

**MANUKAU CITY COUNCIL DRAFT SUBMISSION**

**PROPOSED NATIONAL POLICY STATEMENT FOR RENEWABLE ELECTRICITY GENERATION**

**31 OCTOBER 2008**

Manukau City Council would like to thank the Ministry for the Environment for the opportunity to lodge a submission to the proposed National Policy Statement for Renewable Electricity Generation (NPS-REG). Manukau City currently has a population of approximately 340,000 with annual growth of population around 9,000 persons per year. A secure supply of electricity to this City is critical and a sustainable source for that electricity is strongly supported. Manukau City Council strongly supports the Local Government New Zealand submission.

This submission is divided into general comments and specific comments on the objective and each of the policies.

**General Comments:**

This focus of the proposed NPS has changed from Renewable Energy to Renewable Electricity Generation since last year when Manukau City Council was asked to make comment on a proposal from the Ministry for the Environment to develop an NPS (see Appendix 2 for previous comments given by MCC). The change in focus means that the subject field has narrowed considerably and excludes, for example, the direct use of sustainable energy which may be more appropriate and efficient (e.g. the use of heat from geothermal fields for industrial purposes) instead of using it only for the generation of electricity. The use of renewable energy may also defer electricity generation through direct use of heat energy or defer electricity peaks through use of alternate energy sources (solar water heating and wood burners for example). This NPS is considered an opportunity that should not be wasted by narrowing the focus. It is recognised that energy is a broad subject area and that other targets and mechanisms are in place to target liquid fuels, for example the biofuels sales obligation.

Further, the use of an NPS for the delivery of a more sustainable electricity system in NZ suggests that Council's (both regional and local) are entirely responsible for the delivery of this aim under the Resource Management Act (RMA) 1991. It is considered that the government and state and private enterprises must also share the responsibility for example through promoting research/development and education, statutory reforms to the Electricity Act, through the use of the NZ Energy Efficiency and Conservation Strategy, use of National Environment Standards, and through the involvement of the Electricity Commission.

Monitoring of the success of the NPS in terms of achieving environmental outcomes and reaching national goals should be administered by a central agency.

It is recognised that ongoing quality planning advice would be useful.

The Section 32 analysis of costs to local government of this proposed NPS is \$19.9 million (spread over 2-5 years) to cover the development, notification and processing of plan changes. Staff may also require upskilling. Manukau therefore notes its desire to delete the date for the delivery of plan changes relating to this NPS so that it can make the necessary change to give effect to the NPS as part of its 2<sup>nd</sup> generation District Plan (review).

Manukau City Council does support the proposed NPS with some conditions as set out in the specific comments below.

**Specific Comments:**

This section states the objectives and policies as written in the proposed NPS-REG and the Council's comments follow.

**Objective**

*Recognising 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% of New Zealand's electricity will be generated from renewable sources by 2025 (based on delivered electricity in an average hydrological year).*

Comment:

It is suggested that the objective could be made clearer in a number of ways.

First the target of 90% which comes from the NZ Energy Strategy could be deleted from the objective and placed in the preamble to give more meaning to the context and need for the NPS. It is also difficult to link the 90% target back to the RMA.

It is understood that the purpose of the NPS is to remove constraints to development of renewable electricity generation plants (as far as is appropriate) and to enable them to occur by putting suitable mechanisms/ rules in place in both regional and local plans. However, there is still uncertainty around the scale and adverse environmental impacts from such developments which will make the evaluation of consents difficult when weighing up Section 32 matters e.g. environmental amenity, effects on the landscape etc. It is considered critical that planners be able to test the NPS for its effectiveness and it is therefore suggested that the intended environmental outcomes be identified. These could include such outcomes as:

- i) Increasing the proportion of renewable electricity generation sources
- ii) Reducing dependency on fossil fuels
- iii) Minimising greenhouse gas emissions from the generation of electricity

Conclusion

Manukau City Council suggests that the 90% target be deleted and replaced with outcomes such as those outlined above.

***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 national, regional and local benefits relevant to renewable electricity generation activities. These benefits 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.*

Comment:

The policy is considered general and lacks guidance to local council's as to how it is to be achieved, in particular given the lack of clarity and certainty associated with having to reconcile potentially competing Section 6 and 7 matters under the RMA (e.g. Matters of National Importance include natural character of the coastal environment, wetlands, lakes and rivers, protection of outstanding natural features and landscapes, significant indigenous vegetation and habitats of indigenous fauna, maintenance of public access to and along the coastal marine area, lakes and rivers etc, and S7 Matters to have particular regard to include kaitiakitanga, efficiency of the end use of energy, maintenance and enhancement of amenity values, intrinsic values of ecosystems, maintenance and enhancement of the quality of the environment, the effects of climate change and the benefits to be derived from the use and development of renewable energy etc). The benefits which are noted in i) and ii) in the policy are not comprehensive and therefore add little. If there are to be no circumstances where a

renewable electricity generation plant might be declined then the policy should be direct in saying this. If there are circumstances where such a plant is to be declined give some guidance as to when this might occur i.e. name the circumstances.

The policy could be made more specific by deleting the existing i) and ii) and replacing with stated benefits or outcomes to be achieved across each of the energy sources i.e. hydro, solar, wind, coastal, biomass and geothermal. This would give more guidance and clarity to the circumstances when such a plant may or may not be granted consent. Some provision would be required so as not to exclude new technology.

It is considered that this policy should be set at the national level only recognising that local and regional initiatives are cumulative and all contribute to the national grid. The benefits are unequivocally at the national level (as is stated in first sentence) especially as the government now has a 90% target in place for the use of renewable electricity generation.

Lastly, ii) refers to any electricity generation capacity, i.e. it does not assist decision makers to better differentiate between the benefits of renewable vs. non-renewable electricity generation as both activities deliver the benefits of increasing security of supply and diversifying the type and location of generation.

Conclusion

This may need to be a two tier policy with the second tier focussing on the benefits/outcomes required from each of the energy domains that renewable electricity is to be generated from. Delete i) and ii) and replace with benefits to be achieved from each renewable energy source for electricity generation to provide more clarity and certainty. This could be supported with a table of benefits and constraints of different technologies, such as:

	Noise intrusion	Visual intrusion	Footprint	Predictable	Dispatchable
Large wind	Yes	Yes	Small	Very short term	No
Solar PV	No	Some	Medium	Partially	No
Geothermal	Low	Medium	Large	Yes	Partially
Large Hydro	Low	Yes	Large	Yes	Yes
Biomass	Seasonal	Varied - Seasonal	Large	Yes	Yes
Small hydro	etc				

Delete words 'regional and local' from second sentence and delete bullet points and replace with above.

***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 affects of renewable electricity generation activities, consent authorities must have particular regard to the constraints imposed on achieving those measures by:*

1. *The nature and location of the renewable energy source;*
2. *Logistical or technical practicalities associated with developing, operating or maintaining the proposed renewable electricity generation activity;*
3. *The nature and location of existing renewable electricity generation activities;*
4. *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.*

Comments:

The intent to seek recognition of all the constraints across each of the renewable energy types is good, however flagging perhaps an 'easy ride' for all renewable electricity generation developments is not, as some developments may not be appropriate in all situations.

It is not clear what this policy adds when the amendment to the RMA in 2005 added the following: "(j) the benefits to be derived from the use and development of renewable energy" to Section 7 - Other Matters to be given particular regard. This policy would allow regional and or local authorities to identify sites or areas for certain types of renewable electricity generation which could be included in District Plans, but this could be done anyway under the Act.

Conclusion

Not sure how necessary this policy is.

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

***Policy 3***

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

Comments:

It is considered that focussing on the notion of irreversibility relating to renewable electricity generation (e.g. the structure and effects on the environment) is inappropriate and assumes that technology will not in the future enable for example the removal of large hydro dams and restoration of valleys that were once inundated. Rather the focus should be that there are only a finite number of useful renewable energy sites that can be used to generate renewable electricity. This issue also links with policy 1 in that when weighing up sites, adverse environmental effects will be a part of the equation. For example large hydro-electric dams may not provide the best answer to renewable energy in the future not because of their irreversibility but because of the significant adverse effects they have on the river such as removing the use of land surface, effects on water users such as for recreation and water take for agriculture, horticulture, loss of amenity and effects on tourism that result etc. Growing biomass for fuel is highly reversible, but may be undesirable for visual, biodiversity and land use reasons.

If the purpose of this policy is to avoid large hydro dams then it should say so and not avoid the issue.

If necessary this policy could be added into policy 1 where the benefit of easily removed structures relating to a certain type of sustainable energy may be considered better than other types of renewable energy (i.e. wind turbines are easy to remove with no effect left on the environment). Also an added benefit to be included under policy 1 could be that the proposal for a renewable electricity generation plant is built to use the full capacity of the site instead of being developed in a piecemeal fashion over time i.e. once built it is highly likely that a renewable electricity generation plant will remain so use the renewable energy site to capacity.

Conclusion

Delete this policy or re-write it focussing on what is really behind it.

***Enabling identification of renewable electricity generation possibilities.***

***Policy 4***

*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 plan to enable activities associated with:*

1. *the identification and assessment by generators of potential sites and energy sources for renewable electricity generation;*
2. *Research-scale investigation into emerging renewable electricity generation technologies and methods.*

Comments:

In order to achieve the above, research should not be constrained by local or regional Councils and requires Regional Policy Statements/Plans and District Plans to make it easier for organisations to undertake research i.e. include rules that allow for limited scale extraction and for short term duration to take place as a Permitted Activity. It would be helpful if assistance could be given as to drafting of such rules, perhaps other councils have included such rules?

It is considered that the date can be removed from this policy as many local authorities are currently within a process of reviewing their first generation District Plans.

Conclusion

Remove date from the policy. Define the term 'generators' and 'research-scale investigations'.

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

***Policy 5***

*By 13 March 2012, local authorities are to notify, in accordance with Schedule 1 of the Act, a plan change, proposed plan change 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.*

Comments:

It is considered that this policy should be revised to limit discretion regarding whether certain activities are permitted, controlled or otherwise. If it is not possible to be more specific then perhaps a National Environmental Standard may be more effective and efficient. Support in the form of funding should come from central government.

The focus on community owned facilities could have the negative effect of having more inefficient generation, piecemeal delivery and more environmental impacts ie: 10 small wind turbines installed over 10 years may provide more visual intrusion and environmental impacts than one large turbine providing equivalent generation.

Conclusions

Delete date. Revise the policy to focus more on guidance on enabling what, where and how.

**DEFINITIONS**

There are 2 definitions that Manukau City Council would like the Board to consider amending, these are:

*"Renewable electricity generation"* – suggest this could be changed to read 'Electricity generation from renewable energy resources' in order to fit with Section 7 (j) of the Resource Management Amendment Act 2005.

*"Small and community-scale distributed renewable electricity generation"* – suggest that the cap of 4 megawatts be replaced with a definition that focuses on connection to the local distribution network not directly to the national grid and is for domestic use, community facilities or similar. The use of 4 megawatts is probably arbitrary and officers understanding is that the current geothermal generation modules are rated at 5 megawatts.

Manukau City Council looks forward to the opportunity to present further evidence at the hearing of this submission by the Board.