SUBMISSION BY POWERCO LIMITED ON PROPOSED PLAN CHANGE 1 (POST OPERATIVE TIDY UP) TO THE TARARUA DISTRICT PLAN

Due 25th November 2016

TO: Manager of Regulatory Services
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1. INTRODUCTION

1.1 Powerco is New Zealand’s second largest gas and electricity distribution company and has experience with energy distribution in New Zealand spanning more than a century. The Powerco network spreads across the upper and lower central North Island servicing over 400,000 consumers. This represents 46% of the gas connections and 16% of the electricity connections in New Zealand.

1.2 Powerco’s electricity distribution networks are split into six regions – Manawatu, Taranaki, Tauranga, Valley, Wairarapa, and Wanganui. The average age of the distribution network is around 25 years. Its gas pipeline networks are in Taranaki, Hutt Valley, Porirua, Wellington, Horowhenua, Manawatu and the Hawkes Bay. Consumers are served through Powerco assets including over 27,000 kilometres of electricity lines (including overhead lines and underground cables) and 5,800 kilometres of gas pipelines.

1.3 In the Tararua District, Powerco has an electricity network and a gas network. The electrical network covers the southern part of the District. It has a 33kV sub-transmission ring circuit that is connected to Transpower’s network at the Mangamairi substation. That circuit supplies four zone substations at Pahiatua (Managamutu substation), Eketahuna (Parkville substation), and substations at Alfredton and Pongoroa, as shown on the figure below [for a clearer figure, refer to the sub-transmission map attached to the back of the submission].
1.4 The 11kV distribution network feeders that run off the ring circuit are almost entirely overhead and can be long and sparsely loaded. This makes for challenges in identifying, isolating and restoring the network in the event of fault situations.

1.5 The gas network is located in Dannevirke, Mangatainoka and Paihiauta (see attached maps)

1.6 The Resource Management Act 1991

1.7 Under the Resource Management Act 1991 (RMA), Powerco's electricity infrastructure is a significant physical resource that must be sustainably managed and adverse effects on and of that infrastructure are to be avoided, remedied or mitigated in accordance with the RMA.

2. POWERCO'S SUBMISSION – GENERAL COMMENTS

2.1 Powerco is generally supportive of the suite of "tidy up" amendments included in Plan Change 1 and recognises the need for the Plan Change to appropriately provide for the imperatives required through National Policy Statements and Environmental Standards and the One Plan. In particular Powerco wishes to support the amendments proposed to address the following matters:

- Inclusion of additional provisions to better cater for small and community scale electricity generation as a permitted activity.
- Deletion of the Hazardous Substances and Contaminated Land provisions and reliance on HSNO and NES for Assessing and Managing Contaminants in Soil to Protect Human Health Regulations 2011.
- Better giving of effect to the One Plan / RPS provisions on significant indigenous vegetation and habitats (as Regional Council already has rules in relation to these matters) by ensuring district provisions are limited to controls based on amenity reasons.
- The uncertainty of the flood hazard provisions. It is noted that while they do not meet the One Plan RPS provisions, the Council is not in a position to develop the requisite maps at this stage – so amendments are limited to setting out the factual situation and outlining the overall intent to introduce changes over time through a statement in the plan.

3. NPS FOR RENEWABLE ELECTRICITY GENERATION 2011 (NPSREG)

3.1 The current District Plan provides for larger windfarms but does not adequately address the smaller scale and community type of energy generation project as required by NPSREG.
3.2 There are a range of technologies that are now available that can provide community scale and domestic/household scale generation (e.g. photovoltaics, micro hydro, wind, solar). Powerco supports the initiative to provide for such generation as a permitted activity. Given the nature of the network in the Tararua area such generation will improve resilience in the area, especially where the surplus energy can be fed back into the network. However Powerco is mindful of the need for all such connections to be safe and to meet their standards. They have a very strict process for allowing and approving connections. This is particularly important for maintenance activities when a line is de-energised the contractors need to be confident the line is not being fed by distributed generation. As a consequence Powerco seeks the addition of some precautionary statements be included in the Plan.

Relief Sought – RENEWABLE ELECTRICITY GENERATION

(additions underlined; deletions in strikethrough)

1. Retain the proposed amendments to adequately provide for community scale and domestic/household scale renewable energy as set out in section 3.2.3 of Plan Change 1, without further amendment as follows:

1. THAT Standard 5.3.7.2(a), on page 5-66, be amended to read as follows:

"(a) Permitted activities in all Management Areas

- The operation and maintenance of renewable electricity facilities generating electricity from renewable energy sources including wind farms, in existence as at the date this Plan became operative."

2. THAT the following permitted activity be added to Standard 5.3.7.2(a) following the 'Note' on page 5-66, as follows:

"- Domestic scale electricity generation from renewable energy sources subject to meeting the following performance criteria:

(i) the facility generating the electricity meets all the applicable amenity standards for permitted activities in section 5.4 of this Plan;

(ii) the facility generating the electricity is not located on land identified as a scheduled heritage feature including its curtilage."

2. Add a note to Standard 5.3.7.2(a) along the following lines: Any connection to the distribution network from a domestic scale electricity generation from a renewable energy source needs to meet the requirements of the relevant electricity service provider.

3. Retain the following proposed definitions in Part 6 Interpretation, 6.1
Definitions but add the words “via a safe connection” to the end of the new definition of “domestic scale electricity generation from renewable energy sources” so that the definitions read as follows:

*Renewable energy has the same meaning as defined in Section 2 of the RMA.*

*Domestic scale electricity generation from renewable energy sources means generating electricity on a site to meet the needs of the users of that site and includes the export from the site of any surplus electricity to a local distribution network via a safe connection.*

4. Adopt any other such relief, including additions, deletions or consequential amendments necessary as a result of the matters raised in these submissions, as necessary to give effect to this submission.

4. HAZARDOUS SUBSTANCES

4.1 The Plan Change sets out the Council’s reasons for proposing to remove the hazardous substances provisions from the District Plan. The reasons include duplication of HSNO and presence of Regional Council functions and that these matters are otherwise generally regulated by other means. Powerco also notes proposed RMA reforms are intended to reduce regulation of hazardous substances at the district level. In relation to contaminated land issues, Powerco supports a rationalisation of regulation in this area. District councils’ administer the Resource Management (National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health) Regulations 2011 (NESCS). There should only be a need for policy not rules. In this case, it is noted that there is already regional policy in place on contaminated land. Regional Councils are responsible for discharges from such land. There is no need for district councils to include additional controls over and above the NESCS.

Relief Sought – HAZARDOUS SUBSTANCES

(additions underlined; deletions in strikethrough)

1. Retain the proposed amendments to remove overlapping functions for hazardous substances and contaminated land management as set out in section 3.3.3 of Plan Change 1, without further amendment as follows:
1 THAT section 5.1.8.1 Introduction text (pages 5 - 22 and 5 - 23) be deleted and replaced with the following:

"5.1.8.1 Introduction

Numerous agencies share overlapping responsibilities for controlling the use, storage, transportation and disposal of hazardous substances and managing contaminants in the environment. Their statutory functions and responsibilities are derived from the following statutes and regulations:

- Health and Safety at Work Act 2015 and Regulations relating to hazardous substances (HSWA).

In terms of the latter (the NES Soils), these regulations are administered by the Council and relate directly to the Council’s S3(1)(b)(iiia) RMA function, namely “…the prevention or mitigation of any adverse effects of the development, subdivision, or use of contaminated land:"

The NES Soil regulations apply when a person wants to carry out an activity specified in the regulations, on land as described in the regulations which is contaminated or potentially contaminated.

The activities covered in the regulations include removing or replacing a fuel storage system, soil sampling (to determine if the soil is contaminated or not), soil disturbance for a particular purpose, subdividing land or changing the use of the land where such change of use could be harmful to human health, on land that is described in the Ministry for the Environment’s Hazardous Activities and Industries List (commonly referred to as HAIL).

In terms of the former statutes (the HSNO and HSWA Acts), the HSNO Act will continue to be the primary legislation for the regulation of hazardous substances. Administered by the Environmental Protection Authority (EPA) the HSNO regulatory regime is responsible for:
assessment and approval of all hazardous substances;
- classifying all hazardous substances;
- setting controls (EPA controls) that apply to all hazardous substances, including controls for labelling, material safety data sheets (MSDS), and disposal;
- setting content controls (i.e., allowable levels of hazardous substances) for substances that affect human health and safety and the environment (e.g., cosmetics, domestic cleaning products, and pesticides);
- setting controls for hazardous substances that adversely affect the environment;
- setting controls for hazardous substances that affect human health and safety used outside the workplace; and

Worksafe New Zealand, through the HSWA’s regulatory regime, is primarily responsible for regulating substances that affect human health and safety within the workplace, including:

- incorporating or referring to EPA controls, where appropriate;
- setting controls on the use, handling, generation, and storage of hazardous substances at the workplace;

quality assurance mechanisms, e.g. test certification; and
- generally regulating such substances within the legislative framework for work health and safety.

The HSWA (S212) enables regulations relating to hazardous substances to be implemented for a number of purposes, including (inter alia):

- prescribing controls to avoid or mitigate illness or injury to people or damage to the environment or chattels from any hazardous substance;
- prescribing requirements to manage any emergency involving a hazardous substance;
- prescribing systems for tracking hazardous substances, including requirements that—
  (i) the whereabouts of the substances be recorded at all times or from time to time;
  (ii) the quantity of the substances be recorded;
  (iii) a person be identified as being in charge of the substances;

When these HSNO and HSWA responsibilities are combined with the responsibilities of the Regional Council to manage hazardous substances and the discharge of contaminants into the environment, the Council considers there is no need or justification to provide any further regulations (rules) or other provisions in the District Plan in order to exercise its RMA S31(1)(b) functions."
2. Adopt any other such relief, including additions, deletions or consequential amendments necessary as a result of the matters raised in these submissions, as necessary to give effect to this submission.

5. **INDIGENOUS VEGETATION PROVISIONS**

5.1 The Plan Change sets out the Council’s reasons for amending the indigenous vegetation and habitat provisions. This is in order to be more appropriately aligned with the provisions of the One Plan. The changes are supported for the reasons given in the Plan Change.
Relief Sought – INDIGENOUS VEGETATION AND HABITATS

(additions underlined; deletions in strikethrough)

1. Retain the proposed amendments to more appropriately target the provisions relating to indigenous vegetation and habitats and remove duplication and inconsistency with the One Plan as set out in section 4.1.3 of Plan Change 1, without further amendment as follows:

1 THAT Policy Sections 2.6.4.3 Explanation and 2.6.4.4 Methods, on pages 2-53 and 2-54, be amended as follows:

"Additionally, significant trees of the District have been scheduled in Appendix 3 of this Plan. The MWRC's Proposed One Plan states that the District Council shall, in addition to implementing the stated objectives and policies in respect of biodiversity management in the Proposed One Plan, "retain schedules of notable trees and amenity trees" in the District Plan. This is necessary because the Proposed One Plan uses a region wide approach and includes a schedule of regionally outstanding landscapes and identifies at risk and threatened species and habitats, but does not include specific provisions for significant trees in each District within the Region. Similarly, specific landscapes within the Region warrant specific management, and where appropriate, protection in the District Plan, in addition to the provisions of the Proposed One Plan."

The MWRC, in its Proposed One Plan, has stated that it will take the lead role in managing indigenous biodiversity in the Region. The Proposed One Plan includes rules that control activities in rare and threatened habitats and at risk habitats. It will therefore be unnecessary for the District Plan to include these rules as well. The Proposed One Plan also states that the Regional Council will work with landowners to maintain or protect and enhance these the (rare and threatened and at risk) habitats. It is therefore important that the District Plan not be inconsistent with the objectives and policies of the Proposed One Plan and that the Council give effect to the Regional Council's policy (RCP) in respect of the management of biodiversity once this has been determined by due process. However, given the time necessary for the provisions of the Proposed One Plan to be considered and determined, it will be necessary to retain the current provisions in the District Plan relating to biodiversity, particularly Sub 5.5.4.

Policies 2.6.4.2(d) and (e) aim to assist landowners in the management of indigenous biodiversity on private land and to support the efforts of the Regional Council, landowners, and other agencies (such as the GEM Trust) in the management of indigenous biodiversity.

2.6.4.4 Methods:

The Council shall implement policies 2.6.4.2 (a), (b) and (c) by the following methods:

(a) District Plan and resource consents - The Council has included in this District Plan, in Appendix 3, a Schedule of Significant Trees, a Schedule of Significant Indigenous Vegetation and Significant Habitats of Indigenous Fauna, and a Schedule of Natural Features and Landscapes, and has adopted rules which aim to control the adverse effects of activities at, or in close proximity to these listed items. The Schedules classify the items as Category A or B according to their significance and the level of protection required. The scheduled significant trees, significant indigenous vegetation and significant habitats of indigenous fauna and natural features and landscapes are identified on the District Plan maps. [Refer to Part 9 of the Plan].

The Council has also included a set of provisions for the protection of unscheduled areas of significant indigenous vegetation. These provisions will enable an activity in an unscheduled area to be assessed on a case by case basis in order to establish whether the vegetation concerned is "significant" and, if it is significant, whether or not it should be protected.
(b) Public consultation and the provision of information and promotion of voluntary protection - The Council shall consult with relevant groups and organisations in the community to identify natural features of value to the community. With respect to the majority of the District which lies within the Manawatu-Wanganui Region, the Proposed One Plan's Regional Policy Statement states that the Regional Council will act as lead agency in preparing inventories of areas of significant indigenous flora and habitats of indigenous fauna."

.2 THAT Section 5.5.1 Introduction (pages 5 – 100 to 5 – 102) be amended as follows:
   - amend the third bullet point on page 5 – 100 as follows:
     "significant vegetation and habitats (including individual trees and groups of trees, areas of significant indigenous vegetation and habitats of indigenous fauna),"
   - Delete all the text from and including the heading "INDIGENOUS VEGETATION PROVISIONS" on page 5 – 101 to before the heading '5.5.2 CLASSIFICATION OF SCHEDULED FEATURES' on page 5-102 and replace it with the following:
     "In accordance with Policy 6-1 of the MWRC’s One Plan, the Regional Council is responsible for developing objectives, policies and methods (including rules) for maintaining and protecting areas of significant indigenous vegetation and significant habitats of indigenous fauna throughout the Region, including the Tararua District."

.3 THAT the heading for Rule 5.5.3.2 (page 5 – 103) be amended as follows:
   "5.5.3.2 Significant Trees - Significant Indigenous Vegetation and Significant Habitats of Indigenous Fauna (as listed in Schedules 3.1 and 3.2 in Appendix 3)"

.4 THAT Table One in Rule 5.5.3.4 (page 5 – 105) be amended as follows:

<table>
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<th>SIGNIFICANT TREES</th>
<th>Permitted</th>
<th>Permitted</th>
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</thead>
<tbody>
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<td>SIGNIFICANT INDIGENOUS VEGETATION OR SIGNIFICANT HABITAT OF INDIGENOUS FAUNA</td>
<td>Maintenance</td>
<td>Maintenance</td>
</tr>
<tr>
<td>(Schedules 3.1 and 3.2 in Appendix 3)</td>
<td>Discretionary</td>
<td>Discretionary</td>
</tr>
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<td></td>
<td>Modification</td>
<td>Modification, damage or destruction</td>
</tr>
<tr>
<td></td>
<td>Non-complying</td>
<td>Damage or destruction</td>
</tr>
</tbody>
</table>

.5 THAT Rule 5.5.4, pages 5 – 110 to 5 – 114 inclusive, be deleted from the District Plan.

.6 THAT Schedule 3.2 in Appendix 3 (pages A-25 to A-32 inclusive) be deleted from the District Plan.

2. Adopt any other such relief, including additions, deletions or consequential amendments necessary as a result of the matters raised in these submissions, as necessary to give effect to this submission.
6. NATURAL (FLOOD) HAZARD

6.1 The Plan Change sets out the requirements of the One Plan in relation to district responsibilities for flood management and identifies that the District Plan does not currently meet the requirements of the One Plan policy in this area, particularly in relation to mapping. Additional work needs to be completed over the next six to seven years. As a consequence only limited changes are proposed to be made in the interim and that is in relation to wording in the introduction. Powerco supports the reasoning and rationale for the interim approach.

Relief Sought – NATURAL (FLOOD) HAZARD

(additions underlined; deletions in strikethrough)

1. Retain the proposed amendments to Natural (Flood) Hazard provisions as set out in section 4.3.3 of Plan Change 1, without further amendment as follows:
THAT Section 5.1.7.1 Introduction be deleted and replaced with the following:

"5.1.7.1 Introduction

In order to achieve the objectives and policies contained within Section 2.5 of this District Plan, a number of rules have been developed to control the use of land to avoid, remedy or mitigate the adverse effects of natural hazards.

Policy 9.1 of the Manawatu-Wanganui Regional Council's One Plan sets out the responsibilities for hazard management within the Region. For the Tararua District Council, these responsibilities include:

(i) developing objectives, policies and methods (including rules) for the control of the use of land to avoid or mitigate natural hazards in all areas and for all activities except the following (which are Regional Council responsibilities):
   - all land use activities in the coastal marine area,
   - erosion protection works that cross or adjoin mean high water springs,
   - all land use activities in the beds of rivers and lakes, for the purpose of avoiding or mitigating natural hazards.

(ii) identifying floodways (as shown in Schedule 11 of the One Plan) and other areas known to be inundated by a 0.5% annual exceedance probability (AEP) flood event on planning maps in district plans, and controlling land use activities in these areas in accordance with Policies 9.2 and 9.3 of the One Plan.

None of the floodways as shown in Schedule 11 of the One Plan are within the Tararua District.

Policy 9.2(b) of the One Plan states that TA's must not allow the establishment of any new structure or activity, or an increase in the scale of any existing structure or activity, within an area which would be inundated in a 0.5% AEP flood event unless:

(i) flood hazard avoidance is achieved or the 0.5% AEP (1 in 200 year) flood hazard is mitigated, or

(ii) the non-habitable structure or activity is on production land, or

(iii) there is a functional necessity to locate the structure or activity within such an area

The District Plan contains provisions that limit development in recognised natural hazard areas in order to reduce risk to risk to human life, property and infrastructure. Rule 5.1.7.2 applies to the Natural Hazard Areas that are identified on the planning maps. No areas are currently identified on the maps.

The District Plan does however contain a series of maps at a scale of 1:50,000 which identify areas of land that could potentially be adversely affected by flooding or surface flooding. Areas affected by poor drainage are also shown as floodable areas. These maps have been prepared using a variety of sources such as photographs of and reports about flood events, anecdotal information and field visits. They have not been prepared using data modelling to identify areas of land likely to be inundated by a 0.5% annual exceedance probability (AEP) flood event. They are indicative only and have been prepared solely for the purpose of showing areas in which the nature, extent and risk of flooding requires further investigation prior to any subdivision, development or change in land use occurring. Persons
intending to develop or purchase a property within an area identified as being floodable, are advised to contact the Manawatu-Wanganui Regional Council (Horizons) for assistance in obtaining more detailed, site-specific information.

The Regional Council’s Long Term Plan makes provision for a number of hazards information projects to be carried out in the Tararua District, over a period of 6 years, including 0.5% AEP flood modelling. Once these information gathering projects have been completed it ought to be possible to identify the areas at risk of inundation in a 0.5% AEP event on the District Planning maps and therefore become subject to Rule 5.1.7.2”.

2. Adopt any other such relief, including additions, deletions or consequential amendments necessary as a result of the matters raised in these submissions, as necessary to give effect to this submission.

7. POWERCO WISHES TO BE HEARD IN SUPPORT OF THIS SUBMISSION.

8. IF OTHERS MAKE A SIMILAR SUBMISSION, POWERCO WOULD BE PREPARED TO CONSIDER PRESENTING A JOINT CASE AT ANY HEARING.

9. POWERCO COULD NOT GAIN AN ADVANTAGE IN TRADE COMPETITION THROUGH THIS SUBMISSION.

10. POWERCO IS DIRECTLY AFFECTED BY AN EFFECT OF THE SUBJECT MATTER OF THE SUBMISSION THAT—

(A) ADVERSELY AFFECTS THE ENVIRONMENT; AND
(B) DOES NOT RELATE TO TRADE COMPETITION OR THE EFFECTS OF TRADE COMPETITION.

Dated at TAKAPUNA this 25th day of November 2015

Signature for and on behalf of
Powerco Limited:

[Signature]

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Ref: 16j112
Attachment 1: Powerco Electricity Sub-transmission Map – Manawatu Region
Attachment 2: Gas Network