

27th October 2021

Wetlands Team
Ministry for the Environment
Wellington 6140
(via email: WetlandsTeam@mfe.govt.nz)

To whom it may concern,

Submission on the *Managing our wetlands* discussion document

The Electricity Networks Association (ENA) appreciates the opportunity to make a submission to the Ministry for the Environment discussion document on *Managing our wetlands*. The ENA represents the 27 electricity distribution businesses (EDBs) in New Zealand (see Appendix A) which provide local and regional electricity networks. We wish to emphasise that the electricity system, and electricity distribution networks in particular, are critical to the current wellbeing of communities and wider society, but also to the transformation to a low-carbon economy.

NPS-FM and NES-F are a constraint on existing electricity distribution networks

ENA's principal concern is that the National Policy Statement for Freshwater Management 2020 (NPS-FM) and the Resource Management (National Environmental Standards for Freshwater) Regulations 2020 (NES-F) has, in practice, made routine activities associated with the construction, operation, maintenance, repair and upgrading of electricity distribution assets subject to a resource consent, which may or may not be forthcoming. Distribution assets (e.g. overhead powerlines, underground cables, transformers and substations, etc) are typically located either in the road corridor or very closely adjacent to it (in the case of substations).

In situations where the road corridor or the land immediately adjacent to it is within 10 metres of a wetland (as defined in the NPS-FM), there is a requirement to pass a 'functional test' (amongst others) to receive a consent to carry out activities on the aforementioned assets. ENA has seen guidance from Environment Canterbury (which we understand other regional councils are using) on how the functional test could be determined, which states that:

“Functional need is not the same as an operational need, which is where there may be technical, logistical or operational reasons for an activity to occur at a location. Rather, functional need is that it can only occur in that specific environment. Any application that will result in a loss of river extent or values (e.g. reclamation, deposition, structures, discharges of contaminants) will therefore need to demonstrate why the activity can only occur in that location. This is likely to require applicants to discuss what alternative locations for an activity may be available.

If such a test – requiring that an activity can only occur in a wetland - were to be applied to all distribution infrastructure across New Zealand that falls within 10m of a wetland, it would, in the least worst outcome, introduce a significant bureaucratic hurdle for EDBs to overcome every time they wish to carry out routine activities on their assets – with a corresponding impact on the cost and timeliness of delivering these activities. This would in turn be passed on to electricity consumers.

At worst, long-standing distribution infrastructure would need to be relocated outside of these road corridors, which would carry massive cost implications for electricity consumers, as well as very significant disruptions to users of the road corridor and electricity consumers. In addition to these impacts, there is a practical need to have the distribution infrastructure located (to the extent possible) where it can be accessed easily to facilitate timely repairs. Moving the infrastructure away from the road corridor would make these much more difficult to access and delay restoring power supplies for business as usual and emergency situations.

NPS-FM and NES-F will inhibit electrification and de-carbonisation of New Zealand

Leaving aside the need to operate and maintain the existing extensive electricity distribution networks, there are even greater implications for new infrastructure. New Zealand’s response to the challenges of climate change will entail the conversion of the light vehicle fleet to electric, the conversion of carbon-intensive industrial heat process to electricity, and the development of significant new renewable electricity generation. All these applications will need to be enabled, to a greater or lesser extent, by the expansion of the electricity distribution networks. In some cases this may be achieved by upgrading the capacity of existing network infrastructure, but there will also be a need for significant new distribution infrastructure.

Demonstrating a ‘functional need’ that this new infrastructure needs to be built within or within 10m of a wetlands (even when making use of an existing road corridor) may be an insurmountable hurdle for EDBs, which would then require infrastructure to be relocated (if this is possible). Ultimately, electricity distribution infrastructure needs to be located in the communities that they serve, and it is therefore inevitable that conflicts of this sort will arise. All of these challenges will impact upon the cost of electricity for consumers and businesses, which may in turn slow or potentially prevent electrification of parts of the economy, constraining New Zealand’s ability to meet climate change objectives.

Our proposal to alleviate constraints imposed by NPS-FM and NES-F

We propose four approaches that either separately or collectively could enable EDBs to maintain and upgrade their assets and build new assets, whilst still retaining appropriate protections for wetlands. These are:

- i) Allow for construction, operation, maintenance, repair and upgrading of electricity distribution assets within 10m of a wetland where this occurs within the corridor of a formed legal road. Distribution assets outside the road corridor but within the 10m wetland buffer would be subject to resource consent as usual.
- ii) Recognise the criticality of electricity distribution by providing a consenting pathway for electricity distribution assets, as has been proposed for quarrying, landfills, etc.
- iii) Remove the 'and' requirement from the end of each sub-clause under 3.22 (1) (b) (i) – (iv) in the NPS-FM. This would mean activities would only need to satisfy one of these conditions to receive consent, rather than all of them.
- iv) Insert '...or operational...' into 3.22(1)(b)(iii) of the NPS-FM such that it reads "there is a functional or operational need for specified infrastructure in that location...". Selecting this option would preclude the need to introduce option iii) above.

Please don't hesitate to get in touch with ENA if you'd like to discuss our submission. If you require anything further from ENA or its members, please contact Richard Le Gros (richard@electricity.org.nz, 04 555 0075) in the first instance.

Yours sincerely,



Graeme Peters
Chief Executive
Electricity Networks Association

Appendix A – ENA Members

The Electricity Networks Association makes this submission along with the support of its members, listed below.

Alpine Energy
Aurora Energy
Buller Electricity
Centralines
Counties Energy
Eastland Network
Electra
EA Networks
Horizon Energy Distribution
MainPower NZ
Marlborough Lines
Nelson Electricity
Network Tasman
Network Waitaki
Northpower
Orion New Zealand
Powerco
PowerNet
Scanpower
The Lines Company
Top Energy
Unison Networks
Vector
Waipa Networks
WEL Networks
Wellington Electricity Lines
Westpower