

Ministry of Business Innovation and Employment  
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## SUBMISSION TO THE MINISTRY OF BUSINESS INNOVATION AND EMPLOYMENT ON CONSENTING IMPROVEMENTS FOR RENEWABLE ELECTRICITY GENERATION AND TRANSMISSION

Thank you for the opportunity to present this submission on consenting improvements for renewable electricity generation (REG) and electricity transmission (ET).

The Queenstown Lakes District Council (QLDC) is supportive of the improvements to National Policy Statements, of which the Queenstown Lakes District Plan must give effect to as requirement of the Resource Management Act 1991 (RMA).

This submission outlines key points that are supported by QLDC and key points that QLDC recommend for further consideration. QLDC supports the direction in both the NPS REG and NPS ET to provide clearer direction and to more overtly recognize the benefits of renewable energy generation (REG) to climate change mitigation and improving the resilience of electricity transmission (ET).

Enabling smaller and community scale REG will be critical to the success of the decarbonisation plans for the district, including the Climate and Biodiversity Plan and the Destination Management Plan. This must be balanced with protection of significant landscapes. 97% the district is classified as outstanding natural landscape or feature, or national park.

There are further points that the QLDC would recommend for consideration, including minor drafting refinements and these are included with this submission at **Attachment A**.

Please note that this submission reflects the position of officers and has not been ratified by full Council.

Thank you again for the opportunity to comment.

Yours sincerely,



Tony Avery  
**GM Property and Infrastructure**

## SUBMISSION TO THE MINISTRY OF BUSINESS INNOVATION AND EMPLOYMENT ON CONSENTING IMPROVEMENTS FOR RENEWABLE ELECTRICITY GENERATION AND TRANSMISSION

### 1.0 Significance of renewable electricity generation and electricity transmission to Queenstown Lakes District

- 1.1 In 2019 Queenstown Lakes District Council declared a climate and ecological emergency as well as approving the release of the Council's first Climate Action Plan 2019-2021<sup>1</sup> for public feedback. On 30 June 2022, the Climate and Biodiversity Plan 2022-2025<sup>2</sup> was adopted by Council, along with an annual plan funding increase to support its year one delivery. This new three-year plan contains a goal to reduce district greenhouse gas emissions by 44% by 2030.
- 1.2 Council is also a partner to the recently released Destination Management Plan: "Travel to a thriving future: Regenerative Tourism Plan"<sup>3</sup>. This plan contains the ambitious target of "the visitor economy of Queenstown Lakes reaches carbon zero by 2030".
- 1.3 The district faces a complex electricity challenge due to the capacity of the infrastructure, the topography, landscape values and protections, seismic risk of the landscape, the rapid increases in energy demand and the affordability of asset investment and maintenance programmes. Secure electricity transmission can only be provided from a resilient distribution network that has sufficient capacity to cope with peak demand. Currently the Queenstown Lakes District is subject to significant vulnerabilities from both a disruptive shock to the district's transmission network as well as the stress of insufficient capacity to manage the increased demand from decarbonisation. In light of these vulnerabilities, careful consideration needs to be applied to future generation and transmission network planning and how smart technology can assist to alleviate pressure on the grid and avoid the risk of capital over-investment.
- 1.4 Additionally, the district's landscapes are of significant value to the people who live in, work in or visit the Queenstown Lakes. The district relies on the quality of the landscape in large part for its social and economic wellbeing, open spaces and the natural and built environment. These landscapes also have inherent values, particularly to Tangata Whenua.
- 1.5 The landscapes consist of a variety of landforms created by uplift and glaciations, which include mountains, ice-sculpted rock, scree slopes, moraine, fans, a variety of confined and braided river systems, valley floors and lake basins. These distinct landforms remain easily legible and are strong features of the present landscape.
- 1.6 In terms of indigenous vegetation and significant natural areas, the district contains a diverse range of habitats that support indigenous plants and animals. Many of these are endemic, comprising forests, shrubland, herb fields, tussock grasslands, wetlands, lake and river margins. Indigenous biodiversity is also an important component of ecosystem services and the district's landscapes. There are over 100 significant natural areas identified in the District Plan.
- 1.7 QLDC is supportive of central government direction which promotes the decarbonisation of energy generation through renewable energy generation (REG), and improvement of the resilience of electricity transmission (ET) through providing greater clarity as to the application of the National Policy Statement Renewable Energy Generation (NPS REG) and the National Policy Statement Electricity Transmission (NPS

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<sup>1</sup> <https://www.qldc.govt.nz/your-council/climate-change-and-biodiversity#climate-action-plan-2019-2022>

<sup>2</sup> [https://www.qldc.govt.nz/media/ie3jk5bb/qldc\\_climate-and-biodiversity-plan\\_jun22-web.pdf](https://www.qldc.govt.nz/media/ie3jk5bb/qldc_climate-and-biodiversity-plan_jun22-web.pdf)

<sup>3</sup> [https://assets.simpleviewinc.com/simpleview/image/upload/v1/clients/queenstownnz/Queenstown\\_Lakes\\_Regenerative\\_Tourism\\_Plan\\_33b42536-edd1-4086-acc5-708207e134f8.pdf](https://assets.simpleviewinc.com/simpleview/image/upload/v1/clients/queenstownnz/Queenstown_Lakes_Regenerative_Tourism_Plan_33b42536-edd1-4086-acc5-708207e134f8.pdf)

ET). QLDC believe that reducing carbon emissions, adapting to a changing climate and restoring indigenous biodiversity should not be approached separately.

- 1.8 Council is supportive of the proposals that also seek to ensure that appropriate REG and ET development is enabled, but also and that otherwise inappropriate REG and ET development does not occur at the expense of its outstanding natural features and landscapes and significant natural areas, where these effects are otherwise avoidable.
- 1.9 The relevant parts of the proposal that Council wishes to comment on are elaborated upon below, and set out in the same order as the relevant proposal sections as identified in the Consultation Document<sup>4</sup>. The exception to this is that because the proposed NPS REG and NPS ET are drafted in a similar way and have very similar decision-making frameworks, i.e., through the use of the effects management hierarchy for activities in areas with significant values, these have been grouped together.
- 1.10 **Attachment A** contains a table identifying recommended amendments to the drafting of the NPSREG and NPSET. The recommended amendments are primarily for drafting clarity and consistency, noting that the QLDC is supportive of the intent of the proposal.

## **2.0 Section 1 – Recognising and providing for the national significance of REG and Section 9 - Recognising and providing for the national significance of ET**

- 2.1 QLDC acknowledge and agree that the NPS REG should have more directive language which recognises the current approach being taken to policy interpretation, and the benefits of REG to assist climate change action.
- 2.2 Objective 1 of the NPS REG is supported, but limb (b) which is ‘while managing effects on the environment’ should provide more meaningful articulation as to how to manage the effects on the environment.
- 2.3 It is recommended that limb (b) is amended to refer to while ‘appropriately’ managing adverse effects on the environment. This amendment would provide more clarity to inform how the effects management policies would be implemented. The change would provide a sharper focus to REG and ET development that is needed to achieve the requirements of section 6 of the RMA and protection of the matters identified in that section from inappropriate development. The same recommendation applies to the wording in the NPS ET objective.

## **3.0 Section 2 – Enabling REG activities in areas with significant environment values**

- 3.1 Through Policy 4, an effects management hierarchy (EMH) would be applied to REG and ET development in areas with significant environment values, and as noted in the consultation document, this would be a first for NPS documents as a means of managing the effects of activities on outstanding natural features and landscapes. The consultant document sets out various options with varying degrees of intervention for REG<sup>5</sup> and associated drafting.
- 3.2 QLDC support Option 2A. This is because the location and functional constraints of REG are better recognized than the status quo and Option 1 (standard EMH), but there is the ability to provide an enabling pathway for REG while still providing environmental protections which are greater than proposed Options 2B and 2C. The concept of trading off effects on section 6 values over the benefits of the proposal is not usually an acceptable concept, and the intrinsic values of the resource are required to be protected as

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<sup>4</sup> Strengthening national direction on renewable electricity generation and electricity transmission April 2023 Consultation Document Table 1 at [iii]. <https://www.mbie.govt.nz/dmsdocument/26387-strengthening-national-direction-on-renewable-energy-generation-and-electricity-transmission-consultation-doc-pdf>

<sup>5</sup> Consultation Document at pages 29-39.

directed in Section 6 of the RMA. However, QLDC accept that support needs to be provided for REG, and that there may be REG activities located within the District's outstanding natural features and landscapes which may be appropriate in the context that approximately 97% of the district is classified as an outstanding natural features or landscape, and to recognize the functional and operational constraints of REG and its positive contribution to decarbonising electricity generation.

- 3.3 QLDC still seek however, that there is the ability to restrict development that is inappropriate, and that this can be done by enabling decision makers to apply the EMH (Option 2A) while enabling the national significance and benefits of the REG activities to be weighed up against residual adverse effects.
- 3.4 QLDC consider that Option 2A, while positively geared toward REG to locate in areas with significant environment values would still enable the refusal of inappropriate development if this was necessary to give effect to Section 6 of the RMA.

#### **4.0 Section 3: Enabling renewable electricity generation in other areas including where there are effects on local amenity values and Section 10: Managing the environmental and amenity effects of electricity transmission**

- 4.1 The Queenstown Lakes district contains high value rural landscapes within the Whakatipu Basin and Upper Clutha Basin that while not outstanding, have high amenity values which also require careful management. QLDC acknowledge that ET in particular has a functional and operational constraint to locate within these environments in order to reach the existing substation at Frankton and to provide access to other parts of the District.
- 4.2 QLDC acknowledge the national importance of ET and support policy 5 of the NPS ET. In providing support for this policy, it is acknowledged that effects can be managed, and industry providers will be strongly encouraged to take the most sensitively designed route.

#### **5.0 Section 4: Recognising and providing for Māori interests**

- 5.1 Council supports Option 1, introducing policy direction to recognise and provide for Māori interests in relation to REG and ET activities, including through early engagement, protection of sites of significance, and enabling small/community scale REG

#### **6.0 Section 5: Upgrading and repowering existing wind and solar generation**

- 6.1 Council supports Options 1 and 2 as a strengthened policy direction and naturally consistent rules for upgrading or repowering wind and solar generation presents an opportunity to utilise existing infrastructure. There are benefits and efficiencies in upgrading in existing locations as opposed to starting from scratch.

#### **7.0 Section 6: Reconsenting existing hydro**

- 7.1 Council supports the proposed approach as not making any changes to the existing framework.

#### **8.0 Section 7: Enabling small community scale wind and solar generation**

- 8.1 As discussed above, Council has committed to an aggressive plan of decarbonisation for the district. Enabling smaller scale REG will be an essential step to achieving this, but must be balanced with appropriate protection of the environment.
- 8.2 Council supports Option 1 that will strengthen the policy direction in the NPS-REG to enable small and community-scale renewable electricity generation, and also supports amending the corresponding definition in the NPS-REG.

- 8.3 Council supports Option 2, that would provide nationally consistent rules for small and community-scale onshore wind and solar based on existing plan provisions including a restricted discretionary activity status. This provides for the opportunity to address any and mitigate any adverse effects.
- 8.4 Council supports the improved definitions for small and community scale REG based on the activity's primary purpose.

Proposed NPS REG DRAFT 30/3/2023			
Reference	Provision	Comment (if not discussed in submission)	QLDC Recommendation
1.3 Interpretation	<b>significant natural area</b> means an area identified in a regional policy statement or plan or through a resource consent process as an area of significant indigenous vegetation or significant habitat of indigenous fauna, following an assessment by a suitably qualified ecologist using ecological significance criteria	There is a lack of reference to other processes which may identify significant natural areas.  A REG operator may also be a requiring authority and elect to use Part 8 of the RMA and designate land for REG. The NPS should also include the ability for an area identified through a notice of requirement process.	Amend:  significant natural area means an area identified in a regional policy statement or plan or through a <u>notice of requirement or resource consent process</u> as an area of significant indigenous vegetation or significant habitat of indigenous fauna, following an assessment by a suitably qualified ecologist using ecological significance criteria
1.5 Application of section 55(2A) of Act	<b>1.5 Application of section 55(2A) of Act (1)</b>  The change to regional plans required by the following clauses are amendments referred to in section 55(2) of the Act (which, because of section 55(2A), means that the changes must be made without using a process in Schedule 1 of the Act):  ...	The provision is missing the reference to territorial authority plans.  Section 55A(2) of the RMA also applies to District Plans. Clarification is sought whether the drafting is intended, noting that Clauses 3.2, 3.4, 3.5, 3.6 and 3.7 refer to every regional council including the policy in its regional policy statement and regional plan, and every territorial authority must include it in its district plan  It is assumed that the intention is section 1.5 applies equally to local authority district plans.	Amend:  <b>1.5 Application of section 55(2A) of Act (1)</b>  The change to <u>regional policy statements, regional plans or district plans</u> required by the following clauses are amendments referred to in section 55(2) of the Act (which, because of section 55(2A), means that the changes must be made without using a process in Schedule 1 of the Act):
2.1 Objective	The Objective of this National Policy Statement is that electricity	Refer to submission document.	The Objective of this National Policy Statement is that electricity

Proposed NPS REG DRAFT 30/3/2023			
Reference	Provision	Comment (if not discussed in submission)	QLDC Recommendation
	<p>generated in Aotearoa New Zealand from renewable resources is significantly increased in a timely manner to achieve New Zealand's emissions reduction targets, emissions budgets, energy targets, and associated commitments under any emissions reduction plan:</p> <p>(a) through enabling the effective and efficient development, operation, maintenance, and upgrading of renewable generation assets; and</p> <p>(b) while managing adverse effects on the environment.</p>		<p>generated in Aotearoa New Zealand from renewable resources is significantly increased in a timely manner to achieve New Zealand's emissions reduction targets, emissions budgets, energy targets, and associated commitments under any emissions reduction plan:</p> <p>(a) through enabling the effective and efficient development, operation, maintenance, and upgrading of renewable generation assets; and</p> <p>(b) while <u>appropriately</u> managing adverse effects on the environment.</p>
Policy 2	<p><b>Policy 2:</b> Planning decisions:</p> <p>(a) recognise and provide for the national significance of REG activities; and</p> <p>(b) enable REG activities to occur in a timely and efficient way; and</p> <p>(c) recognise and provide for the operational and functional needs of REG assets.</p>	<p>Limb (b) has the potential to circumvent the Objective because it too readily contemplates that all REG activities have managed adverse effects.</p> <p>Policy 2 should be amended so that when REG is authorised, it occurs in a timely and efficient way. The current drafting is predetermines the management of adverse effects.</p>	<p>Amend:</p> <p><b>Policy 2:</b> Planning decisions:</p> <p>(a) recognise and provide for the national significance of REG activities; and</p> <p>(b) <u>when enabling</u> <del>enable</del> REG activities <u>provide for them</u> to occur in a timely and efficient way; and</p>

Proposed NPS REG DRAFT 30/3/2023			
Reference	Provision	Comment (if not discussed in submission)	QLDC Recommendation
			(c) recognise and provide for the operational and functional needs of REG assets.
Policy 4 and implementation Clause 3.6	<b>Policy 4:</b> It is recognised that REG activities may need to take place in areas with significant environment values and, where adverse effects remain after applying the effects management hierarchy, REG activities are enabled if the national significance and benefits of the REG activities outweigh those remaining adverse effects.	The drafting of the policy can be amended so it is slightly more succinct and direct.	Amend:  <b>Policy 4:</b> <del>It is recognised that REG activities may need to take place</del> <u>For REG activities seeking to locate</u> in areas with significant environment values, where adverse effects remain after applying the effects management hierarchy, REG activities are enabled if the national significance and benefits of the REG activities outweigh those remaining adverse effects.

Proposed NPS ET 30/3/23			
Reference	Provision	Comment (if not discussed in submission)	QLDC Recommendation
1.3 Interpretation	<b>minor ETN activities</b> means: (a) activities required for or associated with the operation or maintenance of ETN assets; or the upgrade of, or changes to,	Adding a subjective phrase of 'no more than minor' into the qualifying matter of a defined term is subjective and not helpful if the term is to be applied to standards or the NES-ET.	Consider removing and finding a more appropriate replacement to the dependency on minor ETN activity to having 'no more than minor adverse effects on the environment over time'



Proposed NPS ET 30/3/23			
Reference	Provision	Comment (if not discussed in submission)	QLDC Recommendation
	<p>ETN assets where the upgrade or other change:</p> <p>(i) will have no more than minor adverse effects on the environment over time; and</p> <p>(ii) results in the assets occupying a physical space, in any direction, that is the same as, or is not significantly greater than, the existing ETN assets; and</p> <p>(b) includes activities such as vegetation clearance, tree trimming, maintaining and improving access roads and tracks, and replacing structures with like-for like structures</p>	<p>The concept of no more than minor adverse effects on the environment 'over time'. Is not well articulated in the consultation document and may lead to overly subjective and confused interpretations.</p>	
1.3 Interpretation	<p><b>significant natural area</b> means an area identified in a regional policy statement or plan or through a resource consent process as an area of significant indigenous vegetation or significant habitat of indigenous fauna, following an assessment by a suitably qualified ecologist using ecological significance criteria</p>	<p>There is a lack of reference to other processes which may identify significant natural areas.</p> <p>A REG operator may also be a requiring authority and elect to use Part 8 of the RMA and designate land for REG. The NPS should also include the ability for an area identified through a notice of requirement process.</p>	<p>Amend:</p> <p><b>significant natural area</b> means an area identified in a regional policy statement or plan or through a <u>notice of requirement</u> or resource consent process as an area of significant indigenous vegetation or significant habitat of indigenous fauna, following an assessment by a suitably qualified ecologist using ecological significance criteria</p>

Proposed NPS ET 30/3/23			
Reference	Provision	Comment (if not discussed in submission)	QLDC Recommendation
1.5 Application of section 55(2A) of Act	<p><b>1.5 Application of section 55(2A) of Act (1)</b></p> <p>The change to regional plans required by the following clauses are amendments referred to in section 55(2) of the Act (which, because of section 55(2A), means that the changes must be made without using a process in Schedule 1 of the Act):</p> <p>...</p>	<p>The provision is missing the reference to territorial authority plans.</p> <p>Section 55A(2) of the RMA also applies to District Plans. Clarification is sought whether the drafting is intended, noting that Clauses 3.2, 3.4, 3.5, 3.6 and 3.7 refer to every regional council including the policy in its regional policy statement and regional plan, and every territorial authority must include it in its district plan</p> <p>It is assumed that the intention is section 1.5 applies equally to local authority district plans.</p>	<p>Amend:</p> <p><b>1.5 Application of section 55(2A) of Act (1)</b></p> <p>The change to <u>regional policy statements, regional plans or district plans</u> required by the following clauses are amendments referred to in section 55(2) of the Act (which, because of section 55(2A), means that the changes must be made without using a process in Schedule 1 of the Act):</p>
2.1 Objectives	<p><b>2.1 Objectives</b></p> <p>The Objective of this National Policy Statement is that the electricity transmission network is developed, operated, maintained, and upgraded in an effective, efficient, and safe manner, while managing adverse effects on the environment.</p>	<p>Refer to submission document. Note that there is one objective so the plural can be deleted.</p>	<p><b>2.1 Objectives</b></p> <p>The Objective of this National Policy Statement is that the electricity transmission network is developed, operated, maintained, and upgraded in an effective, efficient, and safe manner, while <u>appropriately</u> managing adverse effects on the environment.</p>
Policy 2	<p><b>Policy 2:</b> Planning decisions: (a) recognise and provide for the national significance of the</p>	<p>Limb (b) has the potential to circumvent the Objective because it too readily contemplates that all REG activities have managed adverse effects.</p>	<p>Amend:</p> <p><b>Policy 2:</b> Planning decisions:</p>

Proposed NPS ET 30/3/23			
Reference	Provision	Comment (if not discussed in submission)	QLDC Recommendation
	<p>electricity transmission network; and</p> <p>(b) enable ETN activities to occur in a timely and efficient way; and</p> <p>(c) recognise and provide for the operational and functional needs of the electricity transmission network.</p>	<p>Policy 2 should be amended so that when REG is authorised, it occurs in a timely and efficient way. The current drafting is predetermines the management of adverse effects.</p>	<p>(a) recognise and provide for the national significance of <u>ETN</u> <del>the electricity transmission network</del>;</p> <p>and</p> <p>(b) <u>when enabling enable</u> ETN activities <u>provide for them</u> to occur in a timely and efficient way; and</p> <p>(c) recognise and provide for the operational and functional needs of the <u>ETN</u> <del>electricity transmission network</del>.</p>
<p>Policy 5 and implementation Clause 3.6</p>	<p><b>Policy 5:</b> It is recognised that ETN activities may need to take place in areas with significant environment values and, where adverse effects remain after applying the effects management hierarchy, ETN activities are enabled if the national significance and benefits of the ETN activities outweigh those remaining adverse effects.</p>	<p>The drafting of the policy can be amended so it is slightly more succinct and direct.</p>	<p>Amend:</p> <p><b>Policy 4:</b>  <del>It is recognised that ETN activities may need to take place in</del> <u>For ETN activities seeking to locate in</u> areas with significant environment values, where adverse effects remain after applying the effects management hierarchy, ETN activities are enabled if the national significance and benefits of the ETN activities outweigh those remaining adverse effects.</p>