmission gas pipelines.
- (f) ensuring that any planting does not interfere with existing infrastructure, including giving effect to the Electricity (Hazards from Trees) Regulations 2003 promulgated under the Electricity Act 1992 and Section 6.4.4 External Interference Prevention of the operating code standard for Pipelines - Gas and Liquid Petroleum (NZS/AS 2885).
- (g) providing for the strategic integration of infrastructure with land use in growth areas of the Region, including effective integration of transport and land use planning and protecting the function of the strategic road and rail network as mapped in the Regional Land Transport Strategy.

This policy relates to Issue 3-1 and Objective 3-1

2.8 With respect to Policy 3-3, most of the matters addressed within the notified version were also addressed in other resource-based sections of the plan. The exception being recognition of the functional, operational and technical constraints which require infrastructure to be designed in a particular way and to be located in a particular place. In my original statement of evidence I proposed that Policy 3-3 be substantively removed (to avoid this repetition) and replaced with a policy referring only to those particular constraints inherent in infrastructure.

2.9 The Officers' supplementary recommendations propose substantial changes to the wording of the original version and suggest that a broader version of Policy 3-3 can still add value to the One Plan by:

- Providing an overarching framework for managing the adverse effects of infrastructure that is able to be reflected by specific policies in the other

chapters; and given effect to in Part II of the Proposed One Plan and district plans; and

- Providing a clear statement that in recognition of the importance of infrastructure, the adverse effects of infrastructure will be treated a little more favourably than other activities by decision makers⁴.

2.10 In my opinion this overarching intent is appropriate; and I agree with the Council Officer that the revised Policy 3-3 can add value to the policy provisions of Chapter 3. However, to clarify the intent of the policy, I suggest the alternative wording below:

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

In managing any adverse environmental effects arising from the establishment, operation, maintenance and upgrading of infrastructure, the Regional Council and territorial authorities shall:

- allow the operation, maintenance and upgrading of all infrastructure once it has been established, no matter where it is located.
- allow minor adverse effects arising from the establishment of new infrastructure.
- avoid, remedy or mitigate more than minor adverse effects arising from the establishment of new infrastructure taking into account: in the same manner as these effects would be avoided, remedied or mitigated for other types of activities unless this is impracticable due to functional, operational or technical constraints, in which case the following matters shall be taken into account:
 - the need for the infrastructure; and
 - any functional, operational, and technical constraints which require infrastructure to be located and designed in the manner proposed the extent to which adverse effects can be practicably avoided, remedied or mitigated, including whether there are any practicable alternatives to the proposed location and design of the infrastructure; and
 - whether a financial contribution should be sought to offset or compensate for adverse effects that cannot be adequately avoided, remedied or mitigated.

This policy relates to Issue 3-1 and Objective 3-1

2.11 As I presented in my earlier evidence⁵ Policy 3-4 goes further than appropriately recognising the benefits of infrastructure associated with electricity, and instructs that

⁴ Paragraph 102, Introductory Statement and Supplementary Recommendations of Barry Gilliland for the General Hearing on Chapter 3: Infrastructure, Energy and Waste

⁵ 1 July 2008 & 17 April 2009

the use of renewable energy be preferred over the use of non-renewable energy resources. In my opinion, the One Plan should not pre-determine a preference between “renewable” and “non-renewable” energy resources. This should be determined on a case-by-case basis depending on the circumstances and effects in each particular case.

- 2.12 I note the supplementary recommendations of the Officers do not agree with my position, and cite consistency with national policy and strategies promoting the use and development of renewable resources as an appropriate basis for the stated policy preference for renewable over non-renewable.
- 2.13 While I note central government policy has expressed a preference for renewable energy, such policy has not been established through an RMA process or National Policy Statement and can be changed at any time, and on that basis it should not be enshrined in the RPS. Rather, it is a matter that can be considered as an “other matter” when considering a consent application. Importantly, the present policy preference for renewable energy is subject to some exceptions. Significantly, the preference does not apply in situations involving security of electricity supply. These exceptions are not reflected in the RPS policies. I still do not consider it appropriate to include explicit policy provisions expressing such preference, particularly in the absence of any other provisions which provide direction as to when a non-renewable energy development may be appropriate.
- 2.14 In paragraph 5.10 of my earlier ‘Overall Plan Evidence’⁶ and earlier statement of evidence regarding Chapter 3⁷ I proposed alternative wording for Policy 3-4 that explicitly recognised and provided for renewable energy generation without having the effect of predetermining applications. I have considered the alternative wording proposed by the Officer’s supplementary recommendations, and consider that Policy 3-4 as proposed provides for renewable energy in an appropriate manner, with the exception of clause (aa). Clause (aa), which stipulates a preference for renewable energy over non renewable energy, should be deleted from the policy as indicated below:

⁶ Presented 1 July 2008

⁷ Submitted 17 April 2009

Policy 3-4: Renewable energy

- (a) ~~The Regional Council and territorial authorities~~ All persons exercising powers and functions under the RMA shall have particular regard to:
- (i) The social, economic, cultural and environmental benefits of the use and development of renewable energy resources including:
 - contributing to reduction in greenhouse gases
 - reduced dependency on imported energy sources
 - reduced exposure to fossil fuel price volatility
 - 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 activities facilities to locate where the renewable energy resource is located
- (aa) ~~The Regional Council and territorial authorities shall give preference to the development of renewable energy generation and use of renewable energy resources to the development and use of non-renewable energy resources in policy development and resource consent decision making.~~
- (b) ~~The Regional Council and territorial authorities~~ All persons exercising powers and functions under the RMA shall generally not restrict the use of small domestic-scale renewable energy production for individual domestic use.

This policy relates to Issue 3-1 and Objective 3-1A

2.15 With respect to other matters, I note in Paragraph 4.13 of my original evidence⁸ I suggested the inclusion of an additional Policy 3-5. I now consider all matters the suggested policy was intended to address are sufficiently provided for in the other policies of Chapter 3 discussed above and my comments made in Paragraph 4.13 can be disregarded.

2.16 Finally, in my original statement of evidence I expressed support for a Mighty River Power submission regarding the addition of a new issue addressing the need for the sustainable utilisation of natural resources in the region for renewable energy production. I have reviewed the supplementary recommendations made for Issue 3-1 by the officer and consider that the revised policy proposed captures the essence of the issue at hand.

⁸ Submitted 17 April 2009