Introduction

* 1. Name (first and last name)

Bart Jansma

* 2. **Email**

policv@ngaruahine.iwi.nz

* 3. Is this an individual submission, or is it on behalf of a group or organisation?

 \Box Individual

 \boxtimes On behalf of a group or organisation

* 4. Which group do you most identify with, or are representing?

- 🛛 Iwi or hapū
- \Box General public
- Environmental
- □ Local government
- □ Research institute / academia
- □ Transmission or distribution sector
- \Box Industry or industry advocates
- Central government agency
- \Box Other (please specify)

- □ Electricity sector
- □ Community organisation
- $\hfill\square$ Energy intensive and highly integrated industry
- □ Large energy user
- $\hfill\square$ Oil and gas sector
- □ Biomass or geothermal sector
- \Box Consultant, financial services etc
- \Box Coal sector

*5. Business name or organisation (if applicable)

Te Korowai o Ngāruahine Trust

*6. Position title (if applicable)

Poutatari Kaupapa Taiao – Environmental Policy Advisor

* 7. Important information about your submission (important to read)

The information provided in submissions will be used to inform the Ministry of Business, Innovation and Employment's (MBIE's) work on *Accelerating renewable energy and energy efficiency*.

We will upload the submissions we receive and publish them on our website. If your submission contains any sensitive information that you do not want published, please indicate this in your submission.

The Privacy Act 1993 applies to submissions. Any personal information you supply to MBIE in the course of making a submission will only be known by the team working on the *Accelerating renewable energy and energy efficiency*.

Submissions may be requested under the Official Information Act 1982. Submissions provided in confidence can usually be withheld. MBIE will consult with submitters when responding to requests under the Official Information Act 1982.

We intend to upload submissions to our website at <u>www.mbie.govt.nz</u>. Can we include your submission on the website?

🛛 Yes

🗆 No

- * 8. Can we include your name?
 - ⊠Yes □No
- * 9. Can we include your organisation (if submitting on behalf of an organisation)?
 - ⊠Yes
 - 🗆 No

10. All other personal information will not be proactively released, although it may need to be released if required under the Official Information Act.

Please indicate if there is any other information you would like withheld.

11. [FOR INDIVIDUALS] Where are you located?

- □ Northland / Te Tai Tokerau
- □ Auckland / Tamaki-makau-rau
- 🗌 Waikato
- □ Bay of Plenty / Te Moana-a-Toi
- 🗆 Gisborne / Te Tai Rāwhiti
- 🗌 Hawke's Bay / Te Matau-a-Māui
- 🗌 Taranaki
- 🗆 Manawatū-Whanganui
- □ Wellington / Te Whanga-nui-a-Tara

- □ Tasman / Te Tai-o-Aorere
- 🗆 Nelson / Whakatū
- □ Marlborough / Te Tauihu-o-te-waka
- 🗆 West Coast / Te Tai Poutini
- Canterbury / Waitaha
- 🗌 Otago / Ōtākou
- □ Southland / Murihuku
- □ Outlying Islands, including Chatham Islands

12. [FOR ORGANISATIONS] In what region or regions does your organisation mostly operate?

- □ Northland / Te Tai Tokerau □ Wellington / Te Whanga-nui-a-Tara □ Auckland / Tamaki-makau-rau □ Tasman / Te Tai-o-Aorere □ Waikato 🗌 Nelson / Whakatū □ Bay of Plenty / Te Moana-a-Toi □ Marlborough / Te Tauihu-o-te-waka 🗌 Gisborne / Te Tai Rāwhiti 🗆 West Coast / Te Tai Poutini □ Hawke's Bay / Te Matau-a-Māui Canterbury / Waitaha I Taranaki 🗌 Otago / Ōtākou □ Manawatū-Whanganui □ Southland / Murihuku
- □ Wellington / Te Whanga-nui-a-Tara
- □ Outlying Islands, including Chatham Islands

Areas you wish to provide feedback on

The Accelerating renewable energy and energy efficiency discussion document examines a range of barriers and issues, and seeks feedback on a range of options. The document is divided in two parts:

• Part A: Encouraging greater energy efficiency and the uptake of renewable fuels in industry (process heat)

Part B: Accelerating renewable electricity generation and infrastructure (renewable electricity generation)

Each part has multiple sections. You are invited to provide feedback and respond to questions in as many, or as few of the sections as you would like, depending on your interests.

13. Part A relates to process heat.

Please indicate which sections, if any, you would like to provide feedback on.

- □ Section 1: Addressing information failures
- \Box Section 2: Developing markets for bioenergy and direct geothermal use
- □ Section 3: Innovating and building capability
- □ Section 4: Phasing out fossil fuels in process heat
- □ Section 5: Boosting investment in renewable energy and energy efficiency technologies
- □ Section 6: Cost recovery mechanisms

14. Part B relates to renewable electricity generation.

Please indicate which sections, if any, you would like to provide feedback on.

- □ Section 7: Enabling renewables uptake under the Resource Management Act 1991
- □ Section 8: Supporting renewable electricity generation investment

 $\hfill\square$ Section 9: Facilitating local and community engagement in renewable energy and energy efficiency

- □ Section 10: Connecting to the national grid
- □ Section 11: Local network connections and trading arrangements

Section 1: Addressing information failures

This section explains the issues relating to information failures and asymmetries and seeks your views on options to:

- Require large energy users to publish Corporate Energy Transition Plans (including reporting emissions annually), and conduct energy audits every four years
- Develop an electrification information package for businesses looking to electrify process heat, and offer co-funded low-emissions heating feasibility studies for Energy Efficiency and Conservation Authority's (EECA's) business partners, and Provide benchmarking information for food processing industries.

15. Option 1.1 would require large energy users to report their emissions and energy use annually, publish Corporate Energy Transitions Plans and conduct energy audits every four years.

Do you support this option?

- ⊠ Yes I fully support this option
- \Box I support this option in part
- □ No I do not support this option

16. Please explain your answer

More data is needed from a management perspective, and it allows consumer choice (where applicable). It may also incentivise a company's transition e.g. via peer pressure, poor publicity etc.

- 17. Which parts (set out in Table 3 of Section 1 in the discussion document) do you support?
 ☑ Target group companies with an annual energy spend of greater than \$2 million per annum
 - ⊠ Public reporting
 - ⊠ Government reporting
 - ⊠ Energy auditing
 - \boxtimes Compliance

18. Please explain your answer

The first two options are imperative, as they provide transparency around who the largest companies are performing.

The government component is useful, as it will help guide government policies and responses. The last two, while less critical, may still have a role to play should change be slow. Hence their implementation may not need to happen straight away.

19. What public reporting requirements (listed in Table 3) should be disclosed?

 \boxtimes Annual corporate level energy use and emissions, split out by a range of sources, including coal, gas, electricity and transport

 \boxtimes energy efficiency actions taken that year

- \boxtimes Plans to reduce emissions to 2030
- \Box Other (please specify)

20. In your view, should businesses be expected to include transport energy and emissions in these reporting requirements?

🗆 Yes

🗆 No

Please explain your answer

21. For manufacturers: what will be the impact on your business to comply with the requirements?

□ No impact

 \Box Some impact

□ Significant impact

Please provide specific cost estimates if possible

22. Option 1.1. Suggests that requirements to publish Corporate Energy Transition Plans should apply to large energy users, and proposes defining *large energy users* as those with an annual energy spend (purchased) of greater than \$2 million per annum.

Do you agree with this definition?

🗆 Yes

🛛 No

23. If you selected no, please describe what in your view would be an appropriate threshold to define 'large energy users'.

It is estimated that this will capture 200 companies. It may be that this is insufficient to be able to track progress, especially amongst those smaller companies that have less financial capital to invest in new technologies (and hence require additional attention/assistance from central government)

24. Is there any potential for unnecessary duplication under these proposals and the disclosures proposed in the MBIE-Ministry for the Environment discussion document <u>*Climate-related*</u>

<u>Financial Disclosures – Understanding your business risks and opportunities related to climate</u> <u>change, October 2019</u>?

🗆 No

□ Yes (please explain)

Section 1 - Option 1.2: Electrification information package and feasibility studies The questions on this page relate to Option 1.2

Option 1.2 : Develop an electrification information package for businesses looking to electrify process heat, and offer EECA's business partners co-funded low-emission heating feasibility studies

25. Do you support the proposal to develop an electrification information package?

 \boxtimes Yes

🗆 No

26. Would an electrification information package be of use to your business?

🗆 Yes

🖾 No

27. Do you support customised low-emission heating feasibility studies?

- \boxtimes Yes
- 🗆 No

28. In your view, which of the components should be scaled up and/or prioritised?

	Scaled up	Prioritised
regularly publishing information on electricity reliability for large sites		
providing information about ways to increase reliability and resilience of electrically- supplied plant and systems		
co-funding low- emission heating feasibility studies for EECA's business partners		

29. Would a customised low-emission heating feasibility study be of use to your business?

🗆 Yes

🛛 No

30. Please describe any components other than those identified that could be included in an information package.

Any information/advancements that come from co-funded work must be available to other businesses.

Section 1 - Option 1.3: Provide benchmarking information for food processing industries

31. Do you support benchmarking in the food processing sector?

 \boxtimes Yes

🗆 No

32. Would benchmarking be suited to, and useful for, other industries, such as wood processing?

🗆 No

 \boxtimes Yes (please specify)

Fertiliser manufacturing, hydrocarbon processing. Government owned sites should also be included, so its not a 'do as I say, not as I do' situation. This includes schools, hospitals etc.

33. Do you believe government should have a role in facilitating this or should it entirely be led by industry?

 \boxtimes Government should have a role

 \Box Should be led entirely by industry

34. Please explain your answer

Unless the industries manage to coordinate amongst themselves, central government need to assist. It also avoids the potential for advancements to be kept confidential, citing commercial sensitivities.

Section 2: Developing markets for bioenergy and direct geothermal use

This section examines barriers to the use of woody biomass and direct geothermal for process heat and seeks your feedbacks on our options to:

• Develop a users' guide on application of the National Environmental Standards for

Air

- Quality (NESAQ) to wood energy
 Facilitate development of bioenergy markets and industry clusters on a regional
- basis within Industry Transformation Plans, and

Support recent initiatives underway to grow the bio-economy and support direct use of geothermal heat.

Guidance on Resource Management Act consenting for wood energy plants

35. Do you agree that some councils have regional air quality rules that are barriers to wood energy?

□ Strongly disagree

- □ Disagree
- $oxed{intermat}$ Neither agree nor disagree
- □ Agree

□ Strongly agree

36. Please provide examples of regional air quality rules that you see as barriers to wood energy.

Please also note which council's plan you are referring to.

It is important that air quality standards are not viewed as an impediment. It would be short sighted to accept a deterioration in air quality in favour of improved carbon emissions. This is a space where advancements in technology will help maintain air quality while facilitating the use of wood energy. 37. Do you agree that a National Environmental Standards for Air Quality (NESAQ) users' guide on the development and operation of the wood energy facilities will help to reduce regulatory barriers to the use of wood energy for process heat?

□ Strongly disagree

- □ Disagree
- ⊠ Neither agree nor disagree
- □ Agree

□ Strongly agree

Please explain your answer

Where there are regions whose rules restrict the development/operation of wood energy facilities, then yes. However, have other potential restrictions also been considered? E.g. district plan/land use restrictions,

38. **What do you consider a NESAQ users' guide should cover?** Please provide an explanation if possible.

Up to date guidance on latest technology especially with regards to emissions

39. Please describe any other options that you consider would be more effective at reducing regulatory barriers to the use of wood energy for process heat.

Ensuring councils consider carbon emissions in their air quality plans, but taking into account the source of the emissions (e.g. fossil fuels, wood etc) to ensure that those systems that are 'recycling' carbon are not treated the same as someone releasing carbon stored in fossil fuels.

40. In your opinion, what technical rules relating to wood energy would be better addressed through the NESAQ than through the proposed users' guide (option 2.1)?

Section 2 - continued: Developing markets for bioenergy and direct geothermal use

Facilitating the development of bioenergy markets and industry clusters on a regional basis

41. In your view, could the *Industry Transformation Plans* stimulate sufficient supply and demand for bioenergy to achieve desired outcomes?

 \Box Yes

🗆 No

42. What other options are worth considering?

43. Is Government best placed to provide market facilitation in bioenergy markets?

🗆 Yes

🗆 No

44. **How could Government best facilitate bioenergy markets?** *Please be as specific as possible, giving examples.*

45. In your view, how can government best support direct use of geothermal heat?

46. What other options are worth considering?

Section 3: Innovating and building capability

This section explains the issues around technology risk for process heat users, and the lack of viable low carbon solutions for emissions-intensive and highly integrated (EIHI) industries. It seeks your views on options to:

• Expand Energy Efficiency and Conservation Authority's (EECA's) grants for technology diffusion and capability-building, and

Collaborate with EIHI industries to foster knowledge sharing, develop sectoral lowcarbon roadmaps and build capability for the future using a Just Transitions approach.

Technology diffusion and capability-building

47. Do you agree that <u>de-risking</u> commercially viable low-emission technology should be a focus of government support on process heat?

□ Strongly disagree

- □ Disagree
- □ Neither agree nor disagree
- \boxtimes Agree
- □ Strongly agree

Please explain your answer

48. Do you agree that <u>diffusing</u> commercially viable low-emission technology should be a focus of government support on process heat?

□ Strongly disagree

□ Disagree

- □ Neither agree nor disagree
- \boxtimes Agree
- □ Strongly agree

Please explain your answer

49. Is Energy Efficiency and Conservation Authority (EECA) grant funding to support technology diffusion the best vehicle for this?

 \Box Yes

 \Box No

50. For manufacturers and energy service experts: would peer learning and lead to reducing perceived technology risks?

 \Box Yes

🗆 No

51. For manufacturers and energy service experts: would <u>on-site technology demonstration</u> <u>visits</u> lead to reducing perceived technology risks?

 \Box Yes

 \Box No

52. Is there a role for the Government in facilitating this?

 \Box Yes

🗆 No

Please expand on your answer

Section 3 (continued): Innovating and building capability

On this page, we are seeking your feedback on industrial innovation and transitioning to a lowcarbon future.

53. For emissions-intensive and highly integrated (EIHI) stakeholders: What are your views on our proposal to collaborate to develop low-carbon roadmaps?

54. Would low-carbon roadmaps assist in identifying feasible technological pathways for decarbonisation?

🗆 Yes

🗆 No

Please expand on your answer

55. What are the most important issues that would benefit from a partnership and codesign approach?

56. What, in your view, is the scale of resourcing required to make this initiative successful?

Section 4: Phasing out fossil fuels in process heat

This section explains the issues around long-lived process heat investments and emissions lockin, and seeks your views on options to:

- Deter the development of any new coal-fired process heat, through a ban on new coal-fired process heat equipment for low and medium temperature requirements,
- and Require existing coal-fired process heat equipment supplying end-use temperature requirements below 100°C to be phased out by 2030.

Deterring the development of any new fossil fuel process heat

57. Do you agree with the proposal to ban new coal-fired boilers for low and medium temperature requirements?

- □ Strongly disagree
- □ Disagree
- □ Neither agree nor disagree
- □ Agree
- \boxtimes Strongly agree

58. Do you agree with the proposal to require existing coal-fired process heat equipment for end-use temperature requirements below 100 degrees Celsius to be phased out by 2030?

- □ Strongly disagree
- □ Disagree
- □ Neither agree nor disagree
- ⊠ Agree
- □ Strongly agree

59. Referring to Question 57 - is this ambitious or is it not doing enough?

- \Box Ambitious
- oxtimes Not doing enough

Please explain your answer

As the discussion document states, coal is the most emissions intensive option. If coal use drops, due to shutting down the large scale users, the coal price drops, making it less financially attractive for smaller scale users to change their system. 60. For manufacturers: what would be the likely impacts or compliance costs on your business of a ban on new coal-fired process heat equipment?

61. For manufacturers: what would be the likely impacts or compliance costs on your business of requiring existing coal-fired process heat equipment supplying end-use temperature requirements below 100°C to be phased out by 2030.

62. Could the Corporate Energy Transition Plans (Option 1.1) help to design a more informed phase out of fossil fuels in process heat?

 \Box Yes

🗆 No

Please explain your answer

63. Would a timetabled phase out of fossil fuels in process heat be necessary alongside the Corporate Energy Transition Plans?

 \Box Yes

🗆 No

Please explain your answer

64. In your view, could national direction under the Resource Management Act (RMA) be an effective tool to support clean and low greenhouse gas-emitting methods of industrial production?

 \boxtimes Yes

🗆 No

65. If yes, how?

Relying on the implementation of the RMA in each region relies on each region having proactive policies. Unfortunately, not all Councils are as proactive around greenhouse gases as others, and therefore they require 'direction'.

66. In your view, could adoption of best available technologies be introduced via a mechanism other than the RMA?

 \Box Yes

🗆 No

Please explain your answer

Section 5: Boosting investment in energy efficiency and renewable energy technologies This section explains the issues relating to underinvestment in energy efficiency and renewable energy technologies. It seeks your views on whether the Government should be considering these issues and how these issues could be addressed.

- 67. Do you agree that complementary measures to the New Zealand Emissions Trading Scheme (NZ-ETS) should be considered to accelerate the uptake of cost-effective clean energy projects?
- □ Strongly disagree
- □ Disagree
- □ Neither agree nor disagree
- □ Agree
- \boxtimes Strongly agree

68. Would you favour regulation, financial incentives or both?

- □ Regulation
- \boxtimes Financial incentives
- 🗌 Both
- □ Neither

Please explain your answer

The use of financial incentives should include financial disincentives, so monies raised through non-conformance can be used to fund new technologies etc.

69. In your view what is a bigger barrier to investment in clean energy technologies, internal competition for capital or access to capital?

- □ Internal competition for capital
- □ Access to capital

70. If you favour financial support, what sort of incentives could be considered?

Tax breaks on research & development, subsidising the change, (or interest free loans)

71. What are the benefits of these incentives?

Reducing the capital expenditure requirements will make change more acheivable

72. What are the risks of these incentives?

Criticism that government may be subsidising companies that have been slack in implementing change to date, or that can easily afford to undertake the change on their own.

73. What are the costs of these incentives?

Depends on the structure.

74. What measures other than those identified above could be effective at accelerating investment in clean energy technologies?

Government led research and development Increase tax on fossil fuels, especially coal Making the emissions trading scheme recognise those companies that are making changes to their emissions, and not treating each company within an industry as equal e.g. farmers being measured by their productivity with no consideration for on-farm actions.

Section 6: Cost recovery mechanisms

This section seeks your views on introducing a levy on consumers of coal to partially recover the cost of implementing any new policies in Part A that may be introduced.

75. What is your view on whether cost recovery mechanisms should be adopted to fund policy proposals in Part A of the *Accelerating renewable energy and energy efficiency* discussion document?

Absolutely support. The levy on lignite should be higher, as it is a 'dirtier' coal.

76. What are the advantages of introducing a levy on consumers of coal to fund process heat activities?

It incentivises change

77. What are the disadvantages of introducing a levy on consumers of coal to fund process heat activities?

End users may see an increase in prices.

Section 7: Enabling development of renewable energy under the Resource Management Act 1991

This chapter considers policy options to enable renewable energy development under the Resource Management Act 1991 (RMA). We seek your views on the following key options:

• Amending the National Policy Statement for Renewable Electricity Generation (NPSREG) to provide stronger direction on the national importance of renewables

Scoping National Environmental Standards or National Planning Standards specific to renewable energy (note: we propose to prioritise amending the NPSREG while proceeding with this scoping work.)

• Other options including spatial planning, pre-approval of new renewable energy developments, and amending other RMA national direction instruments.

This chapter also notes a wider range of options that could enable renewable development, including the comprehensive review of the resource management system.

Amending the National Policy Statement for Renewable Electricity Generation (NPSREG)

- 78. Do you agree that the current NPSREG gives sufficient weight and direction to the importance of renewable energy?
- □ Strongly disagree
- □ Disagree
- □ Neither agree nor disagree
- □ Agree
- □ Strongly agree

79. What changes to the NPSREG would facilitate future development of renewable energy?

80. What policies could be introduced or amended to provide sufficient direction to councils regarding the matters listed in points *a-i* mentioned on pages 60-61 of the discussion document?

Any actions related to points a-i must at its very inception include local iwi and hapū. This is especially important under point f, as many existing consents were granted prior to treaty settlement, and as such treaty partner input was insufficient. Therefore, continuation of existing consents may not be appropriate, and protection should not be guaranteed just because it is a renewable electricity generator

81. How should the NPSREG address the balancing of local environmental effects and the national benefits of renewable energy development in RMA decisions?

This must be done with great care, taking into account the relative scale of both the activity and the impact on the local environment. Treaty partner input will be critical in such a case, and there must be opportunity for the treaty partner to veto potential projects where cultural impacts are just too great.

There has been a good example in Taranaki where a hydroelectric generator was being redeveloped but needed to be sold. The current owner repeatedly referred to their value as a renewable electricity generator and should therefore be permitted to cause significant impacts on the river, despite the river having significant cultural, recreational and aesthetic values. The amount of electricity that is to be generated is very small.

82. What are your views on the interaction and relative priority of the NPSREG with other existing or pending national direction instruments?

Hydroelectric stations can impact on downstream habitats and water quality. If the station causes the downstream reach to no longer meet the limits/objectives of the National Policy Statmement for Freshwater, how will this be resolved with regards to the enabling policies of the NPSREG?

83. Do you have any suggestions for how changes to the NPSREG could help achieve the right balance between renewable energy development and environmental outcomes?

It should distinguish between 'NIMBY' and actual environmental effects that impact on water & air quality, habitats, biodiversity etc.

84. What objectives or policies could be included in the NPSREG regarding councils' role in locating and planning strategically for renewable energy resources?

That treaty partners are involved in this role prior to Councils even thinking doing this mahi. Too often treaty partners are given an opportunity to comment near the end of the process. This is insufficient and unacceptable.

85. Can you identify any particular consenting barriers to development of other types of renewable energy than REG, such as green hydrogen, bioenergy and waste-to-energy facilities?

86. Can any specific policies be included in a national policy statement to address these barriers?

87. What specific policies could be included in the NPSREG for small-scale renewable energy projects?

There needs to be a clear distinction between impacts on the natural versus human environment, with the former given a greater weighting. It may even be necessary to distinguish between the different types of projects, and to identify which project specific impacts can be disregarded or considered no more than minor.

88. The NPSREG currently does not provide any definition or threshold for "small and community-scale renewable electricity generation activities". Do you have any view on the definition or threshold for these activities?

Maybe instead of a definition of small, there could be a matrix that compares benefits versus impacts, with those weighted strongly in favour of benefits being easier to gain consent for.

89. What specific policies could be included to facilitate re-consenting consented but unbuilt wind farms, where consent variations are needed to allow the use of the latest technology?

Only consider the effects of the change, ensuring that it is not an opportunity to relitigate previously discussed effects. However, there must be avenue to consider impacts not considered under the original application (see Q.80 answer).

90. Are there any downsides or risks to amending the NPSREG?

Section 7 - continued

This page asks for your feedback on Proposal 7.2 - which consists of:

• Option A: Scope National Environmental Standards for Renewable Energy Facilities and Activities

Option B: Scope additional renewable-energy-related content for inclusion in the National Planning Standards

91. Do you agree that National Environmental Standards (NES) would be an effective and appropriate tool to accelerate the development of new renewables and streamline re-consenting?

 \Box Strongly disagree

- □ Disagree
- □ Neither agree nor disagree
- □ Agree
- □ Strongly agree

92. What are the pros of using National Environmental Standards as a tool to accelerate the development of new renewables and streamline re-consenting?

93. What are the cons of using National Environmental Standards as a tool to accelerate the development of new renewables and streamline re-consenting?

94. What do you see as the relative merits and priorities of changes to the NPSREG compared with work on NES?

95. What are the downsides and risks to developing NES?

There is a risk that Treaty Partner engagement will be sidelined should the NES not be drawn up properly. Although it must be acknowledged that despite treaty partner engagement being required by current acts and standards, it is still hit and miss in terms of effectiveness/implementation.

96. What renewables activities (including both REG activities and other types of renewable energy) would best be suited to NES?

97. What technical issues could best be dealt with under a standardised national approach?

98. Would it be practical for NES to set different types of activity status for activities with certain effects, for consenting or re-consenting?

 \Box It would be practical

 \boxtimes It would be impractical

Please explain your answer

If the NES sets status on an effects basis, which effects take precedence? Where will be the requirement to consider cultural impacts, and how will these various effects be weighted? When there is insufficient information available, such as locations of wahi tapu, how will the developer know what the appropriate activity status would be?

99. Are there any aspects of renewable activities that would have low environmental effects and would be suitable for having the status of permitted or controlled activities under the RMA? *Please provide details.* This has the same risk as for Q98. You don't know what you don't know, and often information pertaining to cultural impacts is not publicly available. How will developers/councils weigh up the effects to then be able to determine the activity status? Often if they consider it to be permitted, there is zero liaison with tangata whenua, which only reinforces their position. Once tangata whenua become aware of the proposal, often it is so far developed it will be difficult to influence.

100. Do you have any suggestions for what rules or standards could be included in NES or National Planning Standards to help achieve the right balance between renewable energy development and environmental outcomes?

Treaty partners are involved in any proposal from its inception.

101. Compared to the NPSREG or National Environment Standards, would National Planning Standards or any other RMA tools be more suitable for providing councils with national direction on renewables ?

- \Box NPSREG or NES are sufficient
- □ National Planning Standards would be more suitable

□ A different RMA tool would be more suitable (please specify)

102. Please explain your answer

Section 7 - continued

On this page, we are seeking your feedback on options that we have considered, but at this stage we do not recommend be developed further. Including:

- Spatial planning
- Pre-approval of new renewables developments
- Amending the National Policy Statement on Electricity Transmission and the National Environmental Standards for Electricity Transmission Activities

Pre-approval of new renewables developments could include:

- Planning approaches including relatively permissive consenting rules for renewables in defined areas
- Crown acquiring consents for transfer to developers
- New statutory allocation process

We need more information on the merits of these options before deciding whether further work is warranted.

103. Are there opportunities for non-statutory spatial planning techniques to help identify suitable areas for renewables development (or no go areas)?

 \boxtimes Yes

🗆 No

Please explain your answer

Te Korowai are in the early stages or developing a spatial planning framework around the sites of significance to Ngāruahine, which we will seek to have included in Regional & District plans. This will be useful when determining no-go areas.

104. Do you have any comments on potential options for pre-approval of renewable developments?

Any pre-approval process will need to involve treaty partners from its early stages.

105. Are the current National Policy Statement on Electricity Transmission (NPSET) and National Environmental Standards for Electricity Transmission Activities (NESETA) fit-for-purpose to enable accelerated development of renewable energy?

	Fit-for-purpose	NOT fit-for-purpose
NPSET	\bigcirc	\bigcirc
NESETA	\bigcirc	\bigcirc
Please explain your a	nswer	

106. What changes (if any) would you suggest for the NPSET and NESETA to accelerate the development of renewable energy?

107. Can you suggest any other options (statutory or non-statutory) that would help accelerate the future development of renewable energy?

Section 8: Supporting renewable electricity generation investment

This chapter considers policy options to accelerate investment in supply- and demand-side renewable electricity generation and energy efficiency. We seek your views on the following:

- Introduce a Power Purchase Agreement (PPA) Platform
- Encourage greater demand-side participation and develop the demand response market
- Deploy energy efficiency resources via retailer/distributor obligations
- Developing offshore wind assets
- Introduce renewable electricity certification and portfolio standards
- Phase down thermal baseload and place in strategic reserve

This chapter also notes other options that could support investment in renewable electricity generation and includes them for your feedback, however we are not recommending further investigation of these options at this stage.

Power Purchase Agreement (PPA) Platform

108. Do you agree there is a role for government to provide information, facilitate matchmaking and/or assume some financial risk for PPAs?

	Neither disagree						
	Strongly disagree	Disagree	nor agree	Agree	Strongly Agree		
Provide information	\bigcirc	\bigcirc	\bigcirc	\diamond	\bigcirc		
Facilitate match-making	\bigcirc	\bigcirc	\bigcirc	\diamond	\bigcirc		
Assume some financial risk	\bigcirc	\bigcirc	\bigcirc	\diamond	\bigcirc		

109. Would support for PPAs effectively encourage electrification?

⊠ Yes – support for PPAs would effectively encourage electrification

🗆 No

110. Would support for PPAs effectively encourage new renewable generation investment?

⊠ Yes – support for PPAs would effectively encourage new renewable generation investment

🗆 No

111. How could any potential mismatch between generation and demand profiles be managed by the Platform and/or counterparties?



112. Please rank the following variations on PPA Platforms in order of preference.

1 = most preferred, 4 = least preferred.



Contract matching service



State-sector led



Government guaranteed contracts



Clearing house

113. What are your views on Contract Matching Services?

114. What are your views on State sector-led PPAs?

115. What are your views on Government guaranteed contracts?

116. What are your views on a Clearing house for PPAs?

The government should also be included as a prospective customer, due to the use of coal in government facilities. When all of these facilities are grouped, they would have good purchasing/negotiating power.

117. For manufacturers: what delivered electricity price do you require to electrify some or all of your process heat requirements?

118. For manufacturers: is a long-term electricity contract an attractive proposition if it delivers more affordable electricity?

 \Box Yes

 \Box No

Please explain your answer

119. For investors / developers: what contract length and price do you require to make a return on an investment in new renewable electricity generation capacity?

120. For investors / developers: is a long-term electricity contract an attractive proposition if it delivers a predictable stream of revenues and a reasonable return on investment?

 \Box Yes

🗆 No

Please explain your answer

Section 8 - continued

On this page, we are asking for your feedback on demand-side participation and demand response.

121. Do you consider the development of the demand response (DR) market to be a priority for the energy sector?

 \Box Yes

🛛 No

Please explain your answer

As stated in the document, it will not encourage the adoption of renewable energy technology.

122. Do you think that demand response (DR) could help to manage existing or potential electricity sector issues?

 \boxtimes Yes

 \Box No

123. What are the key features of demand response markets?

124. Which features of a demand response market would enable load reduction or asset use optimisation across the energy system?

125. Which features of a demand response market would enable the uptake of distributed energy resources?

126. What types of demand response services should be enabled as a priority?

127. Which services make sense for New Zealand?

Section 8 - continued

On this page, we are seeking your feedback on energy efficiency obligations.

128. Would energy efficiency obligations effectively deliver increased investment in energy efficient technologies across the economy?

🛛 Yes

🗆 No

129. Is there an alternative policy option that could deliver on this aim more effectively? $\hfill\square$ No

□ Yes (please specify)

Subsidising energy efficient appliances for organisations that cater for large numbers of people but are not financially able to easily invest in new technology e.g. marae, schools, sports clubs etc

130. If progressed, what types of energy efficiency measures and technologies should be considered in order to meet retailer/distributor obligations?

131. Should these be targeted at certain consumer groups?

132. Do you support the proposal to require electricity retailers and/or distributors to meet energy efficiency targets?

- \boxtimes I support the proposal
- \Box I do not support the proposal

Please explain your answer

The losses caused through transmission are significant. Reducing transmission loss can be improved by retailers being more accepting of distributed generation (household solar systems for example). Setting a minimum buy-back price will make distributed generation more financially viable, resulting in more uptake, and more generation closer to urban centres.

133. Which entities would most effectively achieve energy savings?

134. What are the likely compliance costs of this policy?

Section 8 - continued

On this page, we are seeking your feedback on developing offshore wind assets.

- 135. Do you agree that the development of an offshore wind market should be a priority for the energy sector?
- □ Strongly disagree
- □ Disagree
- □ Neither agree nor disagree
- ⊠ Agree
- \Box Strongly agree

136. What do you perceive to be the major benefits to developing offshore wind assets in New Zealand?

Locating assets closer to users, reducing transmission losses. It will also take some focus away from new hydro, which is a positive considering the state of our rivers and that which lives in them.

137. What do you perceive to be the major costs to developing offshore wind assets in New Zealand?

There will need to be significant investment upfront, to better understand the potential environmental impacts of such assets. Engaging treaty partners will also be an absolute necessity.

138. What do you perceive to be the major risks to developing offshore wind assets in New Zealand?

How will the assets deal with local and global environmental impacts? What will happen if the environmental impacts are more severe than anticipated? There will also need to be a strategy in place for end of life management, so that the site can be decommissioned quickly

with no financial restraints.

Section 8 - continued

On this page, we are seeking your feedback on renewable electricity certificates and portfolio standards.

At this stage we need further information on the merits of this option before determining whether any further work is warranted. Due to the nature of the option – i.e. the scale of investment by government and/or impacts on industry – it needs to be carefully considered alongside other government decisions on Emissions Trading Scheme settings, the role of complementary measures and the pace and pathways of domestic emissions to meet the country's emission reduction targets.

139. This policy option involves a high level of intervention and risk.

Would another policy option better achieve our goals to encourage renewable energy generation investment?

🗆 No

□ Yes (please specify)

140. Could the proposed policy option be re-designed to better achieve our goals?□ No

□ Yes (please specify)

141. Should the Government introduce Renewable Portfolio Standards (RPS) requirements?

🗆 Yes

🗆 No

142. At what level should a RPS quota be set to incentivise additional renewable electricity generation investment?

143. Should RPS requirements apply to all electricity retailers?

🗆 Yes

🗆 No

Please explain your answer

144. Should RPS requirements apply to all major electricity users?

 \Box Yes

🗆 No

Please explain your answer

145. What would be an appropriate threshold for the inclusion of major electricity users (i.e. annual consumption above a certain GWh threshold)?

146. Would a government backed certification scheme support your corporate strategy and export credentials?

 \Box Yes

🗆 No

147. What types of renewable projects should be eligible for renewable electricity certificates?

148. If this policy option is progressed, should electricity retailers be permitted to invest in energy efficient technology investments to meet their renewable portfolio standards? (See option 8.3 on energy efficiency obligations).

🗆 Yes

🗆 No

Please add a comment

149. What are the likely administrative and compliance costs of this policy for your organisation?

Section 8 - continued

On this page, we are seeking your feedback on an option to phase down thermal baseload and place it in strategic reserve.

At this stage we need further information on the merits of this option before determining whether any further work is warranted. Due to the nature of the option – i.e. the scale of investment by government and/or impacts on industry – it needs to be carefully considered alongside other government decisions on Emissions Trading Scheme settings, the role of complementary measures and the pace and pathways of domestic emissions to meet the country's emission reduction targets.

151. This policy option involves a high level of intervention and risk.

Would another policy option better achieve our goals to encourage renewable energy generation investment?

🗆 No

□ Yes (please specify)

What about regulating the emissions from fossil fuel generation? Setting it at a certain limit will see either investment in new technologies e.g. reinjecting emissions into exhausted wells, or shutting down of stations.

152. Could this policy option be re-designed to better achieve our goals?

🗆 No

 \Box Yes (please expand)

153. Do you support the managed phase down of baseload thermal electricity generation?

□ Strongly against

□ Against

□ Neither

 \boxtimes Support

 \Box Strongly support

154. Would a strategic reserve mechanism adequately address supply security, and reduce emissions affordably, during a transition to higher levels of renewable electricity generation?

 \Box Definitely would

 \boxtimes Probably would

 \Box Probably would not

 \Box Definitely would not

155. Under what market conditions should thermal baseload held in a strategic reserve be used?



156. Would you support requiring thermal baseload assets to operate as peaking plants or during dry winters?

 \boxtimes Yes

🗆 No

157. What is the best way to meet resource adequacy needs as we transition away from fossilfuelled electricity generation and towards a system dominated by renewables?

Facilitating local generation by encouraging households to install solar/wind where appropriate. The Australian Small-scale Renewable Energy Scheme may be a useful case study.

Section 8 - continued

We also considered a number of additional options.

They have been included to demonstrate our wide-ranging assessment of possible policy options and to respond to early feedback we have heard from stakeholders.

We are not recommending them for further investigation but we welcome any views you may have on them.

158. Do you have any views regarding the options to encourage renewable electricity generation investment that we considered, but are not proposing to investigate further? (See pages 90 - 92 of the *Accelerating renewable energy and energy efficiency* discussion document).

Section 9: Facilitating local and community engagement in renewable energy and energy efficiency

This section considers the barriers to greater uptake of small-scale community energy projects and potential options to facilitate community energy, including:

- clear government position on community energy
- support for community energy pilot projects.

159. Should New Zealand be encouraging greater development of community energy projects? ⊠ Yes

🗆 No

160. What types of community energy project are most relevant in the New Zealand context?

161. What are the key benefits of a focus on community energy?

162. What are the key downsides or risks of a focus on community energy?

163. Have we accurately identified the barriers to community energy proposals?

 \Box Yes

🗆 No

Please explain your answer

164. Which barriers do you consider most significant?

You may select more than one answer.

- □ Electricity market arrangements
- □ Coordination of policy across government
- \square Small scale of community energy advocates, and lack of networking effects
- □ Resource Management Act barriers
- □ Other (please specify)

165. Are the barriers noted above in relation to electricity market arrangements adequately covered by the scope of existing work across the Electricity Authority and electricity distributors?

 \Box Yes – they're adequately covered by existing work

 \Box No – they're not adequately covered by existing work

Please add a comment

166. What do you see as the pros of a clear government position on community energy?

167. What do you see as the cons of a clear government position on community energy?

168. What do you see as the pros of government support for pilot community energy projects?

169. What do you see as the cons of government support for pilot community energy projects?



170. Are there any other options you can suggest that would support further development of community energy initiatives?

Section 10: Connecting to the national grid

This section sets out our understanding of issues relating to transmission connections to support growth in renewable electricity and the transition to a low emissions economy.

It seeks your views on options to address:

- the first mover disadvantage gaps in publicly
- available and independent information, and a lack of
- information sharing for coordinated investment.

The first mover disadvantage

171. Please select the option or combination of options, if any, that would be most likely to address the first mover disadvantage.

□ **Option 10.1**. – Encourage Transpower to include the economic benefits of climate change mitigation in applications for Commerce Commission approval of projects expected to cost over \$20 million

□ **Option 10.2** - Put in place additional mechanisms to support or encourage Transpower, first movers and subsequent customers to agree to alternative forms of cost sharing arrangements by contract

□ **Option 10.3.1** - Optimise asset valuations under the Commerce Commission's regime in circumstances where demand is lower than originally anticipated because expected (subsequent) customers do not eventuate

□ **Option 10.3.2** - Provide for Transpower to build larger capacity connection asset or a configuration that allows for growth, but only recover full costs once asset is fully utilised, with the Crown covering risk of revenue shortfall

 \Box None of the options above

□ Other (please specify)

172. What do you see as the disadvantages or risks of Option 10.1?

173. What do you see as the disadvantages or risks of Option 10.2?

174. What do you see as the disadvantages or risks of Option 10.3.1?

175. What do you see as the disadvantages or risks of Option 10.3.2?

176. Would introducing a requirement, or new charge, for subsequent customers to contribute to costs already incurred by the first mover create any perverse incentives?

🗆 No

□ Yes (please specify)

177. Are there any additional options that should be considered?

 \Box No

□ Yes (please specify)

Section 10 (continued): Connecting to the national grid

On this page, we are asking for feedback on gaps in publicly available and independent information.

178. Do you think that there is a role for government to provide more independent public data?

🗆 Yes

🗆 No

Why or why not?

There should be consideration of providing assistance (whether through finance and/or information & knowledge) to iwi groups, noting that much of the easy (low hanging fruit) opportunities were developed prior to treaty settlements came to be, and as such there is limited opportunity for iwi to invest in this field if they so wished.

179. Is there a role for Government to provide independent geospatial data (e.g. wind speeds for sites) to assist with information gaps?

 \Box Yes

🗆 No

180. Should MBIE's Electricity Demand and Generation Scenarios (EDGS) be updated more frequently?

🗆 Yes

🗆 No

181. If you said yes, how frequently should they be updated?

□ Quarterly

 \Box Every six months

□ Annually

□ Every two years

182. Should MBIE's EDGS provide more detail, for example, information at a regional level? □ Yes

🗆 No

Please provide information on what you would find useful

183. Should the costs to the Crown of preparing EDGS be recovered from Transpower, and therefore all electricity consumers (rather than tax-payers)?

□ Yes – it should be recovered from Transpower (all electricity consumers)

 \Box No – it should be recovered from taxpayers

184. Would you find a users' guide (on current regulation and approval process for getting an upgraded or new connection) helpful?

 \Box Yes

 \Box No

Please explain your answer

185. What information would you like to see in such a guide?

186. Who would be best placed to produce a guide?

Section 10 (continued): Connecting to the national grid

On this page, we are asking for feedback on the lack of information sharing for coordinated investment.

187. Do you think that there is a role for government in improving information sharing between parties to enable more coordinated investment?

🗆 Yes

🗆 No

Why or why not?

188. Is there value in the provision of a database (and/or map) of potential renewable

generation and new demand, including location and potential size?

 \Box Yes

🗆 No

189. If so, who would be best to develop and maintain this?

This needs to be approached with extreme caution, as it will be important not to give the impression that sites that may be suitable for generation will gain consent and will meet with approval from iwi.

190. How should it be funded?

191. Should measures be introduced to enable coordination regarding the placement of new wind farms?

 \Box Yes

 \Box No

Please expand on your answer



192. Are there other information sharing options that could help address investment coordination issues? What are they?

Section 11: Local network connections and trading arrangements

This section seeks your views on whether enough is being done to enable connections to, and trading on, the local network. It summarises regulatory arrangements and work underway to address:

- barriers to connecting to the local network
- issues with the arrangements for trading on the local network, and

issues with pricing and cost allocation for network connections and

services.

193. Have you experienced, or are you aware of, significant barriers to connecting to the local **networks?** Please describe them.

The feed-in price (or buy back price) is often too low to justify installing small scale generation. It is only economical where much of the electricity generated is used by the household generating it at the time it is generated. This does not encourage investment in small scale distributed generation.

194. Are there any barriers that will not be addressed by current work programmes outlined on pages 118 - 122 of the discussion document?

195. Should the option to produce a users' guide (see Option 10.6 on page 110) also include the process for getting an upgraded or new distribution line?

🗆 Yes

🗆 No

Please add a comment

196. Are there other Section 10 information options that could be extended to include information about local networks and distributed generation?

 \Box Yes

🗌 No

Please specify which options would be useful and explain your answer

197. Do the work programmes outlined on pages **118** - **122** cover all issues to ensure the settings for connecting to and trading on the local network are fit for purpose into the future?

🗆 Yes

 \Box No

Please explain your answer

198. Are there things that should be prioritised, or sped up?

199. What changes, if any, to the current arrangements would ensure distribution networks are fit for purpose into the future?

Additional comments

An opportunity for you to provide any additional feedback.

200. Do you have any additional feedback?

There is a lack of consideration in the proposals of how they may be considered by the governments treaty partner. There also is no acknowledgement of the fact opportunities to develop generation facilities passed iwi by as their treaty claims had not yet been settled.

201. You may upload additional feedback as a file.

File size limit is 16MB. We accept PDF or DOC/DOCX.



Ministry of Business, Innovation and Employment 15 Stout Street Wellington

Ratapu, 8 Poutū te rangi

By Email: energymarkets@mbie.govt.nz

Discussion Document: Accelerating Renewable Energy and Energy Efficiency

Tēnā koe Honourable Dr Megan Woods,

- Thank you for providing Te Korowai o Ngāruahine Trust (Te Korowai) with the opportunity to provide a response to the Accelerating Renewable Energy and Energy Efficiency Discussion Document.
- 2. Te Korowai's interest in the RMA review is because Ngāruahine iwi has a special cultural, spiritual, historical and traditional association with the area within which the activities take place, and the Taranaki region has a number of industries which use fossil fuels in their process. Te Korowai also supports a low emissions economy, and wish to see sustainable practices adopted throughout our rohe. Te Korowai, as the post-settlement governance entity for Ngāruahine has a responsibility to ensure that the interests of Ngāruahine are safe-guarded. This includes considering the extent to which the proposed activities, may impact (potential or actual) on the environmental, cultural and spiritual interests of Ngāruahine within its' rohe (tribal area); and those areas under statutory acknowledgement and/or Deed of Recognition (Ngāruahine Claims Settlement Act 2016);



and the potential or actual risks to the physical, psychological, cultural and spiritual wellness of Ngāruahine (Te Korowai o Ngāruahine Trust Deed).

- 3. We have provided the majority of our replies via a MS Word copy of the online survey. We have not provided feedback on all aspects and questions, as we do not have the industry knowledge or experience to provide informed feedback on all matters.
- 4. Summarised below are the main points we would like to make.
- Treaty partners must be involved at the inception of any proposal/programme that makes decisions around facilitating an easier consenting process for renewable energy & electricity.
- 6. Treaty partners have missed out on much of the development opportunities that may have been available to them, as they were developed prior to treaty claims being settled. This represents a legacy effect which government needs to address. Therefore, there should be provision in the proposals to assist or prioritise iwi groups to develop initiatives within their rohe if they so wish.
- 7. Ownership of the resource (wind, water etc) will need to be determined prior to encouraging or identifying any further developments.
- 8. It is important that the government sets a good example, by moving schools, hospitals and any other government owned site away from heating via fossil fuels.
- 9. Assist not-for profit groups or small to moderate organisations/businesses to enable change within their organisation.
- 10. Distributed small scale generation deserves more attention in the proposals and should be supported more.



11. We trust that these comments are helpful. Should you require any further information or clarification please me at policy@ngaruahine.iwi.nz.

Nāku iti noa, nā

Bart Jansma Poutātari Kaupapa Taiao