

Your Ref:
Our Ref: 2460 04

24 October 2008

Board of Enquiry
C/o PO Box 10362
The Terrace
Wellington 6140

Dear Sir/Madam

Submission on the proposed National Policy Statement for Renewable Electricity Generation

Thank you for seeking our view on the proposed National Policy Statement (NPS) for Renewable Electricity Generation. Environment Bay of Plenty has a number of comments relating to the proposed NPS; general comments are summarised below, whilst comments relating to specific policies of the NPS are laid out in the second part of this submission.

1 General comments

In terms of the proposed NPS for Renewable Electricity Generation, Environment Bay of Plenty is generally supportive of its direction. Policies 1, 2 and 3 are supported in principle while the essence and direction of policies 4 and 5 is also supported.

Environment Bay of Plenty is concerned that the NPS could work against initiatives to implement alternatives to generated energy. The NPS is generation-focussed and is not holistic enough to include a reduction or diversion of energy demand. We suggest that alternative methods to reduce electricity demand such as insulation, solar heating and cooling techniques and encouraging behavioural changes also be promoted.

Environment Bay of Plenty would like the NPS to provide stronger direction to allow for sites which generate electricity to be able to feed electricity back into the national grid.

The NPS does not address the issue of priority when there are competing uses for resources (for example, the use of water for hydro-electricity generation and irrigation). Environment Bay of Plenty suggests that stronger wording relating to priority of resource use, or a requirement for Regional Councils to prioritise resource use in their plans would provide certainty to the community and business.

Environment Bay of Plenty wishes to highlight that central government would need to provide additional resources to cover any additional responsibilities required of regional councils by the implementation of the NPS.

We also note that there have been a plethora of National Environment Standards and National Policy Statements developed over recent months.

There has been no consideration by Government to the cumulative costs and the lack of efficiency and effectiveness of these national directives on local authorities and their communities. In particular, there has been no consideration or flexibility regarding existing review processes that different planning documents may be subject to. Environment Bay of Plenty is also concerned that no consideration has been given to enabling a streamlined approach to the implementation of this NPS.

We consider that if central government continues to require mandatory review and changes to local authority planning frameworks to implement national directives such as this NPS it should enable local authorities within this NPS to do so in the most efficient and effective way. We consider that this could be achieved by enabling local authorities to implement the NPS exempt from processes required in Schedule 1 of the Resource Management Act (1991).

If central government is not willing to enable this then it should either enact special legislation to implement this NPS directly itself or enable local authorities to assess and decide whether changes to their planning frameworks are required. In addition, the date for review could be removed and any required changes would be incorporated at the next scheduled review of the relevant planning documents.

Environment Bay of Plenty encourages the development of a non-regulatory tool to support small and community-scale renewable electricity generation development and operation (please see "Recommendations on policy and process for renewable electricity generation activities" below).

In Environment Bay of Plenty's view, it is imperative that the Ministry for the Environment (MfE) release a guidance manual on resource management standards for renewable electricity generation to accompany this NPS. Another way to clarify the application of some of the new terminology would be to include definitions within the NPS. Providing guidance through a manual would streamline implementation and provide greater certainty and consistency in the implementation process.

Such a manual could:

- identify the matters relevant to the official consideration of proposals to use and develop renewable energy resources
- set specific effects-assessment methodologies
- specify activity status for small, micro, and research-scale activities and for those activities associated with the investigation of sites
- guide council decisions as to the appropriate policies, methods and consent status for particular activities and the appropriate assessment criteria
- clarify the interpretation to be given to policies particularly in regards to the existing interpretation and assessment of effects and the introduction of new terms such as considering the "reversibility of effects".

The guidance manual should provide a level of detail that will assist implementation of Policies 2, 3, 4, and 5 of this proposed NPS. The manual could refer to examples of current practices in New Zealand and best practices overseas. The chief benefit of such a document is that it would enable the consistent and timely interpretation and implementation of the NPS with the spin-off of increasing certainty in the marketplace.

Environment Bay of Plenty also seeks clarification in this guidance manual about the projected installed capacity of non-renewable plants compared with forecast demand in 2025. Given that the NPS directs that no more than 10% of delivered electricity should be generated by non-renewable means by 2025, will the NPS require the closure of operational plants?

Although the MfE has evaluated the development of various forms of statutory and non-statutory guidance and concluded that a National Policy Statement for Renewable Electricity Generation provides the best solution, nothing indicates these options will contradict one another. Therefore, Environment Bay of Plenty supports the release of a guidance manual, such as that suggested above, to accompany the NPS for Renewable Electricity Generation.

2 Specific comments

Environment Bay of Plenty while supportive of Policy 4 and 5 considers that the structure of both these policies could be improved. At present they appear to be a mixture of guiding principles (for example: supporting and enabling identification of renewable generation) and operational policy (e.g. local authorities are to notify a plan change, proposed plan or variation). Policies 4 and 5 should remain guiding principles and not require unnecessary plan changes or variations. Environment Bay of Plenty suggests that the operational policy element relating to plan changes, proposed plans or variations should be a separate policy, Policy 6.

2.1 Comments on Policy 4 – Enabling identification of renewable electricity generation possibilities

Policy 4 lacks guidance of how it should be implemented practically. It should be noted that there is a variety of ways of generating electricity renewably. Since some of these methods include relatively new technology it is, as yet, unclear what environmental impacts research-scale investigation may cause and their relative reversibility.

When assessing a potential site, or launching a research scale investigation for off-shore wind wave or tidal electricity generation it is unclear whether it is the NPS or the Proposed New Zealand Coastal Policy Statement which takes precedence in managing the coastal marine area. This matter needs to be clarified within the NPS.

Clarification on identifying energy generators is needed: Environment Bay of Plenty questions whether any identification or qualification is required for those who claim to be generators of renewable electricity.

2.2 Comments on Policy 5 – Supporting small and community-scale renewable electricity generation

It is likely that relying on local authorities to establish methods of measuring and assessing effects and considering project proposals would create uncertainty in the marketplace, be time-consuming and lead to inadequate assessments. It would also be

very difficult to gain industry consensus on which methodologies and thresholds to adopt. Central government should provide guidance on this.

There is an inconsistency between the NPS Regulatory Impact Statement (RIS) and its Section 32 Evaluation report. The RIS asks submitters to provide information regarding a marine (energy) generation project. However, the Section 32 report definition of small and community-scale renewable electricity generation report excludes offshore wind, tidal and wave energy generation. We suggest that this inconsistency be remedied (or clarified if a "marine generation project" refers only to electricity generated from ocean currents).

The use of a threshold to define generation as "small and community-scale" may be an inadequate control as it does not preclude sub-standard or inefficient technology that could have a detrimental environmental impact.

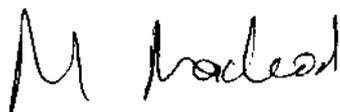
3 Proposed changes to wording of National Policy Statement

Policy number	Proposed wording
Policy 4	Local authority policies and plans should enable the identification of renewable electricity generation possibilities, including activities associated with: <ol style="list-style-type: none"> 1 The identification and assessment by recognised generators (or qualified researchers) of potential sites and energy sources for renewable electricity generation. 2 Research-scale investigation into emerging renewable electricity generation technologies and methods.
Policy 5	Local authority policies and plans should support small and community-scale distributed renewable electricity generation.
Policy 6	Local authorities are to assess their policy statements and plans for the implementation of above policies. If policy statements and plans do not give effect to the policies of this National Policy Statement, local authorities are required to notify by 13 March 2012, 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 above policies.

Environment Bay of Plenty wishes to be heard in support of this submission.

I trust that you find the above comments helpful and constructive.

Yours sincerely



Mary-Anne Macleod
Group Manager Strategic Development