

30 October 2008

Board of Inquiry  
Proposed NPS for Renewable Electricity Generation  
C/- PO Box 10 362  
WELLINGTON 6143

Dear Sir,

## Submission by Genesis Energy on Proposed National Policy Statement for Renewable Electricity Generation

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1. Genesis Power Limited, trading as Genesis Energy ("Genesis Energy"), welcomes the opportunity to submit on the Proposed National Policy Statement for Renewable Electricity Generation ("Proposed NPS").
2. Genesis Energy is a State Owned Enterprise with a diverse electricity generation portfolio and is one of New Zealand's largest energy retailers. Our total assets have the capacity to generate a total of 2049MW and include:
  - Huntly Power Station which incorporates four 250MW gas/coal units, one 400MW gas fired combined cycle gas turbine and a 48MW open cycle gas turbine.
  - Hydro schemes (500MW) at Tongariro, Waikaremoana and Kourarau.
  - Hau Nui wind farm (8.6MW) in South Wairarapa.

## Submission

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3. In summary, Genesis Energy supports the Proposed NPS, but considers that the Proposed NPS can be improved, as follows:
  - (a) The Proposed NPS should achieve consistency with other Government policy initiatives. In particular, the Proposed National Policy Statement for Freshwater Management and the Proposed National Environmental Standard on Ecological Flows and Water Levels ("Proposed Water NES") need to be consistent with the Proposed NPS. Any inconsistency would lead to uncertainty and undermine the objective of the Proposed NPS. (See Appendix 1 paragraphs 1 to 5.)
  - (b) The Proposed NPS should recognise further benefits in addition to those specified in Policy 1, including those identified by the Ministry of Economic Development's Electricity Generation Reference Group and the Courts. Unless all benefits are identified in Policy 1, there is a risk decision-makers will fail to have particular regard or give appropriate weight to those benefits not identified in Policy 1. (See Appendix 1 paragraphs 6 to 11.)
  - (c) The Proposed NPS should require decision-makers to have regard to the benefits of reversibility of adverse effects of renewable electricity generation, but not penalise renewable proposals in the absence of such reversibility. Therefore, Policy 3 should be deleted and an additional benefit that reflects Policy 3 should be included in Policy 1. (See Appendix 1 paragraphs 12 to 20.)
  - (d) The Proposed NPS should require amendments to policy statements and plans to recognise the benefits of renewable electricity generation. This is necessary to provide a firm foundation for rules which promote renewable electricity generation and to ensure decision-makers give effect to the Proposed NPS. However, recognition of such benefits does not require a concomitant need to disregard the benefits of other forms of electricity generation. (See Appendix 1 paragraphs 21 to 22.)
  - (e) The Proposed NPS should include a new policy protecting new and existing renewable electricity generation activities from reverse sensitivity effects. Such a policy would ensure full utilisation of existing renewable electricity generation facilities, delaying the need for additional electricity generation plant. It would also protect new facilities, maximising the benefits identified in Policy 1. (See Appendix 1 paragraphs 23 to 25.)

## Next Steps

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4. The following paragraphs identify two particular process matters that Genesis Energy considers require attention in the lead up to finalisation of the Proposed NPS.

### **Deferring Advancement of the Proposed NES Ecological Flows and Water Levels**

5. Integrated management under the Resource Management Act 1991 necessitates that the development of a national environmental standard should be integrated with a proposed national policy statement, to the extent they overlap. It is best resource management practice for regulation to follow policy, that is, the overall policy framework must first be developed before any particular method of implementation is selected.
6. Genesis Energy considers that an NES is a regulatory tool to implement policy. As such, the Proposed NES Ecological Flows and Water Levels should not be finalised prior to the finalisation of the policies set out in the Proposed NPS. If such an approach is not adopted, there is a risk that the Proposed NES Ecological Flows and Water Levels will be inconsistent with the Proposed NPS. In turn this would result in regulatory uncertainty that may undermine the objective of the Proposed NPS.
7. The Proposed NPS therefore should be finalised before the Proposed NES Ecological Flows and Water Levels is progressed further.

### **Release of Draft NPS**

8. Irrespective of the timing and final content of any NPS, the Minister should release the specific wording of any NPS for review prior to Gazettal of the NPS. This would assist in mitigating any risk of drafting errors that might have the effect of undermining the NPS.

## Conclusion

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9. Genesis Energy supports the Proposed NPS, and considers it can be improved as follows:
  - (a) Achieve consistency with other Government policy initiatives;
  - (b) Recognise further benefits in addition to those specified in Policy 1;
  - (c) Require decision-makers to have regard to the benefits of reversibility of adverse effects of renewable electricity generation technologies, but not penalise renewable proposals in the absence of such reversibility;
  - (d) Require amendments to policy statements and plans to recognise the benefits of renewable electricity generation; and
  - (e) Include a new policy protecting new and existing renewable electricity generation activities from reverse sensitivity effects.
10. Redlined amendments to the Proposed NPS sought by Genesis Energy are set out in the **Appendix 2**.
11. When the Board of Inquiry comes to arrange for its report to the Minister for the Environment, Genesis Energy seeks that the Board issues interim recommendations so as to allow the public to make final written submissions on any outstanding issues.
12. Genesis Energy wishes to be heard in support of this submission.

Yours sincerely



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# Appendix 1: Reasoning Supporting Genesis Energy's Submission

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## PROVISIONS OF THE PROPOSED NPS

### A. Consistency with Other Government Policies

1. In the interests of clarity and the effectiveness of the Proposed NPS, it needs to be consistent with other Government policy initiatives which will affect RMA decision-making on sources of renewable electricity generation. In particular, the Proposed National Policy Statement for Freshwater Management and Proposed National Environmental Standard on Ecological Flows and Water Levels ("**Proposed NES**").

#### Freshwater Management

2. The following issues arise in relation to the Proposed NPS for Freshwater Management:
  - a) The Proposed NPS for Freshwater Management fails to expressly recognise physical resources (section 5 of the Resource Management Act 1991 ("RMA")) and the value of investments dependent on the use of fresh water (section 104(2A) of the RMA). The NPS also requires mandatory consideration of, and consent conditions for, industry good practice and technology, but without express regard for the age of existing infrastructure.

The section 32 report for the Proposed NPS recognises renewing consents for existing renewable electricity generation activities is problematic (for example, renewing consents for the Tongariro Power Scheme)<sup>1</sup> and that this frustrates the objective of the Proposed NPS.<sup>2</sup> If existing generation capacity is not maintained, new generation capacity required to make up the consequential shortfall would be considerably more expensive than optimising existing capacity. There would also be increased consumption of resources and/or effects on the environment.

- b) Objective 7<sup>3</sup> of the Proposed NPS for Freshwater Management seeks to increase benefits from the use of fresh water. However, the meaning of "increase benefits" in that context is unclear, and there is a lack of certainty that the benefits of renewable electricity

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<sup>1</sup> Section 32 report for the Proposed NPS at p 13.

<sup>2</sup> Section 32 report for the Proposed NPS at pp 13 and 20.

<sup>3</sup> "**Objective 7 – Efficient use of fresh water**

To ensure that allocated fresh water is used efficiently particularly in terms of the following:

(a) avoiding wastage:

(b) avoiding excessive contamination:

(c) facilitating opportunities to increase benefits from the use of fresh water."

generation identified in Policy 1 of the Proposed NPS will be recognised through the Proposed NPS for Freshwater Management. It is therefore important that increased benefits under the Proposed NPS for Freshwater Management accord with, and are not antagonistic to, the benefits of renewable electricity generation under the Proposed NPS.

- c) Policy 2(c)(iii)(A)<sup>4</sup> and Policy 3(b)(i)<sup>5</sup> of the Proposed NPS for Freshwater Management require consent conditions for protection against degradation of freshwater quality. In contrast, the underlying philosophy of the Proposed NPS is that some local adverse effects are appropriate if they are outweighed by the national, regional and local benefits of renewable electricity generation.

### Ecological Flows

- 3. The Proposed NES sets interim limits on water bodies, and provides that any activity which breaches such limits would require resource consent as a non-complying activity. This will act as a barrier for re-consenting existing renewable electricity generation activities in circumstances where thorough assessments using appropriate methods have been undertaken. Interim limits also have the potential to restrict existing renewable electricity generation activities in the context of a review of resource consent conditions under sections 128 to 132 of the RMA.
- 4. The section 32 report for the Proposed NPS recognises that such re-consenting difficulties are inconsistent with the objective of the Proposed

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<sup>4</sup> "Policy 2  
Every regional council must –  
...  
(c) By no later than 40 working days following the date a regional policy statement or change notified pursuant to Policy 1 is made operative, every regional council must notify a proposed regional plan, change or variation to include rules to achieve the following:  
...  
(iii) Require that all discharge permits affecting Freshwater Resources granted after the date of commencement of this National Policy Statement include conditions for –  
(A) Protection against degradation of the quality of fresh water of Freshwater Resources (including through the management of activities giving rise to stormwater discharges); and..."

<sup>5</sup> "Policy 3  
By no later than 40 working days following the date a regional policy statement or change notified pursuant to Policy 1 is made operative, every territorial authority must notify a proposed district plan, change or variation in order that as soon as practicable thereafter every district plan –  
...  
(b) Includes rules to require that all relevant land-use and subdivision consents granted after the commencement of this National Policy Statement include conditions for –  
(i) Protection against degradation of the quality of fresh water of Freshwater Resources (including through the management of activities giving rise to stormwater discharges); and..."

NPS.<sup>6</sup> If existing generation capacity is not maintained, new generation capacity required to make up the resultant shortfall would be considerably more expensive than optimising existing capacity.

### **Solution**

5. Genesis Energy seeks:
  - a) The inclusion of a new policy as set out at Policy 7 of Appendix 2.
  - b) That the Proposed NPS is promulgated before the Proposed NES is advanced further, in order to prevent the Proposed NES undermining the Proposed NPS.

### **B. Policy 1 - Benefits Of Renewable Electricity Generation**

6. Policy 1 of the Proposed NPS requires decision-makers to have particular regard to the following national, regional and local benefits relevant to renewable electricity generation:
  - i. maintaining or increasing electricity generation capacity while avoiding, reducing or displacing greenhouse gas emissions;
  - ii. maintaining or increasing security of electricity supply at local, regional and national levels by diversifying the type and/or location of electricity generation."
7. While Policy 1 refers to "national, regional and local benefits", it is also appropriate to recognise global benefits in light of greenhouse gas emissions.
8. There are also a number of further benefits relevant to renewable electricity generation. For example:
  - a) The Ministry of Economic Development's Electricity Generation Reference Group Report on scoping a National Policy Statement on Electricity Generation identified the following additional benefits:
    - i. Improved security of supply from adding to New Zealand's generating base.
    - ii. Reducing transmission losses and dependence on the national grid through locating electricity generation close to electricity demand centres.
    - iii. Reliability of the generation and its fuel including insulation from major external production cost variability.
    - iv. Development benefits in the form of industry development, including research, manufacturing, installation and distribution, and maintenance of facilities.

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<sup>6</sup> Section 32 report for the Proposed NPS at pp 13 and 20.

- b) The Environment Court recently identified the following additional benefits in relation to wind farms:<sup>7</sup>
- i. it does not involve permanent long term alteration of the environment;
  - ii. it does not utilise any finite resource, other than the site itself;
  - iii. it involves minimal displacement of other productive uses of the land;
  - iv. it uses the wind resource without affecting that resource in any meaningful way.
9. The absence of permanent long term alteration to the environment (which was identified as a benefit by the Environment Court) is addressed by Policy 3 of the Proposed NPS. As discussed at paragraphs 12 to 20, it is appropriate to refer to this benefit in Policy 1 of the Proposed NPS.
10. While Policy 1 expressly states "benefits may include, but are not limited to" those benefits specified, there is a risk that decision-makers will fail to have particular regard, or give appropriate weight to further benefits. This issue was raised in the section 32 report for the Proposed NPS:<sup>8</sup>
- "Policy 1 may set too narrow a list of benefits, and despite its non-exclusivity, this could be misinterpreted as sending a signal that other benefits recognised in the decisions of the Environment Court are somehow less important."
11. The relief Genesis Energy seeks is set out at Policy 1 of Appendix 2.

### C. Policy 3 - Reversibility of Effects

12. Policy 3 of the Proposed NPS requires decision-makers to have particular regard to the relative degree of reversibility of the adverse environmental effects associated with proposed generation technologies.
13. Policy 3 introduces an implicit hierarchy between types of renewable electricity generation through consideration of the relative degree of reversibility of adverse effects. This policy favours wind, marine and biomass generation, for which adverse effects are generally reversible. In contrast, the policy effectively penalises hydro and geothermal generation, which tend to involve long term effects (at different scales) on freshwater ecosystems and geothermal systems respectively.

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<sup>7</sup> *Upland Landscape Protection Society Inc v Clutha District Council*, Environment Court, Christchurch, C85/2008, 25 July 2008, Judge Smith.  
<sup>8</sup> Section 32 report for the Proposed NPS at p 35.

14. Introducing an implicit hierarchy amounts to picking "renewable energy winners" which would have substantial economic effects when compared with an approach that allows participants to identify least-cost generation options. Prescribing preferred forms of renewable energy through an NPS would ignore key factors that are relevant in identifying least-cost generation options, including:
  - a) Cost escalation paths.
  - b) Access to technical expertise.
  - c) Supply logistics.
  - d) System operation factors.
  - e) "Portfolio effects" associated with achieving an efficient mix of generation sources.
15. All of these factors can change over time, and unlike a dynamic approach, an NPS that picks 'renewable energy winners' would be unable to respond to such changes.
16. As illustrated by a review of the background to the statutory framework for energy,<sup>9</sup> government policy does not discriminate between different forms of renewable energy. Furthermore, all forms of renewable energy have benefits in terms of effects on climate change.
17. The Minister of Energy has stressed that commercial decisions outside the control of government will determine the contribution from various types of renewable energy.<sup>10</sup>

"Modelling done to support the Energy Strategy suggests that a mix of all renewable generation types will make up the renewables portion.

The actual proportion of geothermal to wind to hydro – and other sources – will depend on commercial decisions outside the control of government, and will themselves be subject to a range of factors."

18. The potential for Policy 3 to act as a barrier for relatively non-reversible renewable electricity generation technologies was raised in the section 32 report for the Proposed NPS:

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<sup>9</sup> For example, the Resource Management (Energy and Climate Change) Amendment Act 2004, proposed carbon tax policy, Projects to Reduce Emissions scheme, Negotiated Greenhouse Agreements scheme, New Zealand Emissions Trading Scheme Framework, New Zealand Energy Strategy and New Zealand Energy Efficiency and Conservation Strategy.

<sup>10</sup> Hon David Parker "Wind Energy in a sustainable New Zealand" Address to the New Zealand Wind Energy Association Conference, Wellington, 8 April 2008.

"Focusing decision-makers' attention on the relative reversibility of effects associated with particular generation technologies could prove prejudicial against those technologies with functionally irreversible effects, such as hydro-generation. This risks inconsistency with the Objective of the proposed NPS."<sup>11</sup>

"[I]t may establish a marginal preference for the development of those forms of renewable electricity generation that have relatively more reversible effects, that is wind, marine and geothermal generation. So this policy could be argued to establish regulatory bias against new hydro-generation development."<sup>12</sup>

"Policy requiring decision-makers to have regard to the relative 'reversibility' of effects of different technology types could discourage investment in relatively 'non-reversible' renewable generation technologies such as hydro generation."<sup>13</sup>

19. The objective of the Proposed NPS is to promote new and existing renewable electricity generation activities. While it is appropriate for the reversibility of adverse effects from renewable electricity generation technologies to be acknowledged as a relevant consideration, it is inconsistent with the objective of the Proposed NPS to include a policy that effectively acts as a barrier to some types of renewable electricity generation technologies on the basis of the irreversibility of adverse effects.
20. Genesis Energy seeks:
  - a) The deletion of Policy 3 from the Proposed NPS.
  - b) The inclusion of an additional benefit in Policy 1 as set out at Policy 1 of Appendix 2.

## **ADDITIONAL PROVISIONS**

### **D. Amendments to Policy Statements and Plans to Recognise the Benefits of Renewable Electricity Generation**

21. While Policy 1 of the Proposed NPS is useful in promoting recognition of the benefits of renewable electricity generation in RMA decision-making, it is also appropriate for it to require amendments to local authority policy statements and plans to identify the benefits in Policy 1. In particular, identifying the benefits of renewable electricity generation in objectives and policies will provide a firm foundation for rules which promote renewable

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<sup>11</sup> Section 32 report for the Proposed NPS at p 42.

<sup>12</sup> Section 32 report for the Proposed NPS at p 43.

<sup>13</sup> Section 32 report for the Proposed NPS at p 54.

electricity generation. Furthermore, reference to the benefits of renewable electricity generation in assessment criteria for any renewable electricity generation resource consent applications will ensure decision-makers give effect to the Proposed NPS.

22. The relief Genesis Energy seeks is set out at Policy 5 of Appendix 2.

### **E.. Reverse Sensitivity**

23. The Environment Court has expressly recognised that full utilisation of generation facilities is in the national interest.<sup>14</sup> Similarly, the section 32 report for the Proposed NPS notes:<sup>15</sup>

"If existing generation capacity is not maintained, the new generation capacity required to make up for the resultant shortfall would be considerably more expensive to develop than the alternative of optimising the efficiency with which existing capacity is used. There are also economic benefits to optimising the potential returns from existing investment, and as such there is a logical desire amongst generators to enhance the use of existing infrastructure and resources for renewable electricity generation."

24. Protection from reverse sensitivity effects is a key aspect of ensuring full utilisation of existing renewable generation facilities, and will delay the need for additional electricity generation plant to meet any corresponding shortfall in supply. Furthermore, a policy in the Proposed NPS addressing reverse sensitivity effects would protect new renewable electricity generation activities, maximising the benefits identified in Policy 1.
25. The relief Genesis Energy seeks is set out at Policy 6 of Appendix 2.

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<sup>14</sup> *Ngati Rangī Trust v Manawatu-Wanganui Regional Council* (A67/04) at [402].  
<sup>15</sup> Section 32 report for the Proposed NPS at p 13.

## Appendix 2: Amendments to the Proposed NPS Sought by Genesis Energy

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### Proposed National Policy Statement for Renewable Electricity Generation

#### Preamble

This national policy statement sets out an objective and policies to enable the sustainable management of renewable electricity generation under the Resource Management Act 1991 ('the Act').

New Zealand's energy demand has been growing steadily and is forecast to continue to grow. In October 2007 the government adopted the New Zealand Energy Strategy, which states that New Zealand must confront two major energy challenges as it meets growing energy demand. The first is to respond to the risks of climate change by reducing greenhouse gas emissions caused by the production and use of energy. The second is to deliver clean, secure, affordable energy while treating the environment responsibly.

The contribution of renewable electricity generation, regardless of scale, towards addressing the effects of climate change plays a vital role in the wellbeing of New Zealand, its people and the environment. In considering the risks and opportunities associated with various electricity futures, the government has determined that 90 per cent of electricity generated in New Zealand should be derived from renewable energy sources by 2025 (based on delivered electricity in an average hydrological year).

Development that increases renewable electricity generation capacity can, however, have environmental effects that span local, regional and national scales, often with adverse effects manifesting locally and positive effects manifesting nationally. In some instances the benefits of renewable electricity generation can compete with matters of national importance as set out in section 6 of the Act, and with matters to which decision-makers are required to have particular regard under section 7 of the Act. In particular, the natural resources from which electricity is generated can coincide with areas of significant natural character, significant amenity values, historic heritage, outstanding natural features and landscapes, significant indigenous vegetation and significant habitats of indigenous fauna. Adopting a nationally consistent approach to balancing the competing values associated with the development of New Zealand's renewable energy resources will provide greater certainty to decision-makers, applicants, and the wider community.

#### Title

This national policy statement may be cited as the National Policy Statement for Renewable Electricity Generation.

#### Commencement

This national policy statement comes into force on the day after which it is notified in the Gazette.

### **Matter of national significance**

The matter of national significance to which this national policy statement applies is the need to develop, upgrade, maintain and operate renewable electricity generation activities throughout New Zealand.

### **Objective**

To recognise the national significance of renewable electricity generation by promoting the development, upgrading, maintenance and operation of new and existing renewable electricity generation activities, such that 90 per cent of New Zealand's electricity will be generated from renewable sources by 2025 (based on delivered electricity in an average hydrological year).

### **Recognising the national significance of the benefits of renewable electricity generation activities**

#### **Policy 1**

The benefits of renewable electricity generation activities, at any scale, are of national significance. Decision-makers must have particular regard to the global, national, regional and local benefits relevant to renewable electricity generation activities. These benefits may include, but are not limited to:

- i. maintaining or increasing electricity generation capacity while avoiding, reducing or displacing greenhouse gas emissions;
- ii. maintaining or increasing security of electricity supply at local, regional and national levels by diversifying the type and/or location of electricity generation;
- iii. the relative degree of reversibility of adverse environmental effects associated with proposed generation technologies;
- iv. reducing transmission losses and dependence on the national grid through locating electricity generation close to electricity demand centres;
- v. reliability of generation including insulation from major external production cost variability;
- vi. development benefits in the form of industry development, including research, manufacturing, installation and distribution, and maintenance of facilities;
- vii. the extent to which the renewable electricity generation activity does not utilise finite resources;
- viii. the extent to which the renewable electricity generation activity involves minimal displacement of other productive uses of land; and
- ix. the extent to which the renewable electricity generation activity uses an energy resource without affecting that resource in any meaningful way.

### **Acknowledging the practical constraints associated with the development, upgrading, maintenance and operation of new and existing renewable electricity generation activities**

#### **Policy 2**

When considering measures to avoid, remedy or mitigate the adverse environmental effects of renewable electricity generation activities, consent authorities must have particular regard to the constraints imposed on achieving those measures by:

- i. the nature and location of the renewable energy source

- ii. logistical or technical practicalities associated with developing, operating or maintaining the proposed renewable electricity generation activity
- iii. the nature and location of existing renewable electricity generation activities
- iv. the location of existing structures and infrastructure including, but not limited to, roads, navigation and telecommunication structures and facilities, the local electricity distribution network, and the national grid.

~~Having regard to the relative reversibility of adverse effects associated with particular generation types~~

~~Policy 3~~

~~When considering proposals to develop new renewable electricity generation activities, decision makers must have particular regard to the relative degree of reversibility of the adverse environmental effects associated with proposed generation technologies.~~

**Enabling identification of renewable electricity generation possibilities**

**Policy 43**

By 13 March 2012, local authorities are to notify, in accordance with Schedule 1 of the Act, a plan change, proposed plan or variation to introduce objectives, policies and, where appropriate, methods, into policy statements and plans to enable activities associated with:

- i. the identification and assessment by generators of potential sites and energy sources for renewable electricity generation
- ii. research-scale investigation into emerging renewable electricity generation technologies and methods.

**Supporting small and community-scale renewable electricity generation**

**Policy 54**

By 13 March 2012, local authorities are to notify, in accordance with Schedule 1 of the Act, a plan change, proposed plan or variation to introduce objectives, policies and, where appropriate, methods, into policy statements and plans to enable activities associated with the development and operation of small and community-scale distributed renewable electricity generation.

**Identifying benefits of renewable electricity generation in policy statement and plans**

**Policy 5**

In accordance with section 55(2A)(b) of the Act, and within two years of approval of this national policy statement, local authorities are to process under clause 16 of Schedule 1 of the Act a plan change or review to introduce objectives, policies and assessment criteria identifying the benefits listed in policy 1 of this national policy statement."

**Protecting renewable electricity generation activities from reverse sensitivity effects**

**Policy 6**

Decision-makers must manage new third party activities to ensure that the reasonable operation and maintenance needs of consented and existing renewable electricity generation activities are not compromised.

**Giving effect to the national policy statement despite any other national policy statement**

## **Policy 7**

In decisions involving renewable sources of energy, decision-makers must give effect to the provisions of this national policy statement, despite the provisions of any other national policy statement.

### **Interpretation**

In this national policy statement, unless the context otherwise requires:

“**Act**” means the Resource Management Act 1991.

“**Application**” means any application for resource consent or consents or application under section 127 of the Act. Applicant has the corresponding meaning.

“**Decision-makers**” means all persons exercising functions and powers under the Act.

“**Local electricity distribution network**” means the system of electricity conveyance that connects individual electricity users with the national grid and electricity generation facilities. “**National grid**” means the assets used or owned by Transpower NZ Limited.

“**Renewable electricity generation**” means generation of electricity from solar, wind, hydro, geothermal, biomass, tidal, wave, or ocean currents resources.

“**Renewable electricity generation activities**” means the construction, operation and maintenance of structures associated with the generation of renewable electricity. This includes small and community-scale distributed renewable generation activities and the system of electricity conveyance required to convey electricity to the local electricity distribution network and/or the national grid.

“**Small and community-scale distributed renewable electricity generation**” means renewable electricity generation projects with an installed electricity generation capacity of less than four megawatts and excludes offshore wind, tidal and wave generation.

### **Explanatory note**

*This note is not part of the national policy statement but is intended to indicate its general effect.*

This national policy statement comes into force on the day after which it is notified in the Gazette. It provides that renewable electricity generation is a matter of national significance under the Resource Management Act 1991.

This national policy statement is to be applied by all persons exercising powers and functions under the Act. The objective and policies are intended to guide applicants and decision-makers when making applications for resource consent, in making decisions on the notification and determination of resource consent applications, in drafting policy statements and plans that relate to renewable electricity generation activities, and when exercising other powers under the Act.

The national policy statement requires local authorities to give effect to its provisions in plans made under the Resource Management Act 1991 by initiating a plan change, proposed plan or variation by 13 March 2012.