Resource Management National Direction Discussion Documents and Proposed Amendments to National Policy Statements

Submission to

The Minister Responsible for RMA Reform

by

Meridian Energy Limited

25 July 2025

SUBMISSION ON BEHALF OF MERIDIAN ENERGY LIMITED

To: The Hon. Chris Bishop (Minister Responsible for RMA Reform)

c/o National Direction Consultation

Ministry for the Environment

By email: ndprogramme@mfe.govt.nz

freshwaterND@mfe.govt.nz

Submitter: Meridian Energy Limited

INTRODUCTION

1 This submission is made by Meridian Energy Limited (*Meridian*) in response to the Minister's invitation to provide feedback on the three discussion documents on *Infrastructure and Development*, the *Primary Sector*, *Freshwater* and related proposed amendments to National Policy Statements (***NPS***) and National Environmental Standards (***NES***).

2 Meridian acknowledges the opportunity to meet recently with Ministry for the Environment, Ministry of Business, Innovation and Employment and Department of Conservation officials to discuss RM reform as it relates to the energy generation sector. Meridian would welcome the opportunity to continue to engage with and work with Ministry officials to refine the content of the proposed National Policy Statement provisions currently in play, and also on the detail of legislation and further changes to national policy instruments as part of the planned Phase 3 RM Reform (***RM3***).

3 Meridian also acknowledges the improvements proposed to the RM system by the Resource Management (Consenting and Other System Changes) Bill. The improvements proposed by the Bill will be helpful (including the provision for 'long-lived infrastructure', doubling of consent lapsing period, automatic 35-year consents and the 'plan stop'). However, more is required through the proposed new and amended National Policy Statements. We set out in this submission the further amendments to national policy instruments Meridian considers are necessary. This submission should be read together with the joint submission in Appendix 1 prepared for the Electricity Sector Environment Group (***ESEG***[1]) of which Meridian is a member. Meridian supports the ESEG joint submission.

[1] Meridian Energy Limited, Mercury NZ Limited, Contact Energy Limited, Manawa Energy Limited, Genesis Energy Limited and New Zealand Wind Energy Association

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EXECUTIVE SUMMARY

i. This submission begins by outlining Meridian's significant current and planned commitment to renewable energy generation in New Zealand. This includes operation of the Waitaki Power Scheme (***WPS***) and Manapōuri Power Scheme (***MPS***). These two hydro schemes, combined, generate approximately 90% of the nation's renewable electricity. This hydro generation is flexible generation able to be adjusted to meet grid demand which is critical to electricity supply security.

ii. Meridian supports the Government's stated aim to reset national policy direction to drive immediate and meaningful impact in enabling increased renewable electricity at the scale and pace required to meet its 2050 emissions reduction and energy targets and to enhance resilience against energy supply disruption. Meridian's submission makes the point that the scale and pace of increased renewable generation required is such that bold change is required now. The energy challenge explained in this submission cannot wait until the Phase 3 RM Reform (***RM3***).

iii. It is not enough for national policy direction to only recognise the significance of REG to New Zealand's future, if fundamental obstacles to REG development are not addressed. Deferring the reconciliation of core tensions between RMA s.6 matters and the benefits of REG until RM3 will leave in place obstacles to the imminent consenting and reconsenting of critical generation and energy sector infrastructure.

iv. There is an imbalance currently in national direction. The amendments proposed in the national direction package do not resolve this. They would leave REG with inadequate policy support, perpetuating the weakness of the 2011 NPS-REG compared to the stronger, counter, policy direction in Part 2 of the RMA and in the NZCPS and NPS-Freshwater. The kick-start needed to achieve the Government's renewable energy goals cannot be achieved unless substantive changes to national direction are made immediately.

v. This submission highlights numerous instances where the wording of the proposed national direction documents will not (cannot) achieve the Government's stated intention. Meridian has proposed further amendments to actually move the dial and enable New Zealand to realise the REG development needed. Meridian commends to the Minister and his Cabinet colleagues the amendments proposed in the following submission. These requested amendments parallel those proposed by the ESEG.

BACKGROUND

4 Meridian is listed on the New Zealand Stock Exchange and the Australian Securities Exchange and operates as a mixed ownership model company, with 51% owned by the New Zealand Government.

5 Meridian's core business involves the generation, marketing, trading, and retailing of electricity.

6 As New Zealand's largest electricity generator, Meridian contributes approximately 30% of the country's electricity, all of which is sourced from 100% renewable resources.

7 Meridian is a significant developer of renewable energy projects in New Zealand and has international development and operational experience, with past projects in Australia, Antarctica, the United States of America, and Tonga. Meridian's generation facilities are of regional and national importance.

8 Meridian owns and manages the nation's two largest hydro power schemes: the WPS the MPS. These hydro schemes generate approximately 90% of Meridian's electricity and are critical to New Zealand's electricity supply security.[2]

9 Meridian owns and operates six wind farms across New Zealand, Te Uku (Raglan), Te Apiti (Manawatu), Mill Creek (Wellington), West Wind (Wellington), Harapaki (Napier) and White Hill (Southland). Collectively, these wind farms generate enough electricity to power approximately 270,000 homes annually.

10 In addition to this, Meridian recently completed New Zealand's largest grid-connected battery energy storage system (***BESS***) at Ruakākā, located north of Auckland. This system can store up to 100MW of electricity with a capacity of 200MWh, enough to power around 60,000 average households during winter at its maximum output. The BESS is also adjacent to the Ruakākā 130MW solar farm, which received a Consent Order from the Environment Court in January 2025. Construction of Meridian Energy's $227 million project Ruakākā Solar Farm is set to begin in August 2025.

MERIDIAN'S COMMITMENT TO EXPANDING RENEWABLE GENERATION

11 In 2023 Meridian set an ambitious goal: to launch seven large-scale renewable projects by 2030, to significantly boost New Zealand's REG capacity and contribute to the nation's greenhouse gas emission targets and climate change adaptation goals. Meridian is committed to the following projects:

12 Meridian obtained consents in February 2025 for the Mt Munro Wind Farm[3], situated approximately 5km south of Eketāhuna. The proposed wind farm will consist of 20 wind turbines, with a combined generation capacity of up to 90MW. This is sufficient to power up to 42,000 homes annually.

13 Meridian has entered into a 50-50 joint venture to repower and extend the Te Rere Hau wind farm located near Palmerston North on the Tararua Ranges with New Zealand Windfarms. The estimated capital cost for this revitalisation is projected to be between $500 million and $600 million, with a total generation capacity of up to 170 MW. This

[2] Meridian hydro storage (Waitaki system and Manapōuri) is around 2,118GWh. Nationally, hydro generation capacity is approximately 5,361MW and storage is 3,845GWh

[3] Decision of the Environment Court: Decision [2025 NZEnvC 044 dated 17 February 2025

initiative marks New Zealand's first wind farm repowering project and has the potential to increase the annual renewable energy production of the existing development by a factor of seven. Meridian will now acquire all remaining shares in New Zealand Windfarms, having already held a 19.99% stake. The High Court approved the acquisition on 16 July, with completion expected by 30 July 2025.

14 Meridian intends to form a joint venture to develop and operate a 400MW Rahui solar farm at Rangitāiki, between Taupō and Napier. Further, Meridian is also purchasing 100% of the output from the Tauhei Solar Farm near Te Aroha for the first 10 years of its operation. Tauhei Solar is expected to be completed by 2026 and will generate enough electricity to supply approximately 35,000 homes.

15 Meridian recently obtained consent for the Manapōuri Lake Control Improvement Project (***MLCIP***). While this project does not contribute to additional power generation, it is designed to enhance the aquatic ecology and freshwater values of the Lower Waiau River. The project aims to improve the flow conveyance and reliability through the Manapōuri Lake Control, with an expected increase in flushing flow reliability from the current 30% to approximately 70%. The proposal includes the construction of a new channel, involving the excavation and disposal of approximately 225,000m^3 of gravel and bed material over a stretch of about 1 km, on land owned by Meridian near the new channel.

16 Towards the end of 2024, Meridian lodged a solar proposal for a site approximately 12km northwest of Christchurch. This flat land, previously used as a forestry plantation spans around 252 hectares. While we are still in the early stages of consenting, the project is expected to host a 250–300MWdc solar farm, generating enough energy to power approximately 45,000 homes. In November 2024, Meridian obtained an additional resource consent for the construction and ongoing operation of a new BESS in Bunnythorpe. Once operational, the system will be capable of supplying power to approximately 60,000 homes for up to two hours.

17 Meridian is currently preparing two further projects likely to be progressed via the Fast-track Approvals Act 2024:

(a) The Waiinu Energy Park is near Waiinu Beach and Waitootara, South Taranaki and 42km north-west of Whanganui. This project includes wind turbines (350MW, 50 turbines), solar array (450MW), a Battery Energy Storage System together with supporting infrastructure on land secured over two areas being 4,700 ha and 600 ha approximately. The annual generation is expected to be approximately 1,500 GWh. The project is one of the largest economic renewable energy development opportunities in New Zealand that Meridian is aware of. Local community and Open Days have already occurred by way of engagement.

(b) The Western Bay Solar Project is on the western side of Lake Taupo and east of the Bunnythorpe to Whakamaru 220kV transmissions lines. The proposed solar project has a maximum capacity of 615MW and is located within a project area of approximately 630ha.

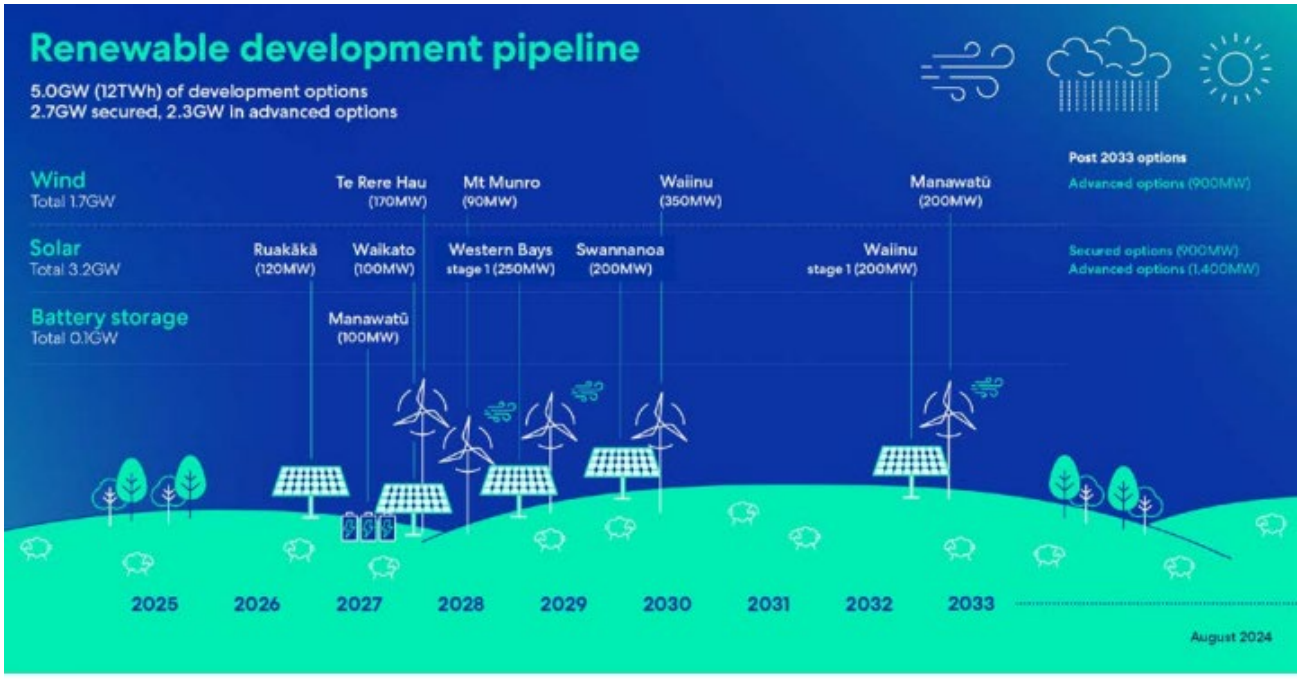


Figure 1 Meridian's Pipeline of Planned REG Projects 2025 - 2033

18 These projects represent the most extensive construction programme undertaken by a New Zealand generator in decades. This initiative is essential for the country to effectively combat climate change and expedite the transition of the economy towards clean energy sources. Accordingly, Meridian is heavily involved in obtaining resource consents and other approvals and draws on experience in RMA planning, consenting and reconsenting electricity infrastructure over decades.

19 In essence, Meridian possesses the resources, proven track record, and determination to invest in the consenting and construction of large-scale renewable electricity generation (***REG***) facilities. A regulatory framework that facilitates these opportunities is required urgently.

RE-CONSENTING

20 In addition to its commitment to developing additional renewable energy generation, consents for the MPS are due to expire in 2031. This re-consenting process will be initiated well before 2031 and will occur within the national policy framework that is subject to the national direction currently being redrafted and updated.

21 Meridian is also in the process of reconsenting the WPS, the largest power scheme in New Zealand. This matter is currently being determined by way of Direct Referral in the Environment Court, with a hearing set down for 3 weeks and commencing on 3 November 2025. Although the reconsented WPS is provided for as a controlled activity (which must be granted consent) and there is no material change in the scheme or its effects, an appeal by Forest and Bird has introduced the risk of changed operating conditions and loss of generation output.

THE ENERGY CHALLENGE

22 New Zealand faces an unprecedented requirement to develop new renewable electricity generation to provide secure, least cost and low emission electricity as part of the overall New Zealand energy system. Figures 2 and 3 illustrate actual energy generation from 1950 to 2020 and projected levels up to 2050, aligning with New Zealand's low-carbon aspirations. Approximately 1,250 GWh of new renewable energy generation will be needed each year until 2050. This is equivalent to initiating a new West Wind sized wind farm project every five months until 2050. For additional context, an average of 380 GWh of new renewable energy was commissioned annually in the 30 years leading up to 2020. This implies that the nation will need to construct about 300% more energy generation each year until 2050.

23 Two recent United Nations reports indicate that the global transition to renewable energy has reached a "positive tipping point." In 2023, renewables accounted for 74% of global electricity growth and 92.5% of all new electricity capacity added to the grid. Solar and wind energy are now significantly more cost-effective than fossil fuels—solar is 41% cheaper and wind 53% cheaper than the lowest-cost fossil fuel alternative.[4] These findings underscore the importance of ensuring that New Zealand's consenting framework is fit for purpose. Strengthening this framework will enable the country to fully leverage its abundant natural resources and accelerate progress toward its climate goals.

24 The graphs below are derived from a report by Concept Consulting, which independently evaluated the amount of new renewable energy generation needed to meet targets. The general assessments and conclusions broadly align with other similar studies conducted.

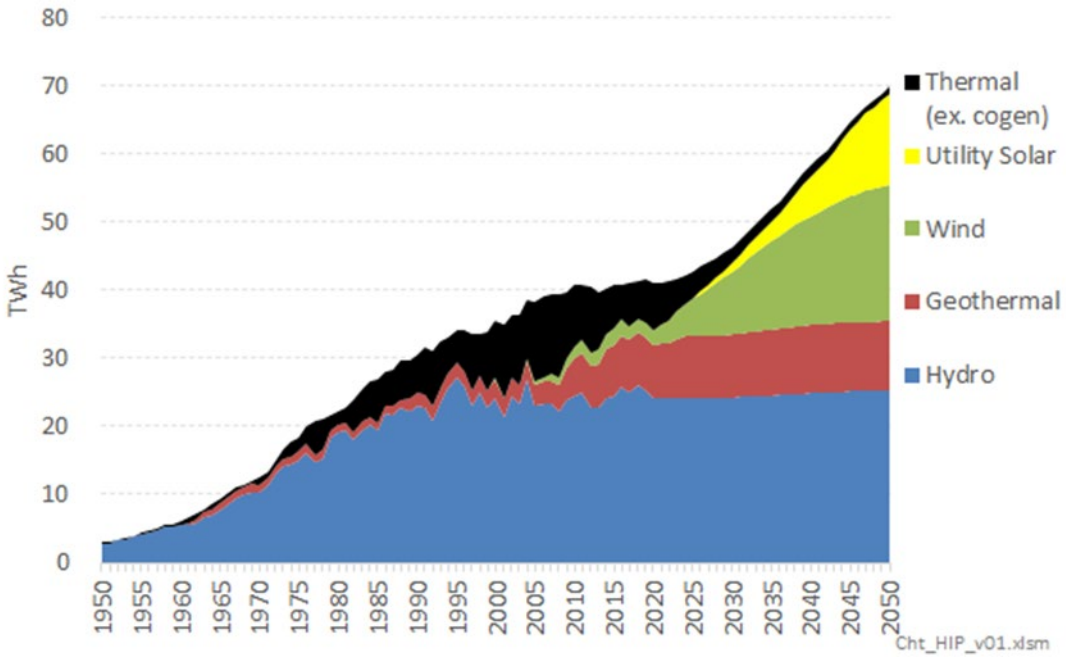


Figure 2: Central projection of generation levels

[4] See https://apnews.com/article/climate-change-solar-wind-power-fossil-fuels-6aca4846e594ea8405f91edda39a03ad

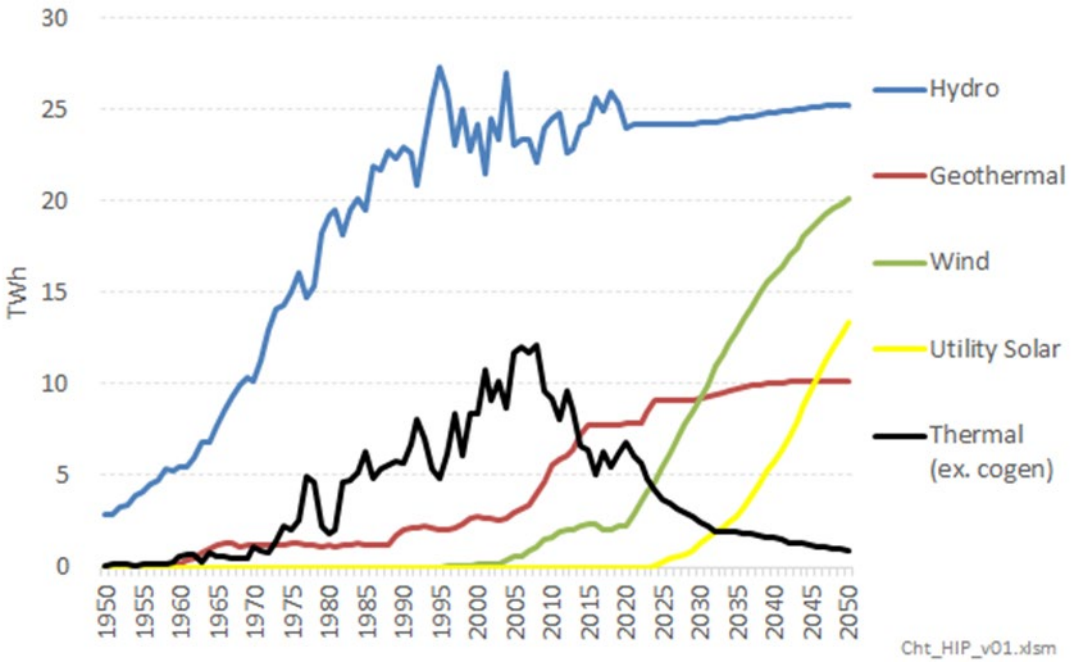


Figure 3: Central projection of generation levels (by type)

25 Given the scale and size of REG and related infrastructure required, a clearly designed and directive legislative pathway for REG, electricity transmission and other nationally significant infrastructure is essential. Failure to provide a decision-making pathway to resolve the inevitable conflicts between section 6,7 and 8 values under the RMA will result in increased costs, uncertainty and delays. In the absence of certainty, developers are compelled to de-risk their projects. This often requires entering into side agreements and mitigation arrangements, which can lead to delays, increased costs, and/or additional payments.

26 By way of background, prior to the gazetting of the National Policy Statement for Renewable Electricity Generation (NPS-REG) on 13 May 2011, the Environment Court made the following observation in *Motorimu Wind Farm Ltd v Palmerston North City Council* (W067/2008, para 335):

> "*There is no national policy statement under RMA which gives guidance in relation to the development of renewable energy in general nor on the development of wind farms in particular**. Policy guidance would be helpful to consent authorities and this Court in resolving issues such as the conflict between (supposed) national interest on the one hand and adverse effects on neighbours of wind farms on the other***."

27 Despite the Environment Court's earlier observations and the gazetting of the NPS-REG, and now with proposed amendments underway, the longstanding conflicts identified over 17 years ago still remain unresolved. It is therefore unsurprising that renewable REG developers and opponents continue to raise concerns about delays and costs. The persistent lack of clarity—despite repeated requests from both sides—has created a vacuum that contributes to ongoing uncertainty and inefficiencies.

28 Furthermore, the Court's interpretation of the NPS-REG in the *Blueskin* seems to highlight that the NPS-REG does not require renewable electricity generation activities per se but instead needs to only recognise the activity as being nationally significant.[5] That is, the Blueskin decision outlines that there is no requirement for more weight to be given to the benefits of renewable electricity generation over other matters.

29 Despite being the only policy instrument capable of guiding decision-makers on nationally significant issues—including competing considerations under Part 2 of the Resource Management Act 1991—the NPS-REG remains silent on the appropriate outcomes. While Meridian acknowledges that the explicit recognition of the national importance is helpful, we believe the policy direction must be strengthened. To enable greater reliance on renewable electricity sources, stronger and clearer direction from central government is essential—particularly if there is a shift in strategic priorities. An effective NPS-REG must protect, permit, and enable both existing and future renewable electricity generation projects. It should provide clear and binding guidance to decision-makers on the significance of renewable generation in achieving national energy and climate goals.

30 Meridian supports the aims of the proposed national direction package for REG and Electricity Networks (***EN***), as described in the Regulatory Impact Statements and in supporting information fact sheets published by the Ministry, being:

- to increase renewable energy generation at a rate and in a manner necessary to support achievement of New Zealand's emissions reduction and energy targets and associated plans under the Climate Change Response Act 2002;
- to provide greater resilience to disruptions to electricity supply;
- to provide for the social, economic and cultural wellbeing of people and communities, and for their health and safety, while managing the adverse effects of REG activities; and
- to have immediate and meaningful impact in the current RM decision-making system and to influence development of the replacement RM system.

31 Meridian agrees that the current resource management system does not enable and protect REG to the extent needed to achieve New Zealand's electrification, electricity security, and emissions reduction targets. The NPS-REG was an important first step for REG, in its time. However now, nearly 15 years on, the NPS-REG has been overtaken by the reality of the existential threat of climate change. The NPS-REG is weak compared to other national policy direction, and is not fit for the task of assisting New Zealand to achieve the increased renewable generation, at the scale and pace now required. The NPS-REG is not determinative for resource management decision making

[5]See *Blueskin Energy Limited v Dunedin City Council* [2017] NZEnvC 150

THE IMPORTANT ROLE OF THE NPS-REG

32 Meridian understands that Councils will not be required to give effect to the replacement NPS-REG within a specified timeframe. Instead, Councils will be expected to give effect to the NPS-REG if/when they advance plan changes. The Minister last week announced the inclusion in RM amending legislation of a 'plan stop' for all but critical plan changes during the period until RM3. It is therefore unlikely that plan changes will be advanced to give effect to the replacement NPS-REG in the foreseeable future.

33 It is more likely that implementation of the NPS-REG in plans will be deferred until spatial and natural environment plans are promulgated after RM3 legislation is enacted. The process will only *begin* with enactment of the Planning Act and Natural Environment Act (scheduled for 2027). Statutory third party processes will then be required to develop spatial plans, natural environment plans and combined district plans. Even optimistically, this could take three to five years.

34 The Government's commitment to achieve climate change and electricity generation goals is more urgent. The quantum of additional renewable energy generation required is vastly more, required more quickly, than commissioned annually in the 30-year period from 1990 to 2020. In addition, there are numerous REG projects that will require reconsenting over the period before RM3 is settled.

35 These include Meridian's Manapōuri power station's water take and discharges which expire in 2031 (consent renewals will be in preparation in the years prior to 2030). The MPS output of up to 800 megawatts represents ~ 13% of New Zealand's current generating capacity. Importantly, this is essential *flexible* generation, able to adjust output to match grid demand due to the consistent availability of water. Flexible energy generation is essential within New Zealand's generation portfolio because of the variability in output from wind and solar generation and the need to have consistent supply to match peak demand.

36 For the intervening period, the existing provisions in regional policy statements, regional plans and district plans and the unfit-for-purpose NPS-REG will continue to frame decision-making for REG proposals, including Meridian's. The role of the NPS-REG therefore assumes particular importance during the intervening period.

37 Water permits issued during the period until RM3 is settled will endure for the following 35 years (if the mooted amendments to the RMA are confirmed[6]). All of the consenting risks and costs associated with the current outdated policy framework will fall during the interim period until RM3 is settled. It is essential that applications for new and reconsented REG assets are considered and determined under a policy framework that reflects the intended approach for the period beyond RM3. This requires substantive change to the proposed interim NPS-REG objective and policies with a strong focus on protecting existing generation output.

38 Without strong direction in the replacement NPS-REG clarifying the urgency and significance of realising REG proposals the acknowledged consenting risk, cost and conservatism will continue. It will be impossible to achieve renewable energy generation at the scale and pace intended by the Government unless substantive changes are made in this current national direction package. Change is required now. It is essential that,

[6] Resource Management (Consenting and Other System Changes) Bill Clause 42 amendment inserting s. 88BA of the RMA)

during this intervening period, the NPS-REG provides strong direction to decision makers on:

- how to reconcile the tensions at play between s. 6 values and REG benefits;
- how to manage the environmental effects of REG developments;
- how to provide for upgrading and repowering of existing REG assets;
- how to protect existing REG assets from incompatible new activities that may compromise generation capacity; and
- the need to avoid loss of generation capacity.

39 Change to the NPS-REG is also needed now to ensure there is consistency in decision-making nationwide. There is currently a lot of variability in the way some policy statements and plans have given effect to the 2011 NPS-REG. Most have taken the approach of doing only the minimum required by the 2011 NPS-REG. In essence, all of the provisions are insufficient for the current task, but some provisions are weaker than others. The NPS-REG direction needs to apply consistently nationwide, as soon as possible, to unlock opportunities for renewable generation as early as practicable as intended by the Government.

40 An essential part of any review is to rewrite the Preamble to the NPS-REG to ensure the direction of the redrafted instrument talks to the issues at play in the context of REG development. For example, in relation to hydro-electricity generation, the preamble of the NPS-REG is unhelpful, as it leaves room for interpretation that access to water for generation purposes may fall outside the scope of the policy. This ambiguity undermines the potential effectiveness of Policy B(a). One division of the Environment Court has examined this issue in detail and effectively read down the preamble; however, that decision is not binding on other divisions or higher courts.[7] Given the critical role of hydro generation in New Zealand's energy mix, this represents a significant weakness and poses a risk to achieving the objectives of the NPS-REG. Accordingly, Meridian supports the preamble drafted within the ESEG submission[8] at their Appendix 2.

THE ISSUES

41 Meridian has identified the following issues that need to be addressed in the current national direction package:

Reconciling National Benefits of REG and s.6 Matters of National Importance

42 The reality for REG is that the sites that naturally possess the most suitable renewable energy resources are often environments that are subject to s. 6. Wind turbines generally need to occupy high points/ridge lines with good wind strength. Hydro-electric power generators need river or lake water. These are environments most likely to be identified as outstanding natural features or landscapes (including in the coastal environment) engaging sections 6 (a) and (b), the NZCPS and NPS-Freshwater, along with the multitude regional and district plan objectives and policies that, in turn, give effect to these higher order policy directions.

43 Other National Policy Statements contain policies that require avoidance of adverse effects. For example, NZCPS policies 11, 13 and 15 require avoidance of all adverse effects in specified circumstances. Appeal Court and Supreme Court decisions have

[7] See *Carter Holt Harvey v Waikato Regional Council* [2011] NZEnvC 380 paragraphs 58 to 62
[8] Contained in Appendix 1 to Meridian's submission

confirmed that the 'avoidance' policies of higher order policy instruments (such as the NZCPS) must prevail over other less directive policy. The hurdles are immense when the only policy support available to REG is to 'have regard to the benefits' of REG (from s. 7 (j)) or even 'recognise and provide for' the benefits of REG (the current NPS-REG objective).

44 By way of example, the most productive wind resource in the Wellington region occurs along Wellington's south coastline, large parts of which are identified as being in the coastal environment, outstanding natural features, outstanding natural landscapes or areas with high or very high coastal natural character. The higher terrain inland of the coastal environment is identified in a 'ridgelines and hilltops' overlay. Meridian's West Wind and Mill Creek wind farms occupy land that is within or adjacent to these identified areas. This engages sections 6 a) and 6 (b) as well as sections 7 (c), (f) and (g). All things being equal, the s. 7 (j) requirement to 'have regard to' the benefits of REG lacks the policy strength to counterbalance the weight that must be given to s. 6 matters (the requirement to recognise and provide for e.g. 'preservation' of the natural character of the coastal environment).

45 The existence of Meridian's West Wind and Mill Creek (and other) wind farms attests to the fact that the competing s. 6 and s. 7 matters can be reconciled. But not without considerable argument, procedural time and cost. If New Zealand's ambitious renewable energy generation targets are to be realised, the present imbalance between matters of national importance and the significance of REG benefits needs to be addressed in national direction. This can only be achieved by elevating the weight to be given to the significance of the benefits of REG. This is not a matter that can be left to the Phase 3 reform process as it will delay some projects for many years or until the new plans can be put in place.

46 The proposed NPS-REG amendments fail to address these issues. Proposed NPS-REG Policy 2 requires that decision makers must enable REG with adverse effects on environmental values *not* included in section 6 of the RMA or covered by national direction, so long as these effects are avoided, remedied or mitigated where practicable. The earlier exposure draft NPS-REG included a bespoke 'effects management hierarchy' to manage adverse effects, including adverse effects on s. 6 values and resources to which the NPS-Freshwater and NPS-IB apply. The Government proposes to now defer resolving these major tensions between REG and natural environmental values in the replacement of the RMA (RM3), rather than through the current proposed changes to national direction.

47 However, it will be at least 3 to 5 years until the RM3 legislation is settled and new Spatial and Natural Environment Plans are in place. That is too long to wait for action, if meaningful progress is to be made advancing expanded REG capacity. The considerable commitment Meridian is making to investment in new renewable generation needs to be matched by a genuine commitment in national policy direction to enable such development.

48 Meridian (along with ESEG) proposes further amendments to the NPS-REG to address the current national policy direction imbalance. Meridian is not proposing a 'free pass' for REG. Meridian's proposal will ensure potential adverse effects are avoided where practicable and otherwise managed.

Effects Management

49 The NZCPS, NPS-IB and NPS-Freshwater contain policies or definitions for effects management hierarchies that culminate in an avoidance approach. Meridian's experience is that these other NPS effects management hierarchies are being interpreted and incorporated into regional policy statements and plans in ways that mean offsetting and compensation of more-than-minor residual effects are not available to REG. This is not realistic where:

i. REG developments are inherently large construction projects;
ii. REG developments can only locate where the renewable energy resources occur;
iii. often these locations overlap with s. 6 values (for example locations within the coastal environment, natural wetlands, or outstanding natural features and landscapes);
iv. large projects of this kind invariably create localised adverse effects; and
v. the national benefits of REG are significant but the localised adverse effects are not significant.

50 The no-net-loss approach of the NPS-IB and NPS-Freshwater also presents an obstacle to biodiversity offsetting and compensation. Although the NPS-IB includes an explicit exemption (clause 1.3 (3)) for REG in terrestrial environments, Meridian is having to commit significant resources in RMA plan processes currently to ensure the exemption is even included in regional policy statements and plans, and to craft workable effects management hierarchies for aquatic and coastal environments that provide for the significant national benefits of REG.

51 This issue encountered in plan-preparation hearings will play out similarly in consenting new and upgraded or repowered REG proposals because these NPSs must be given regard under RMA s. 104. There is currently insufficient recognition in these other NPS effects management hierarchies of the significant national benefits of REG.

52 The wording of the direction in other NPS effects management hierarchies is encouraging local authorities to adopt a highly conservative, cautious and protectionist approach in both plan development and consenting decisions. This conservative approach will not enable REG projects over the foreseeable future. Rather, it will constrain opportunities to materially increase generating capacity from new and re-powered REG over the foreseeable and longer term. The reality is that it will be several years before the new RM3 legislation and system of plans is in place. Meaningful action is needed now. Meridian reiterates its view that the considerable commitment Meridian is making to investment in new renewable generation needs to be matched by a genuine commitment in national policy direction to enable, and not unreasonably thwart, REG expansion.

53 Meridian (along with the ESEG) proposes further amendments to the NPS-REG to provide an effects management approach for REG, including the management of adverse effects on s. 6 matters. Meridian's proposal will ensure potential adverse effects are avoided where practicable and otherwise managed. Meridian supports the NPS-REG having a bespoke reconciliation provision that establishes a means to considering trade-offs of national values where the significance of the REG contributions to national targets outweighs the other s.6 value(s) under consideration.

Consistency of Approach Between Proposed NPSs

54 Meridian has noted some substantive differences in the wording of policies in the proposed NPS-EN, NPS-Infrastructure and NPS-REG. In particular:

(a) The approach to management of effects: The proposed NPS-EN Objective is to manage adverse effects in a proportionate and cost-effective manner. Reference to proportionality and cost-effectiveness in effects management is missing from the proposed NPS-REG and NPS-Infrastructure.

(b) The approach to protecting existing assets from the adverse effects of other activities: Proposed NPS-EN Policy 10 requires decision-makers to avoid direct effects and reverse sensitivity effects. The reference to direct effects is missing from the equivalent proposed NPS-REG Policy D. Proposed NPS-EN Policy 10 also includes a broader direction to ensure the effective operation, maintenance, upgrading, and development of the EN is not compromised. Proposed Policy 10 also includes specific direction to local authorities to avoid the adverse effects of third parties on the EN. These directions are also missing from the proposed NPS-REG.

Protecting Existing Generation Capacity – In Particular, Flexible Generation

55 Proposed amendments to NPS-REG Policy B address the potential for loss of existing REG capacity. However, Policy B clause (b) is not strongly worded and considers only a cumulative region-wide or district-wide loss. Clause (b) fails to provide strong direction for considering, for example, the potential loss that may result from imposing conditions on proposals to upgrade or repower existing REG assets. Proposed Policy B also does not address the particular importance of flexible generation provided by the likes of Manapōuri or Waitaki Power Scheme. Any loss of flexible generation capacity will be severe for the nation, difficult and costly to replace, and must be avoided. Meridian proposes further amendment of Policy B to address these matters.

Functional and Operational Need

56 There is an acknowledged difference in the thresholds to qualify as 'functional' and 'operational' need. As defined in the National Planning Standards (also proposed for the NPS-REG) 'functional need' means the need for a proposal or activity to traverse, locate or operate in a particular environment because the activity can *only occur* in that environment. The definition of 'operational' need[9] sets a lesser threshold of needing to traverse, locate or operate in a particular environment because of technical, logistical or operational characteristics or constraints.

57 Meridian supports the intention to include both 'functional' and 'operational' need in key national direction policies. The omission of operational need from the NZCPS Policy 6 and from NPS-Freshwater Policies 3.22 and 3.24 (preventing loss of extent of natural inland wetlands and loss of river extent and values) is unnecessarily constraining decision-making on important REG proposals.

58 For example, in a large-scale solar generation proposal in a rural setting, it will not be unusual for the proposal to intersect some form of wetland or wet pasture. While there may be no specific functional reason necessitating a wetland location, wider considerations such as site suitability and efficiency of transmission, may direct the

[9] From the National Planning Standards and proposed for the NPS-REG

necessity of some effect on part of a wetland within a larger project area. Limiting the qualifying criteria to 'functional' need is a significant restraint, particularly where the wetland may be small or have no particular significance and the potential REG benefits are significant at a national scale. The opportunity for offsetting or compensation of adverse effects in such circumstances would deliver better outcomes for REG and the environment.

Providing for Upgrading and Repowering

59 The proposed NPS-REG includes definitions and policies for the upgrading and repowering of existing REG assets. Both are important. Invariably, the technical and environmental costs of upgrading and repowering will be less than the costs of securing land and consents for a new REG development (for the equivalent power output). Many of the REG (hydro and wind) generation assets are now many years old. New technology can be deployed to increase generation capacity from individual REG sites. Repowering wind farms will typically involve some reconfiguration of turbine location and increased turbine height.

60 District and regional plans provision for repowering is variable but, generally, conservative. Important generation gains can be achieved by repowering but current plan settings are generally overly cautious and conservative, necessitating time-consuming third-party RMA processes. The NPS-REG policies for upgrading and repowering need strengthening to ensure that opportunities and potential additional capacity are not constrained by disproportionately small potential adverse effects.

61 The NPS-REG policies also need to recognise the difference in potential adverse effects between wholesale repowering to increase generation capacity (involving reconfiguration of a REG asset) and upgrading of technical or operational features within an existing asset, that involves no or very minor additional adverse effects. The NPS-REG needs to direct a regulatory approach that is proportionate to the scale of effects, without imposing unnecessary RMA consent processes. Generally, existing REG sites are considered part of and read within the existing environment. As such there is merit in strengthening regulatory provisions to better support the repowering and upgrading of these sites. Most recently, Meridian lodged an appeal with the Environment Court on the Proposed Waikato District Plan, seeking a permitted activity rule to allow a 50% increase in turbine height at the Te Uku wind farm. A Consent Order was subsequently issued on 1 July 2025 by the Environment Court providing for a 50% increase in height subject to conditions.[10]

Reconsenting

62 Meridian's view is that a more enabling approach is required for reconsenting established essential electricity generation. This is particularly important for flexible (hydro) electricity generation. Meridian supports reconsenting 'roll-overs' for existing established REG, for example by way of permitted activity regional and district plan provisions. Importantly, the definition of 'existing environment' for the purposes of reconsenting existing REG must include the existing REG activities themselves. The focus of any consent must be on the effects of any changes to the existing REG.

[10] See *Meridian Energy Limited v Waikato District Council* [2025] NZEnvC 217

The words fall short of the intention

63 Meridian's view is that the intentions expressed in the Regulatory Impact Statement and supporting Ministry for the Environment information are not fully achieved by the amendments proposed to the NPS-REG. The proposed amendments fall short in material ways and need either redrafting completely or refinement to achieve the stated intended outcomes. For example:

(a) The stated purpose of the proposed national direction package is that it will have immediate and meaningful impact in the current system and influence development of the new system. Immediate and meaningful impact will not occur unless the NPS-REG is amended to reconcile the tensions between s. 6 'protect' direction and REG benefits. These are typically the usual matters at issue in consenting processes. Unless this is addressed, s. 6 matters will continue to 'trump' the benefits of REG even where the benefits of REG are significant or where offsetting or compensation measures are available to address loss of s. 6 values. This will create a legacy not only for the interim period until RM3, but will perpetuate through constraints placed on any consents secured or renewed during the interim period that endure well beyond the interim period.

(b) The proposed amendments to the Objective are said to better recognise the critical role REG plays in society and the economy and the rapid increase in REG required to achieve climate emissions reductions. Meridian's view (shared by the ESEG) is that the amendments proposed will not achieve this because the (amended) objective still does not speak to the significance of the increased generation required or the urgency of achieving additional generation capacity.

(c) The proposed amendments to policies are said to better protect existing REG assets, but do not go far enough to *avoid* loss of existing generation capacity, and particularly loss of flexible generation capacity. There remains a risk that s. 6 matters will override the benefits of REG in reconsenting decisions made during the interim period until RM3 is settled, eroding existing authorised generation capacity.

(d) The proposed amended policies are said to better *enable* REG while managing effects on the environment. It is also suggested that the NPS-REG amendments will bring a greater likelihood that REG projects can be consented and likely reduced costs in consenting processes. The policies will not assist to enable REG or remove uncertainty from consent processes while the avoidance of effects approach of s. 6 and the effects management hierarchies directed by other national policy statements continue to capture REG. A conservative approach will not enable REG projects over the foreseeable future. Rather, it will constrain opportunities to materially increase generating capacity from new and re-powered REG over the foreseeable and longer term.

64 The shortcomings discussed above can, in Meridian's view, be addressed by further amendments to the wording of the NPS-REG. Meridian supports the suggested alternative re-worded NPS-REG proposed by the ESEG (for convenience, reproduced in Appendix 2). Alternatively, Meridian supports or proposes further amendments to the NPS-REG and other national direction instruments as discussed below.

MERIDIAN'S PROPOSED FURTHER AMENDMENTS TO THE NPS-REG

Objective

65 In practice, a NPS objective sets the framework for the policies that 'hang' from it. While in theory not every policy requires a hook within an objective, in practice this is useful for ensuring coherent direction. Importantly, it ensures the policy intent is explicit. The link back to the purpose of the RMA (and Part 2) should also be clear. The NPS-REG objective needs to be more targeted as to outcomes regarding the issues at play for REG e.g effects management and protection of existing REG. The general nature of the current drafting is unhelpful in terms of directing the policies that hang from it.

66 The 'capacity' and 'output' of REG have very specific meanings and specific application in managing electricity generated and supplied from REG. Care needs to be taken to ensure that reference to capacity and output in policies doesn't inadvertently constrain the application of a policy where the intent is to enable and increase both. These expressions do not need to be defined in the NPS-REG as they are industry terms with specific meaning and application. For context, 'capacity' refers to the MW *able to be generated* from a site based on 'normal' operating conditions (generator output and forecasts for resource availability). 'Output' is the energy *actually produced* based on the available resource and available generators. For example, using a wind farm example: the turbine has an installed capacity (what the generator can physically deliver at 100%). However, we know the wind doesn't blow 100% of the time at the same speed. So a capacity factor is applied (30-50%) to calculate the capacity of a specific farm. If the operating range of a turbine was to change from 25m/s to 28m/s the output increases (more energy generated) but MW remains the same. And at a hydro site if more water is put through the generators the output increases, but the capacity remains the same.

67 Elements that need to be added to the objective to strengthen direction are:

(a) the 'chapeau' needs to reference development, operation, maintenance, upgrading, and protection (as does the proposed NPS-EN) as well as repowering;
(b) the objective needs to explicitly state the outcome for REG;
(c) the objective needs to recognise both the national significance of REG and the benefits that derive from REG (national and regional benefits);
(d) social, economic and cultural well-being and health and safety need to reference present and future generations (as the NPS-EN and NPS-I do);
(e) management of effects should be proportionate and cost-effective (as in the NPS-EN);
(f) the objective should reference protection from reverse sensitivity, to support the policies that follow (as in the NPS-EN and NPS-I).

68 Meridian requests the following further amendments to the objective:

Amend the NPS-REG Objective as follows:

1) Renewable electricity ~~generated in New Zealand~~ <u>generation REG and activities are developed, operated, maintained, upgraded, repowered and protected in a manner that :</u>

a) recognises and provides for the national significance and benefits[11] of REG;

b) significantly increases ~~in a rate and manner necessary to support the achievement of~~ REG capacity and output at the rate necessary to achieve New Zealand's emission reduction and renewable energy targets and associated plans under the Climate Change Response Act 2002;

c) maintains and avoids the loss of generation capacity and output of existing lawfully established REG assets and activities;

d) provides greater security of supply and resilience to disruptions to electricity supply caused by climate change and natural hazards;

e) provides for the social, economic and cultural well-being of people and communities[12] and for their health and safety; ~~while managing the adverse effects of REG activities.~~

f) manages the adverse effects of REG activities in a proportionate and cost-effective way while enabling innovation and adaptation to new technologies;

g) protects REG assets and activities from the adverse effects of other activities.

Policy A

69 As currently worded, clause (b) of Policy A potentially limits the benefits that decision-makers must (under clause (a)) consider. The explanation suggests this is not the intention. However, the wording has this limiting effect. Clause (b) should be deleted. Policy A needs to be more directive that the benefits must be realised. Policy A should also acknowledge the other benefits of REG, including job creation, supporting human life, supporting development and well-functioning communities.

70 Meridian requests the following further amendments to Policy A:

Amend Policy A as follows:

a) Decision makers must recognise and provide for the national significance and benefits of REG activities to be realised at a national, regional and local scale. The benefits of REG activities, include but are not limited to:

i. avoiding and reducing greenhouse gas emissions to ~~provide positive effects for people, communities and the environment~~ meet New Zealand's climate change and renewable energy targets;

ii. contributing to the security, resilience and independence of electricity supply at national, regional and local levels through diverse REG sources and locations;

iii. providing for the social, economic and cultural well-being of people and communities[12] and for their health and safety;

iv. increasing resilience and long-term stability by using renewable rather than finite sources of energy;

[11] These include national, regional and local benefits

[12] Meridian's view is that these must include present and future generations

v. avoiding reliance on imported fossil fuels for the purposes of generating electricity; ~~and~~

vi. the temporary and reversible adverse effects of some REG technologies on the environment; and

vii. supporting delivery of services that are essential to support human life and the development, growth and functioning of districts, regions, New Zealand and the economy.

~~b) The additional benefits of REG activities that are:~~

~~i. located close to electricity demand and electricity networks, such as reduced electricity losses, economic efficiencies and environmental benefits.~~
~~ii. co-located with other appropriate REG activities and assets and other appropriate infrastructure and activities; and~~

~~iii. located where adverse effects on other activities are minimised.~~

b) When making planning decisions about REG, ensure that the widespread, dispersed, and ongoing national, regional, or local benefits of infrastructure are recognised and provided for relative to any localised adverse effects on the environment

Policy B

71 Policy B should explicitly recognise the importance of protecting existing flexible generation REG capacity. In effect, this will assist the consent pathways of existing hydro generation, which is the most valuable form of flexible REG generation from a systems and national grid perspective. Policy B should be adapted to acknowledge the Government's proposed 'plan stop' and the relevance of the NPS-REG for consent decision-making in the period until RM3 changes are fully implemented. Meridian reiterates the comments made earlier about the potential for third parties to create unnecessary risk and cost in reconsenting processes where the REG activities have been long established and the reconsenting proposal involves no material change and no new adverse effects.

72 Meridian reiterates the comments made earlier about the potential for third parties to create unnecessary risk and cost in reconsenting processes where the REG activities have been long established and the reconsenting proposal involves no material change and no new adverse effects.

73 Meridian requests the following further amendments to Policy B:

Amend Policy B as follows:

1) Decision-makers on REG assets and activities must recognise and provide for the importance of:

a) enabling cumulative increases of REG capacity and output at any scale and any location, including small-scale and community-scale REG activities; and

b) protecting the generation capacity and output of REG assets and activities and avoiding ~~where practicable~~ to the extent reasonably possible, any loss of REG output from a region or, district; and ~~or existing REG assets~~,

c) protecting existing flexible generation output given its national importance to maintaining a highly resilient electricity system.

2) ~~When making decisions on policy statements and plans, d~~Decision-makers must avoid any reduction in the potential utilisation of renewable electricity resources caused by inappropriate subdivision, use and development.

Policy C1

74 There is an opportunity in Policy C1 to address the national policy imbalance that currently disadvantages REG, by explicitly including environments with s. 6 values. The functional needs and operational needs for REG to be provided for in these environments include:

(a) REG can only occur where the renewable energy resources occur;
(b) REG often occurs in remote areas and must integrate with the national grid – this sometimes limits the ability of REG (operationally) to avoid environments with s. 6 values;
(c) Ongoing maintenance, repairs and upgrading require access, including at times through environments with s. 6 values.

75 It is important that Policy C1 clarifies that consideration of functional and operational need does not require an assessment of alternative sites.

76 Meridian requests the following further amendments to Policy C1:

Amend Policy C1 as follows:

1) Decision-makers must recognise ~~and provide for~~ that REG activities ~~that~~ have an operational need or functional need to be in particular environments including in areas with section 6 RMA values, with unavoidable adverse effects on those values.

2) Decision-makers must recognise that the operational need or functional need of REG activities includes the need to:

a) be located where a renewable resource is located and available at a viable scale and quality to sustain the REG activity;

b) be accessible to electricity networks and nearby to electricity demand;

c) have sufficient and accessible land available to support all associated current and future REG activities at that particular location; and

d) to operate effectively and efficiently.

3) Functional and operational need does not require an assessment of alternative sites.

Policy D

77 The language of Policy D needs to be more directive to provide clearer and stronger guidance on protecting existing REG assets from the adverse effects of other activities. Policy D could usefully include a direction that councils must identify the existing REG assets and activities and their needs for buffers and setbacks from sensitive activities. It is important that the onus for avoiding adverse consequences of inappropriate subdivision, use and development fall to the activities that 'come to' REG assets and activities, and not on REG operators. The expression 'to the extent reasonably practicable' weakens the effect of the policy.

78 Meridian requests the following further amendments to Policy D:

Amend Policy D as follows:

1) Decision-makers must protect existing REG assets and activities from the adverse effects of new activities near those assets, ~~including~~ by:

    a) avoiding reverse sensitivity effects ~~to the extent reasonably practicable~~ on those existing assets: and

    b) ensuring that the effective operation, maintenance, minor upgrading, and development of existing REG is not compromised by third party activities.

2) In order to implement clause 1), local authorities must:

    a) engage with REG providers to:

        i. understand their existing, consented and planned REG activities and medium to long-terms plans;

        ii. identify appropriate buffers and other methods to protect existing, consented and planned REG activities from the adverse effects of sensitive and incompatible activities, including direct effects, reverse sensitivity effects, and risks to health and safety;

        iii. manage subdivision to avoid adverse effects on the REG while providing for ongoing and efficient construction, operation, maintenance, development and upgrading of the REG.

Policy F

79 Meridian has no comments to make on the wording of proposed Policy F.

Policy P1

80 Meridian has no suggested amendments to make to the wording of proposed Policy F, but suggests that the meaning of 'Māori interests' ought to be defined so that it is clear what falls within the scope of adverse effects on Māori cultural values and what is a 'Māori interest'.

Policy P2

81 Policy P2 is only partially helpful. For the reasons explained in the opening sections of this submission, disputes in consenting processes for REG generally involve s. 6 values and REG is at an automatic disadvantage because of the imbalance in the RMA and in national policy direction (in favour of avoidance of effects and protection of the environment). The opportunity has been missed, in Policy P2, to redress this imbalance. Meridian notes that the limitation to environments other than where s. 6 values are present is not proposed for the NPS-EN. REG has very similar functional and operational constraints as the EN and, obviously the EN relies on the success of REG. Proposed NPS-EN Policy 4 anticipates adverse effects of EN in all environments (including those that have s. 6 values). Both the EN and REG need the same policy approach.

82 REG developers typically invest heavily in early-stage design and project shaping to avoid areas with s. 6 values. However, given the nature of renewable resources, it is often not possible to completely avoid these locations. Also, the requirements of orientation (to the sun or wind), location and spacing of REG assets (e.g. of wind turbines relative to each other to ensure clear air to turbine blades) means there are operational reasons why unavoidable adverse effects on s. 6 values may result. The NPS-REG needs to include an effects management pathway for consideration of applications in all environments, including where s. 6 values are affected.

83 For wind farms, outside s. 6 outstanding natural landscapes and high coastal natural character areas, effects on landscape and visual amenity values is typically a central point of dispute in consent hearings. Large-scale wind farms cannot be developed without having some impact on the visible landscape. Policy P2 needs to explicitly acknowledge that change to the landscape is inevitable with large-scale REG projects and that change in and of itself is not considered to be an adverse amenity[13] effect. This is similar to Policy 6 of the NPS-UD which clarifies that significant changes to urban areas can result from providing increased and varied housing and that this may detract from amenity values but that these effects are not, of themselves, adverse effects[14]. Upgrading and repowering of existing REG assets will invariably change the scope of effects (some may increase, others may decrease). Policy P2 needs to acknowledge that change associated with upgrading or repowering may be necessary and essential to maintain an efficient, safe, effective and reliable REG system.

84 It is no less important for REG than for the EN that the mitigation of adverse effects must be proportionate to the adverse effects and must be cost-effective. Wording similar to that in the NPS-EN should be included in Policy P2 to ensure consistency and alignment between the equivalent policies.

85 Reference should be made in Policy P2 to the relevance of standards, including best practice international standards.

86 Meridian requests the following further amendments to Policy P2:

[13] Here, Meridian is referring to local visual amenity effects, not s. 6 outstanding natural landscape values.

[14] Meridian notes that the 'Going for Housing Growth Package does not signal any weakening of NPS-UD Policy 6 in this regard. The intention is that future Spatial Plans will have a strong focus on enabling urban development and removing obstacles to urban development.

Amend Policy P2 as follows:

1) Decision-makers must enable REG activities, provided that adverse effects on environmental values ~~not in section 6 of the RMA or covered by national direction~~ are avoided where practicable, remedied where practicable, or mitigated where practicable. When considering the environmental effects of REG activities and measures to avoid, remedy, or mitigate any adverse effects on the environment, decision-makers must:

    a) have regard to the extent to which any adverse effects have been avoided, remedied or mitigated by the route, site, and method selection;

    b) consider the constraints imposed on achieving those measures by the technical and operational requirements of REG;

    c) recognise that REG activities are needed to increase the capacity and output of REG over time;

    d) recognise that changes in amenity from REG activities are unavoidable and necessary to achieve an effective, efficient, safe, secure and reliable and resilient national REG system;

    e) adopt relevant international and national standards and recognised best practice standards and methodologies to assess and manage adverse effects;

    f) consider the financial and timing implications of mitigation measures and any consent conditions to ensure these are proportionate and cost-effective; and

    g) recognise that it is the role of the REG provider to consider sites, routes, and methods where appropriate and identify the preferred site, route, and method for REG activities and assets.

Policy P3

87 Policy P3 is important, and Meridian supports it, because existing REG assets and activities are often located in diverse environments, including environments that have s. 6 values. Explicitly enabling the continued operation and maintenance of existing REG assets is important to the security and resilience of New Zealand's electricity supply and avoids unnecessarily re-litigating settled situations of accepted environmental effects. In addition to operation and maintenance, Policy P3 also needs to address minor upgrading (for which Meridian proposes a new definition).

88 Meridian requests the following further amendments to Policy P3:

Amend Policy P3 as follows:

Decision-makers must enable the efficient operation, ~~and~~ maintenance and minor upgrading of existing REG assets and activities, including all relevant ancillary activities and infrastructure, in all locations and environments provided adverse effects on the environment are avoided where practicable, remedied where practicable, or mitigated where practicable, acknowledging the existing nature of the assets.

Insert a new definition for 'maintenance and minor upgrading': means:

work undertaken to ensure the effective and efficient operation and performance of existing **REG activities** and includes:

a) activities associated with the maintenance or repair of existing **REG assets**, including all relevant **ancillary REG activities**; or

b) replacing existing **REG assets** with the modern equivalent equipment or asset, which may not be "like for like"; or

c) maintenance and upgrades necessary to continue to deliver the same or similar level of renewable electricity generation or to improve resilience; or

d) other upgrades of existing **REG assets** where this will have no more than minor adverse effects on the environment after the upgrade is complete.

Policy P4

89 Policy P4 is important, and Meridian supports it, because the focus of attention in considering reconsenting, upgrading and repowering proposals should be on the *difference* in effects caused by the nature and scale of any change proposed. Re-litigation of adverse effects already accepted (by consent) as part of the existing environment should not be allowed. Meridian is concerned that including a defined 'environmental footprint' may become fraught by dispute, and recommends deleting this proposed definition. What is more relevant is the complete envelope of effects (which is more than simply a horizontal footprint). Meridian's view is that the additional definition is not necessary in the context of Policy P4 because clause (b) already provides for inquiry into what the scale, intensity, duration and frequency of existing effects on the environment are. The wording of clause (b) better accords with the long-established principle of establishing whether effects are the same or similar in character, intensity and scale.

90 Meridian does not consider that constraining reconsenting, upgrading and repowering to a horizontal environmental footprint is helpful. The reality is that the reconfiguration required for some repowering proposals requires (e.g. relocation of turbines) which could expand or reduce 'footprint'.

91 Meridian reiterates the comments made earlier about the potential for third parties to create unnecessary risk and cost in reconsenting processes where the REG activities have been long established and the reconsenting proposal involves no material change and no new adverse effects.

92 Meridian requests the following further amendments to Policy P4:

Amend Policy P4 as follows:

1) Decision-makers on the reconsenting, upgrading and repowering of existing REG assets and activities must:

a) have particular regard to the efficiencies and environmental benefits of increasing REG capacity and output ~~within the same or similar environmental footprint~~;

b) only consider the extent to which the effects of the proposed REG activity are different in scale, intensity, duration and frequency from the effects of existing REG assets;

c) assume an existing environment that includes the operation of the existing REG asset; and

d) ~~seek to~~ provide flexibility for changes in consent conditions to enable the upgrading of existing REG assets to adapt to new technologies to increase REG ~~output~~ generation and improve resilience.

Looking Towards RM3

93 While the Government has recently and decisively signalled the intention that there should be no unnecessary RPS or plan changes in the period leading up to RM3, there is work that local authorities can be progressing to understand the needs and future environment for REG. There is no clear direction in the NPS-REG currently on how local authorities should strategically plan for REG. There are elements in the proposed RPS-EN and RPS-I that are equally relevant to strategic planning for REG and could usefully form the basis of an additional NPS-REG policy as follows or similar:

94 Meridian requests the insertion of an additional policy as follows:

Policy [P[X]] Strategic Planning for Renewable Electricity Generation

1) Local authorities must:

a) engage with renewable electricity generation (REG) providers and electricity network operators to facilitate medium- to long-term strategic planning for the construction, operation, maintenance, and upgrade of REG assets and associated infrastructure.

2) Planning decisions on REG activities must:

a) have regard to the extent to which the REG activity has been identified in strategic planning documents, including national energy strategies, regional energy plans, and emissions reduction plans while recognising that not all infrastructure can be spatially identified in advance;

b) consider relevant spatial plans and development strategies prepared by REG providers and electricity network operators, including those identifying future generation zones, transmission corridors, and supporting infrastructure.

NPS-REG Definitions

95 Meridian supports the ESEG comments on the proposed NPS-REG definitions.

96 **Definitions supported:** Meridian supports the wording of the following proposed definitions:

(a) Decision-makers;

(b) Functional need;
(c) Operational need.

97 **Meridian proposed amendments:** Related to the matters raised in the foregoing sections, Meridian proposes some amendments to the following proposed NPS-REG definitions (for the reasons explained in the following tables):

(a) Renewable electricity generation;
(b) Renewable electricity generation activities;
(c) Renewable electricity generation assets;
(d) Ancillary REG activities;
(e) Existing renewable electricity generation assets;
(f) Small-scale renewable electricity generation (including by combining community-scale and small-scale in one definition (small-scale REG));
(g) Repowering;
(h) Resilience of renewable electricity generation assets;
(i) Reverse sensitivity;
(j) Upgrading.

98 **Definitions to be deleted:** Meridian suggests that 'community-scale' REG can be incorporated into an amended definition of 'small-scale' REG. If that is done, the definition of 'community-scale REG' could be deleted. Meridian opposes the wording of the definition of 'environmental footprint' and the way it is used in proposed Policy P4 (to potentially constrain upgrading or repowering proposals).

99 **Additional Definitions:** Meridian proposes an additional new definition for 'maintenance and minor upgrading' as discussed earlier in relation to Policy P3.

100 Meridian's reasons for proposing change to definitions and the new definition ('maintenance and minor upgrading') are explained in the following tables:

Proposed NPS-REG Definition D11: Renewable energy generation		
Meridian:	**Reasons:**	**Wording Requested:**
Supports with changes	Meridian proposes simplifying the definition by referring only once to renewable energy sources. Meridian also suggests deleting the duplication of the word 'from' ('<u>from</u> renewable energy sources <u>from…</u>'). This can be achieved by simply adding 'renewable' before energy sources at the end of the definition.	Amend the definition as follows: means the generation of electricity from ~~renewable energy sources from~~ solar, wind, water, geothermal, biomass, tidal, wave, or ocean current <u>renewable</u> energy sources.

Proposed NPS-REG Definition D12: Renewable electricity generation activities		
Meridian:	**Reasons:**	**Wording Requested:**
Supports with changes	A key element omitted from the proposed definition is 'use and development'. The term 'construction' covers physical work and building structures. In an RMA context, a broader term encompassing use of natural resources is required. For example, geothermal REG. While the power station and pipes are 'constructed', accessing and using geothermal fluid, a natural resource, to generate electricity is not 'construction' and would be better described as 'development'. We consider the term 'development' would better encompass the range of activities required to generate renewable electricity from geothermal (and other) energy sources. Clause b) 'storage' is supported. The principle of differentiating REG networks vs distributor / grid networks is supported, with a suggested drafting improvement to combine clause c) and e). Ancillary REG activities is a defined term and the constraining terms 'relevant' and 'associated' would be more appropriately included in that definition.	Amend the proposed definition as follows: means use and development and all physical components for purposes of **renewable electricity generation**, all physical components and structures, including: a) the • investigation and monitoring; • construction; • operation; • replacement; • **maintenance and minor upgrading**; • **upgrading**; • **repowering**; and • decommissioning; b) the storage of generated electricity, including where the sole source is the **electricity network** [as defined under the NPS-EG]; c) ~~c)~~ the conveyance of generated electricity to the **electricity network~~s~~** or directly to end users; ~~and all relevant ancillary REG activities associated wi~~ but does not include an **electricity network** [as defined under the NPS-ET];~~assets owned and operated by Transpower NZ Limited or an electricity distributor.~~ d) ~~all relevant~~ **ancillary REG activities**; ~~associated with REG assets; but~~ e) geothermal drilling; f) **REG assets** and **existing REG assets**.

Proposed NPS-REG Definition D13: Renewable electricity generation assets:		
Meridian:	**Reasons:**	**Wording Requested:**
Supports with changes	Minor amendment is proposed to ensure all support components are captured.	Amend the new definition as follows: means the physical components and structures for **renewable electricity generation,** includ~~es~~ing: a) the supporting infrastructure and assets required to generate and store electricity, such as monitoring equipment, cabling, access tracks and roads; and b) the infrastructure required to convey generated electricity to electricity networks or directly to end users; and c) **ancillary REG activities.**

Proposed NPS-REG Definition D2: Ancillary REG activities		
Meridian:	**Reasons:**	**Wording Requested:**
Supports with changes	Providing for ancillary activities is critical to enabling REG. Generation from the different renewable energy sources all have different requirements. Meridian supports the definition, with suggested refinement to improve clarity. Culvert and bridges are structures typically required to support access tracks and roads, particularly for wind farms.	Amend the new definition as follows: all supporting and subsidiary activities needed to provide for **REG** ~~the investigation, construction, operation, maintenance, upgrading, repowering and decommissioning of REG assets~~ including but not limited to vegetation clearance, tree trimming, earthworks, the construction, maintenance and upgrading of access tracks and roads, culverts, bridges, power supply, and telecommunications.

Proposed NPS-REG Definition D7: Existing renewable electricity generation assets		
Meridian:	**Reasons:**	**Wording Requested:**
Supports with changes	Meridian supports the intent of the definition (and policies) to recognise the important role of existing generation (refer to Figures 2 and 3 on pages 8 and 9 of this submission). However, to deliver on these policies, the provisions need to address both use of land (i.e. physical components and structures) and the use of resources (i.e. access to and allocation of). For example, geothermal fluid. As drafted the focus is on existing physical components and structures (assets only). Meridian's preference is to modify this definition to encompass use of resources. Accordingly, the reference should be to REG activities rather than assets. In sub-clause (a), the phrase 'lawfully established' should be used because it is well understood and tested through case law. To be more express, the clause should be drafted to include reference to current generation. With respect to subclause (b), the term 'resource consent' is defined in the RMA and that use / activity must be 'expressly allowed'. An expired resource consent does not 'expressly allow' an activity. Inclusion of the words 'that has not lapsed' is necessary. The expression 'unimplemented' creates a potential gap for projects that are under construction but not yet generating. With larger projects, generation often also comes on-line in stages. To avoid this gap, it is suggested	Amend the definition as follows: means **REG activities and/or REG assets** that, at a time a decision is made, are already: a) lawfully established and constructed; or b) authorised by ~~an unimplemented~~ resource consent, ~~or~~ designation or other authorisation granted and which remains in force (that has not lapsed).

	the term 'unimplemented' is deleted. In respect of both clause (a) and (b) and for the avoidance of doubt, a reference to 'ancillary REG activities' should be included.	

Proposed NPS-REG Definitions D3 and D17: Community-scale REG and Small-scale REG		
Meridian:	**Reasons:**	**Wording Requested:**
Supports with changes	REG of all scales has benefits. Meridian supports policies that enable a range of REG activities, but is concerned with the possible interpretations of these definitions. Note: An equivalent amended definition of 'small-scale renewable electricity generation (small-scale REG)' should be included in the NPS-EN and NES-EN.	Delete the definition of 'community-scale' REG and include that within an amended definition of 'small-scale REG' as follows: means renewable electricity generation where the primary purpose is to ~~provide~~ supply electricity: • ~~for on-site use (at~~ to an individual site ~~or landholder level)~~; • directly to a local community; or • for a telecommunications facility.

Proposed NPS-REG Definition D14: Repowering		
Meridian:	**Reasons:**	**Wording Requested:**
Supports with changes	Meridian supports the inclusion of a definition of 'repowering', distinct from 'upgrading', but considers the words 'within an existing REG site' are unnecessary (the meaning is already clear. Repowering is undertaken to increase both REG capacity and output.	Amend the definition as follows: means in relation to **existing REG assets** generating electricity from wind or solar sources, the whole or partial replacement or upgrading ~~of **REG assets** within an existing REG site~~ to maintain or increase generation capacity and output and/or extend the operational life of the **REG asset**.

Proposed NPS-REG Definition D15: Resilience of renewable electricity generation assets		
Meridian:	**Reasons:**	**Wording Requested:**
Supports with changes	Amended policy A (national significance and benefits of renewable electricity generation) and new policy P4 (reconsenting, upgrading and repowering existing REG assets) – clause 1. c) use the expression 'resilience' while the proposed defined term is 'resilience of REG assets'. The word 'resilience' also appears in Policy A (a) (v) however this is in a different context to natural hazards. The policy direction for 'resilience' is unclear. Meridian's preference is for the term 'resilience' to be defined as in the NPS-Infrastructure. This approach would avoid the potential for multiple different definitions (and policy directives) for 'resilience' between NPS's.	Delete reference to REG assets and adopt the NPS-Infrastructure definition of 'resilience': ~~means the capacity of infrastructure to absorb a shock, including from natural hazards, recover from the disruption, adapt to changing conditions, including climate change, and retain a similar level of essential service as before, even if that means delivering an infrastructure service in a new or different way.~~ means the capacity of **REG assets** to absorb a shock, including from natural hazards, recover from the disruption, adapt to changing conditions, including climate change, and retain essentially the same or similar level of service as before, even if that means delivering an infrastructure service in a new or different way.

Proposed NPS-REG Definition D16: Reverse sensitivity		
Meridian:	**Reasons:**	**Wording Requested:**
Supports with changes	Meridian supports inclusion of a definition of 'reverse sensitivity' because it will assist in the interpretation of amended Policy D (protecting existing REG assets from other activities). The focus of the definition should be on REG activities (as intended by Meridian's suggested change to the definition of 'existing REG') rather than being only on assets.	Amend the definition as follows: means in relation to REG, the vulnerability of **existing REG <u>activities</u>** ~~assets~~ to complaint, burden, or constraint from a new or more intensive activity proposed or located near **existing REG <u>activities</u>** ~~**assets**~~.

Proposed NPS-REG Definition D18: Upgrading		
Meridian:	**Reasons:**	**Wording Requested:**
Supports with changes	Upgrading may not relate only to footprint or envelope of effects. It can also relate to the access and use of resource. For example, generation of electricity from water requires not just a dam structure and station but an ability to use the water (i.e. allocation).	Amend the definition as follows: means in relation to **existing REG activities**, increasing the capacity, efficiency, safety, security, **resilience**, ~~or~~ longevity, reliability and/or flexibility. ~~of the existing REG assets~~.

Proposed Additional NPS-REG Definition: Maintenance and minor upgrading		
Meridian:	**Reasons:**	**Wording Requested:**
Supports an additional definition	This definition is necessary to clarify the scope of application of Meridian's proposed amended Policy P3.	Insert a new definition of **Maintenance and minor upgrading** as follows: means work undertaken to ensure the effective and efficient operation and performance of **existing REG activities** and includes: a) activities associated with the maintenance or repair of existing **REG assets**, including all relevant **ancillary REG activities**; or b) replacing existing **REG assets** with the modern equivalent equipment or asset, which may not be "like for like"; or c) maintenance and upgrades necessary to continue to deliver the same or similar level of renewable electricity generation or to improve resilience; or d) other upgrades of existing **REG assets** where this will have no more than minor adverse effects on the environment after the upgrade is complete.

NZ COASTAL POLICY STATEMENT

101 Meridian supports the alternative drafting of Policy 6 of the New Zealand Coastal Policy Statement 2010 (**NZCPS)** proposed by ESEG (included in Appendix 3). The alternative wording seeks to address the Regulatory Impact Statement (**RIS**) objective of better providing for both new and existing REG, Energy Network and Infrastructure activities in the coastal environment

102 To achieve the objective in the RIS for REG, there needs to be stronger and more directive alignment of Policy 6 with the proposed amendments promoted by the ESEG to the NPS-REG in the context of renewable energy.

103 The drafting of Policy 6 needs to be directive and emphasise the national significance and benefits of REG and the need for these activities to locate where the resources occur, while managing adverse effects

104 The proposed drafting for Policy 6 lacks the direction required to enable renewable energy and other activities identified in NZCPS Policy 6 to be consented in appropriate circumstances where the domains identified in NZCPS Policies 11,13 and 15 are in play and avoidance is the primary direction.

105 The proposed drafting needs to provide for existing REG activities located within the coastal environment including within the coastal marine area.

NZCPS Objective 6

106 Meridian considers that NZCPS Objective 6 is not currently fully implemented through NZCPS Policy 6 in relation to opportunities for renewable energy development and the protection of existing REG assets and activities in the coastal environment. Objective 6 is to *enable people and communities to provide for their social, economic and cultural wellbeing and their health and safety, through subdivision, use and development, recognising that:*

- *the protection of the values of the coastal environment does no preclude use and development in appropriate places and forms, and within appropriate limits;*
- *some uses and developments which depend upon the use of natural and physical resources in the coastal environment are important to the social, economic and cultural wellbeing of people and communities;*
- *functionally some uses and developments can only be located on the coast or in the coastal marine area;*
- *the coastal environment contains renewable energy resources of significant value…*

107 It is Meridian's view that no change is needed to Objective 6 to support the requested amendments to NZCPS Policy 6 discussed below.

NZCPS Policy 6

108 Meridian requests the following further amendments to NZCPS Policy 6 for the reasons summarised in column 2 below. The reasons are explained more fully in Appendix 5 to the ESEG submission which Meridian adopts. Text marked in red ~~strike out~~ and underlining is proposed by Attachment 2.3 to the National Direction Package 2 (Primary

Sector). Meridian's requested further amendments are shown with green highlighted ~~strike-out~~ and underlining:

Policy 6 Activities in the coastal environment (1) In relation to the coastal environment: (a) recognise that the provision of infrastructure, the supply and transport of energy including the generation and transmission of electricity, and the extraction of minerals are activities ~~important to which ay be~~ which are required for the social, economic and cultural well-being of people and communities; (b) consider the rate at which built development, and the associated public infrastructure should be enabled to provide for the reasonably foreseeable needs of population growth without compromising the other values of the coastal environment; (c) encourage the consolidation of existing coastal settlements and urban areas where this will contribute to the avoidance or mitigation of sprawling or sporadic patterns of settlement and urban growth; (d) recognise tangata whenua needs for papakāinga, marae and associated developments and make appropriate provision for them; (e) consider where and how built development on land should be controlled so that it does not compromise activities of national or regional importance that have a functional need or operational need to locate and operate in the coastal ~~marine area~~ environment; (f) consider where development that maintains the character of the existing built environment should be encouraged, and where development resulting in a change in character would be acceptable; (g) ~~take into account recognise~~ provide for the potential of renewable resources in the coastal environment (such as energy from wind, waves, currents and tides) to be realised for renewable electricity generation, to meet the reasonably foreseeable needs of current and future generations; (h) recognise and provide for the national significance and benefits of REG activities that have a functional and or operational need to locate and operate in the coastal environment in accordance with the NPS-REG; (i) consider how adverse visual impacts of development can be avoided in areas sensitive to such effects, such as headlands and prominent ridgelines, and as far as practicable and reasonable apply controls or conditions to avoid those effects;	Clause (a) needs to be amended to strengthen the link between the activities listed and the well beings identified. While a small change, the wording 'which are required' is more directive and clearer for decision makers. The amendment better implements Objective 6. Clause(e) needs to reference the entire coastal environment rather than being limited to the coastal marine area. Meridian supports the addition of operational need in clause (e). In clause (g) the focus should be on *providing for* the potential of REG for generation via consenting processes, so that increased REG can be realised. The proposed wording focuses on recognising the potential of the resource, which is comparatively weak. Meridian's requested wording provides a more helpful direction to decision makers on resource consent applications. Additional clause(h) is important in linking the outcomes of significance and benefits in the NZCPS to those in the NPS-REG, as promoted by the ESEG. This will be useful in consenting contexts for helping to reconciling conflicts with other policies in the NZCPS.

(j) set back development from the coastal marine area and other water bodies, where practicable and reasonable, to protect the natural character, open space, public access and amenity values of the coastal environment; and (k) where appropriate, buffer areas and sites of significant indigenous biological diversity, or historic heritage value;	
(l) Provide for the operation, maintenance and upgrading of existing **REG activities** within a site in the coastal environment that meets any of the criteria or values in NZCPS Policies 11(a), 11(b), 13 or 15 where any effects that are different in scale, intensity, duration and frequency from the effects of the existing **REG activities** are minimised as far as practicable. (m) In relation to 1(e) and (h) ~~recognise that~~ provide for nationally and regionally significant infrastructure, renewable electricity, electricity transmission, aquaculture and resource extraction activities that ~~may~~ have a functional need or operational need to locate in the coastal ~~marine area~~ environment. 2) Additionally, in relation to the coastal marine area: (a) recognise potential contributions to the social, economic and cultural wellbeing of people and communities from use and development of the coastal marine area, including the potential for renewable marine energy to contribute to meeting the energy needs of current and future generations: (b) recognise the need to maintain and enhance the public open space and recreation qualities and values of the coastal marine area; (c) recognise that there are activities that have a functional need or operational need to be located in the coastal marine area, and provide for those activities in appropriate places; (d) recognise that activities that do not have a functional need or operational need for location in the coastal marine area generally should not be located there; and (e) promote the efficient use of occupied space, including by: i. requiring that structures be made available for public or multiple use wherever reasonable and practicable; ii. requiring the removal of any abandoned or redundant structure that has no heritage, amenity or reuse value; and iii. considering whether consent conditions should be applied to ensure that space occupied for an activity is used for that purpose effectively and without unreasonable delay. (f) In relation to 2 (c) and (d) ~~recognise~~ provide for nationally and regionally significant infrastructure, renewable electricity, electricity transmission aquaculture and resource extraction activities that	Clause(l) is required to address consent renewals and repowering of existing REG assts and activities which already have an existing impact on the domains identified in P11, P12 and P15. The amendment is necessary to more clearly identify to consent decision-makers that only *new or additional* effects need to be managed. Additional clause (m) is required to enable decision makers on resource consents to have the ability to consider all domains in the coastal environment, irrespective of the domain, provided effects are managed and overall values protected. Meridian supports the addition of future generations in clause 6 (2). Meridian supports the addition of operational need in clauses 6 (2) (c) and (d). Proposed additional clause (f) does not go far enough in implementing Objective 6 in relation to REG and important infrastructure in the coastal marine area.

may have a functional need to locate in the coastal marine area.	

NPS-FRESHWATER

109 Meridian supports the comments and recommendations contained in the ESEG response to the Freshwater Discussion Document (Appendix 9 to the ESEG submission). In summary, Meridian:

(a) supports redrafting of the NPS-FM objective to incorporate a balanced suite of objectives that includes explicit provision for REG activities in freshwater environments, as opposed to a single objective focused on a hierarchy of obligations under which REG is relegated to a low priority;

(b) supports retention in the NPS-FM of the concept of Te Mana o te Wai as part of a rebalanced suite of objectives and with greater clarity as to what it means in practice and how it is to be applied to real-world situations;

(c) agrees with ESEG that a redrafted NPS-FM should require Councils to explicitly consider the costs associated with achieving community aspirations for freshwater, including opportunity costs where community aspirations conflict with the value of increasing renewable electricity generation;

(d) considers that the current suite of compulsory values creates a hierarchy of values in which use and development values are not prioritised. Meridian supports a broader set of compulsory values which must include human use (including for the hydro-electricity generation, acknowledging the significant benefits of hydr-electricity generation at all scales);

(e) shares ESEG's concerns that the current regulation of natural inland wetlands is overly complex, doesn't differentiate between different quality of wetland and is creating impractical obstacles to development of REG where the implementation of the NPS-F effects management hierarchy is preventing biodiversity offsetting and compensation (this is unreasonable for large-scale nationally significant REG projects particularly where wetland values are not significant);

(f) agrees with ESEG that off-line water storage has significance beyond the farming sector and that any standards for off-line water storage need to be workable.

110 In addition, there is an issue Meridian is experiencing in the implementation of NPS-F clause 3.31.4 (setting of target attribute states in FMUs with large hydro-electric generation schemes). The issue relates to problem concentrations of Didymo in South Island catchments. Presently, the discretion in 3.31.4 (a) is potentially somewhat ineffective because regional councils have discretion to reduce the national bottom lines for attributes if they wish which they are unlikely to exercise.. For example, compulsory standards relating to chlorophyll *a* intended to control nuisance periphyton accumulation in waterways cannot be met, especially due to the introduction of Didymo (an introduced aquatic organism in South Island catchments). Flow regime adjustments and allocation are promoted on hydro consent releases as a means to "flush" the system and are seen as the answer to manage the Didymo 'problem' to achieve the national limit. In practice

this approach is an unrealistic objective given the distance from where flow control exists to where the river discharges to the sea.

111 In essence the level of flow manipulation required to meet a catchment objective based on the compulsory values would have significant impacts on generation output, and flexibility in the context of the New Zealand Electricity System. The Waitaki and the Manapōuri Power Schemes are cases in point. It is critical that this is addressed in the redrafting of the NPS-FM as part of RM3.

NATIONAL ENVIRONMENTAL STANDARDS FOR ELECTRICITY TRANSMISSION ACTIVITIES INCLUDING EV CHARGING NETWORKS

112 Meridian operates the Zero EV charging network with over 350 charge points available in our nationwide charging network, making it the second largest in Aotearoa. Meridian has significant ambition in the area of EV charging, and is committed to accelerating the transition to low-emissions transport and supporting the Government's goal of 10,000 public EV chargers by 2030, and to improve access to public chargers.

113 Meridian strongly supports the general intent to promote a consistent, commonsense approach to deploying EV chargers throughout New Zealand. We note that deploying EV charges is currently very resource intensive, and that there is huge variation throughout the country with respect to the local planning rules and approaches to allowing EV chargers to be installed. Unfortunately the installation and operation of EV charging infrastructure frequently requires resource consents due to outdated district plan provisions that did not anticipate this type of infrastructure. We also note that EV charging typically has very minimal impacts on its surrounding environment. We consider the proposed changes to be a vital step towards enabling efficient, timely and scalable deployment of public charging stations across Aotearoa New Zealand.

114 Meridian also supports the intention driving the proposed changes relating to electricity distribution infrastructure. Developing connections to local distribution infrastructure is a key driver of cost and complexity when building new EV charging stations. Although consenting is only one part of a broader set of issues affecting efficiency in distribution network charging, we consider this a step in the right direction.

Current challenges for public charge point operators (*CPOs*)

115 The current consenting environment presents significant challenges for CPOs, including:

- Inconsistent processes across territorial authorities;
- Variable pricing structures across local authorities;
- Uncertainty around overlays and land use classifications; and
- Restrictive rules such as limits on equipment height and signage, triggering the requirement for consent.

116 Meridian supports making EV charging infrastructure a permitted activity under district or unitary plans in a wider range of circumstances than is the case currently. In our view, the proposals will help to support the government's goals of rapidly increasing New Zealand's EV charging network by:

(a) Providing clear, consistent rules for EV infrastructure deployment

(b) Reducing time and cost burdens associated with resource consents

(c) Enabling greater certainty for investment in public charging infrastructure

117 However, we would like to encourage decision makers to extend the ways in which the new definition of 'EV charging infrastructure' applies, in order to maximise the benefits of the change. For example, our view is that there would be benefits to including destination charging locations and private charging in the new framework, and to ensure that the new definitions cover typical use cases and commonly used charging infrastructure. Specific recommendations are included in Appendix 4.

118 The specific challenges and inefficiencies Meridian has identified in the proposed National Environmental Standards for EV charging networks are detailed in Appendix 4 to this submission.

PROPOSED NES-ELECTRICITY NETWORKS

Proposed Regulation 5 (1) and 5 (2) (installing and operating a facility)

119 The current regulations regarding installing a facility exclude self-contained power units (which include renewable and non-renewable electricity generation). This regulation will be amended to enable new standards for renewable electricity generation activities and self-contained power units as back-up for renewable electricity generators and for temporary telecommunication facilities (which may include a generator).

120 There is currently ambiguity about whether the NES-TF permits several necessary activities as part of installing and operating a facility, for example, upgrading or removing. These changes clarify that these activities are captured as part of installing and operating any telecommunication facility that is a regulated activity in the NES-TF.

121 Meridian requests:

(a) Amendment of Regulation 5(1)(b) to include installation and operations of structures and equipment for renewable electricity generation activities. Amend regulation 5(2)(a) to clarify that a facility can include a self-contained power unit; and

(b) Clarification in Regulation 5 (2) that installing and operating a facility includes 'upgrading, expanding, replacing, removing and decommissioning' a telecommunication facility.

NPS HIGHLY PRODUCTIVE LAND

122 Meridian supports the removal of LUC 3 land from the NPS-HPL. This will remove an unnecessary roadblock for development of REG activities which can co-exist with agricultural activities including on land classed as LUC3.

CONCLUDING COMMENTS

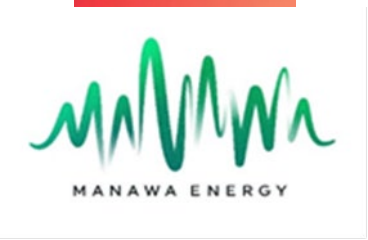
123 For the reasons explained in this submission, Meridian considers that the NPS-REG needs to be completely replaced to make it fit for purpose to meet New Zealand's energy challenge. Meridian's preference is replacement with the version of the NPS-REG contained in Appendix 2 of this submission. In the alternative, Meridian considers the amendments detailed in this submission, and in the ESEG submission, need to be made to the NPS-REG and other national policy instruments.

124 Meridian reiterates its view that these changes are needed now and should not be deferred until RM3. That is because of the important role these national policy instruments will have in the interim period until the future resource management legislation and national policy framework is settled. If the Government's ambitious 'Electrify New Zealand' electricity generation goals are to be met, real change needs to be in place ahead of RM3.

125 Meridian would welcome an opportunity to discuss the detail of wording changes with Ministry officials before the amendments to the suite of national policy instruments is finalised.

APPENDIX 1

COPY OF THE ESEG SUBMISSION ON NATIONAL DIRECTION PACKAGE

JOINT SUBMISSION OF ELECTRICITY SECTOR ENVIRONMENT GROUP

Introduction

1. This submission is made by New Zealand's principal electricity generators[1] collectively referred to as the Electricity Sector Environment Group (**ESEG**), to the Government's proposed National Direction Reform Programme (**NDRP**) being promoted in the transition to a new (replacement) resource management system.

2. ESEG's members are currently committed to an unprecedented pace and scale of capital investment in renewable electricity generation (**REG**) projects. Over the past 24 months we have delivered 3.1 TWh of new generation capacity, with an additional 2.2 TWh currently under construction.

3. The consenting process for these projects was generally fraught, being loaded with excessive risk, uncertainty, cost and delay. REG projects can take years to consent and even if approved may have unworkable consent conditions, or conditions that are so complex the consents take years to implement before generation can begin.

4. As recorded in the *Interim Regulatory Impact Statement: Proposed National Policy Statement – Renewable Electricity Generation* prepared by the Ministry for the Environment (**NPS-REG-RIS**), Te Waihanga (New Zealand Infrastructure Commission) has found that the time taken to get consent for infrastructure projects generally has increased by 150% over a 5 year period, and the cost of consenting has increased by 150% over the last 7 years.[2]

5. This finding by Te Waihanga is consistent with ESEG members' experience of REG consenting, particularly in more recent years following a series of Supreme Court decisions.

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[1] Meridian Energy, Mercury NZ, Contact Energy, Manawa Energy and Genesis Energy, together with the NZ Wind Energy Association.
[2] Refer paragraph 12 of the NPS-REG-RIS.

6. ESEG members have a pipeline of further REG projects planned for consenting in the next 5 years that would add 9.2 TWh of additional REG capacity, but which would face this same degree of delay, risk and cost under RMA consenting processes and national direction as it stands.

7. To address this core failing of the current resource management system, ambitious national policy direction enabling REG projects to be consented at the necessary pace and scale for New Zealand to meet its electrification and emission reduction targets is both essential, and long overdue.

8. *Electricity NZ* committed to "cut red tape" to double renewable electricity generation, ensuring affordable clean energy, and achieving New Zealand's climate change goals. *Electrify NZ* records the Government's plan to "turbo charge" REG projects and "unleash" investment in transmission infrastructure.

9. ESEG strongly supports that ambition. Nothing less will suffice.

10. In 2022, Concept Consulting prepared a report for ESEG advising that New Zealand will need to develop renewable electricity generation at an unprecedented rate to meet its decarbonisation objectives, requiring 1,250 GW of new renewable electricity generation every year until 2050; being over three times that commissioned annually in the 30-year period from 1990 to 2020. To put that into perspective, this is the equivalent of building one *West Wind* scale generation project (New Zealand's second largest windfarm) every five months.

11. Critically, that assessment assumes that <u>all</u> existing generation capacity will be retained, i.e. that the operating capabilities of existing renewable power stations will not be reduced when their consents are renewed. If that does not eventuate, the scale of the challenge would be even greater, and likely insurmountable.

12. As also stated in the NPS-REG-RIS, delivering *Electrify NZ* to help achieve the goal of doubling renewable energy is one of the key policies in the Government's second Emissions Reduction Plan (**ERP2**), in order to meet the second emissions budget (**EB2**) for the period 2026-2030. To that end, Te Waihanga has estimated that REG capacity and storage will need to increase by over 150% by 2050 to meet New Zealand's net zero emissions target.[3]

13. With that context and these concerns firmly in mind, this submission addresses the following aspects of the NDRP, with the overriding objective set out at paragraph 19 below.

[3] Refer paragraphs 9 to 14 of the NPS-REG-RIS.

Package 1 – Infrastructure and Development

- Amendments to the National Policy Statement for Renewable Electricity Generation (2011) (**NPS-REG-Am**), as the principal focus of this submission.
- New National Policy Statement for Infrastructure (**NPS-I**).
- Amendments to the National Policy Statement on Electricity Transmission 2008 (**NPS-ET-Am**).[4]
- New National Policy Statement for Natural Hazards (**NPS-NH**).

Package 2 – Primary Sector

- Amendments to the New Zealand Coastal Policy Statement 2010 (**NZCPS-Am**).
- Amendments to the National Policy Statement for Indigenous Biodiversity 2023 (**NPS-IB-Am**).
- Amendments to the National Policy Statement for Highly Productive Land 2022 (**NPS-HPL-Am**).

Package 3 - Freshwater

- Discussion Document on proposed changes to national direction regarding freshwater.

14. This document is a '**covering submission**' setting out ESEG's main submission points of relevance to all of the above aspects of the overall NDRP, but principally directed to the NPS-REG-Am. It also summarises the submission points made regarding the other aspects of the NDRP as listed above.

15. Separate submission tables are **appended** setting out more detailed submission points for the key aspects of the NDRP referred to and summarised in this covering submission, including specific drafting changes needed to ensure the NDRP as a whole can deliver on the commitments in *Electrify NZ,* over the transition phase to a new resource management system.

Executive Summary – NPS-REG: Building the Bridge to RM3

16. The NDRP is considerably reduced in scope and impact from that originally planned by the Government for Phase 2 of the overall resource management reform programme (**RM2**).

[4] To be renamed the National Policy Statement for Electricity Networks (NPS-EN)

17. ESEG understands that the Government intends to deliver its previously more ambitious objectives for reform of national direction through Phase 3 of the overall reform programme (**RM3**), in part to minimise the regulatory burden otherwise placed on local authorities needing to prepare new policy statements and plans that will be superseded under RM3. [5]

18. For that reason, the primary impact of the NDRP will be on **consenting decisions** made over the transitional period prior to full implementation of RM3, rather than on the wider planning system under the RMA more generally.

19. In that context ESEG's overriding objective in making this submission on the NDRP is to enable the Government to deliver on the policy commitments in *Electrify NZ* by substantially improving the consenting of REG projects while legislation for the new resource management system proposed under RM3 is drafted, enacted and then fully implemented.

20. Even with the strongest resolve, that overall process is likely to take several years to complete, likely not before 2030.

21. The Planning and Natural Environment Acts will need to be drafted and enacted. National Policy Direction (**NPD**) under the Planning Act and the Natural Environment Act (**NEA**) will need to be prepared and come into force. Spatial plans, natural environment plans and combined district plans will then need to be produced through a public engagement process including hearings before an independent panel, with the prospect of appeals to the Environment Court.

22. The process steps and the timeline for full implementation of RM3 is as set out in the following graphic:

23. Until that overall process is complete it is assumed that national direction under the RMA will continue to apply to consenting decisions affecting REG, either directly or through local authority plans (giving effect to that national direction) until the new NEA and Planning Act plans are operative.

24. ESEG members have a collective pipeline over 20 REG projects for consenting between now and 2030, which would deliver an additional 9 TWh of generation capacity. On top of that, at least six existing REG assets with almost 2 GW generation capacity need renewal or replacement consents over this same period. The details of

[5] Refer for example explanation of the proposed provisions under "implementation measures" in Attachment 1.2 to the Infrastructure Package (proposed amendments to the NPS-REG 2011).

these new and existing projects (which need reconsenting) are as set out in **Appendix 1**.

25. ESEG cannot wait up to five more years for an effective and workable consenting pathway for these projects.

26. Each of these projects (i.e. for both new *and* replacement or renewed consents) faces significant consenting risk, cost and delay under the RMA as it stands, principally because of significant even fundamental defects in the national direction currently in force.

27. As currently drafted, the NDRP will fail to resolve these core problems with the RMA and unleash REG investment over the transition period to full implementation of RM3.

28. REG projects will continue to hit the same regulatory brick wall which the RMA has presented, particularly over the last 10 years as a result of a series of Supreme Court rulings since 2015. A case study proving the point is addressed further below.

29. While the fast-track process can be used for some projects, there is a range of reasons why progressing a consent application for REG activities through the process under the Fast Track Approvals Act 2024 (**FTAA**) would not be appropriate or the preferred option for ESEG members, pending the completion of RM3. It is by no means the 'silver bullet' for REG. These reasons are set out in more detail below.

30. ESEG is also conscious of other aspects of RM2 intended to benefit consenting of REG projects including the setting of:

    - a one year time period for deciding consent applications for REG projects; and
    - a minimum 35 year duration for consents authorising REG projects.

    under the Resource Management (Consenting and Other System Changes) Amendment Bill.

31. However, ESEG considers it to be vital that alongside these positive reform steps for the REG consenting *process,* there is a strongly enabling and coherent overall platform of national direction supporting REG consenting *outcomes*. This is particularly the case for REG projects where the RMA consenting pathways are considered more appropriate or preferred over the FTAA process, but noting that under the FTAA, RMA national direction must still all be considered.

32. There is otherwise the prospect that consent applications which would have to be decided more quickly (and approved for a minimum 35 years duration) would face *a greater risk of being declined* over the transition period to RM3, because they lack a sufficiently directive national policy framework behind them, while consenting barriers remain in place under other national direction.

33. In that context and in order to provide an effective bridge to a fully implemented new resource management system, ESEG submits that the NPS-REG-Am needs to be revised in the following key ways:

Issue	**Issue description**	**Proposed Action**
Policy Gap – Areas of National Importance	The NPS-REG-Am lacks enabling policy for REG projects in areas covered by section 6 of the RMA (e.g. outstanding natural landscapes, indigenous biodiversity) where national direction supporting REG is most urgently needed.	Include directive and enabling policies for REG in section 6 areas in the NPS-REG-Am, providing clear guidance for decision makers.
The "Bottom Line" Problem	Supreme Court rulings have elevated "avoidance" policies in other NPSs, making it nearly impossible to consent REG projects with unavoidable effects.	Introduce conflict resolution clauses in NPS-REG-Am that allow REG policies to prevail where appropriate, over rigid "bottom line" constraints in other national direction.
Lack of Directive Force	NPS-REG-Am is not strong or directive enough to compete with the protective 'bottom line' provisions in other national direction affecting consenting decisions.	Strengthen the language of NPS-REG-Am to be bold, directive, and able to compete with other national direction relating to section 6 values (in particular).
Conflict Resolution	No mechanism exists to resolve conflicts between NPS-REG-Am and other national policy statements.	Add a clause stating that the NPS-REG-Am prevails in case of conflict (except Te Ture Whaimana), and mirror this in other NPSs.
Effects Management	REG projects struggle to meet rigid offsetting/compensation requirements (e.g. "no net loss") in other NPSs.	Enable a flexible effects management approach in the NPS-REG-Am that allows for mitigation, offsetting, or compensation without mandatory avoidance, "no net loss" or "net gain" requirements and thresholds.

Clear Objective	The need for an objective in the NPS-REG-Am to explicitly secure, maintain, and **significantly increase** renewable electricity generation (REG) capacity as a matter of priority and urgency.	Include a directive objective in the NPS-REG-Am that prioritises REG expansion including each of these elements to the objective.
Platform for Existing Capacity	Establish a policy framework to protect and enhance existing REG capacity and output as a secure foundation or platform for scaling up new generation.	Include provisions in NPS-REG-Am to secure, protect and enhance existing REG assets.
Definition Amendments	Amend key definitions in the NPS-REG-Am to ensure all components of REG activities are covered and benefit from the enabling policy framework.	Revise definitions in NPS-REG-Am to ensure comprehensive coverage of REG activities.

34. ESEG proposes two drafting options to deliver these requirements for an effective consenting pathway for REG, pending full implementation of the new resource management system:

(a) Preferred Option: ESEG's own drafting addressing all of the requirements set out above as supported by the reasons explained in this covering submission;[6] or

(b) Alternative Option: More refined drafting changes to the NPS-REG-Am as proposed, drawing on policies of the NPS-I and NPS-ET-Am which would make a more significant improvement on the NPS-REG 2011. This will ensure that (while not preferred or optimal) the NPS-REG is at least as directive and enabling as the NPS-ET-Am, and NPS-I for electricity transmission and infrastructure generally.

(c) Include a revised preamble to the NPS-REG (as set out in ESEG's Preferred Option), because the preamble to national policy statements is frequently

[6] Other supporting rationale including regarding the definitions proposed in the Preferred Option has previously been supplied to Ministry officials (refer e.g. Legal Position Paper submitted on 13 May 2025).

referred to by decision makers, and the preamble text of the NPS-REG 2011 is both out of date and no longer fit for purpose.

35. These drafting options are set out in **Appendices 2 and 3** respectively, along with a supporting rationale for the Alternative Option (at the specific drafting level). Appendix 3 also includes supporting rationale for the changes needed to relevant definitions (for the reasons noted above) particularly if the Alternative Option is adopted (but noting that aspects of that rationale are relevant to explaining the definitions employed in ESGS's Preferred Option as well, despite the different policy drafting context employed in the Preferred Option).

36. Alongside these drafting changes to the NPS-REG-Am, ESEG submits as follows on the other elements of the NDRP of relevance to REG.

NPS-I and NPS-ET-Am

- The exemption of REG (along with electricity transmission and distribution) from the NPS-I should be retained, because these activities are covered by targeted/bespoke policy direction in the NPS-REG-Am and NPS-ET-Am. In addition, as well as having unique benefits for climate change mitigation, REG infrastructure has its own locational (resource dependent) functional, operational and spatial attributes and requirements that require specific policy direction independently of infrastructure generally, including the electricity transmission and distribution network.

- Conversely, equivalent policies to those proposed under the NPS-ET-Am and NPS-I dealing with functional and operational need, the selection of sites, routes and methods and the approach to consideration and management of adverse effects (including in areas with section 6 values) should be included in the NPS-REG-Am (as proposed in the specific drafting for the Alternative Option set out in under **Appendix 3**).

- If the definition of REG activities is not amended as recommended in Appendix 3, provision for battery electricity storage systems (**BESS**) should be made in the NPS-I.

  (refer further supporting rationale in **Appendix 4**).

NZCPS-Am

- The proposed amendment to Policy 6 needs to be strengthened to be more directive.

- Additional policy wording needs to be included specifically enabling and providing for REG, particularly within the coastal environment (as opposed to the coastal marine area).

(refer further supporting rationale and specific drafting in **Appendix 5**).

NPS-IB-Am

- The exclusion in the existing NPS-IB for REG should be maintained, but extended to the cover the provisions of lower order plans which give effect to the NPS-IB as well.

- As submitted above in relation to the NPS-REG-Am, the NPS-REG-Am must have enabling policy direction covering s 6(c) of the RMA, to avoid recourse to s 6 of the RMA directly by decision makers considering REG activities that may affect areas of significant indigenous vegetation or significant habitats of indigenous fauna in the terrestrial environment.

  (refer further supporting rationale and specific drafting in **Appendix 6**).

NPS-NH

- The exemption of infrastructure from the scope and coverage of the NPS-NH should be maintained.

  (refer further supporting rationale in **Appendix 7**).

NPS-HPL

- The removal of LUC 3 land from the NPS-HPL is supported to remove an unnecessary roadblock for development of REG activities (which can typically co-exist with agricultural activities, with the land able to be returned to agricultural use following decommissioning). The existing consenting pathway for specified infrastructure in the NPS-HPL is fraught with consenting risk and complexity, including for reasons addressed below in relation to functional /operational need and the related issue of alternative sites.

  (refer further supporting rationale in **Appendix 8**).

Freshwater

- ESEG supports the intended refocusing of Te Mana o te Wai on planning processes, and the inclusion of an additional objective enabling provision for social, cultural and economic wellbeing along with productive economic opportunities.

- A consenting pathway for REG activities that is workable in relation to wetlands (both natural inland wetlands and wetlands under the RMA more generally) needs to be provided, distinguishing between high and low value wetlands and enabling

enhancement of high value wetlands in exchange for any loss or impact on low value wetlands, to achieve overall positive outcomes.

(refer further supporting rationale and specific drafting in **Appendix 9**).

Resolution of Conflict

- Parallel and reciprocal provisions need to be included in the NPS-REG-Am and the other new and amended national direction subject of the NDRP, to ensure that consenting decisions for REG activities are made in accordance with the relevant policies of the NPS-REG-Am, and/or that the NPS-REG-Am provisions prevail in the event of conflict.

(refer further supporting rationale and specific drafting in **Appendix 10**).

37. Before turning to the rationale for the required changes to these elements of the overall NDRP in more detail, ESEG wishes to make it quite clear that it is by no means seeking provision for REG in a way that would compromise environmental values including as covered by s 6 of the RMA.

38. Alongside the inherent environmental benefits of REG (i.e. through enabling New Zealand to meet its emission reduction targets to respond to the existential threat of climate change), ESEG members are committed to robust methods to manage the adverse effects of REG activities, including:

(a) Where possible, avoiding adverse effects, particularly through site selection;

(b) Mitigation of all relevant adverse effects through application of national and international standards and best practice, as well as bespoke measures targeted to the particular project, site and resource values potentially affected in the relevant environment;

(c) Extensive engagement with affected communities and mana whenua in the design of such mitigation; and

(d) Offsetting of any residual effects to minimise them as far as possible, including through significant enhancement to achieve overall positive outcomes, particularly for areas of significant indigenous vegetation, habitats of indigenous fauna, and wetlands.

39. The problem for REG under national direction as it stands however, is that an avoidance approach or requirements of ‘no net loss’ to offsetting mean that consenting of REG becomes achievable where adverse effects are any greater than minor or transitory.

40. The reality is that REG projects at the scale needed to make a meaningful impact in terms of meeting New Zealand’s climate change and energy targets, will necessarily have some adverse effects that cannot be avoided.

41. As a result, and without the changes to the NDRP sought by ESEG, not only will the benefits of REG for climate change fail to eventuate, but even very significant positive outcomes for both the economy and the environment cannot be achieved.

42. Case studies illustrating the point just made are included in Appendix 9 (dealing with the Freshwater package) and addressed later in this covering submission.

Problem Definition – why the NPS-REG-Am will fail to deliver on Electrify NZ

43. The setting of bold and directive as well as ambitious national policy direction for REG is long overdue.

44. A wide range of significant deficiencies in the NPS-REG 2011 have been identified and explained over a series of Government evaluations extending back to 2016, including:

- Ministry for the Environment (2016) Report of the Outcome Evaluation of the National Policy Statement for Renewable Electricity Generation.
- Climate Change Commission (2021)Ināia Tonu Nei: A Low Emissions Future for Aotearoa.
- Interim Climate Change Committee (2019) Accelerated Electrification.
- New Zealand Productivity Commission (2018) Low Emissions Economy: Final Report.
- Te Waihanga/New Zealand Infrastructure Commission (2022-2052) Rautaki Hanganga o Aotearoa 2022-2052: New Zealand Infrastructure Strategy.

45. The issues and deficiencies with the existing NPS-REG identified in these reports include:

- The NPS-REG has had no significant impact on Council planning outcomes and decision making in relation to REG projects.
- As a less directive policy tool, the NPS-REG is given less weight in planning and consenting decisions than more directive policy provisions in e.g. the NZCPS.
- The NPS-REG 2011 has made no difference to the time, complexity and cost of obtaining resource consents for REG investments.
- The NPS-REG lacks clear direction on key issues for consenting decisions for REG projects, <u>including how to resolve competing national and local interests and how to manage interactions with matters of national importance including outstanding</u>

natural landscapes, and resources of significant biodiversity, cultural or heritage value.[7]

46. This summary aligns with the consistent experience of the ESEG members of the existing consenting process for REG under the RMA.

47. *Electrify NZ* promised to be the circuit breaker that would finally "cut red tape" and "turbo charge" new REG projects, unleashing investment in REG, transmission and storage to double the amount of clean and affordable energy produced in New Zealand.

48. ESEG members have engaged extensively with officials in what was expected to be a completely new NPS-REG intended to deliver on the *Electrify NZ* commitments.

49. The NPS-REG-Am as currently drafted would however fail to live up to *Electrify NZ*, by a very significant margin.

50. Appended to this submission is a table comparing the existing policy wording of the existing NPS-REG 2011, and that proposed under the NPS-REG-Am (**Appendix 11**).

51. Much of the text would remain identical. Aspects of the new drafting are stronger and more directive, but in other respects the NPS-REG-Am wording is arguably a step backwards.

52. There are five essential problems with the NPS-REG-Am drafting, as now addressed in turn.

Problem 1: Policy Gap – areas of national importance

Core Problem 1	The NPS-REG-Am lacks enabling policy for REG projects in areas covered by section 6 of the RMA (e.g. outstanding natural landscapes, indigenous biodiversity) where national direction supporting REG is most urgently needed.
Solution	Include directive and enabling policies for REG in section 6 areas in the NPS-REG-Am, providing clear guidance for decision makers.

53. Critically, the NPS-REG-Am entirely lacks enabling policy direction equipping decision makers to make judgments in situations where REG projects interact with resources and values covered by s 6 of the RMA (matters of national importance).

[7] Refer to the similar summary of the findings of these reports as set out in the NPS-REG-RIS, paragraph 29.

54. This is a glaring gap that must be plugged. Policy gaps not only leave decision makers without any clear guidance on how to resolve competing tensions under the RMA, but lead to inconsistent approaches that are prone to challenge in the Courts.

55. The Discussion Document for Package 1 Infrastructure and Development records as follows:

> Previous policy work had developed a draft 'effects management hierarchy' to address adverse effects on values in s 6 of the RMA and other national direction. The Government has now decided to focus on resolving these major tensions between infrastructure and natural environmental values in the replacement of the RMA, rather than through the current proposed changes to national direction

56. The NPS-REG-RIS explains that as a result of this more confined approach, the NPS-REG-Am will continue to be applied alongside the relevant provisions of other national policy statements which do address section 6 values.[8] These provisions will continue to have a highly constraining effect on REG projects, despite the NDRP reforms.

57. ESEG understands and appreciates the complexity of the issues involved around enabling policy direction for REG as may affect resources and values covered by s 6 of the RMA. It also understands the practical point that policy addressing this tension will only remain force over the transitional period to full implementation of RM3.

58. On the other hand, the reality is that REG activities need to be located in places where the resources they utilise are themselves located.

59. For example, hydro-generation can only be located in lakes and rivers (or at least use the water from lakes and rivers); windfarms need to be located in windy locations, and geothermal power stations and associated stream field activities need to be located on geothermal systems.

60. Many of these locations are within, or contain, areas that are identified as significant natural areas, outstanding natural landscapes, outstanding natural features, of outstanding natural character or otherwise fall within areas that are of national importance under s 6 of the RMA.

61. Despite this, the NPS-REG-Am has no policy coverage whatsoever regarding resource areas and values subject to s 6. Proposed new Policy 2 (enabling REG activities) is expressly confined to effects on values that are not within s 6 or covered by other national direction. In this respect, the NPS-REG-Am is a considerable step backwards from the NPS-REG 2011 which does apply to all areas and values, including as covered by s 6 of the RMA.

62. As a result, the NPS-REG-Am would provide no enabling policy support or consenting pathway for REG, in precisely the areas where new REG activities

[8] Refer paragraphs 51-55 of the NPS-REG-RIS for more detail on this point.

(and replacement consents for existing REG activities) are most likely to be advanced, and where the most challenging RMA issues facing consenting of REG projects are currently experienced.

63. As explained in the NPS-REG-RIS, any existing national direction on s 6 values (as well as provisions addressing these values in local plans) will continue to apply in the meantime and be read alongside the provisions of the NPS-REG.

64. The RIS states as follows:

> **Unless** national direction or plans require avoidance of adverse effects on these values, the supporting policies will allow decision-makers to consider the benefits of REG activity against the values in the local context. As noted above, national direction that addresses the relationship between REG activities and s 6 matters will be considered as part of the Phase 3 reform package.[9]

65. This extract of the RIS underscores this core problem for the NPS-REG-Am whereby through leaving a policy gap in relation to s 6 values:

(a) The protective policies which do require avoidance of effects (for example as under the NZCPS and NPS-FM) will continue to operate in isolation, having the very regulatory impact of most concern to ESEG (as addressed in relation to Problem 2 – the bottom line, in the following section of this submission). This means even very significant benefits of REG projects are effectively *not* able to be considered, in deciding *whether* to grant or refuse consent; and

(b) In the case of indigenous biodiversity, the NPS-REG-Am provides no coverage at all such that decision makers are left free to refer to and rely on s 6(c) of the RMA directly when making decisions for REG projects (as addressed further in Appendix 6).

66. It is notable that the Quality Assurance statement for the NPS-REG-RIS records as follows:

> However, policy options considered were constrained and consultation on the revised policy scope limited. *The case for the proposed policy options to be a significant improvement to the status quo is less convincing in the absence of a mechanism such as the effects management hierarchy to consider trade-offs*. We expect some of these limitations will be addressed following consultation and as the wider reform programme progresses.
>
> (emphasis added)

67. The NPS-REG-RIS also discusses the opportunity costs of the NPS-REG-Am relative to greater enablement that could have been pursued through NPS amendments, than are currently proposed. It states that this opportunity cost is likely to be 'short lived' as

[9] NPS-REG-RIS, paragraphs 69 and 70.

further amendments through RM3 will address some of the potential uncertainties and risks.[10] ESEG rejects that these opportunity costs can be considered "short lived" for the reasons set out above at paragraphs 20 to 22.

68. ESEG appreciates the very significant resources that need to be committed or directed by Ministry officials towards the drafting of the legislation for the new resource management system under RM3.

69. As explained above however, the further reality is that it will be several years before that legislation is drafted, enacted and then fully implemented.

70. ESEG cannot wait for up to a further five years until the effective regulatory barrier which other existing national direction covering section 6 values currently presents (and which will remain in place despite the NDRP) is ultimately removed. The projects set out in Appendix 1 would remain at significant consenting risk.

Fast Track Approvals Act not the solution

71. ESEG also acknowledges that in the intervening period, recourse can be made to the FTAA for projects with significant regional or national benefits (including new REG projects) in areas of national importance, and that there are a number of new REG projects within Schedule 2 to the Act.

72. However, there is a range of reasons why progressing a consent application for REG activities through the Fast-Track process would not be appropriate or the preferred consenting pathway pending the completion of RM3, including:

- The lack of capacity within the Fast-Track approvals system, given the sheer number of Expert Panels that will need to be established just to deal with the 149 projects currently listed within Schedule 2, let alone any further projects that may be referred to an Expert Panel under s 26 of the FTAA.

- The degree of complexity of issues presented by an REG project (*particularly where s 6 matters of national importance are engaged*), may mean that the Fast-Track process is not appropriate, and/or may not be the most efficient consenting pathway for that project.

- A key concern in that respect is the lack of provision for alternative dispute resolution pathways (including pre-hearing meetings and mediation), and no ability for an applicant to request a hearing of the application to efficiently address issues raised in submissions, and ensure workable conditions. This means complex technical or evaluative issues need to be addressed "on the papers" which can

[10] Refer page 3 of the NPS-REG-RIS.

actually take longer and present more consenting risk for REG, than the conventional process.

- Issues of social licence, where the REG proponent may prefer to work through the conventional RMA pathways for reasons of relationship with stakeholders including mana whenua.

- The very real prospect that any major or contentious project brought through the Fast-Track process is likely to be the subject of legal challenge (including through appeals to the Supreme Court, or by away of judicial review) which may stall the overall process and create uncertainty for other applications currently in train.

73. For all of these reasons, ESEG challenges the statement in the NPS-REG-RIS that the fast-track process will "go a long way" to addressing the concerns raised by energy developers with the existing national direction.[11]

Problem 2: The bottom line

Core Problem 2	Supreme Court rulings have elevated "avoidance" policies in other NPSs, making it nearly impossible to consent REG projects with unavoidable effects.
Solution	Introduce conflict resolution clauses in NPS-REG-Am that allow REG policies to prevail where appropriate, over rigid "bottom line" constraints in other national direction.

74. The degree of consenting risk and cost facing REG projects has increased significantly as a result of Supreme Court rulings since 2015 which prioritise the stronger and more directive 'bottom line' requirements of other national policy statements, which aim to avoid adverse effects altogether.[12]

Case and citation	**Issue for REG Projects**
Environmental Defence Society Inc v The New Zealand King Salmon Company Ltd [2014] 1 NZLR 593	Established that highly directive 'avoidance' policies in national policy statements must be given effect to, even if it means rejecting projects with significant public benefits. Limits flexibility in

[11] Paragraph 24 of the RIS.
[12] The New Zealand Coastal Policy Statement (**NZCPS**) and National Policy Statement – Freshwater Management (**NPS-FM**) in particular. While not currently applicable to REG, the National Policy Statement-Indigenous Biodiversity (**NPS-IB**) has this 'bottom line' characteristic as well which feeds into lower order plans to similar effect.

Case and citation	Issue for REG Projects
	consenting REG projects with unavoidable effects.
Port Otago Ltd v Environmental Defence Society Inc [2023] 1 NZLR 205	Reinforced the precedence of directive environmental protection policies over any less directive enabling infrastructure policies. Confirms that conflict between national directions must be resolved at the planning level, not during consenting.
Royal Forest & Bird Protection Society v NZ Transport Agency [2024] NZSC 26	Further entrenched the 'bottom line' approach, where conflict with even a single protective policy must result in consent refusal for infrastructure projects, apart from cases that are "truly exceptional". Undermines the ability to balance environmental effects with national benefits of REG.

75. In summary, this trifecta of Supreme Court decisions has determined that apart from situations which are "truly exceptional", infrastructure projects with material adverse effects cannot be approved in the face of highly directive "avoidance" or "bottom line" policies (e.g. as currently set under the NZCPS, and lower order plans giving effect to the NZCPS).[13]

76. The overall impact of these Supreme Court decisions is that a consent authority's discretion under s 104 of the RMA is now very significantly constrained by the wording of a range of national policy direction currently in force under the RMA, and which will remain so despite the NDRP.

77. Whatever positive benefits an infrastructure project might have, if the project offends even a single "bottom line" avoidance policy in one of these national policy statements, it will very likely not be able to "thread the needle" for RMA consenting,[14] and nothing in Part 2 of the Act can dictate otherwise.[15]

[13] *Environmental Defence Society Inc v The New Zealand King Salmon Company Limited* [2014] 1 NZLR 593 (*King Salmon*), *Port Otago Limited v Environmental Defence Society* [2023] 1 NZLR 205 (*Port Otago*), and *Royal Forest & Bird Protection Society v New Zealand Transport Agency* [2024] NZSC 26 (*Forest & Bird).* See *Forest & Bird* at [105]-[129] in particular.
[14] *Forest and Bird* at [88].
[15] *Forest & Bird* at [106].

78. From the engagement process, ESEG is aware that some Ministry officials consider that (however strongly worded) a national policy statement cannot "short circuit" s 104 of the RMA, for example by dictating that consent for REG projects must be allowed, even in certain circumstances. Similarly, that one national policy statement cannot "act on", "override" or "disapply" other national direction.

79. ESEG disagrees, because that is exactly what existing national direction does.

80. As noted above, it is clear from King Salmon, Port Otago and Forest & Bird that even a single protective policy in just one national policy statement (i.e. the NZCPS) can all but displace operation of s 104 of the RMA, dictating that consent must be refused, despite s 104 on its face requiring the consent authority to otherwise have regard to:

    (a) Actual and potential effects (including positive effects) on the environment, of allowing the activity; and

    (b) Any measures agreed by the applicant for the purpose of ensuring positive effects to offset or compensate for adverse effects; and

    (c) Any relevant provisions of <u>other</u> national direction, along with regional and local policy statements and plans;

    (d) Any other matter the consent authority considers relevant and necessary to determine the application;

    (e) In the case of a renewal of consent, the value of the investment of the existing consent holder etc.

81. Under the Supreme Court's "true exceptions only" approach, all other factors that must be considered under s 104, are effectively displaced. Even significant benefits for future generations can be sidelined if an infrastructure project is found to "subvert" a relevant restriction in (for example) the NZCPS or NPS-FM. The Southland Windfarm case discussed further below, is a classic case in point.

82. There is no point in enabling an REG project under one NPS (as with the proposed NPS-REG-Am) only for that project to hit an effective brick wall under another NPS, or lower order plans giving effect to it.

83. The reality is that REG projects at the scale needed to make a meaningful impact in terms of meeting New Zealand's climate change and energy targets, will necessarily have some adverse effects that cannot be avoided- yet must be under the bottom line approach set by the Supreme Court.

84. There is no hiding from this problem. It must be resolved. The NPS-REG-Am will not deliver on its objectives otherwise, and will not 'Electrify' NZ to the extent required over the transition period before full implementation of RM3.

85. Although its scope has been reduced from that originally proposed under RM 2, the NDRP still presents an opportunity to address this fundamental defect in New Zealand's current resource management system concerning REG, and position the suite of national direction as a whole to deliver on Electrify NZ, pending replacement of the RMA under RM3.

86. This opportunity is crucial and cannot be wasted. Climate change presents an existential threat to New Zealand's society, economy and natural environment including biodiversity. Urgent and significant development of REG activities is essential to reduce greenhouse gas emissions and mitigate these adverse consequences.

87. The solution to this core problem (i.e. to ensure the opportunity is not wasted) is discussed further below in relation to conflict resolution, and in Appendix 10 to this covering submission.

Problem 3: Lack of Directive Force

Core Problem 3	NPS-REG-Am is not strong or directive enough to compete with the protective 'bottom line' provisions in other national direction affecting consenting decisions.
Solution	Strengthen the language of NPS-REG-Am to be bold, directive, and able to compete with other national direction relating to section 6 values (in particular).

88. The Supreme Court decisions referred to above also confirm that in cases of conflict between competing objectives and policies, the most directive provisions will prevail and must be given greater weight (*King Salmon/ Port Otago*).

89. The NPS-REG-Am does not set a policy platform that is able to 'compete' with the more directive and protective policies of other national policy statements, i.e. so that the NPS-REG-Am provisions *can be found to prevail* and are not necessarily defeated in any (or every) consenting contest. Indeed, in some respects, NPS-REG-Am is *less directive* than the NPS-REG 2011, and arguably a step backwards, as demonstrated in Appendix 11.

90. The solution to this problem actually lies within the *King Salmon* decision itself.

91. The Supreme Court confirmed that policy makers have choices under the RMA, as to which elements of the overall sustainable management purpose (as expressed in s 5-8 of the Act) are given priority.[16] The choice *can be made* to protect the environment,

[16] Refer paragraphs [119], [142]-[143] and [148]-[149] along with [152] of *King Salmon*.

with protection forming an aspect of sustainable management,[17] *but not the only aspect*.

92. ESEG submits that national direction from the Minister can equally choose to promote the social and economic wellbeing aspects of sustainable management as the priority, particularly where nationally significant issues are at stake (per s 45 of the RMA), and direct that these activities *be allowed* (consented, approved, provided for in plans), despite adverse effects conflicting with other national policy statements.

93. That is, the Minister can choose to produce an NPS that actually cuts red tape, unleashes REG investment and enables a doubling in the supply of renewable electricity as committed to in *Electrify NZ*, by setting sufficiently enabling and directive policy wording to achieve that outcome.

94. The Minister of Conservation chose to protect landscape and natural character by setting policy wording to avoid adverse effects through the NZCPS in 2010. The Minister for the Environment chose to put freshwater values ahead of the economy and social wellbeing in 2020, under the NPS-FM.

95. The Freshwater Discussion Document proposes to rebalance the priorities for freshwater, principally to the benefit of the primary sector.

96. As the electricity generation sector, ESEG urges that the Minister Responsible for Resource Management Reform now similarly choose to set bold and unashamedly enabling policy direction for REG.

97. The National Policy Statement – Urban Development (2020) (**NPS-UD**) is an example of this approach. It has *enabling* yet "bottom line" requirements for housing capacity which local authorities must include in their planning instruments.

98. The same "bottom line" approach to ensure sufficient REG capacity to meet New Zealand's decarbonisation objectives is surely available under the RMA, particularly given that at the core of the concern -is the existential environmental threat presented by climate change, and that a secure and affordable clean energy supply is essential to provide for the additional housing enabled and required under the NPS-UD.

Problem 4: Resolution of Conflict

Core Problem 4	No mechanism exists to resolve conflicts between NPS-REG-Am and other national policy statements.
Solution	Add a clause stating that the NPS-REG-Am prevails in case of conflict (except Te Ture Whaimana), and mirror this in other NPSs.

[17] *King Salmon* at [24(d)], [132] and [148].

99. As the Supreme Court found in the *Port Otago* decision, conflict between competing policy direction should be resolved at the planning rather than consenting level.[18] ESEG submits that the Minister must 'grasp that nettle' right at the top of the planning hierarchy in this respect, if the objectives of the NDRP are to be achieved.

100. It must be made clear within the NPS-REG-Am that consent authorities may allow REG projects that meet the policy requirements of the NPS-REG, despite anything to the contrary in any other national policy statement (or the provisions of any lower order planning instruments giving effect to that other national direction).

101. As also noted above, despite the NDRP covering a range of national direction as currently in force, only a small number of very minor amendments are being proposed to other national policy statements potentially constraining REG consenting, and none that will make a material difference (*certainly without the range of other amendments sought in the Appendices to this covering submission*). In short, a wide range of policies that will still prove highly problematic in an overall s 104 evaluation, would remain in force.

102. There is then the potential impact of lower order planning instruments giving effect to this other national direction to consider, i.e. regional and district policy statement and plan provisions which might also be applied in a s 104 context for a given REG project with, again, (potentially) fatal consenting outcomes.

103. For these various reasons, ESEG strongly submits that the NPS-REG needs to include a generic conflict management provision as follows:

> The provisions of this national policy statement prevail over the provisions of any other national policy statement if there is a conflict between them.
>
> For the avoidance of doubt,
>
> (i) a planning decision may allow an REG activity as defined by this policy statement, despite anything to the contrary in another national policy statement or the provisions of a policy statement of plan or proposed policy statement or plan giving effect to that other national policy statement.
>
> (ii) Where there is a conflict between them, this NPS does not prevail over Te Ture Whaimana – the Vision and Strategy for the Waikato River.

104. To address the concern raised by officials about the 'interaction' between national direction noted earlier ,[19] ESEG proposes that this conflict provision be 'mirrored' with a reciprocal provision in other relevant national direction affecting REG consenting, directing the decision maker to apply the provisions of the NPS-REG-Am when making

[18] *Port Otago* at [72]-[74].
[19] Refer paragraph 78 above

decisions regarding REG projects affecting resources and values addressed in that other national direction, and/or that the NPS-REG-Am prevails in the event of conflict.

105. ESEG's version of the NPS-REG (i.e. under its Preferred Option set out in Appendix 2) includes the above clause to address this core problem regarding current operation of the NPS-REG (2011) in a s 104 context**. This same clause should be included in the Alternative Option if adopted by the Minister, for the same reasons**.

106. The reciprocal (mirroring) provisions that are also required in the other national direction are as set out in Appendix 10.

Problem 5: Effects management

Core Problem 5	REG projects struggle to meet rigid offsetting/compensation requirements (e.g. "no net loss") in other NPSs.
Solution	Enable a flexible effects management approach in the NPS-REG-Am that allows for mitigation, offsetting, or compensation without mandatory avoidance, "no net loss" or "net gain" requirements and thresholds.

107. Given the nature and scale of effects inherent to REG projects (along with the frequently unavoidable need to locate in areas with s 6 values), flexibility to apply the full "tool kit" of options to minimise the overall residual impact is essential, including mitigation, offsetting and compensation (where avoidance is not achievable).

108. While the NPS-I and NPS-ET-Am have bespoke provisions that provide direction and guidance to decision makers on how to consider and approach the issue of effects management, there is no equivalent policy wording in the NPS-REG-Am, in relation to section 6 values in particular.

109. Instead, the drafting of the NPS-REG-Am would leave decision makers deferring (or defaulting) to effects management approaches prescribed by the other existing national direction, that will continue to remain in force under the NDRP.

110. Under the NPS-FM as it stands, offsetting for specified infrastructure projects can be employed to address the loss of extent of a natural inland wetland under clause 3.22. In doing so, the principles in Appendices 6 and 7 to the NPS-FM have to be applied, including a requirement of "no net-loss" for offsetting.

111. The same applies under the NPS-IB, with implementation clause 3.11 providing an exception to the bottom line requirements of clause 3.10. Management of effects under the NPS-IB effects management hierarchy is mandatory, applying biodiversity

and offsetting principles as set out in Appendices 3 and 4 (in this case requiring not just no net loss for offsetting, but a "net gain").

112. Under the effects management hierarchy of both instruments, avoidance of effects is a mandatory first step, before proceeding to mitigation, offsetting or compensation.

113. ESEG members undertake very thorough "due diligence" to ensure that no *known* significant resource values are likely to be affected through a new REG project, applying what amounts to an "avoidance" approach to such resource values right at the outset, as a matter of best practice. The only exception is where a particular impact is truly unavoidable (within the confines of functional and operational need, as addressed further below).

114. Having done so however, ESEG's experience is replete with lessons learned from unworkable attempts to '*shoe horn*' REG projects into the existing NPS-FM and NPS-IB offsetting and compensation principles for effects that cannot be avoided, or potentially even mitigated.

115. The overall assessment is that these attempts generally prove controversial, result in considerable expert debate, are expensive and a significant hurdle to approval of REG.

116. There is a real element of "square peg into the round hole" to many of these situations. Presumably, the difficulty inherent in forcing REG projects into a generic offsetting/ compensation set of principles was at least one of the reasons why REG was expressly exempt from the NPS-IB when it came into force.

Case Study- Southland Wind Farm

117. For a recent "case study" of the difficulties inherent to offsetting/ compensation in an REG context, one need look no further than the Expert Panel decision declining Southland Windfarm under the Covid-19 Fast-track legislation. The Expert Panel's decision is 190 pages long. In addition to the experts retained by the applicant and parties providing comments on the application, the Panel appointed four experts of its own in ecology, offsetting and compensation.

118. In its decision, the Panel followed an approach for each potential ecological effect traversing:

- The applicant's information.
- The comments received.
- The applicant's response to comments.
- The peer review findings (from the experts appointed by the Panel).
- The applicant's response to that peer review.

- The outcomes of expert conferencing.
- The comments received on further information and draft conditions following expert conferencing.
- The applicant's response to comments on the further information and draft comments.
- The peer review of comments on further information and draft conditions.
- The applicant's response to that further review.
- The peer review supplementary advice then received.
- The applicant's response to that peer review/supplementary advice,

before recording its findings.

119. Armed with all of that information, the Panel found (for example) that significant residual adverse effects on a wetland plateau could not be offset through like for like protection and net improvements. The effects management hierarchy in clause 3.2.1(1) of the NPS-FM in relation to that impact was instead found to direct that the activity should be avoided.[20]

120. Overall, this experience from a range of recent consenting processes confirms just how complex, litigious, and uncertain this one requirement of the more generic effects management hierarchy (such as under the NPS-FM) can prove, and how extensive the risk, cost and delay associated with this hurdle can be.

121. The most difficult and intractable principle within the more general principles of offsetting is the requirement of "no net loss" or "net gain". The sheer complexity and difficulty in resource accounting terms of satisfying a consent authority that no net loss or net gain would be achieved for a given REG project can ultimately prove fatal to the project proceeding, particularly in the face of a raft of experts expressing divergent opinions on that issue, as the Southland Wind Farm case so starkly demonstrates.

122. In this respect, ESEG notes the decision of the Environment Court in *West Coast Environmental Network v West Coast Regional Council and Buller District Council* [2013] NZEnvC 047 whereby the Court made the following observations in relation to a biodiversity offsetting model which adopted a formulaic, arithmetic or accounting type approach to attempt to demonstrate an overall outcome of 'no net loss':

> The use of the model having been abandoned (rightly in our view), the task for the Court is to consider what would be the various adverse effects likely to result from the mine, to what extent are they proposed to be mitigated, and where no mitigation is

[20] Paragraph 806 of the Panel's decision.

> possible, how relevant and how significant would be the compensation offered; then to evaluate all these matters in light of the statutory instruments in the RMA. This has always been the role of consent authorities under the RMA. We think of this as "sticking to the knitting".

123. There would be no point to this reform phase if despite all of the directive language and intent to "*turbo charge"* REG and cut red tape, REG projects come to a crash landing in the middle of a mandatory effects management hierarchy requirement, that no net loss or net gain be established.

124. However, the NDRP would not address these significant implications of the effects management hierarchy approach for electricity and infrastructure development, including through making any substantial changes to the NPS-IB or NPS-FM.

125. As noted earlier, and instead, the "*major tensions between infrastructure and natural environmental values*" are to be addressed in the replacement of the RMA. For the reasons set out above, it will however be several years until this replacement legislation is enacted then fully implemented, unlikely before 2030.

126. For that reason, and in the meantime, ESEG's Preferred Option of the NPS-REG includes a critically important clause that ensures there is no requirement for "no net loss" or "net gain" in relation to any offsetting step applied to REG projects, including where located in areas of s 6 values.

127. This policy wording draws expressly on the test set under s 85 of the FTAA as to the circumstances in which an Expert Panel may (and may only) decline an approval namely where:

> Adverse impacts are sufficiently significant to be out of proportion to the project's regional or national benefits that the Panel has considered after taking into account ….conditions that would avoid, remedy, mitigate, offset, or compensate for adverse effects.

128. This wording would not engage the kind of effects management hierarchy inherent to the NPS-FM or NPS-IB where adverse effects have to be avoided as a first mandatory step before proceeding to mitigation, offsetting or compensation. Nor would there be any requirement for "no net loss".

129. Flexibility would instead be preserved for the proponent to ensure that, where it is not possible to avoid adverse effects (for example because of the functional and operational need requirements of the project), the full range of mitigation, offsetting and compensation techniques are available in arriving at an overall net residual adverse impact.

130. It is acknowledged that this test (as to the basis upon which consent or approval can be declined) is set within a different statute (i.e. the FTAA). However, for the reasons set out earlier in relation to **policy choices** available under the RMA itself, ESEG

submits that this test would nevertheless serve the broader RMA purpose, given that the Minister need not place priority on protection of the environment in all cases, with protection forming an aspect of sustainable management, but not the only aspect.

131. Adopting this solution to this core problem would mean that REG projects are eligible to be consented in the same way under *both* the FTAA and RMA consenting pathways (as may be more appropriate or preferred for the reasons set out above), in the transition period to full implementation of RM3.

Summary – Core Problems with NPS-REG-Am

132. Referring back to the issues and deficiencies with the existing NPS-REG (as set out at paragraph 45 above and summarised within the NPS-REG-RIS[21]), ESEG concludes as follows regarding the failure of the NPS-REG-Am to address those core problems.

Core Problems	
Current Status	NPS-REG-Am Outcome
1. No significant impact on Council planning outcomes.	No significant impact will be achieved through proposed amendments.
2. NPS-REG less directive, given less weight than more directive policy statements.	Not resolved, arguably step backwards.
3. No difference to time, complexity or cost of consent process.	RM2 Bill will assist (e.g. one year time period) but needs backing of directive enabling policy or may actually increase consenting risk.
4. No direction on how to resolve competing natural direction and manage intentions with s 6 values.	Unresolved, no improvement.

The Solution – Core Problems Resolved

133. ESEG's Preferred Option includes drafting that addresses all of these core problems with the NPS-REG-Am.

134. In particular, that preferred drafting option would:

[21] Paragraph 29.

(a) Through proposed Policy 5, plug the gap in the NPS-REG-Am by expressly equipping decision makers to make judgments regarding projects affecting areas subject to s 6;

(b) In doing so overcome the "bottom line" constraints of other national direction and alongside ESEG's proposed conflict resolution drafting in Appendix 10, enable decision makers to reconcile and resolve conflict between the suite of national direction subject of the NDRP; and

(c) Replicate the equivalent test in the FTAA enabling REG proponents to access an equivalent consenting pathway under all other consenting options currently available under the RMA, as may be more appropriate or preferred given the nature of the project involved.

135. When applied alongside the considerably more directive objective and other policies of the NPS-REG version proposed under ESEG's Preferred Option, the NPS-REG would deliver on the commitments in *Electrify NZ*.

136. Framed in that way and alongside the FTAA, the NPS-REG would provide an effective bridge to RM3, where a more enduring solution to the very significant consenting challenges currently presenting a barrier to New Zealand meeting its longer term energy and climate change targets and commitments, can ultimately be provided.

137. The Alternative Option would go some way to achieving that objective as well, but would not fully resolve the core problems with RMA national direction affecting REG consenting as explained in this covering submission.

Other Concerns

Functional and Operational Need

138. ESEG supports the proposed wording of amended Policy C1 of the NPS-REG-Am (in so far as it goes) which requires decision makers to recognise and provide for REG activities that have a functional or operational need to be in particular environments.

139. However, it needs to be made expressly clear that the functional and operational need test does not require an assessment of alternative locations.

140. The risk of descending into such an assessment is most acute for solar REG projects where an argument can always be made, that any number of sites would have potential access to solar energy, and an alternative location would avoid (say) a wetland, stream or other resource value situated on the applicant's chosen site. Issues of alternative sites and locations have beleaguered REG consenting under the RMA as it stands, for this very type of reason.

141. In the *Southland Windfarm* decision, the Expert Panel referred to the requirements of functional and operational need (as defined in the National Planning Standards) as setting a "high bar" which it was not satisfied the applicant had met i.e. that the windfarm "can only" be located as proposed by the applicant. It said that there are "other high points with similar windfarm conditions and other well-suited locations in the area" as part of its reasoning declining that application.[22]

142. While intended to be enabling, there is a real risk that any functional and operational need test set through the NPS-REG becomes effectively 'weaponised' by objectors which (again) would defeat the objectives of the NDRP.

143. The NPS-REG-Am should therefore clearly outline the criteria for "functional and operational need" assessments for REG projects. It must specify what that assessment should include (all functional and locational attributes essential for a new REG project's viability) and conversely what it should not involve.

144. Amended Policy C1 doesn't go far enough in that respect and should expressly state that it does not require an assessment of alternatives (as sought in Appendix 3). Further changes to the NPS-REG-Am (new Policy 2) to address related issues regarding site selection in the context of effects management are also set out in this Appendix.

145. Specific drafting to address this issue is also included in ESEG's Preferred Option as set out in Appendix 2.

Existing Environment – Baseline of Existing REG Capacity

146. As submitted earlier, it is vital that the NPS reforms deliver a "rock solid" baseline for the pace of additional generation capacity needed for New Zealand to meet its decarbonisation and electrification targets.

147. There are four main dimensions to this concern namely:

(a) The line of case law under the RMA[23] whereby for consent renewals, decision makers are forced to imagine an "existing environment" without the REG activity, including the associated REG asset infrastructure in place. This highly artificial approach to assessment puts renewals of existing REG projects at real risk of being refused;

(b) The potential for RMA planning and consenting decisions involving other activities to constrain future access to resources of finite extent or location on which REG depends (e.g. subdivisions or developments constraining future

[22] Paragraph 795 of the Expert Panel's decision.
[23] *Ngāti Rangi Trust v Manawatu-Whanganui Regional Council* [2016] NZHC 2948.

access to geothermal fields, areas of sufficient wind generation capacity or quality etc);

(c) Reverse sensitivity impacts from new or expanded other activities of various kinds being approved in locations that may lead to constraints on existing REG activities (or their ability to be repowered or upgraded); and

(d) Related to (c), consent conditions being imposed on consent renewals that constrain or reduce the previously approved level of generation capacity for an existing REG asset, or the operational flexibility of that asset.

148. Regarding point (a) above and as previously noted, the pace and scale of REG needed for New Zealand to meet its greenhouse gas emission reduction targets (including to double the amount of renewable electricity in New Zealand as committed to under *Electrify NZ*), will be challenging enough assuming the existing baseline of REG assets is entirely secure. If that existing baseline is at risk through the consenting process, meeting those commitments and the *Electrify NZ* ambition would almost certainly become unachievable.

149. While the policies as proposed in the NPS-REG-Am for existing REG assets are supported in so far as they go (replacement Policy D, new Policies P3 and P4), they do not provide the robust platform of existing generation capacity essential for these reforms.

150. For example, they do not:

(a) Direct that reverse sensitivity effects must be avoided (instead only to the extent 'reasonably possible');

(b) Prevent consent decisions for other forms of development and activities from constraining future access to natural resources upon which REG would depend (ie for new or expanded projects);

(c) Direct that decision makers must assume an existing environment including the effects of the existing REG asset for consent renewals;

(d) Prevent conditions on renewal applications that constrain existing REG capacity and operational capacity (except perhaps in exceptional circumstances, for example when existing hydro assets offend bottom line requirements over aquatic habitat values).

151. ESEG's Preferred Option for the NPS-REG addresses all of these concerns, noting Policy 2 in particular, and must be included in the NPS if the objectives of the reform are to be delivered. The Alternative Option in Appendix 3 also includes proposed drafting that would assist in addressing these concerns as well.

Conclusion

152. ESEG repeats the point made above that climate change presents an existential threat not just to the New Zealand economy and society, but to biodiversity and the natural environment more generally.

153. If New Zealand is to take that threat seriously and meet its commitments as part of the overall global response to climate change, a boldly and unashamedly directive NPS-REG is essential.

154. ESEG submits that its proposed drafting in the Preferred Option for the NPS-REG would both respond to that context, and deliver on the Government's policy commitments in *Electrify NZ* to double the amount of renewable electricity generation to ensure a supply of affordable clean energy.

155. ESEG urges the Minister to adopt its Preferred Option as set out in Appendix 2 (and make the various other amendments required as set out in the remining appendices) to ensure that this opportunity to finally confront the fundamental defects in the RMA planning system as it relates to REG is not wasted, and to meet these commitments over the transition period to full implementation of RM3.

156. The Alternative Option would go some way to achieving that objective as well, but would not fully resolve the core problems with RMA national direction affecting REG consenting as explained in this covering submission.

Exposure Draft Step

157. Given the complexity of the issues covered in this submission and the critical importance of the precise drafting needed to address the core problems at stake, ESEG also urges that the Minister provide an opportunity for some targeted engagement with key stakeholders including ESEG on a final “exposure draft” before the NPS-REG-Am is confirmed.

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Appendix 1 – ESEG existing REG and proposed new REG activities and assets expected to require consenting in the next ~5 years

Disclaimer to come from Mercury legal

Name	Who	Existing / New	Generation capacity	Anticipated annual output	Description	When
Southland Wind Farm	Contact	New	300 MW	1050 GWh	Construct and operate a wind farm comprising up to 55 wind turbines and connect and supply electricity to the national grid	Applied to be referred into FTAA
Clutha Mata Au Hydro Scheme	Contact	Existing	-	-	Changes to operation of the Clutha Mata-au hydro scheme	Applying to be referred into FTAA
Glorit Solar	Contact/ Lightsource bp	New	180 MWp	288 GWh	Construct and operate a solar farm on the Kaipara Coast, north of Kaukapakapa, Auckland	Currently in NBEA Fast Track process
Stratford Solar and embedded BESS	Contact/ Lightsource bp	New	170 MWp + embedded BESS	298 GWh	Construct and operate a solar farm on a 450-hectare site of existing dairy farmland beside Contact Energy's power station in Stratford, Taranaki	Application made to Stratford DC
Tekapo Power Scheme	Genesis	Existing	190 MW		Reconsenting the use, operation, and maintenance of the Tekapo Power Scheme	Lodged and referred to a panel under the FTAA
Foxton Solar Farm	Genesis (SolarGen)	New	180 MW	345 GWh	Construct and operate a solar farm across approximately 400 hectares, and connect and supply electricity to the national grid	Anticipated lodgement in 2025
Huntly BESS Stage 2+	Genesis	New	300 MW (storage)	-	Multi-stage project that will see a battery system of up to 400MW at Huntly Power Station	In stages to 2030
Huriwaka Wind Farm	Manawa	New	300 MW	1000 GWh	Construct and operate a wind farm comprising approximately 60 wind turbines and transformers, and connect and supply electricity to the national grid	
Kaimai Hydro Scheme	Manawa	Existing	42 MW		Reconsent the Kaimai Hydroelectric Power Scheme, including increasing residual river flows, providing fish passage, and implementing a sediment management plan	Application lodged with BOPRC in 2023
Wheao Hydro Scheme	Manawa	Existing	26 MW		Reconsent the Wheao Hydroelectric Power Scheme	Existing consents expire 2026
Argyle Solar	Manawa	New	65 MW	130 GWh	Construct and operate a solar farm across two sites: adjacent the Argyle Power Station (consented) and adjacent the Wairau Power Station	
Hawke's Bay Airport Solar Farm	Manawa / Hawkes Bay Airport	New	40 MW	80 GWh	Construct and operate a solar farm	
Hapuakohe Wind Farm	Manawa	New	230 MW	790 GWh	Construct and operate a wind farm northeast of Huntly	
Kaihiku Wind Farm	Manawa / Pioneer Energy	New	300 MW	1050 GWh	Construct and operate a wind farm in South Otago, between Balclutha and Clinton	Anticipated lodgement in 2026
Ototoka Wind Farm	Manawa	New	150 MW	530 GWh	Construct and operate a wind farm between Waverly and Whanganui	
Puketoi Wind Farm	Mercury	New	228-268 MW	1040 GWh	Construct and operate a wind farm and connect and supply electricity to the national grid	Anticipated lodgement in 2026
Mahinerangi Wind Farm	Mercury	New	164 MW	470 GWh	Construct and operate approximately 44 additional wind turbines and connect and supply electricity to the national grid	Anticipated lodgement in 2025
Waikokowai Wind Farm	Mercury	New	300 MW		Construct and operate a wind farm and connect and supply electricity to the national grid	Anticipated lodgement in 2025
Tararua Wind Farm	Mercury	Existing	Additional 60MW	Additional 270 GWh	Disestablish and remove approximately 134 existing wind turbines, replace with smaller number, more efficient turbines including works to connect and supply electricity to the national grid, and works to widen existing local roads approaching the site from the state highway	Anticipated lodgement in 2026
Geothermal project	Mercury	New		Up to 5TWh (unfiltered)	Early-stage development programme underway across mix of brownfield and greenfield opportunities	Post-2030

Name	Who	Existing / New	Generation capacity	Anticipated annual output	Description	When
Waitaki Power Scheme	Meridian	Existing	1,583 MW		Reconsenting the use, operation, and maintenance of the Waitaki Power Scheme	Application lodged with ECan in 2023, subsequent direct referral (underway)
Manawatū BESS	Meridian	New	100 MW	-	Construct and operate a battery	Target build 2027
Waikato Solar Farm	Meridian	New	100 MW		Construct and operate solar farm	Target build 2027
Western Bays Solar Farm Stage 1	Meridian	New	250 MW		Construct and operate a solar farm	Target build 2028
Mt Munro Wind Farm	Meridian	New	90 MW	300 GWh	Construct, operate and use wind farm, 20 turbines.	
Swannanoa Solar Farm	Meridian	New	200 MW		Construct and operate a solar farm.	Target build 2029
Waiinu Energy Park	Meridian	New	350 MW (wind) 200 MW (solar)	1,600 GWh	Energy park consisting of wind turbines, solar and battery.	Target build 2030

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APPENDIX 2

Proposed National Policy Statement for Renewable Electricity Generation [2025]

As Recommended by the Electricity Sector Environment Group 25 July 2025

Authority

This National Policy Statement is issued by the Minister for the Environment under section 54 of the Resource Management Act 1991.

ISBN: 978-1-99-106969-6 (online)

New Zealand Government

Contents

Part 1: Preliminary provisions

1.1 Preamble

This National Policy Statement replaces the National Policy Statement for Renewable Electricity Generation 2011 (NPS-REG 2011). The objective of the NPS-REG 2011 required the 'recognition' of the national significance of renewable electricity generation activities. While one of the policies sought that *"Decision-makers shall recognise and provide for the national significance of renewable electricity generation activities"*, the majority of the policies were about acknowledging and having particular regard to matters relevant to renewable electricity generation.

While the NPS-REG 2011 was intended to be 'enabling' of renewable electricity generation, experience has shown that the weight attributed to its provisions have been regularly overridden by the more directive provisions of other planning instruments that seek to protect aspects of the environment. Further, the weight given to, for example, local visual and amenity effects have often been allowed to outweigh the national benefits of renewable electricity generation. This has resulted in significant costs and restrictions associated with renewing consents for existing renewable electricity generation activities and consents being declined for significant new renewable electricity generation activities.

Climate change is arguably the biggest threat to the natural environment including all aspects of biodiversity. If New Zealand does not urgently and significantly increase the development of renewable electricity generation activities to reduce greenhouse gas emissions as part of the global response to climate change, there will be significant adverse consequences for biodiversity and the wider natural environment. Alongside that, a clean, secure, diverse and resilient electricity supply is essential for social and economic wellbeing. These benefits of renewable electricity generation are nationally significant and must be provided for under the Act accordingly.

To ensure a supply of affordable clean energy and achieve New Zealand's climate change goals and electricity generation targets, at least a doubling of the amount of renewable electricity is required. In achieving that outcome, this national policy statement seeks to address the 'Energy Trilemma' - striking the balance between affordability/cost, security and sustainability.

The reality is that renewable electricity generation activities need to be located in places where the resources they utilise are located. For example, hydro generation can only be located in lakes and rivers (or at least use the water from lakes and rivers), wind farms need to be located in windy locations, and geothermal power stations and associated steamfield activities need to be located on geothermal systems. Many of these locations are within, or contain, areas that are identified as Significant Natural Areas, Outstanding Natural Landscapes, Outstanding Natural Features or Outstanding Natural Character, or otherwise fall within areas that are of national importance under s 6 of the RMA.

This NPS-REG therefore needs to provide effective and comprehensive consenting pathways for renewable electricity generation activities in the type of areas noted above. This is to ensure that it will both maintain existing generation capacity and enable it to be significantly increased at the pace and scale needed for New Zealand to achieve its energy and emission reduction targets and commitments while growing New Zealand's economy. This pathway approach needs to include a high level of flexibility as to the way in which, and the level to which, the environmental effects of renewable electricity generation activities are able to be addressed, particularly if they cannot be

practically avoided because of requirements of functional or operational need.

To address the above, this National Policy Statement in intended to be a 'one-stop shop' in terms of the matters to be addressed when planning decisions are made relating to renewable electricity generation. That is, planning decisions for renewable electricity generation are to be in accordance with this national policy statement and lower order plans that give effect to it, not any other national or lower order policy statement or plan.

1.2 Title

(1) This is the National Policy Statement for Renewable Electricity Generation 2025.

1.3 Commencement

(1) This National Policy Statement comes into force on the day that is 28 days after notification in the New Zealand Gazette.

(2) See Part 4 for timeframes for complying with this National Policy Statement.

1.4 Interpretation

(1) In this National Policy Statement:

Act means the Resource Management Act 1991.

Allow means:

(a) In the case of a plan or as directed in a policy statement, to provide for the activity as permitted or controlled, subject to standards;

(b) In the case of a notice of requirement, to confirm the requirement subject to conditions imposed, or proposed or agreed to by a requiring authority under s171(1B) of the RMA;

(c) In the case of a resource consent application, to grant the resource consent, subject to conditions imposed, or proposed or agreed to by an applicant under s104(1)(ab) of the RMA.

Ancillary activities means all supporting activities needed to provide the investigation, construction, operation, maintenance, monitoring, replacement, upgrading, repowering and decommissioning of REG assets, including but not limited to vegetation clearance, tree trimming, earthworks, the construction, maintenance and upgrading of access tracks and roads, power supply, and telecommunications.

Areas of National Importance or ANI means:

(a) Areas of the coastal environment with outstanding natural character as identified or mapped in any plan or policy statement;

(b) Outstanding water bodies, that are identified or mapped in any plan or policy statement, and any water bodies that are included within significant natural areas under (c) below.

(c) Significant natural areas as defined in the National Policy Statement for Indigenous Biodiversity 2023 (excluding geothermal SNAs) that are identified or mapped in any plan or policy statement.

(d) Outstanding natural features and landscapes identified or mapped in any plan or policy statement.

(e) Sites of historic heritage identified or mapped in any plan or policy statement.

(f) Sites of significance to Māori including wāhi tapu identified or mapped in any plan or policy statement, or through consultation or engagement by an applicant for resource consent or notice of requirement for an REG activity.

Commencement date means the date on which this National Policy Statement comes into force, as identified in clause 1.2(1).

Community-scale REG means renewable electricity generation supplied to a community where the primary purpose is to provide benefits to that community.

Decision-maker means any person exercising functions or powers in making planning decisions under the Act.

Existing REG assets means REG assets that have either been established at the time a planning decision is being made, or which can lawfully be established pursuant to a resource consent, designation or other authorisation granted and which remains in force (has not lapsed).

Functional need has the meaning set out in the National Planning Standards.

Geothermal drilling means the construction, maintenance and upgrading of wells associated with geothermal resource exploration , development or use, including drilling rigs, well pads, well heads, well testing, drilling ponds, accessory buildings, structures and equipment, concrete batching, water intake structures, water supply, temporary ancillary accommodation, fencing, and the storage, use and handling of hazardous substances.

Geothermal significant natural area or Geothermal SNA means an SNA that includes one or more geothermal ecosystems.

Nationally significant benefits means the benefits of renewable electricity generation which include, without limitation, any or all of the following:

(a) avoiding, reducing, and displacing greenhouse gas emissions to enable New Zealand to meet its emission reduction targets.

(b) contributing to the security, resilience, independence, affordability and diversity of electricity supply at national, regional, and local levels including so as to provide greater resilience to the effects of climate change and natural hazards.

(c) using renewable rather than finite resources.

(d) avoiding reliance on imported fuels for the purpose of generating electricity.

(e) providing for the social, economic, cultural, health and well-being of people and communities.

(f) the reversibility of the adverse effects on the environment of some renewable electricity generation technologies.

Operational need has the meaning set out in the National Planning Standards.

Planning decision means a decision on any of the following:

(a) a resource consent application or a Notice of Requirement for a designation.

(b) a proposed regional policy statement of a proposed change or variation to a regional policy statement.

(c) a proposed regional plan or a proposed change or variation to a regional plan.

(d) a proposed district plan or a proposed change or variation to a district plan.

REG activities means:

(a) the investigation, development, operation, maintenance, replacement or upgrading and/or repowering, of REG assets.

(b) all other land or resource use activities forming part of or associated with renewable electricity generation including geothermal drilling and any ancillary activities.

(c) the storage or distribution of electricity through connection to the transmission network, distribution network or direct to end users.

For the avoidance of doubt, and unless the context otherwise requires, REG activities includes those associated with community and small-scale REG.

REG or renewable electricity generation means the generation of electricity from solar, wind, water, geothermal, biomass, tidal, wave, or ocean current energy sources.

REG assets means the physical components and structures required for renewable electricity generation along with the infrastructure and ancillary activities required to generate and store the generated electricity and connect it to transmission or distribution networks or direct to end users.

For the avoidance of doubt, and unless the context otherwise requires, REG assets includes those associated with community and small-scale REG.

Repowering, in relation to existing REG assets generating electricity from wind or solar resources, means their whole or partial replacement or upgrading to maintain or increase generation output and extend the operational life of the asset.

Significant natural area or SNA means as defined in the National Policy Statement for Indigenous Biodiversity but excludes geothermal significant natural areas.

Small-scale REG means renewable electricity generation where the primary purpose is to provide electricity for on-site use, at an individual site or landholding level.

Upgrading in relation to existing REG assets means increasing their capacity, resilience, efficiency, security, reliability, flexibility, longevity or safety.

(2) Terms defined in the Act and used in this National Policy Statement have the meanings in the Act, unless otherwise specified.

(3) Terms defined in the National Planning Standard issued under section 58E of the Act and used in this National Policy Statement have the meanings in that Standard, unless otherwise specified.

1.5 Relationship with other National Policy Statements, Regional Policy Statements and Plans

(1) The provisions of this national policy statement prevail over the provisions of any other national policy statement if there is a conflict between them.

(a) For the avoidance of doubt:

(i) a planning decision may allow an REG activity as defined by this policy statement, despite anything to the contrary in another national policy statement or the provisions of a policy statement of plan or proposed policy statement or plan giving effect to that other national policy statement;

(ii) Where there is a conflict between them, this NPS does not prevail over Te Ture Whaimana – the Vision and Strategy for the Waikato River.

1.6 Application of section 55(2A) of Act

(1) The change to regional plans or district 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):

(b) Section 2.2 – Policy 2.

(c) Section 3.1(1)(a).

Part 2: Objective and policies

2.1 Objective

To secure, maintain and significantly increase renewable electricity generation in New Zealand as a nationally significant matter of priority and urgency, in order to:

(a) Reduce the rate of climate change and severity of its effects by reducing greenhouse gas emissions;

(b) Achieve New Zealand's energy and emission reduction targets as defined by legislation or central government policy documents or plans;

(c) Provide greater security of supply and resilience to the effects of climate change and natural hazards; and

(d) Sustain and enhance the social, economic, cultural, health and well-being of people and communities.

2.2 Policies

Policy 1: Planning decisions must recognise and enable the delivery of the nationally significant benefits of existing, upgraded, repowered or new renewable electricity generation at any scale, giving priority to those benefits over local adverse effects.

Policy 2: Planning decisions must secure, maintain, and protect existing REG assets and resources including by:

(a) Recognising and providing for the operational and/or functional needs of REG activities;

(b) Avoiding reverse sensitivity effects on REG activities;

(c) Avoiding the loss of existing renewable electricity generation capacity, output or operational flexibility, including through planning decisions involving existing REG assets;

(d) Avoiding any reduction in the potential utilisation of renewable resources resulting from incompatible subdivision, use or development;

(e) Enabling the timely and efficient upgrading and repowering of existing REG assets; and

(f) Assuming an existing environment that includes the operation of the existing REG asset when considering consent or designation renewals under the Act.

Policy 3: Planning decisions and processes must be effective and efficient and

deliver approvals for renewal of existing, upgraded, repowered or new REG activities at the necessary pace and scale to meet the objective including by:

(a) Enabling cumulative increases of REG capacity at any scale; and/or
(b) Recognising and providing for the operational and/or functional needs of new REG activities.

Policy 4: Planning decisions must recognise that REG activities need to be located where the renewable energy resource is located and provide for them in those areas.

Policy 5: Planning decisions must recognise and provide for the use of adaptive management measures in the development, operation, maintenance, and upgrading of REG activities, particularly where there is inherent uncertainty or variability in the resource or its effects on the environment.

Policy 6: Planning decisions allow REG activities on sites within Areas of National Importance, unless the decision maker is satisfied that net residual adverse effects of the activity after mitigation, offsetting and compensation are sufficiently significant to be out of proportion to the benefits of the REG activity.

Policy 7: Planning decisions allow REG activities on sites that are not within Areas of National Importance, where any adverse effects are avoided, remedied or mitigated to the extent practicable.

Policy 8: Māori interests in relation to REG activities are to be recognised and provided for, including through early engagement, protection of sites of significance in accordance with this policy statement, and through enabling REG activities.

Part 3: Implementation

3.1 Efficient Decision Making

(1) Decision-makers must, in giving effect to this National Policy Statement, and in making planning decisions regarding REG activities, adopt and apply plan provisions, consenting processes and decision making that:

(a) Provide for the ongoing existence of REG assets and the renewal, upgrading and repowering of existing REG activities as permitted or controlled activities, and new REG activities as either permitted, controlled or restricted discretionary activities, or as directed by any relevant national environmental standard.

(b) Provide for resource consent applications for REG activities to be processed and determined without limited or public notification, to the greatest extent permissible under the Act.

(c) Process and determine resource consent applications and designations for REG activities within the statutory timeframes set under the Act, and not waive or extend any such time limit, without the express consent of the applicant or requiring authority.

(d) Ensure that any requests for further information made including under s41 and s 41C or s92 of the Act are reasonable and proportionate to the scale and significance of the effects of the activity on the environment.

(e) Include as default policies that lapsing dates for resource consents and designations for REG activities are set at 10 years, with consent durations being at least 35 years, or the maximum provided for under the Act (whichever is the greater).

3.2 Existing Environment

(1) Irrespective of the status of REG activities as determined by the provisions of any applicable national environmental standard or regional or district plan for the purposes of assessing the effects on the environment associated with renewal of resource consents or designations for existing REG activities, the existing environment is deemed to include the existing REG assets. In the context of a dam, the existing environment includes the impoundment of the water behind the dam and the changes the hydrological regime caused by that impoundment and any change in natural flows in the waterbody below the dam.

(2) The scope of enquiry in the context of any reconsenting of REG activities, for the purposes of making a planning decision including determining consent conditions, is to be limited to the operational aspects and environmental effects associated with the proposed ongoing operation of the REG activities in accordance with the provisions of this national policy statement, and any material new, different or additional effects arising. For the avoidance of doubt, this does not include any past effects associated with the original establishment and/or continued existence of existing REG assets.

Part 4: Timing

4.1 Time by which National Policy Statement to be implemented

(1) This National Policy Statement applies from the commencement date.

(2) Provisions required by this National Policy Statement to be inserted into regional plans, and district plans must be inserted within six months of the commencement date of this National Policy Statement.

Appendix 3 – NPS-REG alignment with NPS-ET and NPS-I national direction instruments

The **bold text** in NPS-EN-Am and NPS-I columns are elements ESEG are recommending be included in the NPS-REG drafting.

	NPS-REG-Am	NPS-ET-Am	NPS-I	Rationale for Proposed Drafting	ESEG's Proposed Drafting
Objective	Amend the current NPS-REG 2011 objective to: 1) Renewable electricity generated in New Zealand: a) increases in a rate and manner necessary to support the achievement of New Zealand's emission reduction and energy targets and associated plans under the Climate Change Response Act 2002; b) provides greater resilience to disruptions to electricity supply; c) provides for the social, economic and cultural well-being of people and communities, and for their health and safety; while managing the adverse effects of REG activities.	Amend the objective as follows: 1) The **EN is developed, operated, maintained, upgraded, and protected** in a manner that: a) recognises and provides for its **national significance**; b) secures the **resilience of the EN, including in relation to the effects of natural hazards and climate change**; c) provides for the well-being and needs of present and future generations, including by increasing and improving the capacity and delivery of the EN over time; d) recognises and provides for the role of the EN in achieving New Zealand's emissions reduction and renewable energy targets, and associated commitments in any relevant plan prepared under the Climate Change Response Act 2002; e) **manages adverse effects on the environment in a proportionate and cost-effective way**; and f) **protects the EN from the adverse effects of other activities.**	An objective that identifies desired infrastructure outcomes is proposed. This could be expressed as: New Zealand's infrastructure: a) supports the well-being of people and communities and their health and safety; b) provides **national, regional or local benefits**; c) supports the development and change of urban and rural environments to meet the diverse and changing needs of present and future generations; d) is well-functioning and resilient; e) provides value for money to people and communities; f) is delivered in a timely, efficient, and ongoing manner while managing adverse effects on the environment; and g) **is protected from the adverse effects of other activities**.	As explained in the Covering Submission, the wording of the NPS-REG-Am needs to be sufficiently bold, directive and enabling to compete with other national direction, particularly that relating to s 6 values. In addition, the objective needs to explicitly secure, maintain and **significantly increase** REG capacity as a matter of priority and urgency, aligned to the rate needed to meet New Zealand's energy and emission reduction targets. As explained in the Covering Submission, a very substantial increase in REG capacity will be needed to meet New Zealand's renewable energy and emissions reduction targets. As recorded in the Regulatory Impact Statement for the NPS-REG-Am (**RIS**), "*the primary objective of the proposed amendments is to enable a substantial increase in renewable electricity output, by providing a more certain and enabling consenting environment, while also managing the adverse effects on environment*". For these reasons, this primary objective of reform to the existing NPS-REG should be expressly reflected within the wording of objective of the NPS itself. As it stands, the objective in the proposed NPS-REG-Am is less directive than the existing NPS-REG in this respect, for example by referring to increasing generation "to support the achievement" of New Zealand's emission reduction and energy targets, rather than actually meeting those targets (being the wording of the current objective of the NPS-REG 2011). Furthermore, the NPS-REG-Am objective needs to be at least as directive and enabling as that proposed for the NPS-ET-Am and the NPS-I, for electricity and transmission infrastructure generally. The objective for the NPS-ET-Am and NPS-I has a number of important elements that are missing from the NPS-REG-Am objective, including: • That REG is "developed, operated, maintained, upgraded and protected" in the various ways then stated in the following elements of the objective (after the chapeau), as required by the proposed objective for the NPS-ET-Am.	Amend Objective: 1) Renewable electricity ~~generated in New Zealand~~ generation assets and activities are developed, operated, maintained, upgraded, and protected in a manner that: a) recognises and provides for the national significance and benefits of REG; ~~a~~b) significantly increases ~~in a rate and manner necessary to support the achievement of~~ REG capacity and output at the rate necessary to achieve New Zealand's emission reduction and renewable energy targets and associated plans under the Climate Change Response Act 2002; c) maintains and avoids the loss of generation capacity and output of existing lawfully established REG assets and activities; ~~b~~d) provides greater security of supply and resilience to disruptions to electricity supply caused by climate change and natural hazards; ~~c~~e) provides for the social, economic and cultural well-being of people and communities, and for their health and safety~~; while managing the adverse effect of REG activities~~; f) manages the adverse effects of REG activities in a proportionate and cost-effective way while enabling innovation and adaptation to new technologies; g) protects REG assets and activities from the adverse effects of other activities.

	NPS-REG-Am	NPS-ET-Am	NPS-I	Rationale for Proposed Drafting	ESEG's Proposed Drafting
				• Management of adverse effects on the environment in a proportionate and cost-effective way. • The need to protect REG infrastructure from the adverse effects of other activities. • Referring to disruptions caused by climate change and natural hazards in relation to resilience (as with the NPS-ET-Am), and in addition to cover provision of greater <u>security of supply</u> being a critical requirement of electricity generation generally in terms of sustaining social and economic wellbeing, as well as health and safety of people and communities, as so starkly revealed in recent extreme weather evens including Cyclone's Hale and Gabrielle. Overall, the objective should set the principal framework to be achieved through each of the following the policies. A key policy of the NPS-REG is to recognise and provide for the national significance and benefits of REG activities and this dimension should be expressly recorded in the objective as well. For the reasons explained below, the objective should refer to both capacity and output, appropriately distinguishing between those terms throughout the NPS-REG-Am (depending on the policy context). In that regard an additional element to the objective needs to be added to support Policy B, requiring that existing generation capacity and output be maintained and any loss in that generation capacity and output be avoided. Capacity and output of REG have very specific meanings and application in managing electricity generated and supplied from REG. Care needs to be taken to ensure that reference to capacity and/ or output in policies doesn't inadvertently constrain the application of a policy where the intent is to enable/ increase both. These definitions do not need to be provided in the NPS-REG as they are industry terms with specific meaning and application. For context, capacity refers to the MW able to be generated from a site based on the 'normal' operating conditions (generator output and forecasts for resource availability) and output is the energy produced based on the available resource and available generators. E.g. wind farm example: the turbine has an installed capacity (what the generator can physically deliver at 100%). However, we know the wind doesn't blow 100% of the time at the same speed. So, a capacity factor is applied (30-50%) to calculate the capacity of a specific farm. If the operating range of a turbine	

	NPS-REG-Am	NPS-ET-Am	NPS-I	Rationale for Proposed Drafting	ESEG's Proposed Drafting
				was to change from 25m/s to 28m/s the output increases (more energy generated) but MW remains the same. And at a hydro site if more water is put through the generators the output increases, but the capacity remains the same.	
Significance and benefits Policy A	Policy A amendment proposal: a) Decision-makers must recognise and provide for the national significance and benefits of REG activities at a national, regional and local scale. The benefits of REG activities, include, but are not limited to: i. avoiding and reducing greenhouse gas emissions to provide positive effects for people, communities and the environment; ii. contributing to the security, resilience and independence of electricity supply at national, regional and local levels through diverse REG sources and locations; iii. providing for the social, economic and cultural well-being of people and communities and for their health and safety; iv. increasing resilience and long-term stability by using renewable rather than finite sources of energy; v. avoiding reliance on imported fossil fuels for the purposes of generating electricity; and vi. the temporary and reversible adverse effects of some REG technologies on the environment. b) The additional benefits of REG activities that are: i. located close to electricity demand and electricity networks, such as reduced electricity losses, economic efficiencies and environmental benefits; ii. co-located with other appropriate REG activities and assets and other appropriate infrastructure and activities; and iii. located where adverse effects on other activities are minimised.	Policy 1 amendment proposal: 1) Decision-makers on EN activities must recognise and provide for the national significance and benefits of the EN **to be realised** at national, regional and local scale. 2) Decision-makers must recognise that the benefits of the EN include, but are not limited to: a) providing for the well-being of people and communities to meet the needs of present and future generations; b) **providing services that are essential to support human life and the development, growth, and functioning of districts, regions, New Zealand, and the economy**; c) providing safe, secure, reliable, and resilient electricity supply that is responsive to demand from homes, communities, and businesses at local, regional, and national levels; d) efficient storage and transfer of electricity; **e) supporting reductions in greenhouse gas emissions and the electrification of the economy**, including by: i. facilitating new renewable electricity generation; ii. increasing network capacity; and iii. providing direct connections for industry; f) enhancing supply of electricity through the ETN through removing points of congestion. The above list of benefits is not intended to be exhaustive, and a particular project or development may have other benefits.	P1 proposal: Apply to planning decisions (in relation to infrastructure) in regional policy statements, regional and district plan documents (including plan changes), resource consent applications and notice of requirement: 1) Planning decisions about infrastructure shall recognise and provide for the benefits of infrastructure, which includes all of the following: a) providing for the well-being of future generations; b) creating, supporting and enhancing well-functioning urban and rural environments, including providing for infrastructure necessary to provide sufficient development capacity to meet demand for housing and business land; **c) providing services that are essential to support human life and the development, growth and functioning of districts, regions, New Zealand and the economy;** d) enabling infrastructure activities that provide value for money; e) helping to protect and restore the natural environment; f) supporting New Zealand's emissions reduction targets and mitigating the effects of climate change; and g) reducing the risks from, and improving resilience to, natural hazards and climate change. **2) When making planning decisions about infrastructure, ensure that the widespread, dispersed, and ongoing national, regional, or local benefits of infrastructure are recognised and provided for relative to any localised adverse effects on the environment.** 3) When making planning decisions about infrastructure, recognise: a) the significant risks to, and impacts on, public safety, the well-being of people and communities, and the environment that occur when infrastructure services are compromised; and b) the significant benefits of infrastructure to the functioning of districts, regions and New Zealand and to the well-being of present and future	While generally supported, a number of changes to proposed amended Policy A need to be made, including to better align the policy with the equivalent policies in the NPS-ET-Am and NPS-I. These changes are as follows: • The inclusion of an additional benefit (similar to that expressed under Policy P1(c) of the NPS-I) whereby REG supports the delivery of services that are essential to human life and development, along with the growth and functioning of districts and the economy. • The equivalent to Policy P1(2) of the NPS-I to require that the widespread, dispersed and ongoing national, regional and local benefits of REG are recognised and provided for, relative to any localised adverse effects on the environment. There is otherwise no direction within the policy as to how national, regional and local scale benefits are to be weighed, relative to localised adverse effects. Beyond that, proposed Policy A(a)(i) should refer to avoiding and reducing greenhouse gas emissions *to meet New Zealand's climate change and renewable energy targets* rather than for the purpose of providing positive effects for people, communities and the environment. While undoubtedly having such benefits, they are separately provided for in subclause (a)(iii) and the principal and most direct benefit of avoiding and reducing greenhouse gas emissions is to meet New Zealand's climate change and renewable energy targets. ESEG also opposes proposed subclause (b) of amended Policy A (dealing with additional benefits). While there can be additional benefits from REG activities that are located close to electricity demand or co-located with other REG activities, the wider benefits of REG apply independently of any such co-location. Proposed Policy A (b) creates a risk that in the absence of these "additional benefits" for a specific project, decision makers would effectively discount the national, regional and local scale benefits which the project would otherwise have. An REG project should be considered on its merits rather than adopting a "one size fits all" approach on the assumption that co-location provides additional benefits that cannot be achieved in all cases.	Amend Policy A a) Decision makers must recognise and provide for the national significance and benefits of REG activities to be realised at a national, regional and local scale. The benefits of REG activities, include but are not limited to: i. avoiding and reducing greenhouse gas emissions to ~~provide positive effects for people, communities and the environment~~ meet New Zealand's climate change and renewable energy targets; ii. contributing to the security, resilience and independence of electricity supply at national, regional and local levels through diverse REG sources and locations; iii. providing for the social, economic and cultural well-being of people and communities and for their health and safety; iv. increasing resilience and long-term stability by using renewable rather than finite sources of energy. v. avoiding reliance on imported fossil fuels for the purposes of generating electricity; and vi. the temporary and reversible adverse effects of some REG technologies on the environment. vii. supporting delivery of services that are essential to support human life and the development, growth and functioning of districts regions, New Zealand and the economy. ~~b) The additional benefits of REG activities that are:~~ ~~i. located close to electricity demand and electricity networks, such as reduced electricity losses, economic efficiencies and environmental benefits.~~ ~~ii. co-located with other appropriate REG activities and assets and other appropriate infrastructure and activities; and~~ ~~iii. located where adverse effects on other activities are minimised.~~ b) When making planning decisions about REG, ensure that the widespread, dispersed, and ongoing national, regional, or local benefits of REG are recognised and provided for relative to any localised adverse effects on the environment.

	NPS-REG-Am	NPS-ET-Am	NPS-I	Rationale for Proposed Drafting	ESEG's Proposed Drafting
			generations; and c) the independent or interconnected nature of infrastructure networks.	Subclause (b) of proposed amended Policy A should be deleted (and replaced with the equivalent of subclause 2 of the NPS-I (Policy P1) for the reasons set out above.	
Considering cumulative gains and losses **Policy B**	Amend policy B as follows: 1) Decision-makers on REG activities must recognise and provide for the importance of: a) enabling cumulative increases of REG output at any scale and any location, including small-scale and community-scale REG activities; and b) avoiding, where practicable, any loss of REG output from a region, district or existing REG assets. 2) When making decisions on policy statements and plans, decision-makers must have regard to a reduction in the potential utilisation of renewable electricity resources from inappropriate subdivision, use and development.	No policy equivalent within this NPSEN	Similar policy in NPS-I but sits within benefits policy.	ESEG supports this amended policy for the reasons stated in the Covering Submission. In short, unless all existing generation capacity and output is secure and protected, meeting New Zealand's energy and emissions reduction targets will be unachievable. However, the wording of proposed amended Policy B1(b) needs to be strengthened to require the protection of existing output and the avoidance of any loss in REG output, to the "extent reasonably possible" (reflecting the wording of Policy 10 of the NPS-ET-Am (regarding reverse sensitivity effects). That wording would then better align with ESEG's proposed rewording of subclause (c) of the NPS-REG-Am objective as set out above. ESEG also submits that specific recognition of the importance of protecting existing flexible generation output should be expressly referenced in the amended Policy, as achieved through the platform of existing hydro generation which is currently the most valuable form of renewable flexible generation from an overall REG output perspective. Subclause 2 of the policy should be amended to refer to decision making generally, rather than being confined to decisions regarding policy statements and plans. As explained in the Covering Submission, the primary benefit of the NPS-REG-Am will be for consenting decisions in the transitional period to full implementation of RM3, rather than requiring new plans and policy statements that will be superseded by RM3.	Amend policy B as follows: 1) Decision-makers on REG assets and activities must recognise and provide for the importance of: a) enabling cumulative increases of REG capacity and output at any scale and any location, including small-scale and community-scale REG activities; and b) protecting the generation capacity and output REG assets and activities and avoiding, ~~where practicable,~~ to the extent reasonably possible, any loss of REG output from a region or, district ~~or existing REG assets.~~; and c) protecting existing flexible generation output given its national importance to maintaining a highly resilient electricity system. 2) ~~When making decisions on policy statements and plans, d~~ Decision-makers must have regard to a reduction in the potential utilisation of renewable electricity resources from inappropriate subdivision, use and development.
Operational or functional need **Policy C1**	Policy C1 amendment proposal: 1) Decision-makers must recognise and provide for REG activities that have an operational need or functional need to be in particular environments. 2) Decision-makers must recognise that the operational need or functional need of REG activities includes the need to: a) be located where a renewable resource is located and available at a viable scale and quality to sustain the REG activity; b) be accessible to electricity networks and nearby to electricity demand; and c) have sufficient and accessible land available to support all associated current and future REG activities at that particular location.	Policy 2 amendment proposal: 1) Planning decisions must recognise and provide for EN activities that have an operational need or functional need to be in particular environments, **including in areas with section 6 RMA values, with unavoidable adverse effects on those environments.** 2) Decision-makers shall recognise that the operational or functional need of EN activities may include: a) the need for EN assets to convey electricity over long distances and in all locations and environments, including: i. within and across urban and rural environments; ii. within the coastal environment, including the coastal marine area; iii. across jurisdictional boundaries within and across districts and regions; and b) the need for the EN to **operate effectively and efficiently** as an	P2 proposal: 1) Planning decisions must recognise and provide for the operational need or functional need of infrastructure to operate in, be located in, or traverse particular environments, including to: a) provide services to people and communities in a timely, effective, and efficient manner; b) **operate effectively and efficiently** as linear and/or interconnected infrastructure networks within and across district and regional boundaries; c) access or connect to particular natural or physical resources, including other infrastructure; d) be accessible to enable all infrastructure activities to be undertaken effectively and efficiently; and e) locate where the services are required, whether or not the	While amended Policy C1 is generally supported for expressly referencing the functional and operational need requirements of REG activities, a number of further amendments to the proposed amended policy are needed to better deliver on the objectives of the reform for the reasons set out in ESEG's Covering Submission (paragraphs 138 –145). First, the introductory wording to Policy C1(1) should require that decision makers recognise that REG activities *have* an operational or functional need to be in particular environments, not just to recognise and provide for REG activities which have an operational or functional need. As explained in the Covering Submission, the functional and operational need test can otherwise trigger competing arguments over whether a given project has a functional or operational need to be on the proponent's chosen site, or on some other site, which can rapidly descend into a wide ranging enquiry on alternative sites for the project.	Policy C1 amendment proposal: 1) Decision-makers must recognise ~~and provide for~~ that REG activities ~~that~~ have an operational need or functional need to be in particular environments including in areas with section 6 RMA values, with unavoidable adverse effects on those environments. 2) Decision-makers must recognise that the operational need or functional need of REG activities includes the need to: a) be located where a renewable resource is located and available at a viable scale and quality to sustain the REG activity; b) be accessible to electricity networks and nearby to electricity demand; and c) have sufficient and accessible land available to support all associated current and future REG activities at that particular location.

	NPS-REG-Am	NPS-ET-Am	NPS-I	Rationale for Proposed Drafting	ESEG's Proposed Drafting
		interconnected system across New Zealand; c) the requirement for regular maintenance and upgrading of the EN due to its age, the need to improve resilience, and the need to increase capacity to meet increasing demand; and d) the need for the EN to connect to electricity generation, and to respond to demand, wherever located.	infrastructure has been spatially identified in advance.	For that same reason, the policy should be amended to expressly state that functional and operational need <u>does not require an assessment of alternative sites</u>. This would align with ESEG's proposed amended wording for new Policy P2 (set out below), drawing on the equivalent wording of Policy 4 of the NPS-ET-Am and NPS-I, which recognise that it is the role of the infrastructure provider to identify the preferred location and consider alternative sites, not the decision maker. A further critical amendment to the amended Policy is to adopt the equivalent wording of Policy 2 of the NPS-ET-Am, recognising that REG activities can have a functional or operational need to be located in areas with s 6 values, with unavoidable adverse effects on those environments. As explained in ESEG's Covering Submission, the "gap" in coverage of s 6 values is a core problem with the proposed wording of the NPS-REG-Am which must be addressed. The NPS-ET-Am would provide that coverage for the electricity transmission and distribution network. Equivalent coverage for electricity generation itself should surely be provided in the same way. Finally, reference to the need for REG activities to operate effectively and efficiently should be expressly recorded in the policy, in the same way as proposed under Policy P2(1)(b) of the NPS-I.	<u>d) to operate effectively and efficiently.</u> <u>3) Functional and operational need does not require an assessment of alternative sites.</u>
Protect existing REG from other activities **Policy D**	Amend policy D as follows: Decision-makers must protect existing REG assets from the adverse effects of new activities near those assets, including by avoiding reverse sensitivity effects to the extent reasonably possible.	Include a new policy 10 as follows: 1) Decision-makers must avoid the adverse effects of third parties on the EN, including by a) avoiding direct and reverse sensitivity effects on the EN to the extent reasonably possible; and **b) ensuring that the effective operation, maintenance, upgrading, and development of the EN is not compromised.** 2) In order to avoid the adverse effects of third parties on the EN, local authorities must: a) identify EN assets within their district, whether or not these are designated; b) engage with the operator of the ETN to implement the buffer corridor provided for in NES-ENA, within which it	Introduce a new policy 9 as follows: 1) Planning decisions must manage the interface between existing, consented and planned infrastructure and other activities to ensure: a) infrastructure and other activities are as compatible as practicable; b) **the safe, efficient and effective operation, maintenance and upgrade of existing, consented or planned infrastructure is not compromised** by the adverse effects of other activities; and c) the co-location of compatible infrastructure activities while also recognising that some types of infrastructure are not compatible.	As noted above and discussed further in the Covering Submission, the protection of existing REG assets from the adverse effects of other activities is critical to ensuring that New Zealand's energy and emissions reduction targets are ultimately achievable. While amended Policy D is supported, it does not go nearly far enough in this regard and nor does it provide equivalent protection for existing REG assets to that provided by new Policy 10 of the NPS-ET-Am for the transmission and distribution network. To better address those concerns in the Covering Submission and achieve greater alignment with the NPS-ET-Am, ESEG submits that Policy D needs to be amended as follows. Firstly, by including an equivalent clause to that proposed under Policy 10(1)(b) of the NPS-ET-Am, to ensure that the effective operation, maintenance, upgrading and development of existing REG is not compromised by third party activities. In addition to reverse sensitivity effects, REG can be affected by direct interference e.g. through tree planting under	Amend policy D as follows: 1) Decision-makers must protect existing REG assets <u>and activities</u> from the adverse effects of new activities near those assets, ~~including~~ <u>by:</u> <u>a)</u> avoiding reverse sensitivity effects ~~to the extent reasonably possible~~ <u>on those existing activities; and</u> <u>b) ensuring that the effective operation, maintenance, minor upgrading, and development of existing REG is not compromised by third party activities</u>. <u>2) In order to implement clause 1), local authorities must:</u> <u>a) engage with REG providers to:</u> <u>i. understand their existing, consented and planned REG activities and medium to long-terms plans;</u> <u>ii. identify appropriate buffers and other methods to protect existing, consented and planned REG activities from the adverse effects of sensitive and incompatible activities, including direct effects, reverse sensitivity effects, and risks to health and safety;</u> <u>iii. manage subdivision to avoid adverse effects on the REG while providing for ongoing and efficient construction,</u>

	NPS-REG-Am	NPS-ET-Am	NPS-I	Rationale for Proposed Drafting	ESEG's Proposed Drafting
		can be expected that sensitive activities, buildings, earthworks, and other activities that have the potential to compromise the EN, are to be generally avoided; and **c) engage with the operators of the EDN to identify an appropriate buffer corridor for the EDN, within which buildings, subdivision, and earthwork activities must comply with NZECP34; and** d) require buildings, structures, earthworks, and activities to avoid adverse effects on the EN, including reverse sensitivity effects, and to be designed and located to maintain safe distances from, and allow sufficient space for access to, and maintenance, construction, development, and upgrading of, EN assets; **e) manage subdivision to avoid adverse effects on the EN while providing for ongoing and efficient construction, operation, maintenance, development, and upgrade of the EN;** f) ensure the nature and location of any proposed trees or vegetation to be planted around the EN does not compromise its function and operation.		solar panels or vegetation shading solar panels or interfering with wind flow. In addition, the equivalent to proposed Policy 10(2)(b) and (c) of the NPS-ET-Am should be included to better manage the interface between REG and activities to ensure compatibility and reduce conflict. ESEG's proposed wording would (as with the NPS-ET-Am) require that local authorities engage with REG providers to understand their existing, consented and planned REG activities in the medium to long term, and to identify appropriate buffers and other methods to ensure those existing, consented and planned activities are protected from sensitive and other incompatible activities (i.e. from both direct and reverse sensitivity impacts). Similarly, as with the NPS-ET-Am Policy 10(2)(e), additional policy wording needs to be included to manage subdivision to avoid adverse effects on REG activities while providing for their ongoing efficient, construction, operation, maintenance, development and upgrading. Example of reserve sensitivity occurring during maintenance/ upgrade at existing REG site: Karāpiro Power Station upgrades 2022-2025 The multi-year upgrade to the Karāpiro hydro power station will increase the life span of the station by another 50 years and increase the electricity output by 16.5MW using the same quantity of water. These upgrades have required the closure of the Mercury owned road over the dam for extended periods (years). This closure has not been received well by locals who use the road to access the western side of the lake and western side of the region e.g. west coast beaches. Subdivision and development around Karāpiro Village has meant the number of residents affected by the road closure has increased significantly since the dam's construction (75 years ago). The easement with Waipā District Council for the road allows Mercury to restrict access for maintenance etc.	operation, maintenance, development, and upgrade of the REG.
Māori rights and interests **P1**	New policy as follows: 1) Decision-makers on resource consents, notice of requirements and private plan changes must recognise and provide for Māori interests in relation to REG activities, including by: a) taking into account the outcome of any engagement with tangata whenua in the preparation of a resource consent, notice of requirements or private plan change; b) recognising the opportunities	New policy 3 as follows: 1) Decision-makers (and applicants, as appropriate) must recognise and provide for Māori interests in relation to EN activities, including by: a) taking into account the outcomes of any engagement with tangata whenua on a resource consent, notice of requirement, or request for a private plan change, including through the site, route and method selection process; b) recognising the opportunities tangata whenua may have in developing and operating their own distribution	P5 proposal: 1) Decision-makers must recognise and provide for Māori interests in relation to infrastructure activities and infrastructure supporting activities, including by: a) taking into account the outcome of any engagement with tangata whenua on a resource consent, notice of requirement, or request for a private plan change; b) recognising the opportunities tangata whenua may have in developing and operating their own infrastructure at any		No proposed amendments

	NPS-REG-Am	NPS-ET-Am	NPS-I	Rationale for Proposed Drafting	ESEG's Proposed Drafting
	tangata whenua may have in developing and operating their own REG activities at any scale or in partnership; c) providing opportunities for tangata whenua involvement in appropriate circumstances, in relation to sites of significance to Māori and issues of cultural significance; d) operating in a way that is consistent with iwi participation legislation(as defined in section 58L of the RMA).	infrastructure at any scale or in partnership; c) avoiding, where practicable, or otherwise mitigating, the adverse effects of EN activities on sites of significance to Māori; d) operating in a way that is consistent with iwi participation legislation.	scale or in partnership; c) providing opportunities in appropriate circumstances for tangata whenua involvement in relation to sites of significance to Māori and issues of cultural significance; and d) operating in a way that is consistent with legislation that provides for iwi participation (as defined in section 58L of the RMA).		
Location of activity **New**		Policy 4 amendment proposal: 1) Decision-makers must: **a) recognise that it is the role of Transpower and the EDN provider to:** **i. determine the purpose, scope, required capacity, and technical solution for a proposed EN activity;** and ii. consider sites, routes, and methods where appropriate and identify the preferred site, route, and method for EN activities and assets; b) recognise and provide for the operational need or functional need of EN activities to be in particular environments as directed by policy 2 in this National Policy Statement; **c) have regard to the extent to which any adverse effects have been avoided, remedied or mitigated by the route, site, and method selection;** d) recognise that there will be unavoidable adverse effects on some values regardless of the route, site, and method chosen.	P4 Enabling the efficient and timely operation and delivery of infrastructure. (extracted applicable sub-clause only) Introduce a new policy as follows: 2) When making planning decisions on infrastructure activities, decision-makers must: **a) recognise it is the role of the infrastructure provider to identify the preferred location for the infrastructure activity;** b) consider relevant internationally, nationally. Regionally accepted standards and methods to manage common infrastructure activities and effects; c) utilise existing information and assessments undertaken by the infrastructure provider, including, for example. Information prepared using the better business case methodology for the Commerce Commission, infrastructure strategies prepared under Local Government Act 2002, or the infrastructure priorities programme; and		See new drafting of P2 Enabling REG activities.
Enabling REG activities. Management of effects. **New P2**	New policy as follows: 1) Decision-makers must enable REG activities, provided that adverse effects on environmental values not in section 6 of the RMA or covered by national direction are avoided where practicable, remedied where practicable, or mitigated where practicable.	**New policy 5 as follows:** **1) When considering the environmental effects of EN activities and measures to avoid, remedy, or mitigate any adverse effects on the environment, decision-makers must also:** **a) consider the constraints imposed on achieving those measures by the technical and operational requirements of the EN;** **b) recognise that EN activities are needed to increase and improve the capacity and delivery of the EN over time;** **c) recognise that changes in amenity from EN activities are unavoidable and necessary to achieve an effective, efficient, safe, secure, reliable, and**	P6 proposal: 1) When assessing and managing the effects of proposed infrastructure activities on the environment, decision-makers must: **a) have regard to the extent to which adverse effects have been avoided, remedied, mitigated or minimised (as applicable) through the route, site, design and construction method selection;** b) consider the technical and operational requirements and constraints of infrastructure activities; c) where considering a proposal involving existing infrastructure only consider any change or increase in environmental effects when the proposal relates to the reconsenting,	As submitted above regarding Policy C1 and addressed in more detail in the Covering Submission, there is a complete policy gap in the NPS-REG-Am in relation to the management of adverse effects on s 6 values. While the Government has decided to resolve more major tensions between infrastructure and natural environmental values under RM3, it is vital that the NPS-REG-Am provide guidance to decision makers as to how adverse effects of REG activities should be managed alongside s 6 values when making consenting decisions over the significant transitional period to RM3. At present, proposed new Policy P2 expressly excludes adverse effects on environmental values covered by s 6 and other national direction, and	New policy as follows: 1) Decision-makers must enable REG activities, provided that adverse effects on environmental values ~~not in section 6 of the RMA or covered by national direction~~ are avoided where practicable, remedied where practicable, or mitigated where practicable. <u>When considering the environmental effects of REG activities and measures to avoid, remedy, or mitigate any adverse effects on the environment, decision-makers must:</u> <u>a) have regard to the extent to which any adverse effects have been avoided, remedied or mitigated by the route, site, and method selection;</u> <u>b) consider the constraints imposed on achieving those measures by the technical and operational requirements of REG;</u>

	NPS-REG-Am	NPS-ET-Am	NPS-I	Rationale for Proposed Drafting	ESEG's Proposed Drafting
		resilient EN; **d) adopt relevant international and national standards and recognised best practice standards and methodologies to assess and manage adverse effects; and** **e) consider the financial and timing implications of mitigation measures and any consent conditions to ensure these are proportionate and cost-effective.**	renewal or upgrade of existing infrastructure; d) adopt relevant international, national standards and recognised best practice standards and methodologies to assess and manage adverse effects; and e) consider the financial and timing implications of mitigation measures and consent conditions to ensure these are proportionate and cost-effective. P8 proposal: 1) Planning decisions must enable new infrastructure or major upgrades of existing infrastructure, provided that adverse effects on environmental values (not in section 6 or covered by national direction) are avoided where practicable, remedied where practicable, or mitigated where practicable.	provides no enabling support for REG in areas with such values. By contrast, new Policy 5 of the NPS-ET-Am provides guidance to decision makers on the factors they should consider regarding the management of environmental effects generally, with no "carve out" for adverse effects on s 6 values covered by other national direction. That same approach and adopting the same (or equivalent) factors as set under Policy 5 of the NPS-ET-Am should be included within proposed new Policy P2. In addition, as submitted above regarding Policy C1, the equivalent of proposed new Policy 4 for the NPS-ET-Am and NPS-I -recognising that it is the role of the infrastructure provider to consider alternative sites, routes and methods and identify the preferred site needs to be included in this new policy (refer for example, amended Policy 4(1)(a) of the NPS-ET-Am). Similarly, the equivalent to Policy 4(1)(c) of the NPS-ET-Am and Policy P6(1)(a) of the NPS-I should be included, whereby decision makers must have regard to the extent to which adverse effects have been avoided, remedied, mitigated or minimised through route, site, design and construction method selection. The existing NPS-REG 2011 includes reference to adaptive management measures to help manage constraints (Policy C1). ESEG preferred NPS-REG drafting (refer to Appendix 2) and the adjacent drafting re-introduces the consideration of adaptive management. Geothermal resources, in particular, are managed via an adaptive management framework that enables management and mitigation measures to be tested and evolve based on the extensive monitoring undertaken by the industry. This is because of the inherent uncertainty and variability of the resource or its effects on the environment. The monitoring data from a range of parameters, from the surface to deep underground e.g. levelling surveys, reservoir monitoring, fluid chemistry, seismicity monitoring etc, from all the geothermal fields is reported annually to the Council (through resource consents) and is reviewed by an independent Technical Peer Review Panel. This adaptive management approach, testing, learning and evolution of management and mitigation measures is working. ESEG's proposed revised new Policy P2 draws on all of these elements of Policies 4 and 5 of the NPS-ET-Am and Policies P4 and P6 of the NPS-I to provide an effective code and guidance framework for	c) recognise that REG activities are needed to increase the capacity and output of REG over time; d) recognise that changes in amenity from REG activities are unavoidable and necessary to achieve an effective, efficient, safe, secure and reliable and resilient national REG system; e) adopt relevant international and national standards and recognised best practice standards and methodologies to assess and manage adverse effects; and f) consider the financial and timing implications of mitigation measures and any consent conditions to ensure these are proportionate and cost-effective g) recognise that it is the role of the REG provider to consider sites, routes, and methods where appropriate and identify the preferred site, route, and method for REG activities and assets; h) have regard to the use of adaptive management measures that respond to practical constraints and support the sustainable development, operation, maintenance, and upgrading of REG activities over time.

	NPS-REG-Am	NPS-ET-Am	NPS-I	Rationale for Proposed Drafting	ESEG's Proposed Drafting
				decision makers considering adverse effects of REG activities, including on s 6 values.	
Providing for the operation and maintenance of existing REG assets **P 3**	New policy as follows: Decision-makers must enable the operation and maintenance of existing REG assets, including all relevant ancillary activities and infrastructure.	New policy 6 as follows: 1) Decision-makers must enable routine EN **activities to occur in all locations and environments, provided adverse effects on the environment are avoided where practicable, remedied where practicable, or mitigated where practicable, acknowledging the existing nature of the assets.**	P7 proposal: **1) Planning decisions must enable the efficient operation, maintenance and minor upgrade of existing infrastructure in all environments and locations, provided that adverse effects are avoided where practicable, remedied where practicable, or mitigated where practicable.**	While supported in so far as it goes, new Policy P3 needs to be amended in line with proposed new Policy 6 of the NPS-ET-Am and Policy 7 of the NPS-I, to recognise that existing assets and infrastructure are often located in diverse and sensitive environments, and to enable the efficient operation, maintenance and minor upgrading of those existing assets provided adverse effects are managed through appropriate avoidance, remediation and mitigation techniques, acknowledging the existing nature of the assets. As it stands, proposed new Policy P3 contains no reference to "minor upgrading", by contrast with proposed new Policy 7 of the NPS-I, and Policy 6 of the NPS-ET-Am (providing for "routine activities"). ESEG's proposed revised wording includes reference to "minor upgrading" and ESEG request that an appropriate definition be included within the NPS-REG-Am (refer to definitions table following on from this table). The deletion of 'ancillary activities' is a consequence to ESEG's proposed amendments to the 'REG activities' definition, which already includes ancillary.	Decision-makers must enable the efficient operation, ~~and~~ maintenance and minor upgrading of existing REG assets and activities, including all relevant ancillary activities and infrastructure, in all locations and environments provided adverse effects on the environment are avoided where practicable, remedied where practicable, or mitigated where practicable, acknowledging the existing nature of the assets. New Definition for maintenance and minor upgrading means; work undertaken to ensure the effective and efficient operation and performance of existing REG activities and includes: a) activities associated with the maintenance or repair of existing REG assets, including all relevant ancillary REG activities**;** or b) replacing existing REG assets with the modern equivalent equipment or asset, which may not be "like for like"; or c) maintenance and upgrades necessary to continue to deliver the same or similar level of renewable electricity generation or to improve resilience; or d) other upgrades of existing REG assets where this will have no more than minor adverse effects on the environment after the upgrade is complete.
Reconsenting upgrading and repowering existing REG activities **P 4**	New policy as follows: 1) Decision-makers on the reconsenting, upgrading and repowering of existing REG assets must: a) have particular regard to the efficiencies and environmental benefits of increasing REG output within the same or similar environmental footprint; b) only consider the extent to which the effects of the proposed REG activity are different in scale, intensity, duration and frequency from the effects of existing REG assets; and c) seek to provide flexibility for changes in consent conditions to enable the upgrading of existing REG assets to adapt to new technologies to increase REG output and improve resilience.	New policy 7 as follows: 1) In rural environments, planning and development of the EN should seek to avoid adverse effects on outstanding natural landscapes, areas of high natural character, and areas of high recreation value and amenity. New policy 8 as follows: 1) Decision-makers must consider practicable opportunities and measures to reduce the existing adverse effects of EN assets when considering non-routine EN activities, taking into account the technical and operational requirements of the EN and the financial implications of any measures to reduce adverse effects.		Proposed new Policy 4 of the NPS-REG-Am is supported, particularly new Policy 4(1)(b) whereby decision makers would be directed to *only consider* the extent to which the effects of any reconsenting, upgrading or repowering are different in scale, intensity and duration from the effects of the existing REG assets. In addition, for the reasons set out in ESEG's Covering Submission, it is critical that when considering any reconsenting, upgrading or repowering, decision makers assume an existing environment with the existing asset in place. There is otherwise a line of case law under the RMA where (for renewals in particular) decision makers are forced to imagine an existing environment without the existing asset infrastructure in place, regardless of how long it has been affecting the existing environment e.g. through the damming and diversion of water to enable a hydro generation asset to function effectively. Strengthening the policy to ensure this assumption of a realistic (rather than artificial) existing environment is essential to secure and sustain existing REG output and capacity, as the platform for the significant increase in REG capacity and	1) Decision-makers on the reconsenting, upgrading and repowering of existing REG assets and activities must: a) have particular regard to the efficiencies and environmental benefits of increasing REG capacity and output ~~within the same or similar environmental footprint~~; b) only consider the extent to which the effects of the proposed REG activity are different in scale, intensity, duration and frequency from the effects of existing REG assets; c) assume an existing environment that includes the operation of the existing REG asset; and ~~c~~d) ~~seek to~~ provide flexibility for changes in consent conditions to enable the upgrading of existing REG assets to adapt to new technologies to increase ~~output~~ generation and improve resilience.

	NPS-REG-Am	NPS-ET-Am	NPS-I	Rationale for Proposed Drafting	ESEG's Proposed Drafting
				output required to meet New Zealand's emission reduction and energy targets. The policy also needs to be revised in that regard, to refer to both capacity and output (again referring to rationale provided above for the objective as to the distinction between REG capacity and output). Finally, the reference in clause (a) of new Policy 4 *to "the same or similar environmental footprint"* should be deleted. Upgrading and repowering of REG assets is not necessarily confined to or within the same or similar "environmental footprint" and that term as proposed to be defined under the NPS-REG-Am is opposed (for the reasons set out here and in the definitions table following on from this table). For example, existing use rights under the RMA are defined by reference to effects being of the same or similar, character, intensity and scale. The "environmental footprint" construct is potentially more constraining (less enabling) than would be provided for under s 10 and s 20 of the RMA. The term "environmental footprint" is proposed to be confined to the horizontal spatial extent set under an existing resource consent, whereas the vertical or spatial extent of the asset may need to be changed to provide for the upgrading or repowering, but without materially greater character, intensity and scale of effects. Upgrading and repowering are specifically defined in the NPS-REG-Am. There is no need to further constrain those definitions and to only consider the benefits of upgrading or repowering within the same environmental footprint would be counterproductive to the reform objectives .	
Urban Environments		new policy 9 as follows: 1) Decision-makers on EN activities within urban environments must: a) recognise that the EN forms an essential part of well-functioning urban environments that must be provided for; b) allow for changes in amenity associated with routine EN activities; c) recognise that it is not practicable to avoid all adverse effects of EN activities; and d) recognise that the effective and efficient development, operation, maintenance, and upgrade of the EN may be appropriate use and development when protecting historic heritage. 2) Planning decisions within urban environments must: a) ensure that, where development will		Not relevant for larger scale REG.	

	NPS-REG-Am	NPS-ET-Am	NPS-I	Rationale for Proposed Drafting	ESEG's Proposed Drafting
		result in an increase in demand for electricity, sufficient on-site space is provided for EDN assets to meet demand; and b) recognise that determining whether there is sufficient on-site space for EDN assets to meet demand will require consultation with the EDN provider.			
Strategic planning		New policy 11 as follows: **1) Local authorities must:** **a) engage with the operators of the EN to facilitate the medium to long-term strategic planning for the construction, operation, maintenance, and upgrade of the EN;** and b) recognise that the designation process can facilitate long-term planning for construction, operation, maintenance, and upgrade and development of the EN.	P3 proposal: **1) Planning decisions on infrastructure activities must:** **a) have regard to the extent to which the infrastructure has been identified within a strategic planning document, including future development strategies, while recognising that not all infrastructure can be spatially identified in advance; and** **b) consider relevant spatial plans and master plans prepared by the infrastructure provider and provided to the consenting authority.**	Strategic planning that includes existing and new REG is critical. However, spatial planning has its limitations for REG. ESEG submits that strategic planning has a role to play for REG decision making. Equivalent wording to proposed new Policy 11 of the NPS-ET-Am and Policy 3 of the NPS-I should therefore be included in the NPS-REG-Am requiring decision makers to engage with REG providers to facilitate long term strategic planning, and have regard to strategic plans in decision making, while recognising that not all REG infrastructure can be spatially identified in advance.	Potential drafting: Policy [X]: Strategic Planning for Renewable Electricity Generation 1) Local authorities must: a) engage with renewable electricity generation (REG) providers and electricity network operators to facilitate medium- to long-term strategic planning for the construction, operation, maintenance, and upgrade of REG assets and associated infrastructure; 2) Planning decisions on REG activities must: a) have regard to the extent to which the REG activity has been identified in strategic planning documents, including national energy strategies, regional energy plans, and emissions reduction plans while recognising that not all infrastructure can be spatially identified in advance; b) consider relevant spatial plans and development strategies prepared by REG providers and electricity network operators, including those identifying future generation zones, transmission corridors, and supporting infrastructure.

Clause	NPS-REG-Am	NPS-EN-Am	NPS-I-New	Rationale for Proposed Drafting	ESEG's Proposed Drafting
Primary definitions					
D11 Renewable electricity generation (REG)	Amend the definition: *"means the generation of electricity from renewable energy sources from solar, wind, water, geothermal, biomass, tidal, wave, or ocean current energy sources."*	Equivalent definitions for comparison are: *D6 Electricity network (EN) means the electricity transmission network and the electricity distribution network.* *D5 Electricity distribution network (EDN) means any part of the electricity network that is controlled by a person or body who is both an electricity distributor and an electricity operator because those terms are defined in section 2 of the Electricity Act 1992; and does not include the electricity transmission network (as defined below).* *D7 Electricity transmission network (ETN)means all parts of the National Grid of electricity transmission that:* *a) comprise the network of transmission lines, and cables (aerial, underground, and submarine, including the high-voltage direct current link), stations, and substations, facilities and works, and all ancillary activities, and other works used to connect*	Equivalent definition for comparison is: *"D7 Infrastructure has the same meaning as in the Resource Management Act 1991 (RMA) but in this National Policy Statement also includes additional infrastructure."*	ESEG support the consistent referencing of renewable energy sources and the replacement of 'hydro-electricity' with 'water'. ESEG suggest the duplication of 'from' in the definition is corrected - 'from renewable energy sources from...'. This can be achieved by simply adding 'renewable' before energy sources at the end of the definition.	Amend the definition as follows: **D11 Renewable electricity generation (REG)** *"means the generation of electricity from ~~renewable energy sources from~~ solar, wind, water, geothermal, biomass, tidal, wave, or ocean current renewable energy sources."*

Clause	NPS-REG-Am	NPS-EN-Am	NPS-I-New	Rationale for Proposed Drafting	ESEG's Proposed Drafting
		grid injection points and grid exit points to convey electricity; *b) is owned or used by Transpower New Zealand Limited; and* *c) is commonly known as the National Grid.*			
D12 Renewable electricity generation activities (REG activities)	Amend the definition: *"means* *a) the investigation, construction, operation, maintenance, upgrade, repowering and decommissioning of REG assets;* *b) the storage of generated electricity;* *c) the conveyance of generated electricity to electricity networks or directly to end users; and* *d) all relevant ancillary REG activities associated with REG assets; but* *e) does not include electricity network assets owned and operated by Transpower NZ Limited or an electricity distributor."*	*"D8 Electricity network activities (EN activities)* *means the construction, operation, maintenance, development, upgrade, replacement, decommissioning or removal of electricity network assets and all ancillary activities, unless otherwise specified."* *D3 Customer Driven Projects* *means ETN or EDN activities that a third party other than Transpower New Zealand Limited or an electricity distribution business has requested be carried out, such as new connections to electricity generation or demand, or relocation or undergrounding of assets in order to enable urban or infrastructure development, excluding new connections to electricity generation that are managed under the National Policy Statement for Renewable Electricity Generation (NPS-REG).* Reasons: "The intent is to exclude renewable energy generation (REG) connections managed under the NPS-REG, which will require assessment of the effects of the full REG project up to the point of connection to the electricity transmission network (ETN) or electricity distribution network (EDN). The exclusion of new REG connections clarifies the applicability of the NPS, rather than a decision-maker needing to apply both the NPS-REG and NPS-EN."	*D8 Infrastructure activities* *the construction, operation, maintenance, upgrade, and removal of infrastructure and all ancillary activities, unless otherwise specified, and includes all physical components and assets associated with the infrastructure activity.*	The NPS-REG-Am proposes to amend the current definition and expand the definition by referencing: • investigation, upgrade, repowering and decommissioning of REG assets; • ancillary REG activities. It is also proposed to clarify where the NPS-REG stops and the NPS-EN starts, based on ownership. A key element that has been omitted from the proposed definition is 'use and development'. The term 'construction' covers physical work and building structures. In an RMA context, a broader term encompassing use and development of natural resources is required in the context of the proposed provisions. The intention is that REG activities cover both the physical structures by including specific reference to REG assets and the resource's use and development. For example, geothermal REG. While the power station and pipes are 'constructed', accessing and using geothermal fluid, a natural resource, to generate electricity is not 'construction' and would be better described as 'development'. ESEG consider the term 'development' would better encompass the range of activities required to generate renewable electricity from geothermal (and other) energy sources. Clause b) 'storage' is supported and ESEG consider providing for storage such as BESS (Battery Energy Storage Systems) is critical as more electricity is generated from intermittent wind and solar sources. While storage is typically associated with new generation, this is not necessarily the case in all locations. Storage may be directly connected the **electricity network** (national grid / distribution network) and therefore is not 100% renewable. ESEG suggest that the clause be clarified to expressly provide for storage of electricity sourced solely from the electricity network. In general, providing for consideration of conveyance of electricity as part of REG activities is supported (subclauses (c) and (e)). For example, a wind farm development my include 33kv underground cables connecting the turbines to the substation, an integral part of the development. The delineation of what is a REG activity vs transmission becomes less clear when new lines are required to connect to the electricity network (national grid / distribution).	Amend the proposed definition as follows: **D12 Renewable electricity generation activities (REG activities)** *means use and development for purposes of* ***renewable electricity generation,*** *all physical components and structures, including:* *a) the* • *investigation~~,~~ and monitoring;* • *construction;* • *operation;* • *replacement* • ***maintenance and minor upgrading;*** • ~~*upgrade*~~ ***upgrading;*** • ***repowering;*** • *and decommissioning;* *b) the storage of generated electricity, including where the sole source is the* ***electricity network (****as defined under the NPS-ET-Am);* *c)— the conveyance of generated electricity to the* ***electricity networks*** ~~*s*~~ *or directly to end users;* ~~*and*~~ ~~*e)*~~ *but does not include an* ***electricity network*** ~~*assets owned and operated by Transpower NZ Limited or an electricity distributor*~~*. (as defined under the NPS-ET-Am).* *d)* ~~*all relevant*~~ ***ancillary REG activities***~~*; associated with REG assets; but*~~ *e) geothermal drilling;* *f)* ***REG assets*** *and* ***existing REG assets.***

Clause	NPS-REG-Am	NPS-EN-Am	NPS-I-New	Rationale for Proposed Drafting	ESEG's Proposed Drafting
				The reasons for the NPS-ET-Am definition of 'D3 – Customer Driven Projects' provides some insight into this issue (refer column to the left). For new REG development, in some instances, lines to connect to the electricity network can be of a substantial length e.g. Puketoi wind farm line connection will be +30km. Other factors include building in excess capacity and long-term ownership. In circumstances where the lines are substantial linear infrastructure developments in their own right, ESEG consider that the NPS-ET-Am may provide more appropriate policy guidance for decision makers. ESEG consider flexibility needs to be provided in respect of when electricity conveyance is part of REG vs electricity network. In respect of sub-clauses c) and e), ESEG suggest: • combine the two clauses dealing with electricity conveyance. • For consistency with the NPS-ET-Am, use the term 'electricity network', which covers both national grid and distribution network (refer above). • Enable flexibility and case-by-case application of either the NPS-REG-Am and/or NPS-ET-Am provisions for transmission lines. Geothermal drilling is an integral part of geothermal generation, and our preference is for this to be expressly provided for in the primary definition rather than relying on interpretation or the definition ancillary REG activity. Ancillary REG activities is a defined term and qualifiers, such as 'relevant' and 'associated' would be more appropriately be addressed within that definition.	
D2 Ancillary REG activities	New definition: *"all supporting and subsidiary activities needed to provide for the investigation, construction, operation, maintenance, upgrading, repowering and decommissioning of REG assets, including but not limited to vegetation clearance, tree trimming, earthworks, the construction, maintenance and upgrading of access tracks and roads, power supply, and telecommunications."*	*D2 Ancillary electricity network activities (ancillary EN activities)* *means all supporting and subsidiary activities needed to provide the operation, maintenance and upgrading of the EN, including but not limited to vegetation clearance, tree trimming, earthworks, the construction, maintenance and upgrading of access tracks and accessways, power supply,* *and telecommunications.*	Term 'ancillary' used but not defined noting it is different from 'infrastructure supporting activities'	Providing for ancillary activities is critical to enabling REG. Generation from the different renewable energy sources have different requirements. For example, culverts are commonly required to support access tracks and roads within wind farm developments. ESEG supports the definition, with suggested drafting to improve clarity.	**D2 Ancillary REG activities** *"all supporting and subsidiary activities needed to provide for* ***REG*** ~~*the investigation, construction, operation, maintenance, upgrading, repowering and decommissioning of REG assets,*~~ *including but not limited to vegetation clearance, tree trimming, earthworks, the construction, maintenance and upgrading of access tracks and roads, culverts, bridges, power supply, and telecommunications."*
D13 Renewable electricity generation assets (REG assets)	Introduce a new definition that: • *means the physical components and structures for renewable electricity generation and includes:* *a) the supporting infrastructure and assets required to generate and store electricity, such as*	*D9 Electricity network assets (EN assets)* *means the physical components of EN and all ancillary activities, such as access tracks*	No equivalent 'asset' definition	ESEG propose this definition of REG assets (refer to Appendix 2): "*means the physical components and structures required for renewable electricity generation along with the infrastructure and ancillary activities required to generate and store the generated electricity and connect it to transmission or distribution networks or direct to end users."*	**D13 Renewable electricity generation assets (REG assets)** *means the physical components and structures for* ***renewable electricity generation,*** *includ*~~*es*~~*ing:* *a) the supporting infrastructure and assets required to generate and store electricity, such as monitoring equipment, cabling, access tracks and roads; and*

Clause	NPS-REG-Am	NPS-EN-Am	NPS-I-New	Rationale for Proposed Drafting	ESEG's Proposed Drafting
	monitoring equipment, cabling, access tracks and roads; and *b) the infrastructure required to convey generated electricity to electricity networks or directly to end users.*			The NPS-REG-Am proposed REG asset definition elaborates on the physical components which have been included in the REG activity definition above. Ancillary REG activities have been included as per the NPS-EN-Am. In the context of the current proposal, a simplified version aligned with the NPS-EN-Am is preferred.	*b) the infrastructure required to convey generated electricity to electricity networks or directly to end users.* *c) **ancillary REG activities.***
D7 Existing renewable electricity generation assets (REG assets)	Introduce a new definition that: • *means REG assets that, at a time a decision is made, are already:* *a) lawfully established and constructed; or* *b) authorised by an unimplemented resource consent or designation that has not lapsed.*		*D5 Existing infrastructure infrastructure that is lawfully established and constructed.*	Under the NPS-REG 2011, the term 'existing REG activities' is not defined. The NPS-REG-Am seeks to define 'existing REG assets' and reference that term in: • Amended Policy B (considering cumulative gains and losses of REG capacity) • Amended Policy D (protecting existing REG assets from other activities • New policy P3 (providing for the operation and maintenance of existing REG assets), • New policy P4 (reconsenting, upgrading and repowering existing REG assets) ESEG support the intent of the definition (and policies) to recognise the important role of existing generation as illustrated by the graph in our covering submission. ESEG consider, however, to deliver on these policies, the provisions need to address both use of land (i.e. physical components and structures) and the use of resources (i.e. access to and allocation of). For example, geothermal fluid. In sub-clause a), ESEG support use of the phrase 'lawfully established', which is well understood and tested through case law. With respect to subclause b) ESEG note the term 'resource consent' is defined in the RMA and 'expressly allows' an activity. An expired resource consent does not 'expressly allow' an activity and ESEG consider the inclusion of the words 'that has not lapsed' is unnecessary. ESEG view 'unimplemented' as creating a potential gap for projects that are under construction but not yet generating. With larger projects, generation often also comes on-line in stages. To avoid this gap, it is suggested the term 'unimplemented' is deleted. In respect of both clause a) and b) ESEGrequest for the avoidance of doubt that a reference to 'ancillary REG activities' is included.	**D7 Existing renewable electricity generation ~~assets~~ (Existing REG ~~assets~~)** *means REG assets and/or REG activities, at a time a decision is made, are already:* *a) lawfully established and constructed; or* *b) authorised by ~~an unimplemented~~ resource consent, ~~or~~ designation or other authorisation granted and which remains in force (that has not lapsed).*
Small and community scale REG definitions					
D3 Community-scale REG	Amend and rename the definition of 'small and community-scale distributed electricity generation' to 'community-scale REG' to: • *renewable electricity generation with the primary purpose of supplying electricity to a community.*	n/a	n/a	REG of all scales has benefits. While ESEG support policies that enable the range of REG activities, ESEG are concerned with the possible interpretations of this definition (and small-scale - refer below). The proposed policies do not differentiate between enabling 'community' and 'small-scale'. ESEG consider it would be simpler to consolidate these into one	Delete and amend definition of Small-scale REG to include reference to community-scale REG.

Clause	NPS-REG-Am	NPS-EN-Am	NPS-I-New	Rationale for Proposed Drafting	ESEG's Proposed Drafting
				definition that provide for supply of electricity where the effects on the environment are minimal.	
D17 Small-scale renewable electricity generation (small-scale REG)	Amend the definition of 'small and community-scale distributed electricity generation' to 'small-scale REG' that: • *means renewable electricity generation where the primary purpose is to provide electricity for on-site use at an individual site or landholder level.*	n/a	n/a	REG of all scales has benefits. While ESEG support policies that enable a range of REG activities, ESEG are concerned with the possible interpretations of this definition (and community-scale – refer above). Therefore, the amendments suggested are to bring these definitions together into one definition. The NPS-REG-Am use of '*provide electricity for on-site use*' could be interpreted as limiting the selling of electricity to the network, which would undermine the work the Electricity Authority is doing to unlock network connections to support electrification. ESEG suggest changing the definition to ensure there is no limitation on supplying electricity back to the network. The NES-TF-Am introduces rules to make provision for the installation and operation of renewable electricity generators for telecommunication facilities. The inclusion of telecommunications facilities aligns the definitions across both instruments.	Amend: **D17 Small-scale renewable electricity generation (small-scale REG)** • *means renewable electricity generation where the primary purpose is to ~~provide~~ supply electricity:* • *~~for on-site use (at~~ to an individual site ~~or landholder level);~~* • *directly to a local community; or* • *for a telecommunications facility;*
Supporting definitions (alphabetical)					
D5 Electricity networks	Introduce a new definition that has the same *meaning as in the proposed National Policy Statement for Electricity Networks*.	*D6 Electricity network (EN) means the electricity transmission network and the electricity distribution network.*	Not referenced	-	-
D6 Environmental footprint	Introduce a new definition that: • *means the horizontal spatial extent of an existing REG asset and/or activity as defined in any applicable resource consent(s) including all supporting infrastructure and ancillary REG activities.*	n/a	n/a	The term 'environmental footprint' is referred to in: • New policy P4 (Reconsenting, upgrading and repowering existing REG assets) While the reason given for the new definition in the proposal relates to repowering, it is noted that the drafting of policy P4 is not constrained, and 'environmental footprint' applies to 'reconsenting' 'upgrading' and 'repowering'. Under the RMA, existing use rights for land-use is provided in s10 and s20A. The Act provides a test that the effects of an activity must be the same or similar in "character, intensity and scale". Policy P4, using the definition of 'environmental footprint', is not more enabling [potentially less so] than what the Act provides for under existing use rights. ESEG raise again the need to also consider access to and use of resources. For example, for geothermal generation, a station 'upgrade' may require drilling in a different part of the reservoir and/or at different depths to access suitable geothermal fluid. This drilling could be considered outside of the 'environmental footprint' of the existing REG activities and therefore the policy direction in P4 would be weakened. ESEG preference is for the definition of 'environmental footprint' to be deleted.	Delete

Clause	NPS-REG-Am	NPS-EN-Am	NPS-I-New	Rationale for Proposed Drafting	ESEG's Proposed Drafting
D9 Functional need	New definition: *means the need for a proposal or activity to traverse, locate or operate in a particular environment because the activity can only occur in that environment.*	*"means the need for a proposal or activity to traverse, locate or operate in a particular environment because the activity can only occur in that environment."*	*"the need for a proposal or activity to traverse, locate or operate in a particular environment because the activity can only occur in that environment."*	ESEG support the inclusion of the same definition as in the National Planning Standards for ease of reference and to assist with implementing policies.	Retain
D10 Operational need	Introduce a new definition that: *means the need for a proposal or activity to traverse, locate or operate in a particular environment because of technical, logistical or operational characteristics or constraints.*	*"means the need for a proposal or activity to traverse, locate or operate in a particular environment because of technical, logistical or operational characteristics or constraints."*	*"the need for a proposal or activity to traverse, locate, or operate in a particular environment because of technical, logistical, or operational characteristics or constraints."*	ESEG support the inclusion of the same definition as in the National Planning Standards, for ease of reference and to assist with implementing policies.	Retain
D14 Repowering	Introduce a new definition that: • *means in relation to existing REG assets generating electricity from wind or solar sources, the whole or partial replacement of REG assets within an existing REG site to increase generation output and/or extend the operational life of the REG asset.*	n/a	n/a	ESEG support the recognition of "repowering" in respect of wind and solar farms and seek the proposed definition be amended to reduce duplication and add in reference to 'capacity' (refer explanation of capacity and output above). ESEG also request that maintaining generation is acknowledged and provisions is made for upgrading (as defined below). ESEG suggest removing reference to an 'existing REG site' as this is not a defined term and is dependent on the resource type. For example, geothermal generation has a power station and the geothermal field where the resource is accessed, and wind farms tend to exist within a consented envelope.	**D14 Repowering** • *means in relation to* ***existing REG*** *assets generating electricity from wind or solar sources, the whole or partial replacement* <u>*or*</u> ***<u>upgrading</u>*** ~~***of REG assets***~~ ~~*within an existing REG site*~~ *to* <u>*maintain or*</u> *increase generation* <u>*capacity and*</u> *output and/or extend the operational life of the* ***REG asset***.
D15 Resilience of renewable electricity generation assets	Introduce a new definition that: • *means the capacity of REG assets to absorb a shock, including from natural hazards, recover from the disruption, adapt to changing conditions, including climate change, and retain a similar level of essential service as before, even if that means delivering an infrastructure service in a new or different way.*	D17 Electricity network resilience (EN resilience) *"means the capacity of infrastructure to absorb a shock, including from natural hazards, recover from the disruption, adapt to changing conditions, including climate change, and retain an appropriate level of service, even if that means delivering an infrastructure service in a new or different way, or at a reduced level of service."*	*D17 Resilience* *"the capacity of infrastructure to absorb a shock, including from natural hazards; recover from the disruption; adapt to changing conditions, including climate change; and retain essentially the same or similar level of service as before, even if that means delivering an infrastructure service in a new or different way."*	In the NPS-RE-Am, the term 'resilience' is referred to in: • Amended policy A (national significance and benefits of renewable electricity generation) – clause a) ii mid-sentence between 'security' and 'independence'. • New policy P4 (reconsenting, upgrading and repowering existing REG assets) – clause 1. c) – last part of sentence 'and improve resilience'. ESEG note the word 'resilience' also appears in Policy A a) v) however this is in a different context to natural hazards. ESEG support the term 'resilience' being consistent with the definition in the NPS-I which is based on the definition for 'critical infrastructure resilience' from the Department of the Prime Minister and Cabinet. The policy direction for 'resilience' is addressed in further detail in our submission.	Delete reference to REG assets and NPS-Infrastructure definition of 'resilience': **D15 Resilience** ~~**of renewable electricity generation assets**~~ • *means the capacity of* ***REG assets*** *to absorb a shock, including from natural hazards, recover from the disruption, adapt to changing conditions, including climate change, and retain a similar level of essential service as before, even if that means delivering an infrastructure service in a new or different way.*
D16 Reverse sensitivity	Introduce a new definition that: • *means in relation to REG, the vulnerability of existing REG assets to complaint, burden, or constraint from a new or more intensive activity proposed or located near existing REG assets.*	*"D19 Sensitive activities* *includes residential unit (including visitor accommodation and retirement accommodation), care facilities, childcare facilities, schools, hospitals, custodial or supervised accommodation where residents are detained on site, marae, or place of worship."*	*"D19 Sensitive activities* *residential activity (including visitor accommodation and retirement accommodation), care facilities, childcare facilities, schools, hospitals, custodial or supervised accommodation where residents are detained on site, marae, or place of worship."*	ESEG support the definition to assist in the interpretation of amended Policy D (Protecting existing REG assets from other activities). As a consequence of replacing the definition of 'existing REG assets' with 'existing REG activities' (see above) a consequential change to this definition is required.	**D16 Reverse sensitivity** *means in relation to REG, the vulnerability of* ***existing REG*** ~~*assets*~~ <u>*activities*</u> *to complaint, burden, or constraint from a new or more intensive activity proposed or located near* ***existing REG*** ~~*assets*~~ <u>*activities*</u>.

Clause	NPS-REG-Am	NPS-EN-Am	NPS-I-New	Rationale for Proposed Drafting	ESEG's Proposed Drafting
			It defines the activities that, under P9, local authorities must identify, to then manage reverse sensitivity effects on infrastructure and to manage any health and safety risks generated by infrastructure.		
D18 Upgrading	Introduce a new definition: *"D18 Upgrading means in relation to existing REG activities, increasing the capacity. efficiency, safety, security, resilience or longevity of the existing REG assets."*	*"D20 Upgrading means improving the capacity, level of service, efficiency, safety, security, resilience, effectiveness or longevity of existing EN assets and includes the replacement, renewal, addition, expansion and intensification of existing infrastructure"*	*"D11 Major upgrade an upgrade of existing infrastructure that is not a minor upgrade."* *"D22 Upgrading infrastructure increasing the capacity, level of service, efficiency, safety, security, resilience, effectiveness or longevity of existing infrastructure and includes the replacement, renewal, addition, expansion and intensification of existing infrastructure."*	In the NPS-REG-Am, the term 'upgrading' is referred to in: • New policy P4 (Reconsenting, upgrading and repowering existing REG assets) Upgrading may not just relate to footprint / envelope. It can also relate to the access and use of resource. For example, generation of electricity from water requires not just a dam structure and station but an ability to use the water (i.e. allocation). Upgrading can also achieve improvements to reliability and flexibility, as referenced in ESEG's preferred NPS-REG (Appendix 2).	Amend: **D18 Upgrading** • *means in relation to existing **REG activities**, increasing the capacity, efficiency, safety, security, **resilience**, ~~or~~ longevity, reliability and/or flexibility. ~~of the existing REG assets~~.*
Additional Definitions					
Maintenance and minor upgrade	Not defined	Introduce definitions: D13 Non-routine electricity network activities (non-routine EN activities) *"means the upgrade, rebuilding or replacement of, or changes to, EN assets, or other EN activities, where the upgrade, rebuilding, replacement or change, or activity is not defined as a routine EN activity."* D18 Routine electricity network activities (routine EN activities) *"means that:* *a) activities required for, or associated with, the operation or maintenance of existing EN assets or;* *b) implements the modern equivalent, substitute, or replacement of the existing EN assets that may not be 'like for like'; or* *c) maintenance and upgrades of existing EN assets necessary to continue to deliver the same or a similar level of service or to improve resilience; or* *d) other upgrades of existing EN assets where the upgrade or other change will, once the activity is complete, have no more than minor adverse effects on the environment; or* *e) the removal, decommissioning or dismantling of EN assets; and* *f) all relevant ancillary activities, such as vegetation clearance, tree trimming, and creating, maintaining and improving access tracks and accessways to EN assets; and*	D10 Maintenance and minor Upgrade *"work undertaken to ensure the effective and efficient operation and performance of existing infrastructure and includes:* *a) activities associated with the maintenance or repair of existing infrastructure, including all relevant ancillary activities; or* *b) replacing existing infrastructure with the modern equivalent equipment or asset, which may not be "like for like"; or* *c) maintenance and upgrades necessary to continue to deliver the same or similar level of infrastructure services or to improve resilience; or* *d) other upgrades of existing infrastructure where this will have no more than minor adverse effects on the environment after the upgrade is complete."*	ESEG request inclusion of a definition of maintenance and minor upgrading, similar to the definition in the NPS-I D10, but with 'infrastructure' replaced with reference to REG activities and existing REG assets.	**Maintenance and minor upgrade** work undertaken to ensure the effective and efficient operation and performance of existing **REG activities** and includes: a) activities associated with the maintenance or repair of existing **REG assets** including all relevant **ancillary REG activities;** or b) replacing existing **REG assets** with the modern equivalent equipment or asset, which may not be "like for like"; or c) maintenance and upgrades necessary to continue to deliver the same or similar level of REG activities or to improve resilience; or d) other upgrades of existing **REG assets** where this will have no more than minor adverse effects on the environment after the upgrade is complete

Clause	NPS-REG-Am	NPS-EN-Am	NPS-I-New	Rationale for Proposed Drafting	ESEG's Proposed Drafting
		g) includes all activities regulated by the National Environmental Standards for Electricity Network Activities NES-ENA, including replacing structures, reconductoring, earthworks, altering or relocating of structures and undergrounding."			

Clause	NES-TF-Am	Rationale for Proposed Drafting	ESEG's Proposed Drafting
D2 Renewable electricity generation activity	Add a new definition *for structures and equipment associated with renewable electricity generation from solar and wind energy sources for telecommunication facilities (freestanding or surface-mounted on a building). This includes any cables or ancillary equipment connecting to the facility. This new definition will accompany changes to regulation 5 to include self-contained power units as part of installing and operating a facility subject to complying with new regulated activity standards.*	The explanation accompanying the NES-TF definition states that does not currently define, or make provision for, the installation and operation of renewable electricity generators for telecommunication facilities. These are often needed to provide electricity for telecommunication facilities in more remote parts of the country that are off-grid, or to provide resilience in the event of a mains power outage. The new definition will align with the definition in the proposed National Policy Statement for Renewable Electricity Generation for community generators. ESEG support the intent of the provision, however, ESEG are concerned that it may be confusing. The term REG is defined in NPS-REG and used in a different context. ESEG suggest that in the context of NES-TF a more appropriate term to use is *"Small-scale renewable electricity generation"* and for this to be consistent with the NPS-REG definition. In our submission on the NPS-REG ESEG have suggested that reference *"telecommunication facility"* is added to the definition of *"Small-scale renewable electricity generation"* (see above).	Amend title and define as per the NPS-REG (with changes sought by ESEG above). **D2 ~~Renewable electricity generation activity~~** "**Small-scale renewable electricity generation (small-scale REG)"** As defined in the NPS-REG: *"• means renewable electricity generation where the primary purpose is to supply electricity:* • *to an individual site* • *directly to a local community; or* • *for a telecommunications facility;"*
Regulation 5(1) and 5(2) – Installing and operating a facility	Amend regulation 5(1)(b) to include installation and operations of structures and equipment for renewable electricity generation activities. Amend regulation 5(2)(a) to clarify that a facility can include a self-contained power unit.	The explanation accompanying the NES-TF regulation states that current regulations regarding installing a facility exclude self-contained power units (which include renewable and non-renewable electricity generation). This regulation will be amended to enable new standards for renewable electricity generation activities and self-contained power units as back-up for renewable electricity generators and for temporary telecommunication facilities (which may include a generator).	Consequential amendment to refer to *"Small-scale renewable electricity generation".*

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APPENDIX 4 – NPS-I

SPECIFIC SUBMISSION POINTS REGARDING PROPOSED NATIONAL POLICY STATEMENT – INFRASTRUCTURE (NPS-I)

1. This document sets out ESEG's specific submission points regarding the proposed reforms to national direction of relevance to renewable electricity generation (**REG**) in relation to the proposed National Policy Statement – Infrastructure (**NPS-I**).

Exclusion of REG from the NPS-I

2. ESEG strongly supports retaining the exemption of REG (along with electricity transmission and distribution) from the NPS-I as proposed in the discussion document.

3. REG and electricity transmission and distribution activities are covered by targeted/bespoke policy direction in the NPS-REG-Am and NPS-ET-Am.

4. As outlined in the discussion document, the NPS-REG has particular regard to two matters of national significance:

   - the need to develop, operate, maintain and upgrade REG activities throughout New Zealand

   - the benefits of REG.

5. As well as having unique benefits for climate change mitigation, REG infrastructure has its own locational (resource dependent) functional, operational and spatial attributes and requirements that mandate specific policy direction independently of infrastructure generally, including the electricity transmission and distribution network.

Provision for Battery Energy Storage Systems

6. Providing for energy storage, including Battery Energy Storage Systems (BESS), is critical as more electricity is generated from intermittent wind and solar sources. Enhancing energy security and affordability in an increasingly intermittent system requires storing electricity during times of surplus generation so that electricity can be released back to the grid in times of peak demand.

7. The definition of renewable electricity generation activities in the NPS-REG 2011 includes "e*lectricity storage technologies associated with renewable electricity*." The proposed definition in the NPS-REG-Am includes "*… the storage of generated electricity*." Neither explicitly covers the storage of electricity that is not directly associated with REG.

8. While storage is typically associated with new REG generation, this is not necessarily the case in all locations, including standalone BESS. Even where co-located with REG, storage is often directly connected the electricity network (national grid / distribution network) and therefore is not 100% renewable presenting a potential gap in the policy framework.

9. This gap can be resolved either:

- In the NPS-REG, by amending the definition of **REG Activities** to include "*the storage of generated electricity, including where the sole source is the electricity network (as defined under the NPS-ET-Am)*" (as proposed in Appendix 3 of the ESEG submission), or

- In the NPS-I, by including provision for storage of electricity not associated with REG through amending the definition of **Additional Infrastructure** to include "t*he storage of generated electricity (where not managed under the NPS-REG)"*

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APPENDIX 5 –NZCPS

SPECIFIC SUBMISSION POINTS REGARDING PROPOSED NEW ZEALND COASTAL POLICY STATEMENT– POLICY 6

Alternative Policy

Drafting - Coastal Policy 6 – Activities in the coastal environment

The ESEG alternative drafting of Policy 6 of the New Zealand Coastal Policy Statement 2010 (**NZCPS)** seeks to address the Regulatory Impact Statement Policy objective of better providing for both new and existing REG, Energy Network and Infrastructure activities in the coastal environment.

To achieve the policy objective in the RSI for Policy 6 for REG there needs to be stronger and more directional alignment with the proposed amendments promoted by the ESEG to the NPS-REG in the context of renewables.

The drafting of Policy 6 needs to be directional and emphasise the national significance and benefits of REG and the need for these activities to locate where the resources are, while managing adverse effects.

The proposed drafting for Policy 6 being consulted on lacks the direction required to enable renewable energy and other activities identified in Policy 6 to be consented in appropriate circumstances where the domains identified in Policy 11,13 and 15 are in play and avoidance is the first direction.

The proposed drafting would also better provide for existing REG activities located within the Coastal Environment.

Objective 6 NZCPS (Blue highlight Outcome statement relevant to drafting changes	**Policy 6 NZCPS with Markups (Red text discussion document changes in Green Proposed ESEG Alternative wording))**	**Rationale for specific wording changes to Policy 6 NZCPS**
Objective 6 To enable people and communities to provide for their social, economic, and cultural wellbeing and their health and safety, through subdivision, use, and development, recognising that: • the protection of the values of the coastal environment does not preclude use and development in appropriate places and forms, and within appropriate limits; • some uses and developments which depend upon the use of natural and physical resources in the coastal environment are important to the social, economic and cultural wellbeing of people and communities; • functionally some uses and developments can only be located on the coast or in the coastal marine area; • the coastal environment contains renewable energy resources of significant value; • the protection of habitats of living marine resources contributes to the social, economic and cultural wellbeing of people and communities; • the potential to protect, use, and develop natural and physical resources in the coastal	**Policy 6 Activities in the coastal environment** (1) In relation to the coastal environment: (a) recognise that the provision of infrastructure, the supply and transport of energy including the generation and transmission of electricity, and the extraction of minerals are activities ~~important to which~~ ~~may be~~ which are required for the social, economic and cultural well-being of people and communities; (b) consider the rate at which built development, and the associated public infrastructure should be enabled to provide for the reasonably foreseeable needs of population growth without compromising the other values of the coastal environment; (c) encourage the consolidation of existing coastal settlements and urban areas where this will contribute to the avoidance or mitigation of sprawling or sporadic patterns of settlement and urban growth; (d) recognise tangata whenua needs for papakāinga, marae and associated	ESEG understands and supports the rationale behind the proposed rewording of Policy 6, i.e. to strengthen the language in Policy 6 for priority activities to make it more directive and thereby "soften" the impact of the "avoid" policies in the NZCPS (e.g. Policies 11, 13 and 15) which are currently highly constraining for REG activities. For that reason, ESEG supports amending Policy 6(1)(a) to use the term "required" which was found by the Supreme Court to have the same directive character as the NZCPS avoidance policies in *Port Otago*, in the context of Policy 9. However, to match the directive drafting of Policy 9 as considered by the Supreme Court in *Port Otago*, the words "which may be" should be deleted and replaced with the word "are". The equivalent wording in Policy 9 is that a sustainable national transport system "requires" an efficient national network of safe ports, rather than that it *may require* such a network.

marine area should not be compromised by activities on land; • the proportion of the coastal marine area under any formal protection is small and therefore management under the Act is an important means by which the natural resources of the coastal marine area can be protected; and • historic heritage in the coastal environment is extensive but not fully known, and vulnerable to loss or damage from inappropriate subdivision, use, and development.	developments and make appropriate provision for them; (e) consider where and how built development on land should be controlled so that it does not compromise activities of national or regional importance that have a functional need or operational need to locate and operate in the coastal ~~marine area~~ environment; (f) consider where development that maintains the character of the existing built environment should be encouraged, and where development resulting in a change in character would be acceptable; (g) ~~take into account~~ ~~recognise~~ provide for the potential of renewable resources in the coastal environment(such as energy from wind, waves, currents and tides) to be realised for renewable electricity generation, to meet the reasonably foreseeable needs of current and future generations; (h) recognise and provide for the national significance and benefits of REG activities that have a functional and or operational need to locate and operate in the coastal environment in accordance with the NPS REG; (i) consider how adverse visual impacts of development can be avoided in areas sensitive to such effects, such as headlands and prominent ridgelines, and as far as practicable and reasonable apply	ESEG understands from Attachment 2.3 to the Primary Sector reform package that it is intended to add reference to "operational need" alongside "functional need" throughout Policy 6, i.e. through adding the words "or operational need" to policy clause 6(1)(e), as well as 6(2)(c) and (d). ESEG supports the inclusion of reference to "operational need" as defined in the National Planning Standards throughout the policy to ensure that decision makers also consider any technical, logistical or operational characteristics or constraints that make locating in the coastal environment or coastal marine area necessary, however that needs to be done consistently, i.e. to policy clause 6(1)(e), along with 6(2)(c) and (d) as intended. There is also an existing drafting anomaly in policy clause 6(1)(e) through referring to the "coastal marine area", whereas the chapeau to the policy is dealing with the coastal environment (by contrast with Policy 6(2)) which is confined to the coastal marine area). ESEG understands that the intention of the proposed amendment to Policy 6(1)(g) is to strengthen the wording by replacing "take into account" with "recognise". However, the verb "recognise" is not sufficiently directive, and actually included within the list of verbs considered by the Supreme Court in *King*

	controls or conditions to avoid those effects; (j) set back development from the coastal marine area and other water bodies, where practicable and reasonable, to protect the natural character, open space, public access and amenity values of the coastal environment; and (k) where appropriate, buffer areas and sites of significant indigenous biological diversity, or historic heritage value; (l) Provide for the operation, maintenance and upgrading of existing **REG activities** within a site in the coastal environment that meets any of the criteria or values in NZCPS Policies 11(a), 11 (b) ,13 or 15 where any effects that are different in scale, intensity, duration and frequency from the effects of the existing **REG activities** are minimised as far as practicable. (m) In relation to 1(e) and (h) ~~recognise that~~ provide for nationally and regionally significant infrastructure, renewable electricity, electricity transmission, aquaculture and resource extraction activities that ~~may~~ have a functional need or operational need to locate in the coastal ~~marine area~~ environment. 2) Additionally, in relation to the coastal marine area:	*Salmon* to leave Councils with considerable flexibility and scope for choice. This clause should therefore be amended not just to recognise but "*provide for"* the potential of renewable resources and for that potential to be expressly *realised* for renewable electricity generation in particular, to meet the foreseeable needs of current and future generations. To complement that proposed revised drafting of Policy 6(1)(g), express reference to the national significance and benefits of REG activities needs to be included within Policy 6, in the same way that the benefits of aquaculture and ports are expressly recognised in Policies 8 and 9 of the NZCPS (albeit through specific policies providing for those activities in their own right). REG activities have at least equivalent (if not greater) national significance and benefits to aquaculture and ports given that (for example) ports could not operate without a secure electricity supply. For that reason, and to achieve greater alignment between the NZCPS and the NPS-REG-Am (for the reasons explained in ESEG's Covering Submission), a new policy clause (h) should be added within Policy 6 to specifically recognise and provide for the national

	(a) recognise potential contributions to the social, economic and cultural wellbeing of people and communities from use and development of the coastal marine area, including the potential for renewable marine energy to contribute to meeting the energy needs of current and future generations: (b) recognise the need to maintain and enhance the public open space and recreation qualities and values of the coastal marine area; (c) recognise that there are activities that have a functional need or operational need to be located in the coastal marine area, and provide for those activities in appropriate places; (d) recognise that activities that do not have a functional need or operational need for location in the coastal marine area generally should not be located there; and (e) promote the efficient use of occupied space, including by: i. requiring that structures be made available for public or multiple use wherever reasonable and practicable; ii. requiring the removal of any abandoned or redundant structure that has no heritage, amenity or reuse value; and iii. considering whether consent conditions should be applied to ensure that space occupied for an	significance and benefits of REG activities that have a functional or operational need to locate in the coastal environment, in accordance with the NPS-REG. That policy wording would then direct decision makers to the NPS-REG for an understanding of (and specific direction regarding) the significance, benefits and functional/operational need requirements of REG activities. Alongside ESEG's proposed conflict resolution clauses (refer Appendix 10 to ESEG's Covering Submission), this will better achieve the requisite degree of alignment between the NZCPS and the NPS-REG, resolving a core problem across national direction under the RMA as it stands. For similar reasons, a further additional policy clause (l) should be added to expressly provide for the operation, maintenance and upgrading of existing REG activities as intended to be provided for and enabled under new Policies 3 and 4 of the NPS-REG-Am. To ensure alignment with the wording of those policies the assessment of any impacts of this range of activities on criteria or values covered by Policies 11, 13 or 15 of the NZCPS would be confined to effects which are

	activity is used for that purpose effectively and without unreasonable delay. (f) In relation to 2 (c) and (d) ~~recognise~~ provide for nationally and regionally significant infrastructure, renewable electricity, electricity transmission aquaculture and resource extraction activities that ~~may~~ have a functional need to locate in the coastal marine area.	different in scale, intensity, duration and frequency from the effects of the existing asset, and require such effects be minimised as far as practicable . Proposed new Policy clause (k) is supported (in so far as it goes), to support clause (e) which relates to other activities not compromising nationally important activities that have a functional (and now also, *operational*) need to be in the coastal environment. However, this policy clause (now renumbered as clause (m) in ESEG's proposed revised drafting), should also link to new policy clause (h), providing for renewable electricity generation activities that have a functional and operational need to be located in the coastal environment directly. For the same reasons expressed above regarding clause (g) the wording should be more directive to refer to *providing for* such activities (and not just *recognising* them) and by deleting the word 'may" to avoid debate in consent application processes over whether the activity in question actually has a functional or operational need to be in that environment, for the reasons addressed in more detail in ESEG's Covering Submission (paragraphs 138-145).

		Finally, equivalent amendments (to those proposed in the discussion document and by ESEG as set out above) need to be made for consistency to Clause 2 of the policy dealing with the coastal marine area specifically.

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APPENDIX 6 – NSP-IB

SPECIFIC SUBMISSION POINTS REGARDING PROPOSED AMENDMENTS TO THE NATIONAL POLICY STATEMENT – INFRASTRUCTURE AND BIODIVERSITY (NPS-IB)

1. This document sets out ESEG's specific submission points regarding the proposed reforms to national direction of relevance to renewable electricity generation (**REG**) in relation to the National Policy Statement – Indigenous Biodiversity (as proposed to be amended under the National Direction Reform Programme (**NPS-IB Am**)).

2. The Government's proposed reform to the NPS-IB is currently confined to better provision for mining and quarrying activities.

3. As it stands (i.e. without amendment) the NPS-IB contains an exemption for REG, with clause 1.3(3) stating as follows:

> Nothing in this National Policy Statement applies to the development, operation, maintenance or upgrade of renewable electricity generation assets and activities and electricity transmission network assets and activities. For the avoidance of doubt renewable electricity generation assets and activities, and electricity transmission network assets and activities, are not "specified infrastructure" for the purposes of this National Policy Statement.

4. This "carve out" or exemption for REG is supported for ensuring that (in and of itself) the NPS-IB does not present a barrier to consenting or approval of REG activities under the RMA.

5. ESEG nevertheless submits that if the objectives of the Government's overall reform programme for national direction is going to achieve its objectives in relation to REG, i.e. to "cut red tape" and "turbo charge" or unleash investment in REG, the proposed amendments to the NPS-IB need to go beyond those proposed to better support mining and quarrying activities.

6. As matters stand, there are two *adverse consequences* of the exemption clause in the NPS-IB. Those adverse consequences for REG consenting are effectively two sides of the same coin.

7. On the one side, the carve out or exemption for REG under the NPS-IB leaves an effective "policy gap" in the coverage of that instrument in relation to REG. This means that decision makers considering resource consent applications or notices of requirement for REG projects that potentially affect biodiversity values, are free to have direct recourse to Part 2 of the RMA, in deciding whether to grant or refuse consent or confirm the relevant designation.

8. This point is a corollary of the Supreme Court's finding in *King Salmon* whereby the provisions of Part 2 of the RMA can only be considered directly in the case of "invalidity, incomplete coverage, or uncertainty of meaning" (*King Salmon* at [90]).

9. For example, a decision maker might decide to refuse approval for an REG project (or set very stringent and unworkable conditions) out of concern that the REG activity has adverse effects on an area of significant indigenous vegetation or the habitat of indigenous fauna, having regard to section 6 (c) of the RMA directly.

10. Furthermore, when doing so, the decision maker has no direction or guidance from a national policy statement as to the manner in which they should respond to that concern. This includes a lack of any direction or guidance as how they should approach the REG proponent's intended methods to manage the adverse effects in question, noting that the pathway for "specified infrastructure" in clause 3.11 of the NPS-IB also does not apply to REG, given the wording in the exemption clause as set out above.

11. Compounding the problem, as discussed in ESEG's Covering Submission, there is also a policy gap in the NPS-REG-Am regarding the management of adverse effects on environmental values covered by s 6 of the RMA. Proposed new Policy 2 of the NPS-REG-Am is confined to enabling REG activities having adverse effects on environmental values not in s 6 of the RMA, or covered by other national direction.

12. In short, both as it stands and as proposed under the current reforms to national direction, REG projects would 'fall between two stools' in relation to biodiversity concerns. This leaves an overall policy vacuum for decision making in relation to REG activities potentially affecting terrestrial indigenous biodiversity.

13. The second adverse consequence of the current drafting of clause 1.3(3) of the NPS-IB is that, despite this exemption for REG , ESEG members have experienced decision makers having regard to the provisions of *lower order plans* addressing indigenous biodiversity, even where those lower order plans are in place to give to the NPS-IB provisions, or have equivalent "bottom line" protective force. This effectively circumvents the exemption clause.

14. The *Southland Wind Farm* case referred to in the covering submission is a case in point whereby the Expert Panel found that the wind farm project was contrary to the objectives and policies of the Southland District Plan relating to indigenous biodiversity, and relied on that as a reason to refuse consent for the project (despite accepting that the Panel could not apply the NPS-IB itself).

15. To address these adverse consequences for REG projects, two things are required.

16. The first is to adopt the wording proposed by ESEG in its Preferred or Alternative drafting for the NPS-REG-Am, to ensure that the NPS-REG-Am effectively "covers the field" in relation to s 6 matters, including s 6(c) relating to indigenous biodiversity.

17. Those changes are as set out in ESEG's Covering Submission and Appendices 2 and 3 to that Covering Submission.

18. This will ensure that decision makers do not have direct recourse to s 6(c) when considering REG projects potentially affecting indigenous biodiversity values, but instead apply the provisions of the NPS-REG-Am.

19. The second change needed is to the NPS-IB-Am itself, as set out below:

> Nothing in this National Policy Statement <u>(or the provisions of any policy statement or plan giving effect to this National Policy Statement)</u> applies to the development, operation, maintenance or upgrade of renewable electricity generation assets and activities and electricity transmission network assets and activities. For the avoidance of doubt renewable electricity generation assets and activities, and electricity transmission network assets and activities, are not "specified infrastructure" for the purposes of this National Policy Statement.

20. That amendment to clause 1.3 will ensure that decision makers do not apply lower order plan provisions addressing biodiversity values either. Consent decisions in relation to REG activities potentially affecting indigenous biodiversity values would (again and instead) be made under the provisions of the NPS-REG-Am itself.

JOINT SUBMISSION OF ELECTRICITY SECTOR ENVIRONMENT GROUP

APPENDIX 7 – NPS-NH

SPECIFIC SUBMISSION POINTS REGARDING PROPOSED NATIONAL POLICY STATEMENT – NATURAL HAZARDS (NPS-NH)

1. This document sets out ESEG's specific submission points regarding the proposed reforms to national direction of relevance to renewable electricity generation (**REG**) in relation to the proposed National Policy Statement – Natural Hazards (**NPS-NH**).

2. The discussion document proposes that:

   Activities and environments: *The NPS-NH applies to all activities managed under the Resource Management Act 1991 (RMA) except primary production and infrastructure.*

   Infrastructure and primary production: *The NPS-NH does not apply to infrastructure (as defined in the RMA) and primary production (as defined in the National Planning Standards) or any activities ancillary to these activities.*

3. **Support for Exclusion of Infrastructure from NPS-NH Scope**
   ESEG supports the proposed exclusion of infrastructure (as defined in the RMA) from the scope of the NPS-NH. This approach appropriately recognises the unique operational, locational, and resilience needs of infrastructure, particularly renewable electricity generation, which often must be sited in areas exposed to natural hazards due to resource availability (e.g., hydro catchments, geothermal fields, wind corridors).

4. **Avoiding Duplication of Risk Management Frameworks**
   ESEG supports managing infrastructure risks through existing, fit-for-purpose regulatory frameworks rather than duplicating oversight under the NPS-NH. Renewable electricity generation (REG) assets—particularly hydroelectric infrastructure—are long-standing, nationally significant, and subject to complex engineering and environmental management. Their operation involves careful control of hydrology, water levels, and ecological impacts.

   New dam construction and modifications are governed by the Building Act 2004, with post-construction safety regulated under the Building (Dam Safety) Regulations 2022. These regulations establish a nationally consistent framework, including Potential Impact Classifications (PIC) and Dam Safety Assurance Programmes (DSAPs) for medium and high-risk structures. These programmes cover inspections, maintenance, monitoring, emergency preparedness, and risk management.

   Given this robust framework, adding infrastructure to the NPS-NH would duplicate regulation and create an unnecessary burden. The RMA should focus on sustainable

resource use—not replicate detailed engineering and safety oversight already covered under the Building Act.

Other REG assets, such as wind and solar installations, are typically located on private land and are already subject to the Health and Safety at Work Act 2015 and the Civil Defence Emergency Management Act 2002. These frameworks ensure safe operation without requiring additional planning regulation.

5. **Functional and Operational Needs of Renewable Electricity Generation** Renewable electricity generation assets often have a functional need to be located in areas with natural hazard exposure. Hydroelectric and geothermal assets, for example, are inherently tied to geographic features. The exclusion of infrastructure from the NPS-NH ensures that critical upgrades and maintenance can proceed without undue constraint, supporting national climate and energy security goals.

6. **Enabling Resilience and Climate Adaptation for Infrastructure** ESEG supports the rationale that infrastructure requires a nuanced approach to hazard management. Excluding infrastructure from the NPS-NH allows for more flexible, site-specific responses to climate change and natural hazard risks. This is essential to ensure timely adaptation and resilience upgrades, such as those anticipated for the Waikato Hydro System, which benefit both infrastructure performance and downstream community safety

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APPENDIX 8 – NATIONAL POLICY STATEMENT – HIGHLY PRODUCTIVE LAND

1. As explained in ESEG's Covering Submission, ESEG supports the removal of LUC 3 land from the National Policy Statement – Highly Productive Land (**NPS-HPL**) for the following reasons.

2. As it stands, and despite the 'improved' consenting pathway for specified infrastructure applied through the August 2024 amendment to the NPS-HPL[1], the inclusion of LUC 3 land within the definition of Highly Productive Land (**HPL**) remains highly problematic for REG consenting.

3. At the practical level, any new REG facility (such as a solar farm) would need to be established:

   (a) On flat land, which is therefore likely HPL, i.e. LUC 1-3, in whole or in part;

   (b) In relatively close proximity to transmission or distribution infrastructure;

   (c) In relative proximity to demand (such as urban centres); and

   (d) On land able to be accessed by the REG proponent who would not have designating powers for compulsory acquisition.

4. This range of factors significantly constrains site selection for new REG projects.

5. As a result, the broader the definition of HPL is, the greater the effective *regulatory* constraint presented by the NPS-HPL becomes, particularly for new REG projects such as solar farms.

6. LUC 3 land makes up around 64% of the land area currently protected under the NPS-HPL[2]. Removal of the LUC category would therefore (in and of itself) remove a significant regulatory constraint on new REG activities, freeing up a much wider range of potential sites without being caught by the NPS-HPL.

7. Conversely, and unless the regulatory restraint presented by categorising LUC 3 land as HPL is removed, REG proponents will remain forced to contend with what can be a highly fraught and complex consenting pathway, as set under clause 3.9(1)(j) of the NPS-HPL, and applying to very extensive areas of rurally zoned land nationwide.

8. First and foremost, the REG proponent would have to establish functional or operational need.

[1] Ie , including provision for 'development' of specified infrastructure, rather than just operation and maintenance.
[2] Refer page 34, Primary Sector Discussion Document.

9. As discussed in the Covering Submission, that test has been found by the High Court to present a “high bar”, and can be especially problematic for solar farm projects – but also wind farm projects as demonstrated by the Southland Wind Farm Expert Panel decision (refer paragraphs 138 to 142 of ESEG’s Covering Submission in that regard).

10. Proponents of new REG activities should not be required to clear out each and every surrounding rural property upon which a solar farm might be established without encountering LUC 3 land, or only select those parts of a given property that are not LUC 3 and configure the proposed REG activity to avoid such areas, in order to establish functional and operational need.

11. However, under clause 3.9(j) of the NPS-HPL, that can be exactly what is required if functional or operational need is challenged by an objector or the decision maker.

12. Those requirements would of course remain for LUC 1 and 2 land despite the proposed amendments, and REG proponents would need to meet the requirements of the clause 3.9(1)(j) pathway for such land.

13. However, removal of LUC 3 land from the definition of HPL would better enable REG development across a much greater area of rurally zoned sites in New Zealand than under the NPS-HPL as it stands, and is strongly supported accordingly.

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APPENDIX – 9: ESEG RESPONSE TO THE FRESHWATER DISCUSSION DOCUMENT

Introduction

1. In relation to the consultation document the ESEG recognises that any amendments to the NPS-FM will be a two-step process. This response to the consultation document will be step 1. Step 2 will be draft NPS-FM changes for consultation. Given the stage of the policy development, the ESEG has not provided potential drafting options, but its members are keen to work with officials through a NPS-FM / NES-F reform process to ensure that the Government's ambition to "turbo-charge" the delivery of renewable generation can be efficiently delivered.

2. The ESEG approach is focused on responding to the questions asked. However, not all the questions raised are relevant to use of freshwater for renewable electricity generation, so the numbering reflects the number of the question in the consultation document.

Question 1: What resource management changes should be made to the current system under the RMA (to have immediate impact now) or in the future system (to have impact longer term)? From the topics in this discussion document, which elements should lead to changes in the current system or the future system, and why?

3. As stated in the covering letter ESEG's objective through this process is to:

> enable the Government to deliver on the policy commitments in *Electrify NZ* by substantially improving the consenting of renewable electricity generation projects, while legislation for the new resource management system proposed under Phase 3 of the overall RMA reform programme is drafted, enacted and then fully implemented (**RM3**).

4. If the Government wishes to achieve the outcomes it seeks through the consultation document, including to "grow our economy" and "unlock development" then changes to the NPS-FM are needed now to "realise immediate economic gains" and to bridge the gap until RM3 becomes fully implemented.

5. The need for immediate change now, before RM3 is implemented, is further cemented by the Government's RM2 reforms. NPSs should play a fundamental role in delivering efficient and effective **consenting processes** through RM2 by giving the highest-level guidance and direction on policy matters. Without that direction other RM2 reforms (including the one year consent processing period set under the Consenting and Other System Changes Amendment Bill) may actually create greater consenting risk in the transition period to RM3, as decisions will have to be made more quicky but without enabling policy support behind renewable electricity generation projects (meaning more projects actually get declined). That aside, renewable electricity developments will continue to be stuck in a morass of poor policy, overburdensome ‘red-tape’, high costs and delays, not least in terms of information requests and litigation over issues covered below

in this document (including the definition of wetlands and very constraining consent requirements for infrastructure projects potentially affecting such wetlands).

6. Immediate action will also benefit the Fast-track Approvals Act process which requires that RMA national direction be considered. Overall, the focus of RM2 national direction reform (including to the NPS-FM) must be on immediate wins (such as proposed below) to further enhance the FTAA process and so that RM3 can 'hit the ground running and be set up for successful implementation.

7. Therefore, the ESEG is focused on immediate implementation matters for resource consents. The ESEG consider that council planning process should be delayed until there is clear RM3 direction to save significant time and money. The ESEG notes that the Government has now indicated a similar approach is to be applied through RM2.

Question 2: Would a rebalanced objective on freshwater management give councils more flexibility to provide for rebalanced outcomes that are more important to the community? How can the NPS-FM ensure that freshwater management objectives match community aspirations?

8. The ESEG considers it clear that rebalanced objectives (as opposed to a single objective) on freshwater management will enable rebalanced outcomes important to both communities and the country as a whole. The current objective can be interpreted in a way that promotes outcomes that are too far removed from human practicality, rather than providing for the holistic, integrated and complex nature of the management of freshwater systems.

9. That said, "ensuring" that freshwater management objectives match community expectations is a very challenging (and arguably unobtainable) task. It is the effort to reach some type of consensus over mutually agreed utopian outcomes that has caused so much argument over, and delay in preparing, freshwater planning documents. Community positions vary widely.

10. For that reason, to curtail and assist in resolving such arguments, the NPS-FM should set clear policy direction at the national level. Councils and communities can then implement that direction at the local level but that can only efficiently and effectively occur with clear guidance from the highest level in the planning system.

11. The ESEG supports reframing the NPS-FM to "better reflect the interests of all water users." The ESEG is fully committed to supporting the health and wellbeing of water bodies and freshwater ecosystems but that must occur within a "real world" application, including the reality of New Zealand's ongoing reliance on inter-generational hydro schemes, and not in a policy vacuum.

12. While it is widely recognised that New Zealand needs to reduce its climate emissions and decarbonise the economy, under the current hierarchy in the NPS-FM's single objective, renewable electricity generation is placed by decision-makers in the lowest category. That means it is always being held as a lesser order priority in any weighting exercise despite its fundamental importance to a sustainable and growing future for New Zealand. Replacing the present single objective within the NPS with broader, non-

hierarchical objectives as proposed in the discussion document will allow national, and local, choices to be made across all well-beings; environmental, social, economic and cultural.

13. However, the ESEG has two fundamental concerns with the approach of the proposed new objective for providing for the health of the environment, people, social, cultural and economic well-being, being:

    (a) It parrots s5 of the RMA. Repeating or paraphrasing existing provisions has been rife in planning practices over the years and provides no additional guidance than the Act itself. It is widely recognised as an inefficient and ineffective practice that simply shifts costs through the process. Indeed, the RM3 EAG in its "Blueprint for Resource Management Reform, a better planning and resource management system 2025" proposed "*avoiding repetition across planning documents*"[1] and suggests that the practice be "*prohibited*"[2] in the new system. Given the intention to bring these national provisions into the new system it seems perverse to use an approach that the EAG proposes RM3 prohibits.

    (b) In attempting to parrot s5 of the RMA it does so in reverse. It puts the protection elements before the enablement elements; contrary to the directions with [ECO-24-MIN-0022] as set out in the Interim RIS.[3] This new approach indicates a clear drafter's intention that the (intended but never realised) enabling approach of the RMA would be altered for freshwater. This approach will increase uncertainty (and legal argument) and reinforce the negative focus of the RMA (rather than enabling positive outcomes). In doing so it will deliver the opposite of the Government's stated intentions.

14. Rather than parrot, in a different manner, s5 of the RMA the ESEG would prefer an objective that 'says what it means and means what it says'. This is especially so for this interim period until a new RM3 regime is implemented. This rebalancing is needed now and cannot wait until RM3. As addressed in Question 5 below, the objectives need to be focused on consenting as the priority rather than planning.

Question 4: Should there be more emphasis on considering the costs involved, when determining what freshwater outcomes councils and communities want to set? Do you have any examples of costs associated in achieving community aspirations for freshwater?

15. Yes.

16. The costs and process of the transition to RM3 will be high. As stated above the ESEG does not consider that planning processes (generally) should continue during this period of such uncertainty. It is totally inefficient to keep repeating planning process; as the system has forced onto councils to date, only for the new plans to be superseded in RM3. As

[1] At paragraph 95.
[2] At paragraph 98.
[3] At paragraph 61.

stated above, the focus should instead be on the potential impact and benefits of amended national direction for consenting processes, pending full implementation of RM 3.

17. It is acknowledged that the costs of phasing out processes within the current NPS-FM will be considerable. But that cost to our infrastructure, economy and communities will pale compared to retaining the status quo.

18. For what planning process remain in train however, ESEG strongly supports a clearer requirement on councils to consider the "pace and costs of change" through the new objective proposed in the discussion document, and to inform communities about those costs. But often with freshwater, and renewable generation is an excellent example, those costs also occur at the regional and national level. The ESEG considers it critical that all costs are clearly factored in, considered and made transparent to the community (and the country as a whole) as to the choices being made. Too often these costs are hidden and by doing so the solutions delivered do not endure. This change is needed now and cannot wait until RM3.

19. The ESEG also considers it critical that councils are resourced / supported by central government in identifying and quantifying some of these costs (especially those at the national level). That will ensure consistency around the country, allow the councils to focus on costs within their scope, and also removes the need to argue what they are for each plan around the country.

20. Examples of costs of meeting community expectations for freshwater include:

    (a) Plan Change 1 to the Waikato Regional Plan was notified in 2016 and on 28 May 2025 the Environment Court issued its interim decision. The long process is summarised at Proposed Waikato Regional Plan Change 1 (PC1) | Waikato Regional Council. The process is not complete and to date Mercury has spent over $2m to participate in the plan change process.

    (b) The consent development of Mercury's proposed wind farm west of Huntly required approximately 1,200 hours of ecologist input just to delineate the natural inland wetlands under the NPS-FM[4].

    (c) Genesis spent around $250,000 on consultants and staff time to engage in the Hawkes Bay Regional Council's Plan Change 7 (outstanding water bodies) process. While not opposed to the intent of PC7 to protect outstanding water bodies, as drafted it risked significantly constraining or even preventing the continued operation and future reconsenting of the Waikaremoana Power Scheme. No recognition of the values of the existing hydro-electricity scheme (despite it being one of the oldest in New Zealand and at that time the only renewable energy in the region) were provided through the process despite the NPS-REG. Ultimately a potential pathway for reconsenting, but in a policy vacuum for the value of the scheme, was the best that could be achieved.

[4] Refer to the appended technical memorandum 'Freshwater National Direction Changes', dated 11 July 2025

Question 5: What will a change in NPS-FM objectives mean for your region and regional plan process?

21. Generally, a change in objectives at the NPS level will obviously affect regional planning.

22. As stated in Question 1, for the ESEG, the Government's focus through this bridging period before RM3 takes effect **must be on enabling resource consents to be efficiently and effectively granted** with workable, implementable conditions. The ESEG has been involved in many planning processes around the country which have been delayed by the constantly shifting NPS drafting. These processes will have wasted $10s of millions (if not more as set out in the Interim RIS) of public money and the same amounts again from stakeholders and submitters in the process.

23. Given the likely significant system changes implemented through RM3, as stated for Question 1, the ESEG considers that policy development at the regional level should generally wait until the new system is in place rather than proceeding now and then needing fundamental realignment. That would be an enormous waste of resources, time and money. That is why advancing RM3 quickly is critical. But in the interim the NPS-FM objectives must be focused on delivering positive outcomes through the consenting process and be aligned with the other national direction being developed or amended.

Question 6: Do you think that Te Mana o te Wai should sit in the NPS-FM's objectives, separate from the NPS-FM's objectives, or outside the NPS-FM altogether – and why?

24. To be clear, the ESEG opposes the outright removal of Te Mana o te Wai from the NPS-FM. Te Mana o te Wai conversations have been happening for many years now, which has deepened our collective understanding of the cultural values that it embodies. While gaps remain and there is more work to be done, the consistent conversation and learnings to date should not be lost.

25. In relation to "rebalancing" Te Mana o te Wai, as for Question 2, the ESEG considers that removing the single objective and its hierarchy, or adding in additional objectives, to enable a broader, and holistic consideration of freshwater management and water users would be a positive step.

26. In essence the ESEG supports Option 1. The ESEG notes that removing Te Mana o te Wai as a consenting matter direct from the NPS-FM aligns with the Government's RM amendments to date. The focus for the NPS-FM should be a process framework for councils to apply when developing planning documents, as already provided for in NPS-FM cl. 1.3(1) to (4). Existing planning frameworks that give effect to Te Mana o te Wai, such as *Te Ture Whaimana o Te Awa o Waikato* are already operating in this space. By mirroring this approach through a focus on planning frameworks we avoid duplication, respect Treaty settlements, and support efficient implementation. But in doing so the ESEG considers that councils need a clear direction of travel and resourcing from central government.

27. As for Questions 1 and 5 the ESEG considers that advancing planning documents below the NPS-FM during the interim period before RM3 is implemented will be inefficient and ineffective long-term. Te Mana o te Wai is an example of this; if clarity for future process

can be provided now then great but if it will change through RM3 then, as above, significant amounts of public and private money have been spent on multiple planning process which will have to be repeated.

Question 7: How will the proposed rebalancing Te Mana o te Wai affect the variability with which it has been interpreted to date? Will it ensure consistent interpretation?

28. Clarity of drafting is critical to the NPS-FM delivering efficient and effective outcomes.

29. As above, if Te Mana o te Wai is refocused away from the present single objective (NPS-FM cl.1.3(5)) and to a process framework for councils to apply when developing planning documents then that variability correctly reflects mana whenua positions relevant to the area. Again, this is supported by examples such as as *Te Ture Whaimana o Te Awa o Waikato*. Clarity (and efficiency) is provided through the process framework and not through the outcome which will differ across regions.

Question 8: Which values, if any, should be compulsory? Why?

Question 9: What would be the effect of removing compulsory national values? Do you think it will make regional processes easier or harder?

30. These two questions are answered together.

31. The issue that the ESEG has had with the existing compulsory values is two-fold:

    (a) Frequently they are seen as more important, or 'trumping' the optional values; and

    (b) Beyond Mahinga Kai as a "use", no use values are compulsory which delivers protectionist and ‘skewed’ outcomes against use and development.

32. Achieving freshwater quality goals requires collective, catchment-wide management; not just individual compliance with resource consents. While consents are binary and easy to enforce at the individual level, water quality outcomes depend on the cumulative effects of many users across the catchment. Therefore, effective management must focus on integrated planning, robust monitoring, and shared accountability across all users in a catchment.

33. The consultation document states that the compulsory values "cover the core aspects that matter to people". This reflects the two issues above and reinforces the current “culture of no”. The ESEG rejects this position and considers that "use" values "matter to people" too.

34. Like the answer for Question 2 at the objective level, the ESEG considers that the compulsory values should be more holistic and reflect the "use" of water is critical to New Zealander's well-being and prosperity. Further, hydro-electricity assets have frequently been in place for decades (or longer) and have fundamentally altered the catchment and its hydrology. Ignoring their influence risks imposing unrealistic and fanciful outcomes.

35. Therefore, the ESEG seeks a broader set of compulsory values which "must" all be considered, as relevant to their prominence in a region. One of those values, which is presently optional, but which must be included as a compulsory value, is "Hydro-electric power generation." Existing hydroelectricity generation needs explicit recognition to align

with proposed amendments to the NPS-REG. These changes are needed now and cannot wait until RM3.

36. Subpart 3.31 of the NPS-FM provides a weak provision, solely for the country's five largest hydro schemes when FMUs are being developed. The present drafting reflects the approach of previous governments. If the present Government wishes to "turbo charge" the delivery of renewable generation, and "cut red tape" during this interim period to RM3 (and beyond) then the present provisions must:

    (a) Be expanded to cover all existing hydro-generation, given hydro generation's "firming" role in the energy system, which is essential to national security of energy supply.

    (b) Remove the discretion in 3.31.4(a) to make it compulsory; ie "the regional council **must** set a target attribute state below the national bottom line" for the attribute. This then aligns with the drafting in (b) whereby the target attribute state is to be improved over time. Presently the discretion makes the whole subpart somewhat of a Clayton's provision as regional councils can ignore it if they wish. For example, Compulsory standards for periphyton, such as chlorophyll limits, are often unachievable; especially in catchments affected by Didymo. Flow manipulation from hydro schemes is promoted as a solution, but in practice, this is unrealistic due to the distance between control points and river mouths. Meeting these standards requires significant changes to flow regimes, severely impacting generation output and system flexibility. The Waitaki and Manapouri schemes illustrate how current policy settings can enable consent but make implementation uneconomical. A more balanced approach is needed; one that weighs environmental effects against the national benefits of renewable electricity generation.

    (c) Be strengthened, to at least align with the NPS-REG wording, to:

        (i) maintain all existing generation output (rather than only considering significant effects on existing generation from our 5 biggest hydro schemes);

        (ii) give greater weight to the national significance of renewable electricity generation, which includes benefits of renewable generation and national security of energy supply; and

        (iii) provide for this generation even when an existing attribute state is below a national bottom line so long as a process to improvement over time is provided as appropriate to the scheme and the effects that improvement may cause to its efficient operation.

Question 13: Should councils have discretion to deviate from the default national thresholds (including bottom lines) and methods. Are there any purposes which should be included?

37. Yes, but solely in tightly constrained circumstances, being the ability to be:

(a) less stringent catchment naturally breaches a threshold (for example due to natural geothermal discharges into water bodies) or breaches a threshold due to significant infrastructure, such as hydroelectricity generation

(b) More stringent if the science and community support this in a specified location (e.g. nitrates in groundwater) but that must not hydroelectricity generation REG (nor regionally or nationally significant infrastructure).

Question 17: Should rules for water security and water storage be set nationally or regionally?

Question 18: Are there any other options we should consider? What are they, and why should we consider them?

Question 19: What are your views on the draft standards for off-stream water storage set out in Appendix 2: Draft Standards for off-stream water storage? Should other standards be included? Should some standards be excluded?

Question 20: Should both small-scale and large-scale water storage be enabled through new standards?

38. These questions are answered together.

39. The focus of the provisions is for enabling farmers to store water but needs to be expanded to apply more broadly. Off-stream water storage for electricity generation is critical to allowing the ongoing expansion of wind and solar into our electricity system and to provide storage for 'dry' winters to ensure security of supply. Like farming, renewable electricity generation is vital to economic growth and should be equally supported in national direction.

40. The ESEG:

(a) Considers that standardised rules for water storage should be set nationally (and if and application exceeds the rule provisions then regional rules may apply).

(b) The standards should explicitly state that the use of and the reason for the storage is unqualified and examples be included, such as hydroelectricity at any scale.

(c) Considers that significant redrafting of the draft standards is required for them to be workable and effective, and in relation to its views on the standards (Appendix 2) submits:

(i) The scope is supported, especially that matters covered by other legislation are out of scope (such as dam safety regulations).

(ii) The site selection provisions will not work in practice and as such:

(1) Site selection standard 1, that the water storage structure is not located in a swale or wetland, should be deleted. The reasons for this are set out extensively in the answers to Questions 21-24 below. But using the even broader RMA definition of 'wetland' without any link to any value being protected is a classic example of excessive and unnecessary regulation". The rationale is to "reduce or eliminate" effects on the stated areas but

there is no assessment as to the reasons for that. This requirement will significantly undermine the successful application of any standards.

(2) The same applies to site selection standard 2. “Any” contamination, or potential, contamination sets the bar very low. The level and type of contamination should reflect the use of the stored water. Further, if the concern is groundwater contamination, then that is addressed through Standard 5.

(3) Standard 3 is also broad in its coverage and ‘historic heritage’ is broader than the more focused provisions in the rationale. Being broad and undefined or relating to unmapped heritage provides no certainty for anyone wanting to rely on the standards. Historic heritage is also a matter the Government is considering removing from RM3.

(iii) Standard 4 fails to consider Standard 5. Why is the water table relevant when an impermeable layer is required? The rationale ties it to leakage but that will be managed through the impermeable layer. A level of impermeability is required to be included: regional councils have a standard level and so should the national standard (ideally the same).

(iv) Standard 8. If earthwork control measures are required to be in place, why is a set distance from a waterway required? That is surely the purpose of the measures? It simply imposes an additional requirement for the sake of it.

(v) Standard 9 also imposes impractical limitations. Clearance of flood protection vegetation should be allowed if agreed with the council or within a certain area. Clearance of “ecologically significant vegetation” also needs tight context and to be practically limited (plan definitions are very broad). What about where ecologically significant vegetation has been planted for beautification or enhancement purposes?

(vi) Standard 10 also needs a reality check. The rationale states that it will prevent the loss of “ecologically significant vegetation.” But that is not how the standard is written. “Vegetation” is very broad and as drafted will negate the ability for many projects to use the standards.

(d) Overall, the standards are drafted in a highly protectionist (ie a culture of “no”) manner. The provisions will be a lawyer's delight. They need to be redrafted to recognise the practical realities of water storage. Again, ESEG members are very happy to assist officials with that process.

41. Overall, providing national rules for water storage, if done right, will provide immediate and significant wins for the economy including renewable electricity generation, aligning with RM2, while RM3 is progressed and implemented.

Question 21: What else is needed to support farmers and others to do things that benefit the environment or improve water quality?

Question 22: What should a farming activities pathway include? Is a farming activities pathway likely to be more efficient and/or effective at enabling activities around wetlands

Question 23: What will be the impact of removing the requirement to map wetlands by 2030?

Question 24: Could the current permitted activity conditions in the NES-F be made clearer or more workable?

42. These questions are also answered together.

43. First, the ESEG strongly supports the approach of delivering clearer and simpler wetland regulations. But the devil is in the detail, as explained below, and great care must be taken with the drafting, as well as any broader changes, so the process frees up the delivery of infrastructure in New Zealand.

44. A key issue for the ESEG is the approach of Policy 6 of the NPS-FM requiring no further loss of natural inland wetlands, and that their values are protected, along with Subpart 3 of the NPS-FM (Clause 3.22 in particular). The combined approach is very protectionist, has a chilling effect on the delivery of infrastructure, while often delivering sub-optimal environmental outcomes. Further, the protectionist approach has (despite the last part of Policy 6 that wetland restoration be promoted) often results in the avoidance of any impacts on very low value (poor quality) natural inland wetlands rather than acceptance of their loss, or adverse effects on them, so long as high value wetlands are enhanced. The current policy approach focuses on a rigid process rather than delivering better outcomes.

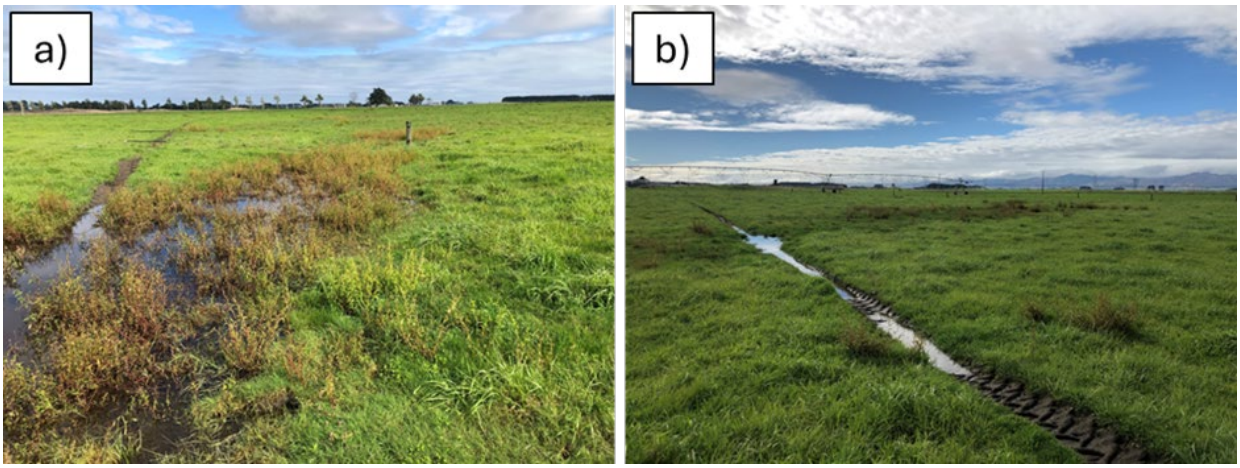
45. While subpart 3.22 provides a potential pathway for specified infrastructure it has failed to deliver due to the protectionist, avoidance, approach and for the reasons summarised below.

46. By way of example, the photos below show a bedroom sized area identified, by two separate ecologists, as a ‘natural inland wetland’ (despite being full of creeping bent) located within Contact Energy's preferred location to build its rugby pitch sized 100MW battery storage facility (**BESS**) on highly developed farmland at Glenbrook-Ohurua. Contact was prepared to offset or compensate for loss of this 'wetland' with funding the enhancement of any wetland in the region (potentially up to $50,000 per year for 20 years). The Council considered that it had no choice but to decline that proposal based on the application of the NPS-FM effects hierarchy. No compensation for environmental enhancement was provided. Ultimately, after considerable further discussion, a Council ecologist determined it was not a natural inland wetland. This illustrates the uncertainty caused through the imprecise nature of the provisions.

47. A further example, also from Contact Energy, is at its Southland Wind Farm site, where obvious natural inland wetlands are present (see the **photo** below), but they are significantly degraded by stock, pigs, goats and deer trampling, pugging, grazing and browsing as shown in the photo below. The identification and delineation of natural inland wetlands, and vegetation mapping on the site, alone took some 550 hours.

48. In this example, despite the best efforts to redesign the project, wetlands could not be avoided by the turbine layout without a significant loss of generation which would likely have made the project unviable. The proposed 330MW renewable energy project would have generated 1.2TWh per annum and affected less than 3ha of some 130ha of natural inland wetlands on the site. The proposal, which was refused consent principally because of that less than 3ha direct impact on wetlands, included extensive pest control measures over the entire wetland area for their long-term protection, as well as compensation for a much larger and better-quality wetland enhancement offsite. Without the project these wetlands will continue to degrade, and other wetlands will not be enhanced.

49. The two photos below are irrigated paddocks, grazed by dairy stock. The wet areas are in the wheel tracks of the pivot irrigator that can be seen in the distance in photo b). An expert ecologist assessed these areas using the wetland delineation protocols developed by the Ministry for the Environment, and they were found to meet the definition of natural inland wetland thereby triggering the NPS-FM avoidance policy and the effects management hierarchy. The irrigation track derived “natural inland wetlands” were also assessed by an ecologist as having very low ecological value. Mapping of natural inland wetlands across this 400ha dairy farm took two ecologists four days, with a total of nearly 100 small areas of natural inland wetlands identified, all of which are considered of low ecological value and many of which are anticipated to dry up if irrigation activities were ceased.



50. The third example relates to construction of a wind farm on a pastoral farm in Southland by Mercury. This is set out in the **Schedule**. The field work alone to identify these wetlands took approximately 150 hours (2 ecologists). This did not include reporting, consent processing (e.g. response to RFI) and subsequent monitoring time. Sixty-eight monitoring photo points encompassing all natural inland wetlands within 100m of any earthworks e.g. those downstream of fill sites, were identified and were subsequently monitored. These were, with one exception, assessed as being low ecological value wetlands located within paddocks that are grazed as shown in the photos.

51. The reality is wind and solar sites 'cohabitate' with other land use activities, especially farming (specifically grazing). There is no sense to have one set of rules for one and a more onerous set of rules for another.

52. The poor drafting of the natural inland wetland provisions has created significant costs and delay to infrastructure projects, as illustrated by the Environment Court (*Director-General of Conservation v Taranaki Regional Council* [2021] NZEnvC 27, (2021) 22 ELRNZ 557 at [36]) when it stated:

> *we find the definition of "natural inland wetland" … to be imprecise — it raises more questions than it answers, particularly in relation to the meaning of "improved pasture"*.

53. This has resulted in the situation where every expert has a different opinion on what is a natural inland wetland creating huge cost and uncertainty. That is illustrated with the Contact BESS example above. Further, the lack of clarity has led to inconsistent, and highly protectionist, positions being adopted by Regional Councils. Two cases related to Greater Wellington Regional Council in the Environment Court (*GWRC v Adams* [2022] NZEnvC 25) and Court of Appeal (*Page v Greater Wellington Regional Council* [2024] NZCA 51) are examples of the implications of trying to implement the flawed policy and drafting related to wetlands. While the High Court for the NZTA Mt Messenger Project (*Poutama Kaitiaki Charitable Trust v Taranaki Regional Council* [2022] NZHC 629) provided some clarity for specified infrastructure, that decision related to linear infrastructure and again required considerable cost and delay to reach.

54. The ESEG support defining induced wetlands and excluding these from the wetland provisions in the NPS-FM and NES-F (as proposed at page 26 of the discussion document). The ESEG otherwise has concerns with removing the pasture exclusion from

the definition to provide for farming as a permitted activity. Unless infrastructure is provided with the same approach as for farming, it will result in a significantly worse outcome for infrastructure. Without pasture delineation the definition will be even broader (and potentially more complex) with even more “wetland” areas that are in pasture likely to be caught, than is now the case. This does not achieve the Government's stated outcomes, and would be counter to them.

55. It seems perverse to provide for farming but not the provision of much needed infrastructure, including renewable generation. For example, for the Contact Southland windfarm the ‘wetlands’ are still farmed and grazed by multiple pest species but a $1b renewable electricity project cannot proceed. The effects of farming are typically worse for ‘wetlands’ than infrastructure (see for example the **Schedule**).

56. The definition of what is a 'natural inland wetland' needs to be redrafted and refocused, as addressed below.

57. What is needed is a system for wetlands that supports infrastructure providers, and for the ESEG renewable energy projects, while delivering real environmental benefits by:

    (a) Taking a positive outcomes focus, as intended under RM 3. The present protection only approach has not worked (it has not delivered the intended environmental outcomes) and resulted in a chilling effect on many developments. Perversely, it has prevented or disincentivised whole rafts of increased protections, offsetting and compensation benefits to wetlands which infrastructure and REG projects can resource. It has however greatly increased consultant and legal costs.

    (b) Distinguishing between high and low values ‘wetlands’ is common ecological practice (whereas the present policy protects all natural inland wetlands irrespective of their value). Encouraging protection and enhancement of high value wetlands in cases where patently low value wetlands may be affected for infrastructure (and renewable generation) to be delivered would deliver an overall significant net benefit for wetland ecosystems in New Zealand.

    (c) Providing greater certainty in, and clarity of, drafting. Developers should not need a team of consultant experts and lawyers to interpret, and then to argue through hearing processes, what is, and is not, a natural inland wetland.

    (d) Prioritising natural inland wetlands:

        (i) First by amending what is a natural inland wetland to remove many examples of highly modified habitats with no, or very little, ecological value. As per the BESS example above, wet grazed areas within paddocks should not be natural inland wetlands.

        (ii) Second, by then characterising natural inland wetlands as either high value or lower value, with a focus on enhancing the high value wetlands. As per the example above all natural inland wetlands are not equal. The present one size fits all approach is hugely costly to development in New Zealand while not delivering beneficial environmental outcomes.

(e) Allowing for specified infrastructure with both a functional and operational need. The present functional need only approach (clause 3.22) is too narrow and creates unwarranted and costly impediments. For example, in the BESS example above there is limited "functional" need for a battery to be placed in that precise location. It may be operationally more efficient but that is presently irrelevant under the policy. The ESEG considers it should be relevant. The same frequently applies to solar farms where cabling and other infrastructure may occur within "natural inland wetlands" situated within existing farmed paddocks.

(f) This narrow, functional need only, approach in the NPS-FM is also inconsistent with:

(i) Policy C1 of NPS-REG is proposed to be amended to require consideration of the operational need or functional need for REG activities to be in particular environments (and this is supported in the Interim RIS). It is inefficient, and contrary to good policy development) to be providing for operational need in one new NPS change but not aligning it with clause 3.22.

(ii) the NPS-HPL which applies both functional and operational need provisions; and

(iii) the proposed changes to Policy 6 of the NZCPS where "operational need" has been inserted alongside "functional need" throughout the policy.

There should be consistent approaches applied across the NPS regime, and "operational need" should be added to the NPS-FM.

(g) Removing the requirement that the regional council be "satisfied" as to the stipulated provisions within Subpart 3.22. The provisions should simply have to be met by the specified infrastructure provider.

(h) Providing greater scope to manage effects through the effects management hierarchy is also problematic. It is often practicable, although less ideal, to avoid a natural inland wetland. But avoidance does not necessarily deliver environmental benefit (in that case potential compensation benefit was lost).

(i) Removing the need for complicated offsetting and compensation modelling. The present system focuses huge effort and costs on consultant modelling programmes, and then arguing among experts as to the level of offset or mitigation required depending on the mathematical "alphabetical soup" that each expert prefers. Frequently there is simply insufficient knowledge to apply a precise mathematical equation approach. This wastes significant resources and money on technical arguments rather than investing that money into positive environmental outcomes.

58. The ESEG strongly supports greater clarity, and less rigidity within the existing NES-F. The effects versus the distances of some of the activities captured often make no sense on the ground and are unrelated to actual effects on the wetland. But, as above, changes focused on allowing farming must also apply to significant infrastructure (arguably more so), including renewable energy.

59. These changes are needed now and cannot be delayed while RM3 is implemented. As stated above, due to the complexity and early stage of the discussion, the ESEG has not proposed drafting. However, the ESEG is happy to test any drafting proposals on real examples and be involved in discussions on proposals.

60. Finally, in relation to mapping wetlands, dropping of council mapping requirements is a double edge sword. It provides certainty if developers know where the significant wetlands that require protecting and enhancing are (so long as they then cannot also be determined through consenting processes on a case-by-case basis). But as the Interim RIS and consultation document point out there is a lack of national guidance on how to go about this mapping. Any NPS policy requiring a council to do something must also be supported by resources (as well as clear guidance to achieve the policy outcome). Further, significant wetlands in some regions, such as the Waikato, are already mapped so if the requirements change a new mapping exercise may be required. In such cases pragmatism is that the mapped wetlands are retained until the next plan review (or sooner if required by RM3).

Question 25: What information requirements are necessary for fish passage? What would the difference in cost be, relative to current information requirements?

61. Provision of the information is available for ESEG member projects due to their scale through as built plans. The issue arises with the purpose of providing the information. Apart from attaching it to the consent information regional councils do nothing more with it. It is purely providing information for information's sake. The ESEG is unaware of the information ever being reviewed. If a NPS requires information to be provided, it should be clear as to why it is being provided and establish and fund a national system to deal with it. Given the technical information involved ESEG sees little (if any) benefit in doing so.

Question 26: How can regulations for temporary and permanent culverts in the NES-F be made simpler?

Question 27: Temporary culverts are currently treated the same as permanent ones. If temporary culverts were to be treated differently (eg, had fewer conditions), would it be better to do so through a permitted activity pathway in the NES-F (culverts only), or by allowing councils to be less stringent than the permitted activity conditions for culverts and weirs?

62. The use of culverts, fords and weirs are valid methods for managing erosion and sediment during construction works. ESC guidelines, like GD05 in Auckland, provide good guidance on how to build these for temporary purposes and address fish passage and entrapment issues. Developers should be able to utilise these practices. Further, the use of ESC measures (like temporary culverts) is usually only for the earthworks season and if in place for a winter have different design standards and winter works approvals.

63. Like with some comments above providing a 'one size fits all' process limits flexibility and reduces efficiency. For ESEG member projects consents are required anyway. Having a specific permitted activity pathway is probably too complex to draft for the bridging period until RM3. However, allowing councils to be less stringent for temporary culverts and

weirs on projects where there are detailed ESCPs and management plans would deliver a much more efficient process and be simpler to draft and apply during the bridging period.

Other matters

64. One final matter not in the discussion document, but which aligns with the matters discussed above and an example of costs and ineffective outcomes, is the role and implications of Policy 8 of the NPS-FM: "The significant values of outstanding water bodies should be protected." This policy significantly overlaps with the role of Water Conservation Orders under the RMA:[5]

    ... The purpose of a water conservation order is to recognise and sustain—

    65. outstanding amenity or intrinsic values which are afforded by waters in their natural state:

    66. where waters are no longer in their natural state, the amenity or intrinsic values of those waters which in themselves warrant protection because they are considered outstanding

67. There is simply no need to double up on protections. The WCO process already covers the field and Policy 8 is inefficient. Worse Policy 8 has resulted in a significant broadening of what is considered outstanding. The NPS-FM does not provide direction leaving it for each regional council to argue through the process. This results in a multitude of water bodies within each region being declared outstanding and hence subject to protection. Existing uses (farming, communities, utilities and REG are all restricted for limited environmental benefit (beyond the need to complete a costly and uncertain consenting process); including for the reason above that they are no compulsory values.

[5] RMS, section 199.

MEMO

To:	**Electricity Sector Environment Group**
From:	Kristina Healy, Principal Policy and Planning Advisor, Mercury
Date:	18 July 2025
PAGES:	4
Subject	Wind farm wetland monitoring example for inclusion with submission on RMA National Direction Package 3: Freshwater

Introduction

This memo provides an example of monitoring of natural inland wetlands (as defined in the NPS-FM 2020) during construction of a wind farm on a pastoral farm in Southland. This information is to support the Electricity Sector Environment Group's submission on the government's national direction Package 3: Freshwater proposals, in particular the response to Part 2.6: Simplifying the wetland provisions.

Mercury engaged SLR Consulting ecologists in 2023 to identify the location and extent of natural inland wetlands within 100m of the works to build Kaiwera Downs 2. Most gullies on the site were identified as natural inland wetlands as defined in the NES-F 2020 (and NPS-FM). In summary 36 sites were assessed (61 delineation plots) resulting in 14.7 linear km of natural inland wetlands identified on site, measuring approximately 22km^2 (within 100m of works). The field work to identify these wetlands took approximately 150 hours (2 ecologists). This did not include reporting, consent processing (e.g. response to RFI) and subsequent monitoring time.

The Wetland Monitoring and Management Plan (SLR, 2024) was developed and implemented in accordance with Environment Southland Regional Council Land Use Consent AUTH-20233412-05 (available on request) which permits the use of land for vegetation clearance, earthworks, or land disturbance within, or within 10m, or within 100m of, natural inland wetlands for the purpose of constructing specified infrastructure.

The wetlands on the site are described in the Wetland Monitoring and Management Plan (SLR, 2024) as:

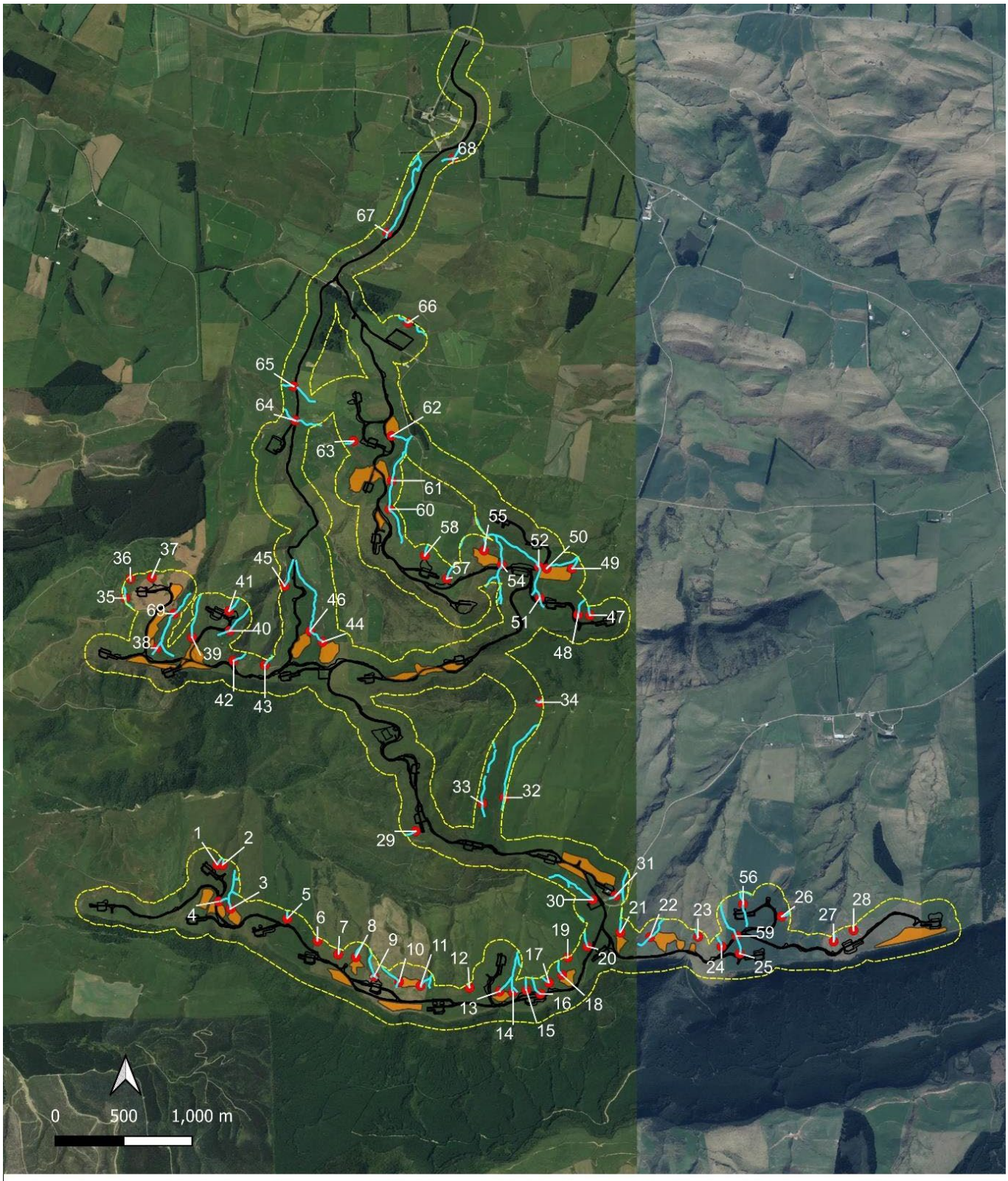
> *"Natural wetlands present at the site are typically narrow (1-2 m wide) bands of wetland vegetation on the floors of shallow gullies which are surrounded by pasture. They are fed by surface water, have the water table below ground surface, and have moderate to high water fluctuation. Excluding one small wetland, these wetlands are of low ecological value, being dominated in most cases by exotic plant species, and in many cases are unfenced and grazed and trampled by stock on a regular basis".*

Sixty-eight monitoring photo points encompassing all natural inland wetlands within 100m of any earthworks e.g. those downstream of fill sites, were identified (as shown on plan in Figure 1) and photos taken prior to works commencing. Photos are then taken every 3 months for the duration of construction works, and the final photos taken 3 months after completion of construction works. The photo points are to assist identification of adverse effects from construction activities such as clearly visible sedimentation, infilling, or scouring so that remedial actions could be implemented as soon as possible.

The specific condition prescribing the photo point monitoring is to demonstrate compliance with the NES-F to show that construction activities will not result in the complete, or partial drainage of all or part of the natural inland wetland (NES-F s45(3)(b)). Clean water diversions (e.g. culverts and bunds) have been designed to ensure hydrology is maintained.

The example provided (see next section) shows the type of low ecological value wetland identified on a farm where stock are not excluded but monitoring for wind farm construction impacts is occurring. The need to monitor this wetland is due to its location within 100m of site works and potential impact to hydrology and hydraulic connection (as per NES-F s45(3)(b)). The 100m buffer compared to scale of the activity and size of the wetland is disproportionate, but requires significant time and cost dedicated to assessment and monitoring to demonstrate no effects on a low ecological value wetland that is exposed to other activities (not associated with the wind farm).

Figure 1: Potential photos points plan



SLR
LEVEL 1, 426 MORAY PLACE
DUNEDIN 9016
NEW ZEALAND
www.slrconsulting.com

Project no.:	875.016573.00001
Date:	7 May 2024
Drawn by:	SR
Scale:	1:35,000
Sheet size:	A4
Projection:	NZGD 2000/NZTM 2000

Legend
- 100 m buffer
- Wetlands
- Wetland photopoints
- Surplus fill disposal
- Breaklines

Mercury NZ Limited
33 Broadway, Newmarket, Auckland
Kaiwera Downs Wind Farm
Stage 2

Example Photo Point Monitoring Results

Figure 2 is an example of a photo monitoring point which has captured the challenge of managing a site where there are multiple land uses, one of which is permitted. This site is downstream of an access road to a turbine platform that is bound by clean water diversions. The wetland will not be directly impacted by the construction activities (e.g. no vegetation removal / direct earthworks). Provided management and mitigation measures are implemented and operated as designed this wetland should not be impacted by runoff or changes to hydraulic connectivity etc.

The first photo was taken before construction activity in the vicinity of this wetland on 16 January 2025. The wetland area is not fenced and there are sheep in the background. This is the angle and location for the photo point monitoring. A photo was taken again in April 2025 which doesn't show any change as a result of construction activities. Both photos show pugging.

Figure 2: Photo point monitoring photos taken in January (pre-construction) and in April 2025

Date: 16 January 2025 1:47 PM	**Taken by:** Steve	**Camera:** Sony RX10 iv
Downstream	**Photo no: DSC00601_26_DS_16012025.JPG**	

Date: 16 April 2025 12:31 PM	**Taken by:** Jane	**Camera:** iPhone 11
Downstream	**Photo no: Photo_KWD_Environ-20250416-003134.jpg**	

The photos in Figure 3 are additional photos taken at the same wetland but are different angles (not from the specific photo point). The first photo shows cattle and a white stake which is a marker for the boundary of the wetland for construction purposes (not an electric fence). There is clear evidence of pugging and hoof prints in the margins of the wetland. The second photo is looking upstream where the clean water diversion bund for the access road is visible in the background.

Figure 3: Additional photos of same wetland area looking upstream

Technical Memorandum

To:	Ryan Piddington	**From:**	Hamish Dean
Company:	Mercury NZ	**SLR Consulting New Zealand**	
cc:		**Date:**	11 July 2025
		Project No.	850.016793.00001

RE: Freshwater National Direction Changes

1.0 Introduction

In 2020 the government issued a revised version of the National Policy Statement for Freshwater Management (NPS-FM) which included strong policies for the protection of wetlands and rivers. Specifically, Policy 6 required that "*There is no further loss of extent of natural inland wetlands, their values are protected, and their restoration is promoted*."

Regional Councils were also directed to include policy in their regional plans that would avoid loss of extent and values of natural inland wetlands, with a number of exceptions, including for the construction and maintenance of Specified Infrastructure. Revisions to the NPS-FM in 2024 updated the definition of a natural inland wetland, including 'pasture exclusion' criteria and guidance, and added consenting pathways for urban development, quarrying, mining, and landfills.

The Resource Management (National Environmental Standards for Freshwater) Regulations 2020 (NES-F) came into force alongside the NPS-FM and, among other things, introduced strict rules relating to activities affecting natural inland wetlands. The introduction of national policy and regulations to protect wetlands was deemed necessary to stop the continued decline of wetland area since the introduction of the Resource Management Act in 1991.

Alongside the new national policy and regulations, the Ministry for the Environment (MfE) released the wetland delineation protocols which provided guidance on how wetlands should be identified and delineated. The wetland delineation protocols are based on the system used in the United States which was developed by the US Army Corps of Engineers and uses characteristics of vegetation, soil, and hydrology to identify whether an area is a wetland. Vegetation and hydric soils tools had already been developed in New Zealand, and a wetland hydrology tool was subsequently commissioned by MfE. The New Zealand system uses vegetation as the primary indicator of a wetland, and soils and hydrology as secondary indicators. The rationale being that the ecologists who would likely be doing the assessment would be more equipped to assess vegetation than soils or hydrology.

Mercury New Zealand have a large programme of work to build new renewable energy infrastructure across New Zealand, including several proposed wind farms, battery energy storage systems (BESS) and solar farms. Wetlands are proving to be a significant factor in the development of these projects, both in terms of cost and consentability.

2.0 Wetland delineation under the current framework

Typically, wind and solar farms are being developed in agricultural landscapes and primarily in pasture farmland. Under the current rule framework, this kind of development work within 100 m of a natural inland wetland needs to be considered against the NES-F regulations. In

most cases the construction of energy infrastructure is Specified Infrastructure under the regulations and has a discretionary activity status. All adverse effects on wetlands must be assessed and managed according to the Effects Management Hierarchy, and NPS-FM policies require that effects relating to ecosystem health, indigenous biodiversity, hydrological functioning, Māori freshwater values, and amenity values are considered, and cumulative effects and loss of potential wetland value must also be considered[1].

To be able to properly assess values and effects, a comprehensive survey of wetland habitat is required for all projects. Under the current methodology, wetland surveys can be very time-consuming and in the rural environment the wetlands identified are often of very low ecological value and dominated by exotic grasses, herbs and rushes. Regardless of the value of the sites identified, all loss of wetland value or extent has to be managed through the effects management hierarchy and a low-value exotic grass-dominated wetland in a paddock requires the same level of survey and assessment as a high-quality indigenous wetland.

2.1 Windfarm example

Mercury NZ are currently working to consent a 60+ turbine wind farm west of Huntly. The site is typical of the western Waikato, comprising moderate to steep hill country farmland with defined ridges and clayey soil. The wetland survey for the project covered an area of approximately 2,400 ha and resulted in more than 1,300 individual wetland polygons being mapped, covering an area of 55.8 ha. Of these, 1,100 wetland polygons (49.5 ha) are outside the proposed development envelope, are not subject to any direct effects, and were assessed purely because they are within 100 m of the potential works area. Following a preliminary desktop review for potential wetland areas, the survey for this site took more than 1,200 hours of field time.

Most of the wetlands identified at this site were seepage wetlands with predominantly exotic vegetation. Almost all were grazed and had very low ecological value in terms of habitat for indigenous flora and fauna but had value for their water filtration and attenuation functions. Wetlands that met the pasture exclusion, being dominated by pasture grasses, were generally excluded from the survey for this site because the area is currently grazed, and the majority will continue to be grazed, or used as farm access when the wind farm has been built. If the pasture-excluded wetlands had been included in the wetland totals, many more wetlands would have been identified.

The Effects Management Hierarchy requires that adverse effects on wetlands are avoided, minimised, remedied, offset or compensated for, (in that order), and considerable effort has gone into changing the wind farm layout to avoid direct impacts on wetlands and minimise indirect hydrological effects by ensuring their catchments remain as unchanged as possible.

In pre-European times, the entire wind farm site would have been forested in tawa-kohekohe-podocarp forest and most of the wetlands identified in the survey would not have existed as open wetland as they are now. The wettest of the seepages may have featured wet-tolerant trees such as kahikatea and pukatea but many would simply have been a damper area of soil within the forest. Many of the gully floor wetlands are unlikely to have existed as wetlands at all. These have formed from the continual movement of sediment down the slope which has likely been accelerated by deforestation and farming. What would have been streams in a forest now have no shade which has allowed swards of grasses and rushes to establish, and this traps sediment and creates the characteristic flat-bottomed

[1] NPS-FM Section 3.22(3)

gullies which in turn become saturated. In my opinion, many of these wetlands should be considered as induced.

2.2 Solar Farm Example

In contrast to wind farms, solar farms are typically built on flat or gently sloping terrain and the types of wetlands encountered can be very different. A fairly typical example is a now-consented solar farm on a rural property in Taranaki[2]. This site is 150 ha and a total of 56 natural inland wetlands were delineated, and all were dominated by exotic grasses or rushes. This site was an active dairy farm, and all the wetlands were grazed. Most were dominated by two exotic grass species which are not on the pasture species list; creeping bent (a plant that was introduced as a pasture grass but is no longer considered appropriate for that use), and blue sweetgrass. Many more areas that met the broad definition of a wetland under the RMA were present on this site, but the introduction of the pasture exclusion meant that they were not considered natural Inland wetlands under the NPS-FM.

Under the current provisions, marginal wet areas and wetlands with low ecological value are proving to be a significant hurdle to development largely because of their hydrological function and potential values. Under Section 6(a) of the RMA '*the preservation of the natural character of …wetlands,…and the protection of them from inappropriate subdivision, use and development*" is a matter of national importance, and while these exotic-dominated wetlands are not 'natural' in the botanical or ecological sense, case law and the NZ Coastal Policy Statement have established that ecological, biophysical, geological and morphological aspects and processes are part of what makes up 'natural character'.

3.0 National Direction Changes

The Government is proposing to implement a number of changes to the RMA national direction. The proposed changes that most affect wetlands are the removal of the pasture exclusion rule, and the addition of an induced wetland exclusion. Both proposals are included in Package 3 of the current RMA National Direction consultation[3].

3.1 Introduction of an induced wetland exclusion

The Government propose to define induced wetlands. Previous MfE guidance acknowledged the presence of induced wetlands but treated them as natural wetlands. The change would define induced wetlands "as wetlands that have developed unintentionally as an outcome of human activity for purposes other than creating a wetland or water body" and exclude these "from wetland provisions in the NPS-FM and NES-F, except where a council identifies them as regionally significant[4]." Although induced wetlands are not natural, they may be contributing significantly to the remaining wetland values in the relevant Ecological District or region, given the severe loss of wetland habitat since European settlement.

This would be beneficial to renewable energy developments in agricultural and forestry landscapes because wetlands induced by earthworks, under-sized culverts, prolonged stock trampling and tracking are relatively common. However, the government needs to ensure that there is no ambiguity in the definition of an induced wetland and clearly set expectations about what is and isn't included. For example, the gully floor wetlands at the wind farm site described above have likely formed since early settlers cleared the land of forest, but

[2] This solar farm was consented by another energy generator and is not a Mercury project.
[3] Ministry for the Environment. 2025. Package 3: Freshwater – Discussion document. Wellington: Ministry for the Environment.
[4] Part 2.6 of the Freshwater Discussion Document.

whether the Government intends such wetlands to be classed as induced needs to be made clear.

3.2 Removal of the pasture exclusion rule

I agree with the Government that the current pasture exclusion rule adds complexity to wetland assessment, and in the field the current pasture exclusion methodology is problematic and at times frustrating. The problem is in how pasture species have been defined which seems to be based on their modern desirability as pasture species, rather than what is actually out on farms being grazed as pasture. There are very few vegetation types that occur in wetlands that are also pasture, because in most cases if there is more than 50% cover of pasture species, the site doesn't meet the definition of a wetland anyway. The exceptions we come across most often are sites that have a high proportion of Yorkshire fog (an exotic grass), and lotus (an exotic herb). Both species are on the pasture species list and have an indicator status of facultative, and sites like this can pass the wetland vegetation tests but also the pasture exclusion. In contrast, a site dominated by the exotic grass creeping bent (a facultative wetland species and not on the pasture list) would not meet the pasture exclusion. Often, we get sites like this in close proximity to each other, and often the prevalence of one species over the other seems to be more related to grazing pressure rather than wetland status. Both kinds of wetlands make up part of the pasture but one is excluded from the NES-F regulations while the other isn't.

To offset the proposed removal of the pasture exclusion the government proposes to introduce a permitted activity standard for some farming activities, that are unlikely to have an adverse effect on a wetland. However, it is likely that this would not extend to non-farming activities (like power generation) on farmland. So, while the removal of the pasture exclusion rule and new permitted activity standards would potentially make farming activities in some wetlands simpler, it could be detrimental for renewable projects on farmland because it will likely result in more natural inland wetlands being identified, as marginal wet pasture areas would no longer be excluded by the dominance of pasture species. This obviously translates into more constraints on the project and greater cost.

Expanding the current pasture exclusion rule to include all common pasture species would reduce survey time and still achieve protection of most wetland values in my opinion.

4.0 Summary and Closure

In summary, Mercury may benefit from submitting on the proposed changes to the National Direction on freshwater and should consider supporting the inclusion of an induced wetlands exclusion.

Regards,

SLR Consulting New Zealand

Hamish Dean, MSc, CEnvP
Principal Ecologist

JOINT SUBMISSION OF ELECTRICITY SECTOR ENVIRONMENT GROUP

APPENDIX 10 – CONFLICT RESOLUTION

1. This document addresses the issue of "conflict resolution" as discussed in ESEG's Covering Submission to the Government's proposed National Direction Reform Programme (**NDRP**).

2. As noted in that covering submission, the Supreme Court has directed that conflict between competing policy direction should be resolved at the planning rather than consenting level (*Port Otago* at [72]-[74]).

3. In its Covering Submission, ESEG has explained that:

   (a) It must be made clear within the NPS-REG-Am that consent authorities may allow REG activities that meet the policy requirements of the NPS-REG, despite anything to the contrary in any other national policy statement (or the provisions of any lower order planning instruments giving effect to that other national direction); and

   (b) Despite the NDRP reforms, a range of policies in other national direction (and lower order planning instruments giving effect to that national direction) which are currently highly problematic for REG consenting would remain in force, including provisions having a directive, bottom line approach whereby adverse effects must essentially be avoided.[1]

4. As also explained in the Covering Submission, there is no point in enabling an REG project under one national policy statement (as with the proposed NPS-REG-Am), only for that project to hit an effective brick wall under another NPS, or lower order plan giving effect to it.[2]

5. For that reason, the Covering Submission sets out a conflict management provision that must be included within the NPS-REG-Am (either ESEG's Preferred Option as set out in Appendix 2, or the Alternative Option set out in Appendix 3).[3]

6. In addition to that, however, reciprocal provision needs to be made within the other potentially significantly constraining national direction that will remain in force (ie despite the NDRP), to address the concern raised by Ministry officials about the "interaction" between national direction. Specifically, the view is apparently held that one national policy statement cannot 'act on' another, override or disapply other national direction.[4]

[1] Refer paragraphs 100 and 101 of the Covering Submission.
[2] Refer paragraph 82 of the Covering Submission.
[3] Refer paragraph 103 of the Covering Submission.
[4] Refer paragraph 78 of the Covering Submission.

7. The purpose of this document is to set out options for a reciprocal provision of this kind that must be included within the NZCPS Am and the revised NPS-FM as proposed under the freshwater reform package.

8. A provision of this kind is not required in relation to the NPS-IB (which contains an exemption or 'carve out' for REG), but separate amendments to that instrument achieving a similar outcome are required (as set out in Appendix 6 to ESEG's Covering submission).

9. The NZCPS and NPS-FM will otherwise continue to have a very significant constraining effect on REG consenting, in line with the trifecta of Supreme Court decisions referred to in ESEG's Covering Submission (refer paragraph 74 of ESEG's Covering Submission).

10. The drafting options proposed by ESEG to address this concern are as follows.

Option 1

11. The first option is to add an equivalent (but reciprocal) conflict resolution provision in each of the NZCPS and NPS-FM to that requested by ESEG for the NPS-REG-Am itself (as set out at paragraph 103 of ESEG's covering submission) as follows:

> 1. In the event of any conflict arising between the provisions of this National Policy Statement and the National Policy Statement - Renewable Electricity Generation (NPS-REG) in the consideration of any resource consent application or notice of requirement for a renewable electricity generation activity covered by the NPS-REG, the provisions of the NPS-REG prevail.
>
> 2. For the avoidance of doubt, a decision to grant a resource consent application or confirm a notice of requirement for a renewable electricity generation activity may be made despite anything to the contrary in this Policy Statement.

Option 2

12. The second (and next preferred) option is to include the equivalent of the current exemption for REG in the NPS-IB in each of the NZCPS and NPS-FM as follows:

> Nothing in this National Policy Statement (or the provisions of any policy statement or plan giving effect to this National Policy Statement) applies to renewable electricity generation activities as defined in the National Policy Statement – Renewable Electricity Generation. For the avoidance of doubt this includes any activity involving the development, operation, maintenance, upgrading, repowering or replacement of renewable electricity generation activities.

Option 3

13. The third option would be to include a provision in each of the NZCPS and NPS-FM directing that decisions relating to REG activities are to be made in accordance with

the NPS-REG-Am and not those national policy statements (rather than a complete exemption as proposed under Option 2, or a conflict clause as proposed under Option 1).

14. The requested wording for this option is as follows:

> Any decision making power or function regarding a resource consent or notice of requirement for a designation for a renewable electricity generation activity covered by the National Policy Statement - Renewable Electricity Generation (NPS-REG), including for the development, operation, maintenance, upgrading, repowering or replacement of a renewable electricity generation activity, is to be made and exercised in accordance with the provisions of the NPS-REG, instead of this National Policy Statement .

JOINT SUBMISSION OF ELECTRICITY SECTOR ENVIRONMENT GROUP

APPENDIX 11

AMENDMENTS TO NATIONAL POLICY STATEMENT – RENEWABLE ELECTRICITY GENERATION 2011		
NPS-REG 2011	**PROPOSED AMENDED WORDING**	**RELATIVE DIRECTIVE FORCE**
Objective To recognise the national significance of renewable electricity generation activities by providing for the development, operation, maintenance and upgrading of new and existing renewable electricity generation activities, such that the proportion of New Zealand's electricity generated from renewable energy sources increases to a level that meets or exceeds the New Zealand Government's national target for renewable electricity generation.	Amend the current NPS-REG 2011 objective to: *1) Renewable electricity generated in New Zealand:* *a) increases in a rate and manner necessary to support the achievement of New Zealand's emission reduction and energy targets and associated plans under the Climate Change Response Act 2002;* *b) provides greater resilience to disruptions to electricity supply;* *c) provides for the social, economic and cultural well-being of people and communities, and for their health and safety; while managing the adverse effects of REG activities.*	The amended NPS-REG objective is less directive in referring to "supporting" the achievement of New Zealand's emission reduction targets, as opposed to "meeting or exceeding" them (as with the existing wording of the NPS-REG 2011).
Policy A Decision-makers shall recognise and provide for the national significance of renewable electricity generation activities, including the national, regional and local benefits relevant to renewable electricity generation activities. These benefits include, but are not limited to: a) maintaining or increasing electricity generation capacity while avoiding, reducing or displacing greenhouse gas emissions;	Amend policy A as follows: *a) Decision-makers must recognise and provide for the national significance and benefits of REG activities at a national, regional and local scale. The benefits of REG activities, include, but are not limited to:* *i. avoiding and reducing greenhouse gas emissions to provide positive effects for people, communities and the environment;*	Similarly, amended Policy A refers to "contributing to" the security of electricity supply, whereas the NPS-REG 2011 refers to "maintaining or increasing" security of supply, and "maintaining or increasing" generation capacity. Conversely the word "avoiding" regarding greenhouse gas emissions is more directive in the amended wording of Policy Aa(i).

b) maintaining or increasing security of electricity supply at local, regional and national levels by diversifying the type and/or location of electricity generation; c) using renewable natural resources rather than finite resources; d) the reversibility of the adverse effects on the environment of some renewable electricity generation technologies; e) avoiding reliance on imported fuels for the purposes of generating electricity.	*ii. contributing to the security, resilience and independence of electricity supply at national, regional and local levels through diverse REG sources and locations;* *iii. providing for the social, economic and cultural well-being of people and communities and for their health and safety;* *iv. increasing resilience and long-term stability by using renewable rather than finite sources of energy;* *v. avoiding reliance on imported fossil fuels for the purposes of generating electricity; and* *vi. the temporary and reversible adverse effects of some REG technologies on the environment.* *b) The additional benefits of REG activities that are:* *i. located close to electricity demand and electricity networks, such as reduced electricity losses, economic efficiencies and environmental benefits;* *ii. co-located with other appropriate REG activities and assets and other appropriate infrastructure and activities; and* *iii. located where adverse effects on other activities are minimised.*	The amended policy is an improvement in referring to increasing resilience and long term stability, relative to the NPS-REG 2011.
Policy B Decision-makers shall have particular regard to the following matters: a) maintenance of the generation output of existing renewable electricity generation activities can require protection of the assets, operational capacity and	Amend policy B as follows: *a) Decision-makers on REG activities must recognise and provide for the importance of:* *i. enabling cumulative increases of REG output at any scale and any location,*	While the chapeau to amended Policy B is more directive in referring to “recognise and provide for” (as opposed to “have particular regard to”), the substance of Policy B of the NPS-REG 2011 is considerably more directive by referring to:

continued availability of the renewable energy resource; and b) even minor reductions in the generation output of existing renewable electricity generation activities can cumulatively have significant adverse effects on national, regional and local renewable electricity generation output; and c) meeting or exceeding the New Zealand Government's national target for the generation of electricity from renewable resources will require the significant development of renewable electricity generation activities.	*including small-scale and community-scale REG activities; and* *ii. avoiding, where practicable, any loss of REG output from a region, district or existing REG assets.* *b)* When making decisions on policy statements and plans, decision-makers must have regard to a reduction in the potential utilisation of renewable electricity resources from inappropriate subdivision, use and development.	• The "protection" of existing REG assets and their operational capacity, along with continued availability of the renewable energy resource; • Recording that even minor reductions in output can cumulatively have significant adverse effects (as opposed to avoiding "where practicable" any loss of output). • Referencing "meeting or exceeding" New Zealand's renewable electricity generation targets, and acknowledging that this will require the significant development of new REG activities.
Policy C1 Decision-makers shall have particular regard to the following matters: a) the need to locate the renewable electricity generation activity where the renewable energy resource is available; b) logistical or technical practicalities associated with developing, upgrading, operating or maintaining the renewable electricity generation activity; c) the location of existing structures and infrastructure including, but not limited to, roads, navigation and telecommunication structures and facilities, the distribution network and the national grid in relation to the renewable electricity generation activity, and the need to connect renewable electricity generation activity to the national grid; d) designing measures which allow operational requirements to complement	Amend policy C1 as follows: *1) Decision-makers must recognise and provide for REG activities that have operational need or functional need to be in particular environments.* 2) *Decision-makers must recognise that the operational need or functional need of REG activities includes the need to:* *a) be located where a renewable resource is located and available at a viable scale and quality to sustain the REG activity;* *b) be accessible to electricity networks and nearby to electricity demand; and* *c) have sufficient and accessible land available to support all associated current and future REG activities at that particular location.*	The chapeau to amended Policy C1 is more directive ("recognise and provide" for as opposed to "particular regard to"). ESEG refers to its Covering Submission regarding issues of functional and operational need, as now addressed in the amended policy.

and provide for mitigation opportunities; and e) adaptive management measures.		

Policy C2 When considering any residual environmental effects of renewable electricity generation activities that cannot be avoided, remedied or mitigated, decision-makers shall have regard to offsetting measures or environmental compensation including measures or compensation which benefit the local environment and community affected.		
Policy D Decision-makers shall, to the extent reasonably possible, manage activities to avoid reverse sensitivity effects on consented and on existing renewable electricity generation activities.	Amend policy D as follows: *Decision-makers must protect existing REG assets from the adverse effects of new activities near those assets, including by avoiding reverse sensitivity effects to the extent reasonably possible.*	Amended Policy D is more directive in referring to "protecting" existing REG assets (from the adverse effects of other activities) as opposed to "managing" other activities, but conversely the existing policy refers to both existing and *consented* REG activities.

APPENDIX 2

ESEG AND MERIDIAN PREFERRED RE-WORDED NPS-REG

JOINT SUBMISSION OF ELECTRICITY SECTOR ENVIRONMENT GROUP

APPENDIX 2

Proposed National Policy Statement for Renewable Electricity Generation [2025]

As Recommended by the Electricity Sector Environment Group 25 July 2025

Authority

This National Policy Statement is issued by the Minister for the Environment under section 54 of the Resource Management Act 1991.

ISBN: 978-1-99-106969-6 (online)

New Zealand Government

Contents

Part 1: Preliminary provisions

1.1 Preamble

This National Policy Statement replaces the National Policy Statement for Renewable Electricity Generation 2011 (NPS-REG 2011). The objective of the NPS-REG 2011 required the 'recognition' of the national significance of renewable electricity generation activities. While one of the policies sought that *"Decision-makers shall recognise and provide for the national significance of renewable electricity generation activities"*, the majority of the policies were about acknowledging and having particular regard to matters relevant to renewable electricity generation.

While the NPS-REG 2011 was intended to be 'enabling' of renewable electricity generation, experience has shown that the weight attributed to its provisions have been regularly overridden by the more directive provisions of other planning instruments that seek to protect aspects of the environment. Further, the weight given to, for example, local visual and amenity effects have often been allowed to outweigh the national benefits of renewable electricity generation. This has resulted in significant costs and restrictions associated with renewing consents for existing renewable electricity generation activities and consents being declined for significant new renewable electricity generation activities.

Climate change is arguably the biggest threat to the natural environment including all aspects of biodiversity. If New Zealand does not urgently and significantly increase the development of renewable electricity generation activities to reduce greenhouse gas emissions as part of the global response to climate change, there will be significant adverse consequences for biodiversity and the wider natural environment. Alongside that, a clean, secure, diverse and resilient electricity supply is essential for social and economic wellbeing. These benefits of renewable electricity generation are nationally significant and must be provided for under the Act accordingly.

To ensure a supply of affordable clean energy and achieve New Zealand's climate change goals and electricity generation targets, at least a doubling of the amount of renewable electricity is required. In achieving that outcome, this national policy statement seeks to address the 'Energy Trilemma' - striking the balance between affordability/cost, security and sustainability.

The reality is that renewable electricity generation activities need to be located in places where the resources they utilise are located. For example, hydro generation can only be located in lakes and rivers (or at least use the water from lakes and rivers), wind farms need to be located in windy locations, and geothermal power stations and associated steamfield activities need to be located on geothermal systems. Many of these locations are within, or contain, areas that are identified as Significant Natural Areas, Outstanding Natural Landscapes, Outstanding Natural Features or Outstanding Natural Character, or otherwise fall within areas that are of national importance under s 6 of the RMA.

This NPS-REG therefore needs to provide effective and comprehensive consenting pathways for renewable electricity generation activities in the type of areas noted above. This is to ensure that it will both maintain existing generation capacity and enable it to be significantly increased at the pace and scale needed for New Zealand to achieve its energy and emission reduction targets and commitments while growing New Zealand's economy. This pathway approach needs to include a high level of flexibility as to the way in which, and the level to which, the environmental effects of renewable electricity generation activities are able to be addressed, particularly if they cannot be

practically avoided because of requirements of functional or operational need.

To address the above, this National Policy Statement in intended to be a 'one-stop shop' in terms of the matters to be addressed when planning decisions are made relating to renewable electricity generation. That is, planning decisions for renewable electricity generation are to be in accordance with this national policy statement and lower order plans that give effect to it, not any other national or lower order policy statement or plan.

1.2 Title

(1) This is the National Policy Statement for Renewable Electricity Generation 2025.

1.3 Commencement

(1) This National Policy Statement comes into force on the day that is 28 days after notification in the New Zealand Gazette.

(2) See Part 4 for timeframes for complying with this National Policy Statement.

1.4 Interpretation

(1) In this National Policy Statement:

Act means the Resource Management Act 1991.

Allow means:

(a) In the case of a plan or as directed in a policy statement, to provide for the activity as permitted or controlled, subject to standards;

(b) In the case of a notice of requirement, to confirm the requirement subject to conditions imposed, or proposed or agreed to by a requiring authority under s171(1B) of the RMA;

(c) In the case of a resource consent application, to grant the resource consent, subject to conditions imposed, or proposed or agreed to by an applicant under s104(1)(ab) of the RMA.

Ancillary activities means all supporting activities needed to provide the investigation, construction, operation, maintenance, monitoring, replacement, upgrading, repowering and decommissioning of REG assets, including but not limited to vegetation clearance, tree trimming, earthworks, the construction, maintenance and upgrading of access tracks and roads, power supply, and telecommunications.

Areas of National Importance or ANI means:

(a) Areas of the coastal environment with outstanding natural character as identified or mapped in any plan or policy statement;

(b) Outstanding water bodies, that are identified or mapped in any plan or policy statement, and any water bodies that are included within significant natural areas under (c) below.

(c) Significant natural areas as defined in the National Policy Statement for Indigenous Biodiversity 2023 (excluding geothermal SNAs) that are identified or mapped in any plan or policy statement.

(d) Outstanding natural features and landscapes identified or mapped in any plan or policy statement.

(e) Sites of historic heritage identified or mapped in any plan or policy statement.

(f) Sites of significance to Māori including wāhi tapu identified or mapped in any plan or policy statement, or through consultation or engagement by an applicant for resource consent or notice of requirement for an REG activity.

Commencement date means the date on which this National Policy Statement comes into force, as identified in clause 1.2(1).

Community-scale REG means renewable electricity generation supplied to a community where the primary purpose is to provide benefits to that community.

Decision-maker means any person exercising functions or powers in making planning decisions under the Act.

Existing REG assets means REG assets that have either been established at the time a planning decision is being made, or which can lawfully be established pursuant to a resource consent, designation or other authorisation granted and which remains in force (has not lapsed).

Functional need has the meaning set out in the National Planning Standards.

Geothermal drilling means the construction, maintenance and upgrading of wells associated with geothermal resource exploration , development or use, including drilling rigs, well pads, well heads, well testing, drilling ponds, accessory buildings, structures and equipment, concrete batching, water intake structures, water supply, temporary ancillary accommodation, fencing, and the storage, use and handling of hazardous substances.

Geothermal significant natural area or Geothermal SNA means an SNA that includes one or more geothermal ecosystems.

Nationally significant benefits means the benefits of renewable electricity generation which include, without limitation, any or all of the following:

(a) avoiding, reducing, and displacing greenhouse gas emissions to enable New Zealand to meet its emission reduction targets.

(b) contributing to the security, resilience, independence, affordability and diversity of electricity supply at national, regional, and local levels including so as to provide greater resilience to the effects of climate change and natural hazards.

(c) using renewable rather than finite resources.

(d) avoiding reliance on imported fuels for the purpose of generating electricity.

(e) providing for the social, economic, cultural, health and well-being of people and communities.

(f) the reversibility of the adverse effects on the environment of some renewable electricity generation technologies.

Operational need has the meaning set out in the National Planning Standards.

Planning decision means a decision on any of the following:

(a) a resource consent application or a Notice of Requirement for a designation.

(b) a proposed regional policy statement of a proposed change or variation to a regional policy statement.

(c) a proposed regional plan or a proposed change or variation to a regional plan.

(d) a proposed district plan or a proposed change or variation to a district plan.

REG activities means:

(a) the investigation, development, operation, maintenance, replacement or upgrading and/or repowering, of REG assets.

(b) all other land or resource use activities forming part of or associated with renewable electricity generation including geothermal drilling and any ancillary activities.

(c) the storage or distribution of electricity through connection to the transmission network, distribution network or direct to end users.

For the avoidance of doubt, and unless the context otherwise requires, REG activities includes those associated with community and small-scale REG.

REG or renewable electricity generation means the generation of electricity from solar, wind, water, geothermal, biomass, tidal, wave, or ocean current energy sources.

REG assets means the physical components and structures required for renewable electricity generation along with the infrastructure and ancillary activities required to generate and store the generated electricity and connect it to transmission or distribution networks or direct to end users.

For the avoidance of doubt, and unless the context otherwise requires, REG assets includes those associated with community and small-scale REG.

Repowering, in relation to existing REG assets generating electricity from wind or solar resources, means their whole or partial replacement or upgrading to maintain or increase generation output and extend the operational life of the asset.

Significant natural area or SNA means as defined in the National Policy Statement for Indigenous Biodiversity but excludes geothermal significant natural areas.

Small-scale REG means renewable electricity generation where the primary purpose is to provide electricity for on-site use, at an individual site or landholding level.

Upgrading in relation to existing REG assets means increasing their capacity, resilience, efficiency, security, reliability, flexibility, longevity or safety.

(2) Terms defined in the Act and used in this National Policy Statement have the meanings in the Act, unless otherwise specified.

(3) Terms defined in the National Planning Standard issued under section 58E of the Act and used in this National Policy Statement have the meanings in that Standard, unless otherwise specified.

1.5 Relationship with other National Policy Statements, Regional Policy Statements and Plans

(1) The provisions of this national policy statement prevail over the provisions of any other national policy statement if there is a conflict between them.

(a) For the avoidance of doubt:

(i) a planning decision may allow an REG activity as defined by this policy statement, despite anything to the contrary in another national policy statement or the provisions of a policy statement of plan or proposed policy statement or plan giving effect to that other national policy statement;

(ii) Where there is a conflict between them, this NPS does not prevail over Te Ture Whaimana – the Vision and Strategy for the Waikato River.

1.6 Application of section 55(2A) of Act

(1) The change to regional plans or district 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):

(b) Section 2.2 – Policy 2.

(c) Section 3.1(1)(a).

Part 2: Objective and policies

2.1 Objective

To secure, maintain and significantly increase renewable electricity generation in New Zealand as a nationally significant matter of priority and urgency, in order to:

(a) Reduce the rate of climate change and severity of its effects by reducing greenhouse gas emissions;

(b) Achieve New Zealand's energy and emission reduction targets as defined by legislation or central government policy documents or plans;

(c) Provide greater security of supply and resilience to the effects of climate change and natural hazards; and

(d) Sustain and enhance the social, economic, cultural, health and well-being of people and communities.

2.2 Policies

Policy 1: Planning decisions must recognise and enable the delivery of the nationally significant benefits of existing, upgraded, repowered or new renewable electricity generation at any scale, giving priority to those benefits over local adverse effects.

Policy 2: Planning decisions must secure, maintain, and protect existing REG assets and resources including by:

(a) Recognising and providing for the operational and/or functional needs of REG activities;

(b) Avoiding reverse sensitivity effects on REG activities;

(c) Avoiding the loss of existing renewable electricity generation capacity, output or operational flexibility, including through planning decisions involving existing REG assets;

(d) Avoiding any reduction in the potential utilisation of renewable resources resulting from incompatible subdivision, use or development;

(e) Enabling the timely and efficient upgrading and repowering of existing REG assets; and

(f) Assuming an existing environment that includes the operation of the existing REG asset when considering consent or designation renewals under the Act.

Policy 3: Planning decisions and processes must be effective and efficient and

deliver approvals for renewal of existing, upgraded, repowered or new REG activities at the necessary pace and scale to meet the objective including by:

(a) Enabling cumulative increases of REG capacity at any scale; and/or
(b) Recognising and providing for the operational and/or functional needs of new REG activities.

Policy 4: Planning decisions must recognise that REG activities need to be located where the renewable energy resource is located and provide for them in those areas.

Policy 5: Planning decisions must recognise and provide for the use of adaptive management measures in the development, operation, maintenance, and upgrading of REG activities, particularly where there is inherent uncertainty or variability in the resource or its effects on the environment.

Policy 6: Planning decisions allow REG activities on sites within Areas of National Importance, unless the decision maker is satisfied that net residual adverse effects of the activity after mitigation, offsetting and compensation are sufficiently significant to be out of proportion to the benefits of the REG activity.

Policy 7: Planning decisions allow REG activities on sites that are not within Areas of National Importance, where any adverse effects are avoided, remedied or mitigated to the extent practicable.

Policy 8: Māori interests in relation to REG activities are to be recognised and provided for, including through early engagement, protection of sites of significance in accordance with this policy statement, and through enabling REG activities.

Part 3: Implementation

3.1 Efficient Decision Making

(1) Decision-makers must, in giving effect to this National Policy Statement, and in making planning decisions regarding REG activities, adopt and apply plan provisions, consenting processes and decision making that:

(a) Provide for the ongoing existence of REG assets and the renewal, upgrading and repowering of existing REG activities as permitted or controlled activities, and new REG activities as either permitted, controlled or restricted discretionary activities, or as directed by any relevant national environmental standard.

(b) Provide for resource consent applications for REG activities to be processed and determined without limited or public notification, to the greatest extent permissible under the Act.

(c) Process and determine resource consent applications and designations for REG activities within the statutory timeframes set under the Act, and not waive or extend any such time limit, without the express consent of the applicant or requiring authority.

(d) Ensure that any requests for further information made including under s41 and s 41C or s92 of the Act are reasonable and proportionate to the scale and significance of the effects of the activity on the environment.

(e) Include as default policies that lapsing dates for resource consents and designations for REG activities are set at 10 years, with consent durations being at least 35 years, or the maximum provided for under the Act (whichever is the greater).

3.2 Existing Environment

(1) Irrespective of the status of REG activities as determined by the provisions of any applicable national environmental standard or regional or district plan for the purposes of assessing the effects on the environment associated with renewal of resource consents or designations for existing REG activities, the existing environment is deemed to include the existing REG assets. In the context of a dam, the existing environment includes the impoundment of the water behind the dam and the changes the hydrological regime caused by that impoundment and any change in natural flows in the waterbody below the dam.

(2) The scope of enquiry in the context of any reconsenting of REG activities, for the purposes of making a planning decision including determining consent conditions, is to be limited to the operational aspects and environmental effects associated with the proposed ongoing operation of the REG activities in accordance with the provisions of this national policy statement, and any material new, different or additional effects arising. For the avoidance of doubt, this does not include any past effects associated with the original establishment and/or continued existence of existing REG assets.

Part 4: Timing

4.1 Time by which National Policy Statement to be implemented

(1) This National Policy Statement applies from the commencement date.

(2) Provisions required by this National Policy Statement to be inserted into regional plans, and district plans must be inserted within six months of the commencement date of this National Policy Statement.

APPENDIX 3

ESEG COMMENTARY AND RECOMMENDATIONS ON NZ COASTAL POLICY STATEMENT POLICY 6

JOINT SUBMISSION OF ELECTRICITY SECTOR ENVIRONMENT GROUP

APPENDIX 5 –NZCPS

SPECIFIC SUBMISSION POINTS REGARDING PROPOSED NEW ZEALND COASTAL POLICY STATEMENT– POLICY 6

Alternative Policy

Drafting - Coastal Policy 6 – Activities in the coastal environment

The ESEG alternative drafting of Policy 6 of the New Zealand Coastal Policy Statement 2010 (**NZCPS)** seeks to address the Regulatory Impact Statement Policy objective of better providing for both new and existing REG, Energy Network and Infrastructure activities in the coastal environment.

To achieve the policy objective in the RSI for Policy 6 for REG there needs to be stronger and more directional alignment with the proposed amendments promoted by the ESEG to the NPS-REG in the context of renewables.

The drafting of Policy 6 needs to be directional and emphasise the national significance and benefits of REG and the need for these activities to locate where the resources are, while managing adverse effects.

The proposed drafting for Policy 6 being consulted on lacks the direction required to enable renewable energy and other activities identified in Policy 6 to be consented in appropriate circumstances where the domains identified in Policy 11,13 and 15 are in play and avoidance is the first direction.

The proposed drafting would also better provide for existing REG activities located within the Coastal Environment.

Objective 6 NZCPS (Blue highlight Outcome statement relevant to drafting changes	**Policy 6 NZCPS with Markups (Red text discussion document changes in Green Proposed ESEG Alternative wording))**	**Rationale for specific wording changes to Policy 6 NZCPS**
Objective 6 To enable people and communities to provide for their social, economic, and cultural wellbeing and their health and safety, through subdivision, use, and development, recognising that: • the protection of the values of the coastal environment does not preclude use and development in appropriate places and forms, and within appropriate limits; • some uses and developments which depend upon the use of natural and physical resources in the coastal environment are important to the social, economic and cultural wellbeing of people and communities; • functionally some uses and developments can only be located on the coast or in the coastal marine area; • the coastal environment contains renewable energy resources of significant value; • the protection of habitats of living marine resources contributes to the social, economic and cultural wellbeing of people and communities; • the potential to protect, use, and develop natural and physical resources in the coastal	**Policy 6 Activities in the coastal environment** (1) In relation to the coastal environment: (a) recognise that the provision of infrastructure, the supply and transport of energy including the generation and transmission of electricity, and the extraction of minerals are activities ~~important to which~~ ~~may be~~ which are required for the social, economic and cultural well-being of people and communities; (b) consider the rate at which built development, and the associated public infrastructure should be enabled to provide for the reasonably foreseeable needs of population growth without compromising the other values of the coastal environment; (c) encourage the consolidation of existing coastal settlements and urban areas where this will contribute to the avoidance or mitigation of sprawling or sporadic patterns of settlement and urban growth; (d) recognise tangata whenua needs for papakāinga, marae and associated	ESEG understands and supports the rationale behind the proposed rewording of Policy 6, i.e. to strengthen the language in Policy 6 for priority activities to make it more directive and thereby "soften" the impact of the "avoid" policies in the NZCPS (e.g. Policies 11, 13 and 15) which are currently highly constraining for REG activities. For that reason, ESEG supports amending Policy 6(1)(a) to use the term "required" which was found by the Supreme Court to have the same directive character as the NZCPS avoidance policies in *Port Otago*, in the context of Policy 9. However, to match the directive drafting of Policy 9 as considered by the Supreme Court in *Port Otago*, the words "which may be" should be deleted and replaced with the word "are". The equivalent wording in Policy 9 is that a sustainable national transport system "requires" an efficient national network of safe ports, rather than that it *may require* such a network.

marine area should not be compromised by activities on land; • the proportion of the coastal marine area under any formal protection is small and therefore management under the Act is an important means by which the natural resources of the coastal marine area can be protected; and • historic heritage in the coastal environment is extensive but not fully known, and vulnerable to loss or damage from inappropriate subdivision, use, and development.	developments and make appropriate provision for them; (e) consider where and how built development on land should be controlled so that it does not compromise activities of national or regional importance that have a functional need or operational need to locate and operate in the coastal ~~marine area~~ environment; (f) consider where development that maintains the character of the existing built environment should be encouraged, and where development resulting in a change in character would be acceptable; (g) ~~take into account~~ ~~recognise~~ provide for the potential of renewable resources in the coastal environment(such as energy from wind, waves, currents and tides) to be realised for renewable electricity generation, to meet the reasonably foreseeable needs of current and future generations; (h) recognise and provide for the national significance and benefits of REG activities that have a functional and or operational need to locate and operate in the coastal environment in accordance with the NPS REG; (i) consider how adverse visual impacts of development can be avoided in areas sensitive to such effects, such as headlands and prominent ridgelines, and as far as practicable and reasonable apply	ESEG understands from Attachment 2.3 to the Primary Sector reform package that it is intended to add reference to "operational need" alongside "functional need" throughout Policy 6, i.e. through adding the words "or operational need" to policy clause 6(1)(e), as well as 6(2)(c) and (d). ESEG supports the inclusion of reference to "operational need" as defined in the National Planning Standards throughout the policy to ensure that decision makers also consider any technical, logistical or operational characteristics or constraints that make locating in the coastal environment or coastal marine area necessary, however that needs to be done consistently, i.e. to policy clause 6(1)(e), along with 6(2)(c) and (d) as intended. There is also an existing drafting anomaly in policy clause 6(1)(e) through referring to the "coastal marine area", whereas the chapeau to the policy is dealing with the coastal environment (by contrast with Policy 6(2)) which is confined to the coastal marine area). ESEG understands that the intention of the proposed amendment to Policy 6(1)(g) is to strengthen the wording by replacing "take into account" with "recognise". However, the verb "recognise" is not sufficiently directive, and actually included within the list of verbs considered by the Supreme Court in *King*

	controls or conditions to avoid those effects; (j) set back development from the coastal marine area and other water bodies, where practicable and reasonable, to protect the natural character, open space, public access and amenity values of the coastal environment; and (k) where appropriate, buffer areas and sites of significant indigenous biological diversity, or historic heritage value; (l) Provide for the operation, maintenance and upgrading of existing **REG activities** within a site in the coastal environment that meets any of the criteria or values in NZCPS Policies 11(a), 11 (b) ,13 or 15 where any effects that are different in scale, intensity, duration and frequency from the effects of the existing **REG activities** are minimised as far as practicable. (m) In relation to 1(e) and (h) ~~recognise that~~ provide for nationally and regionally significant infrastructure, renewable electricity, electricity transmission, aquaculture and resource extraction activities that ~~may~~ have a functional need or operational need to locate in the coastal ~~marine area~~ environment. 2) Additionally, in relation to the coastal marine area:	*Salmon* to leave Councils with considerable flexibility and scope for choice. This clause should therefore be amended not just to recognise but "*provide for"* the potential of renewable resources and for that potential to be expressly *realised* for renewable electricity generation in particular, to meet the foreseeable needs of current and future generations. To complement that proposed revised drafting of Policy 6(1)(g), express reference to the national significance and benefits of REG activities needs to be included within Policy 6, in the same way that the benefits of aquaculture and ports are expressly recognised in Policies 8 and 9 of the NZCPS (albeit through specific policies providing for those activities in their own right). REG activities have at least equivalent (if not greater) national significance and benefits to aquaculture and ports given that (for example) ports could not operate without a secure electricity supply. For that reason, and to achieve greater alignment between the NZCPS and the NPS-REG-Am (for the reasons explained in ESEG's Covering Submission), a new policy clause (h) should be added within Policy 6 to specifically recognise and provide for the national

	(a) recognise potential contributions to the social, economic and cultural wellbeing of people and communities from use and development of the coastal marine area, including the potential for renewable marine energy to contribute to meeting the energy needs of current and future generations: (b) recognise the need to maintain and enhance the public open space and recreation qualities and values of the coastal marine area; (c) recognise that there are activities that have a functional need or operational need to be located in the coastal marine area, and provide for those activities in appropriate places; (d) recognise that activities that do not have a functional need or operational need for location in the coastal marine area generally should not be located there; and (e) promote the efficient use of occupied space, including by: i. requiring that structures be made available for public or multiple use wherever reasonable and practicable; ii. requiring the removal of any abandoned or redundant structure that has no heritage, amenity or reuse value; and iii. considering whether consent conditions should be applied to ensure that space occupied for an	significance and benefits of REG activities that have a functional or operational need to locate in the coastal environment, in accordance with the NPS-REG. That policy wording would then direct decision makers to the NPS-REG for an understanding of (and specific direction regarding) the significance, benefits and functional/operational need requirements of REG activities. Alongside ESEG's proposed conflict resolution clauses (refer Appendix 10 to ESEG's Covering Submission), this will better achieve the requisite degree of alignment between the NZCPS and the NPS-REG, resolving a core problem across national direction under the RMA as it stands. For similar reasons, a further additional policy clause (l) should be added to expressly provide for the operation, maintenance and upgrading of existing REG activities as intended to be provided for and enabled under new Policies 3 and 4 of the NPS-REG-Am. To ensure alignment with the wording of those policies the assessment of any impacts of this range of activities on criteria or values covered by Policies 11, 13 or 15 of the NZCPS would be confined to effects which are

	activity is used for that purpose effectively and without unreasonable delay. (f) In relation to 2 (c) and (d) ~~recognise~~ provide for nationally and regionally significant infrastructure, renewable electricity, electricity transmission aquaculture and resource extraction activities that ~~may~~ have a functional need to locate in the coastal marine area.	different in scale, intensity, duration and frequency from the effects of the existing asset, and require such effects be minimised as far as practicable . Proposed new Policy clause (k) is supported (in so far as it goes), to support clause (e) which relates to other activities not compromising nationally important activities that have a functional (and now also, *operational*) need to be in the coastal environment. However, this policy clause (now renumbered as clause (m) in ESEG's proposed revised drafting), should also link to new policy clause (h), providing for renewable electricity generation activities that have a functional and operational need to be located in the coastal environment directly. For the same reasons expressed above regarding clause (g) the wording should be more directive to refer to *providing for* such activities (and not just *recognising* them) and by deleting the word 'may" to avoid debate in consent application processes over whether the activity in question actually has a functional or operational need to be in that environment, for the reasons addressed in more detail in ESEG's Covering Submission (paragraphs 138-145).

		Finally, equivalent amendments (to those proposed in the discussion document and by ESEG as set out above) need to be made for consistency to Clause 2 of the policy dealing with the coastal marine area specifically.

APPENDIX 4

SPECIFIC CHALLENGES IDENTIFIED IN THE PROPOSED NATIONAL ENVIRONMENTAL STANDARDS FOR EV CHARGING NETWORKS

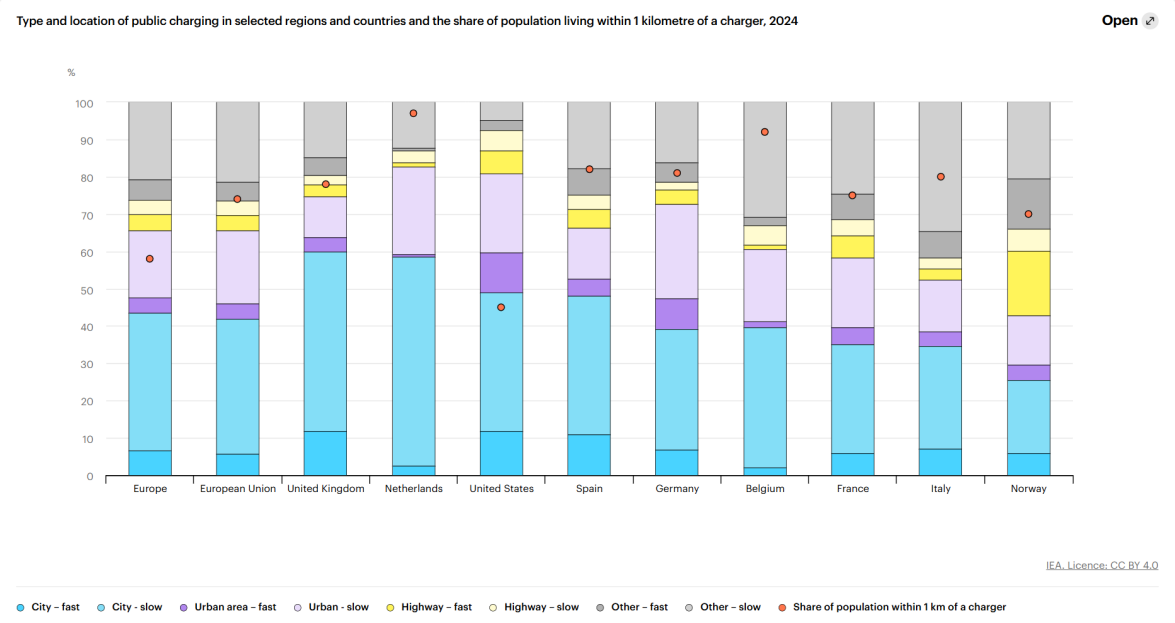
Definition of EV charging infrastructure

Meridian supports including a definition for EV charging infrastructure. However we would like to submit that the definition very clearly includes pole mounted blue parking signs, as these are required for the efficient operation of the allocation of EV parking spaces. These signs are generally assessed by Councils under the provisions for "signs" and can trigger a resource consent. These types of signs are not illuminated and can reasonably be expected within a carpark and therefore need to be explicitly provided for to avoid triggering resource consent requirements.

Permitted activity classification for ancillary public chargers

Meridian supports the classification of public chargers in transport corridors as permitted activities. However, limiting this to journey sites (e.g. petrol stations) and excluding other high-traffic locations such as supermarkets and eateries risks undermining the policy's effectiveness. Evidence from the IEA shows that EV charging happens at a wide range of locations.

Chart 1: type and location of public charging in selected regions and countries and the share of population living within one kilometer of a charger, 2024



Source: IEA.org

Meridian's view is that high-traffic sites will be essential to network coverage and utilization, and that they should also be included as permitted activities.

Private charging

Meridian supports the standardised provisions that would provide for private charging as a permitted activity subject to compliance with relevant zone rules.

Public charging in land transport corridors

Meridian supports provisions that would provide for charging in land transport corridors as permitted activities. Our view is that effects can be managed and agreed with relevant roading authorities.

Standalone public facilities

Meridian supports the standardized provisions that would provide for standalone public facilities as permitted activities subject to compliance with standards.

Public chargers as ancillary activities

Meridian supports provisions that would provide for public chargers as ancillary activities as permitted activities subject to compliance with standards. However, we suggest the following in relation to the provisions for public chargers as ancillary activities:

- **Traffic generation:** there is no standard proposed for traffic generation for ancillary activities. Meridian supports this approach as it seems clear that the primary use would be the primary traffic generator, not the charging facility. However, in our experience numerous applications for EV chargers have required Meridian to demonstrate that the cumulative effect of traffic generated by both the new chargers and the existing use on the site can be accommodated. Meridian therefore submits that traffic generation is explicitly excluded as a standard for ancillary charging infrastructure.

- **Access:** no standards are proposed for access requirements, which are typically managed under the transport requirements of district plans. In relation to "ancillary charging", we submit that access standards should be explicitly excluded. Similar to the point we make above regarding traffic generation, access consideration should have already been addressed as part of the establishment of the primary use on the site.

- **Hours of operation:** Meridian's view is that EV charging facilities should be accessible at all hours to support EV drivers. There are also good reasons for making charging available outside of times of peak demand on the national electricity grid. Many district plans control the hours of operation of certain activities within certain zones, which has resulted in the need for resource consents by Meridian to operate EV chargers on a 24/7 basis. We recommend that EV chargers should be explicitly excluded from specified or restricted hours of operation. We appreciate that there may be concerns around noise for 24/7 charging operations, however we note that these could be managed via relevant noise standards.

- **Natural hazards:** there are no specific provisions proposed relating to natural hazard risks. Enabling provisions for infrastructure within areas subject to natural hazards are typically included within plans, and Meridian has been required to apply for resource consent for EV chargers within flood-prone areas. Our view is that EV charging infrastructure should be treated consistently with other network utilities and enabled in areas subject to natural hazards, provided that appropriate design responses (such as raised to a suitable level) are incorporated. We also recommend that this is made explicit in the proposals, to avoid inconsistent interpretations.

Infrastructure standards

Meridian supports the proposed changes in relation to height and excavation, but our view is that the noise standards proposals do not reflect real-world conditions:

- **Height**: increasing the permitted heigh to three metres is a practical and positive change as it aligns with the height requirements of most DC fast chargers.

- **Excavation**: the proposed standards appear reasonable and unlikely to pose any challenges to deployment of chargers.

- **Noise**: Meridian's view is that the noise standards should reflect real-world operating conditions and infrastructure placement constraints. Many chargers would exceed the proposed noise thresholds. For example, Siemens chargers are 65db at three meters, and Kempower are 60db at one metre. Vehicle battery cooling and transformer hum also contribute to noise, sometimes at higher levels than the chargers themselves. Chargers may also need to be placed near boundaries to access road corridor infrastructure, but the noise restraints would make this untenable and therefore render the charging project unviable. There are some options for mitigating noise, such as acoustic canopies and baffles, or running chargers in low power mode. However Meridian notes that this could significantly add to the cost of projects, and limit the operational use of chargers. We note that there are good reasons to have access to EV charging facilities in residential areas and we recommend that the proposed NES sets a clear and workable standard.

Signage and lighting

Meridian recommends including "associated signage" in the definition of EV infrastructure. This is essential to avoid unintended restrictions on wayfinding and branding, while still allowing councils to manage advertising concerns. We also note that lighting is commonly deployed with public chargers to provide safety, security, and usability for users and should be clearly included in the definition. We are concerned that lighting height may exceed proposed standards, so we

recommend that lighting be subject to environmental considerations rather than blanket restrictions.

Traffic volume restrictions

Meridian does not agree with the proposed limit of ten vehicles per hour for standalone EV chargers. Our view is that this threshold risks penalising successful sites and may discourage investment. We agree that there is a need to assess traffic impacts, however, we think that a better approach would be to allow for more flexibility through considering the specifics of a given site and allowing for growth over time.

Restricted discretionary activity definition

Meridian recommends clarifying how the definition of "restricted discretionary activity" will differ from the current practice, and if needed, amend the definition to improve the process for efficiency and simplicity. There is confusion around whether this definition is materially different from the current resource consent requirements.

Existing consents and reopening risks

Meridian recommends that the government prepare guidance on how existing consents will be treated under the new framework. There is a risk that sites operating under existing consents may face challenges if new standards are introduced. Our experience is that reopening consents is complex and time-consuming. Guidance will help to provide clarity.

NZTA approval and traffic resolution processes

Meridian recommends that NZTA and traffic resolution processes should be streamlined and ideally integrated into the national direction to reduce duplication and improve efficiency. The need for these approvals is costly and time-consuming.

Public notification requirements

Meridian recommends that the government clarify whether councils will still be required to notify the public for permitted activities, and whether a notification is only triggered when a resource consent is required. In addition, clarity is needed around whether and how traffic resolution processes will interact with these requirements.

Matters of discretion

Meridian has the following comments in relation to the proposed matters of discretion for restricted discretionary EV resource consents:

- **the effects on the safe and efficient operation of transport networks:** it should be clear that this matter is only relevant to standalone public infrastructure. Meridian submits that

this is not an appropriate consideration for private or ancillary charging infrastructure as there are no relevant standards relating to traffic effects for these types of projects.

- **the design and appearance of buildings and structures:** the design and appearance of EV charging infrastructure is driven by EV charging operations and technology. It is therefore not appropriate for Council to assess the design and appearance of EV charging infrastructure.