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Feedback on proposed amendments to National Policy Statement for Renewable Electricity Generation and Electricity Transmission

Thank you for the opportunity to provide feedback on the consultation document for the proposed amendments to the National Policy Statement for Renewable Electricity Generation (NPS-REG) and Electricity Transmission (NPS-ET).

Over the medium-term, Kapiti District expects an increase in energy needs related to the forecast growth in new households which will require increased water, wastewater, streetlighting and other services council provides.

The Kāpiti Coast offers several possibilities for electricity generation, including wind power, solar power, potential micro-hydro projects, and biomass energy. The Kāpiti Coast District Council ('Council'), therefore, takes interest in the proposals to strengthen government direction for consenting renewable electricity infrastructure.

The Council is broadly supportive of the intent behind the proposed amendments of the NPS-REG and NPS-ET, noting that the more permissive provisions set out, including easier consenting pathways, will support our district to create environments that support community wellbeing and sustainable supporting systems and infrastructure.

However, the Council would like to note a concern that allowing for large scale renewable electricity projects may attract opposition from the ratepayers within the district, as it may affect amenity values and raise environmental concerns. Further to this, we are concerned about flow-on impacts for implementation that will be costly and difficult to implement.

Included below are Council's responses to the consultation document questions which we anticipate will be taken as independent responses to your questions, along with this

opening statement.¹ The response has only covered questions which the Council considered particularly relevant to us.

Questions from the consultation document and Kapiti Coast District Council response

Focus: problems, objectives and scope

0.1 To what extent do you agree with the problems and opportunities identified in this section?

The Council is generally supportive of the opportunities provided in the proposed NPS-REG which enable cost-effective pathways to provide for renewable electricity generation (REG) activities and streamline consenting for electricity (ET) activities.

We acknowledge there are existing gaps in managing interactions with Māori and finding a balance that allows them to maintain their relationship with their taonga, while also accommodating REG and ET activities. We support having clearer national direction on recognition and provisions for Māori interests. We also support consideration being given to the tensions that may arise locally due to adverse amenity and environmental effects from large-scale REG and ET projects.

0.2 To what extent do you agree with the policy objectives of the proposal?

The stronger direction set in the objectives and policies proposed by NPS-REG and NPS-ET will support growth, as currently set out in the Kapiti District's Growth Strategy - Te Tupu Pai 2022, to create environments that support community well-being, by enabling sustainable infrastructure. As a Council, we have committed to reducing emissions and transitioning our community towards to low carbon living through our District's Growth Strategy.

Additionally, the policy intent of these amendments aligns with Council's Carbon and Energy Management Plan, 2015, which seeks that the district becomes more energy resilient by producing sustainable sources of energy locally, thereby reducing exposure to the effects of international price volatility in the energy sector.

0.3 To what extent do you agree with the scope of the proposals?

We are generally supportive of the proposals. However, we would like to see the amendments also include policy objectives that outline benefits to local community from enabling sustainable sources of energy. This would encourage support at the district/local level for larger sustainable energy projects, which are otherwise likely to attract local opposition given the proposed amendments anticipate enabling greater loss of amenity and other values.

0.4 Please provide any comments about this section?

Refer to responses above.

¹ Ministry of Business, Innovation & Employment & Ministry for the Environment. (April 2023). Strengthening national direction on renewable electricity generation and electricity transmission.

Focus:- high-level options

0.5 To what extent do you agree the preferred option will best address the problem and meet the policy objectives?

We do not believe the preferred option will *sufficiently* address the problem and meet the policy objective. The preferred option to amend the NPS-REG and NPS-ET to enable consent processing, despite acknowledging the lengthy transition periods and the importance of a robust directive for facilitating REG and ET activities, lacks full consideration for the effort and cost involved in implementing the change for local authorities.

This oversight becomes particularly critical as local authorities already face a range of existing commitments to review planning documents as a result of other national directions, and to accommodate the upcoming RM reforms. The feasibility of utilising S55(2) of the RMA to directly incorporate the objectives and policies from the NPS's into plans and policy statements is questionable. This is because the act of inserting the proposed objectives and policies would inevitably necessitate plan changes to effectively implement the proposal, thus contradicting the original purpose of that option to reduce the burden on councils.

0.6 Do you agree that the NPS-REG and NPS-ET amendments are of higher priority than progressing the NES-ETA amendments and a new NES-REG?

No, our recommendation is that priority be given to progressing the amendment of the NES-ETA and the creation of a new NES-REG now, which can be implemented in consent processing under S104(1)(b)(i) of the RMA.

Further, we propose that these standards should not impose strict requirements from the beginning but rather serve as a "starting point," granting Council the flexibility to apply the standards in a manner that suits the local environment best. This approach would also facilitate a better understanding of the effectiveness of the standards while developing the National Planning Framework.

0.7 Please provide any comments about this section.

Refer to responses above.

Focus 1:- recognising and providing for the national significance of renewable electricity generation

1.1 To what extent do you agree with the problem statement for this section?

The Council acknowledges that the NPS-REG may not align with the approach currently adopted by the courts, resulting in REG activities being given less weight in consenting decisions compared to other environmental factors. Considering the urgency of the climate crisis, we recognise the need for stronger directives to achieve improved sustainable energy outcomes.

1.2 To what extent do you agree that the proposal appropriately addresses the problem and the policy objectives?

We partially agree with the proposal. Although we support the proposal to establish stronger policy directions and recognise the national significance of renewable electricity generation and emission reduction, we also believe it is important to consider incentivising ratepayers within the district in relation to locally produced REG output. This recognises REG projects are likely to attract local opposition given the proposed amendments anticipate enabling greater loss of amenity and other values in order to better provide for such projects.

1.3 Are there other benefits from REG activities that have not been identified?

Refer to responses above.

1.4 Are there any relevant provisions from the existing NPS-REG that in your view should be retained?

Refer to responses above.

1.5 Please provide any evidence or examples to support your view?

Refer to responses above.

1.6 Please provide any comments about this section?

Refer to responses above.

Focus 2:- Enabling renewable electricity generation in areas with significant environmental values

2.1 To what extent do you agree with the problem statement for this section?

The Council agrees that the existing policy direction is weak in managing tensions between REG activities and environmental matters.

2.2 Are you aware of specific problems with the assessment of alternatives through consenting processes under the RMA? Is there a way to specify how practicable alternatives should be assessed? How could the assessment be locationally constrained (for example, within a region or district; or within a specific distance from the proposed point of connection)?

Refer to responses above.

2.3 To what extent do you agree that the proposal appropriately addresses the problem and the policy objectives?

A more comprehensive and robust directive will most certainly ensure that REG activities are enabled, without being avoided entirely, if in conflict with other environmental matters.

2.4 Please rank the options in order of preference (Option 1, Option 2A, Option 2B, Option 2C or status quo).

Option 1.
Option 2A.
Option 2B.
Option 2C.
Status Quo.

2.5 In your view, does the effects management hierarchy for REG in option 2 work for all significant environment values?

Overall, no. The Kāpiti Coast offers a unique landscape broadly comprising of coastal plains and natural open spaces, offering a pristine environmental appeal. The unique natural features of the area make it an appealing place for both residents and tourists to visit and enjoy. However, this also makes it challenging to enable REG activities in locations such as the coastal plains, which hosts the majority of the district's population and is of strategic interest to the Council in enabling housing/commercial intensification and productive rural land uses.

Notwithstanding, there are areas within the district where there is a strong support for enabling REG activities, for instance in Paekākāriki a wind electricity-generating project has been proposed on the hills, with the objective to provide renewable energy to the village of Paekākāriki, with surplus energy distributed via the local line network to other parts of Kāpiti. Nevertheless, the lack of funding and investor support, along with challenges related to land access, have led to the suspension of the project.

2.6 To what extent do you agree that the terrestrial coastal area should be a key area for future REG development potential?

We do not agree. Other areas within the district possess the possibility of serving as viable and practical locations for Renewable Energy Generation (REG) initiatives, presenting an alternative to conducting such activities on the coastal plains. Therefore, we consider that terrestrial coastal areas should not be a key area for future REG development potential in the local context and prefer Option 1 which provides for a chance to investigate other 'practicable alternative locations' for use and development of REG activities.

2.7 To what extent do you agree that the New Zealand Coastal Policy Statement poses particular challenges for consenting REG activities onshore in the coastal environment?

Any large-scale development of REG projects in the coastal area of the district will likely cause strong opposition from the local community, as the general public attitude is very supportive of retaining the existing natural character of the coastal area.

There are a range of natural hazard issues present on land across the district, which in places along the coast are anticipated to worsen due to climate change. For these reasons we think the option to enable REG activities in other 'practicable alternative locations' must be retained. This is because the criteria that solely assess national or regional benefits and require a functional or operational need for REG projects do not adequately take into account the local challenges and potential resistance from the community.

2.8 Please provide any evidence or examples to support your view.

Refer to responses above.

2.9. Please provide any comments about this section.

Refer to responses above.

Focus 3:- Enabling renewable electricity generation in other areas, including areas with amenity values

3.1 To what extent do you agree with the problem statement for this section?

Refer to the response below.

3.2 To what extent do you agree that the proposal appropriately addresses the problem and the policy objectives?

The Council broadly agrees with the option proposed under this section to enable REG activities in areas where adverse effects on the local amenity values avoided, remedied, or mitigated to the extent practicable. However, the Council would like to see some incentives offered to the ratepayers, by ensuring benefits received from REG projects percolate to the local residents as well. This would recognise it is local communities who will experience the adverse effects on amenity value and character as a result of increased REG activities.

3.3 Please provide any evidence or examples to support your view.

Refer to the response above.

3.4 Please provide any comments about this section.

Refer to the response above.

Focus 4:- Recognising and providing for Māori interests in relation to REG activities

4.1 To what extent do you agree with the problem statement for this section?

We partially agree with the problem statement. To assist Councils to engage effectively, we seek that central government deliver consistent direction across all national policy statements about who should be engaged (Māori, iwi, hapu, mana whenua, and/or whanau) and what engagement should look like. Inconsistencies across national direction result in a lack of clarity for local councils and iwi, and where multiple national directives must be considered at once, uncertainty around which provision takes precedence or how to reconcile conflicting requirements can impede effective decision-making and lead to delays.

4.2 To what extent do you agree that the proposal appropriately addresses the problem and the policy objectives?

The Council is supportive of the need to provide for a strong directive to resolve interactions and potential tensions between the national significance and benefits of REG and ET activities, the relationship of Māori with their ancestral lands, sites and other taonga, and the protection of historic heritage from inappropriate development, by allowing opportunities for early engagement and consultation with the relevant iwi groups.

We would however like to stress the significance of providing adequate support and resources to iwi, enabling them to undertake these consultations. Currently, our iwi partners (Te Ātiawa ki Whakarongotai, Ngati Toa Rangatira, and Nga Hapu o Otaki) are facing considerable strain, as they are required to actively participate in plan making and resource consent processes across numerous districts and regions and will be further stretched with the upcoming RM reforms.

4.3 Please provide any evidence or examples to support your view.

Refer to the response above.

4.4 Please provide any comments about this section.

Refer to the response above.

Focus 7:- Small and community-scale generation

7.1 To what extent do you agree with the problem statement for this section?

We partially agree with the problem statement. Although, the proposed NPS does not make a stringent requirement to provide for such small-scale REG activities, we felt it was worthwhile to note that forcing small scale REG activities via regulation does not necessarily achieve the desired policy outcome. This could be taken up as a consideration in developing the National Planning Framework, as it poses a serious limitation towards encouraging small scale REG activities.

7.2 To what extent do you agree that the NPS proposal appropriately addresses the problem and the policy objectives?

The Council agrees with the proposal to encourage more community and small-scale REG activities and has espoused a similar framework to enable small scale REG activities in its district plan. In one area of the district, the district plan expressly requires developers to install solar panels. Unfortunately, such prescriptive provisions have not achieved the intended policy outcome, with many developers applying for consents to avoid the requirements to provide for small scale REG activities. Some of the arguments extended against such requirements was the cost associated with constructing and maintaining roof-mounted solar panels, amenity concerns and buyers not willing to spend extra money on such projects.

Given, the existing scenario within the district, the Council would prefer Option 1 as it recognises and provides for the local benefits of small and community scale renewable electricity generation. We support the proposed intent of this option, as it allows for smaller schemes where benefits may be more closely seen at the community scale.

7.3 To what extent do you agree with the proposed definitions of small-scale and community-scale renewable electricity generation activities?

The Council fully supports the definition of small-scale REG activities, as it will likely provide greater clarity in resource consent processing for such activities.

7.5 To what extent do you agree that the NES proposal appropriately addresses the problem and the policy objectives?

We partially agree with the problem statement. Refer to comments above.

7.8 Should the rules relating to small-scale free-standing and roof-mounted wind and solar apply to all zones, or should they exclude residential zones?

The rules should exclude residential zones, as our district plan already contains numerous enabling provisions for small scale REG activities in these zones. Adding a new set of enabling provisions or amending the existing set is unlikely to have any benefit and may create confusion in consenting decisions.

7.9 Do you agree the NES should enable planning decisions to apply a more lenient application of the rules relating small and community scale wind and solar generation?

Yes, we support the proposal to create a more lenient NES for small and community scale activities, so the Council has the freedom to use its own discretion in manufacturing favourable conditions to promote the use of small and community scale REG activities, while having a broad guideline supporting the decisions.

The Council has introduced some initiatives to promote community based REG activities. For instance, Energise Ōtaki is a community initiative to build a resilient and sustainable future for Greater Ōtaki, with the aim to become a community that can supply all its own energy needs and become a net exporter of energy. In 2020, Energise Ōtaki, with funding from the Wellington Community Trust, set up two solar systems to generate power to go straight to users within the community. A 23kWp system is now installed at Ōtaki College and a 107 kWp system, named Rau Kūmara, adjacent to the Ōtaki Wastewater Treatment Plant. The generated power is used at the local College and to run the Council's wastewater treatment process, and the proceeds from the electricity sold are put into the Energise Ōtaki Community Investment Fund, supporting energy and other projects in the town

7.10 Please provide any evidence or examples to support your view.

Refer to the responses above.

7.11 Please provide any comments about this section.

Refer to the responses above.

Focus 10:- Managing the environmental and amenity effects on electricity transmission

10.1 To what extent do you agree with the problem statement for this section?

We agree that Policies 7 and 8 are incomplete in the sensitive and significant environments and values they apply to, like coastal environment or significant natural areas.

10.2 To what extent do you agree that the New Zealand Coastal Policy Statement poses particular challenges for consenting transmission activities onshore in the coastal environment?

We agree, but we consider that the NZCPS is not at fault in doing so. Similar to our response to questions under Section 2, allowing for ET activities in coastal areas can be very challenging within the Kāpiti Coast, given climate change associated risks i.e. sea level rise and communities likely to express strong disapproval to altering the existing natural and physical character of coastal areas.

10.3 To what extent do you agree that the proposal appropriately addresses the problem and the policy objectives?

The Council agrees with the proposal to provide greater clarity on how to manage interactions with and effects on significant natural environment values, amenity values and giving importance to recognising and providing for Māori interests, by having early engagements.

10.4 To what extent do you agree with the definition of minor ETN activities?

We support the definition of minor Electricity Transmission Network (ETN) activities and enabling these activities to occur in a timely and efficient way without restriction, with no more than minor adverse effects on the environment over time.

10.5 How can the proposals better provide for the operation, maintenance, and upgrade of existing transmission activities in the coastal environment?

Refer to the response for 10.4.

10.6 To what extent do you agree with the definition of ETN development activities?

Refer to the response for 10.4.

10.7 To what extent do you agree that the options for ETN development activities should be consistent with the options for the REG in section 2 (enabling ET in areas with significant environmental values?)

We agree that they should. As discussed previously, some areas along the coastline are sensitive to erosion and inundation and the public sentiment is averse to alerting the existing character of the surrounding area. Moreover, implementing the aforementioned

criteria would reduce conflicts in effectively managing the relationship between ETN activities and environmental concerns.

10.9 In your view, does the effects management hierarchy for ET in option 2 work for all significant environment values?

No. As discussed previously, some areas along the coastline are sensitive to erosion and inundation and the public sentiment is not very supportive of altering the existing character of the surrounding area. Moreover, implementing the aforementioned criteria would reduce conflicts in effectively managing the relationship between ETN activities and environmental concerns.

10.10 To what extent do you agree that the options for ETN development activities should be consistent with the options for the REG in section 3 (enabling ET in other areas, including areas with amenity values)?

The Council only partially supports the provisions allowing for ETN activities with more than minor upgrades. We seek that draft provision 3.8 be amended with a minor addition to provide for ETN activities in other 'practicable alternative locations within areas with significant environmental values'. We consider that it is important to have these criteria as our coastline is overlain by 'special amenity landscapes'. As noted earlier, some areas along the coastline are sensitive to erosion and inundation and the public sentiment is averse to altering the existing character of the surrounding area. Moreover, implementing the aforementioned criteria would reduce conflicts in effectively managing the relationship between ETN activities and environmental concerns.

10.11 To what extent do you agree that the options for ETN development activities should be consistent with the options for the REG in section 4 (recognising and providing for Māori interests)?

We support that proposed option 1 to strengthen policy direction for minor ETN activities will not undermine existing provisions and protections for Māori interests.

10.12 Please provide any evidence or examples to support your view.

Refer to the responses above.

10.13 Please provide any comments about this section.

Refer to the responses above.

Focus 14:- Questions on implementation

14.1 Do you support the use of section 55 (2) to direct local authorities to insert relevant provisions from national policy statements into regional policy statements, regional plans and district plans without using the standard plan-making process in Schedule 1 of the RMA?

While we do think that S 55(2) is the best placed option between all others, it is unlikely to avoid a situation where the Council will have to review their plans to give effect to the new changes. This might become a cumbersome and cost heavy task, essentially entailing the same process and detail which would otherwise be required under Schedule 1 plan change (provided as option 1). Further, the issue with option 3 is that an assessment under s104(1)(b)(iii) can easily overlook or not do full justice to the amendments proposed as part of the NPSs, which would consequently result in the proposed NPSs not achieving their desired outcomes.

14.2 Do you support providing non-statutory guidance for developing and maintaining renewable electricity generation?

Refer to the response to 14.1

14.3 Do support further central government or other institutional support for councils in making their consenting decisions?

We support creation of an NES for REG and ET and implementing that through the consent processing. Further, it would be useful for the local authorities to be provided with a guidance document in implementing the changes proposed by the NPSs, as this would allow consistent application and interpretation of the new provisions.

14.4 Are there any implementation risks the government should be aware of?

Although, there are no timeframe to implement the new NPS's, the upcoming RM reforms are likely to increase the Council's responsibility in giving effect to the new changes under the reform. This will put tremendous strain on the Council, in terms of managing budgets. This has a potential for the NPS's to get pushed back by a few years, rendering its usefulness only momentary before the NPF come into play.

14.5 Please provide any evidence or examples to support your view.

Refer to the responses above.

14.6 Please provide any comments about this section.

Refer to the responses above.

Should you have any queries regarding this submission please contact Jason Holland (Jason.holland@kapiticoast.govt.nz).

Sincerely



Sean Mallon
Acting Chief Executive