

# **Submission to the Ministry for the Environment on Proposed National Policy Statement (NPS) for Renewable Electricity Generation**

## **1. Introduction**

This submission is from the Franklin District Council.

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## **2. Executive Summary**

The Franklin District Council supports the concept of Proposed NPS for Renewable Electricity Generation. However the Council wishes to highlight following points that need to be considered before finalisation and implementation of the NPS.

- When the benefits of Renewable Electricity Generation Projects are duly emphasised, it is important to see that the consenting authorities continue to have regard to major environmental effects in their assessments.
- Unlike the main benefits, the environmental costs are difficult to identify and quantify for the purpose of the assessment. Hence extra effort is needed to complete cost benefit analysis.
- Difficulties to establish relative degree of reversibility of the adverse environmental effects could lead to disputes between affected parties and the project owners / operators. This could perhaps be overcome by introducing a National Assessment Framework for identification and assessment of environmental impacts.
- By 13 March 2012, Local Authorities are required to notify as per schedule 1 of RMA the potential sites and energy sources for Renewable Electricity Generation projects. This process has some advantages over the previously used straight forward Resource Consent process, but still needs Assessment of Environmental Effects and Cost Benefit analysis in terms of S32 of the RMA.
- The narrow definition of small-scale projects as those having threshold installed capacity of 4MW may not be adequate. The classification should take into account the nature and extent of environmental effects as well. Hence Local Authorities could still have the opportunity to determine if the project needs a full assessment in case the environmental effects are found to be more than minor (on case by case basis).

## **3. Objectives of Proposed NPS**

Considering the national significance, the proposed NPS will facilitate setting up, new renewable energy generation projects, in addition to ensuring the operation, maintenance, upgrading, expansion / modernisation of existing projects. In other words, the proposed NPS should enable to

- Help promote sustainable management of natural and physical resources
- Establish national significance of renewable electricity generation activities
- Establish nationally consistent policy framework
- Implement projects in a reasonable timeframe and at a reasonable cost

A potential problem arising from this would be the hierarchy of significance placed in assessment of environmental effects. The question is how important the renewable energy generation vis-à-vis the promotion of sustainable management of natural and physical resources. Until this is clarified to a reasonable degree, the present problem could continue to affect the decisions.

#### **4. Policy 1**

The list of benefits provided to guide the decision makers will emphasise the significance of Renewable Electricity Generation. However the basis of weighing such benefits against environmental costs also needs to be specified in order to derive the full use of such guiding lists.

The impacts of dwindling fossil fuel resources and that of the climate change factor have to be added to the decision criteria so that the assessment is made on current cost benefit analysis. The possibility of overlooking certain environmental costs in the background of highlighted benefits of renewable electricity generation projects will have to be carefully avoided.

#### **5. Policy 2**

Potential benefits may be relatively easy to identify and even to quantify for the purpose of evaluating the renewable electricity generation projects. For example, amount of the GHG emissions that could be cut down by this project (assuming that the equivalent quantum of electricity was to be generated from fossil fuels) can be used to work out savings achieved in terms of carbon credit. However as the environmental costs are difficult to be identified and quantified accurately, a common basis should be introduced to deal with this.

#### **6. Policy 3**

Reverse sensitivity results in many situations where incompatible land uses exist in close proximity. This is common in rural areas where life style property owners can be affected by renewable energy generation projects due to adverse environmental effects in terms of noise, visual, ecological etc. In such cases,

consent conditions or environment court decisions may affect the viability of the project. However, in terms of the Policy 3, relative degree of reversibility of the adverse environmental effects needs to be established. As the costs and benefits are generally accrued to local and national levels respectively, difficulties arise in convincing the justification to the local communities.

#### **7. Policy 4**

This policy envisages adopting an approach similar to Plan Change, Proposed Plan or a Variation instead of the straight forward Resource Consent approach hitherto applied for Renewable Electricity Generation Projects. This method will have advantages in terms of in-built public consultation processes and transparency attached to the process. However it may still have to be subject to the Assessment of Environmental Effects as required by Section 22(2) of the RMA and providing the cost benefit analysis in terms of section 32 of the RMA. As this involves work relating to engineering investigations, public consultation and other social, economic and environmental analysis, the time and costs associate with the process may be substantial.

#### **8. Policy 5**

The small-scale project is defined in terms of the threshold installed capacity of 4 MW. This definition is useful to improve the clarity of the policy statement. However, the environmental effects could vary according to the type of renewable energy source being utilised. Therefore the usefulness of specifying threshold limits in terms of installed capacity is yet to be tested with time. In addition to the threshold capacity, the nature and extent of environmental effects; and the methods to control the factors that contribute to the typical adverse effects also need to be addressed to for the purpose of simplifying the consenting process.

#### **9. Conclusions – Need for a National Assessment Framework**

The proposed NPS is expected to establish nationally consistent policy framework to implement renewable energy generation projects within a reasonable timeframe and at a reasonable cost, whilst respecting the need for sustainable management of natural and physical resources. Essentially, this requires a sound and transparent framework for the identification and assessment of landscape values, the assessment of the impacts of renewable energy projects on landscape values, site impact assessment and mitigation and community consultation processes. Such a Framework needs to be able to be applied consistently through out the country to meet the internationally recognized heritage principles.

Proposed NPS advocates and provides for the assessment of individual sites for renewable energy generation on their own merits. However, the cumulative effects arising from several of such projects located over a wider geographical area could be overlooked as no single assessment to cover visual and landscape impacts from the wider perspective is possibly undertaken. This is particularly applicable to visual and landscape values impacts on wind farms.