

# Proposed National Policy Statement for Renewable Electricity Generation [2023]

Draft for consultation

V 7.4 as at 30/3/2023

## Authority

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

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## Part 1: Preliminary provisions

### 1.1 Title

- (1) This is the National Policy Statement for Renewable Electricity Generation 2023.

### 1.2 Commencement

- (1) This National Policy Statement comes into force on [to come].
- (2) See Part 4 for timeframes for complying with this National Policy Statement.

### 1.3 Interpretation

- (1) In this National Policy Statement:

**Act** means the Resource Management Act 1991

**areas with significant environment values** means any or all of the following:

- (a) areas with natural character in the coastal environment:
- (b) outstanding natural features and landscapes, both within and outside the coastal environment:
- (c) areas with historic heritage, including sites of significance to Māori and wahi tapu:
- (d) significant natural areas

**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:

- (a) the primary purpose is to provide benefits to that community; and
- (b) there is community collective ownership or management of the REG assets used to generate the electricity

**decision-maker** means any person exercising functions or powers under the Act

**effects management hierarchy** means the effects management hierarchy described in clause 3.6

**planning decision** means a decision on any of the following:

- (a) a resource consent:
- (b) a regional policy statement or proposed regional policy statement:
- (c) a regional plan or proposed regional plan:
- (d) a district plan or proposed district plan

**REG activity** means an activity required for the development, operation, maintenance, or upgrade of REG assets

**renewable electricity generation** means the generation of electricity from solar, wind, hydro-electric, geothermal, biomass, tidal, wave, or ocean current energy sources

**REG assets, or renewable electricity generation assets**, means the physical components required for renewable electricity generation along with the assets and infrastructure (such as cabling, access roads, and tracks) required to generate and store the generated electricity and connect it to transmission or distribution networks or direct to end users

**repowering**, in relation to wind and solar REG assets, means their comprehensive replacement or upgrade, within an existing site, at the end of the asset's operational life or when it becomes cost-effective to replace the existing technology to increase generation output

**significant natural area** means an area identified in a regional policy statement or plan or through a resource consent process as an area of significant indigenous vegetation or significant habitat of indigenous fauna, following an assessment by a suitably qualified ecologist using ecological significance criteria

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

- (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.

#### **1.4 Relationship with the National Policy Statement for Freshwater Management 2020 and the New Zealand Coastal Policy Statement 2010**

- (1) In relation to the development, operation, maintenance, and upgrade of hydro-electricity generation assets, the National Policy Statement for Freshwater Management 2020 prevails over the provisions of this National Policy Statement if there is conflict between them.

- (2) The New Zealand Coastal Policy Statement 2010 prevails over the provisions of this National Policy Statement if there is conflict between them.

## **1.5 Application of section 55(2A) of Act**

- (1) The change to regional plans required by the following clauses are amendments referred to in section 55(2) of the Act (which, because of section 55(2A), means that the changes must be made without using a process in Schedule 1 of the Act):
  - (a) 3.2 (Consideration of national significance and benefits of renewable electricity generation):
  - (b) 3.4 (Consideration of operational and functional needs of REG assets):
  - (c) 3.5 (Recognising and providing for Māori interests in relation to REG activities)
  - (d) 3.6 (Areas with significant environment values):
  - (e) 3.7 (Areas that are not areas with significant environment values)

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## Part 2: Objective and Policies

### 2.1 Objective

The Objective of this National Policy Statement is that electricity generated in Aotearoa New Zealand from renewable resources is significantly increased in a timely manner to achieve New Zealand’s emissions reduction targets, emissions budgets, energy targets, and associated commitments under any emissions reduction plan:

- (a) through enabling the effective and efficient development, operation, maintenance, and upgrading of renewable generation assets; and
- (b) while managing adverse effects on the environment.

### 2.2 Policies

The Policies for renewable electricity generation are as follows:

**Policy 1:** The benefits of increasing renewable electricity generation at any scale are realised at a national, regional, and local level.

**Policy 2:** Planning decisions:

- (a) recognise and provide for the national significance of REG activities; and
- (b) enable REG activities to occur in a timely and efficient way; and
- (c) recognise and provide for the operational and functional needs of REG assets.

**Policy 3:** Māori interests in relation to REG activities are recognised and provided for, including through early engagement, protection of sites of significance, and through enabling small and community-scale REG activities.

**Policy 4:** It is recognised that REG activities may need to take place in areas with significant environment values and, where adverse effects remain after applying the effects management hierarchy, REG activities are enabled if the national significance and benefits of the REG activities outweigh those remaining adverse effects.

**Policy 5:** In areas that are not areas with significant environment values, REG activities are enabled provided any adverse effects on the values of those areas, including on local amenity values, are avoided, remedied, or mitigated to the extent practicable.

**Policy 6:** Small-scale and community-scale REG activities are enabled, and adverse effects on the environment are avoided, remedied, or mitigated to the extent practicable.

**Policy 7:** Reverse sensitivity effects on REG activities are avoided or mitigated where practicable.

**Policy 8:** The loss of renewable electricity generation output from a region or district is avoided to the extent practicable, unless it can be readily replaced in the region or district.

**Policy 9:** The timely and efficient upgrade and repowering of existing wind and solar REG assets is enabled.

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## Part 3: Implementation

### 3.1 Outline of Part

- (1) This Part sets out a non-exhaustive list of things that must be done to give effect to the objective and policies of this National Policy Statement, but nothing in this Part limits the general obligation under the Act to give effect to that objective and those policies.
- (2) In this Part:
  - (a) subpart 1 sets out matters that decision-makers must consider whenever they make planning decisions relating to REG activities; and
  - (b) subpart 2 sets out how the environmental effects of REG activities are to be managed; and
  - (c) subpart 3 sets out some general requirements relating to maintaining and increasing renewable electricity generation output.

### Subpart 1 - Approaches to implementing this National Policy Statement

#### 3.2 Consideration of national significance and benefits of renewable electricity generation

- (1) Every regional council must include the following policy (or words to the same effect) in its regional policy statement and regional plan, and every territorial authority must include it in its district plan:
 

“(1) When making decisions about REG activities, recognise and provide for:

  - (a) the national significance of renewable electricity generation; and
  - (b) the need to significantly increase renewable electricity generation in a timely manner; and
  - (c) the benefits of renewable electricity generation, which include all the following:
    - (i) avoiding, reducing, and displacing greenhouse gas emissions to help mitigate climate change and reduce its adverse effects on the environment and the well-being of people and communities;
    - (ii) using renewable rather than finite resources;
    - (iii) avoiding reliance on imported fuels for the purpose of generating electricity
    - (iv) contributing to the security, resilience, independence, and diversity of electricity supply at national, regional, and local levels;
    - (v) providing for the economic, social and cultural well-being of people and communities:

- (vi) the reversibility of the adverse effects on the environment of some renewable electricity generation technologies.”

### **3.3 Consideration of cumulative increases and losses in generation output**

- (1) When making decisions about REG activities, or other activities that may affect REG activities, decision-makers must recognise that in order to significantly increase renewable electricity generation output:
- (a) the cumulative increase in renewable electricity generation output, at any scale and in any location, is important for achieving the objective of this National Policy Statement and should be enabled; and
  - (b) the cumulative effect of the loss of renewable electricity generation, at any scale and in any location, is detrimental to achieving the objective of this National Policy Statement and should be avoided to the extent practicable.

### **3.4 Consideration of operational and functional needs of REG assets**

- (1) Every regional council must include the following policy (or words to the same effect) in its regional policy statement and regional plan, and every territorial authority must include it in its district plan:

“(1) When considering the operational and functional needs of specific REG assets to be in a particular location, recognise and provide for the need for REG assets:

- (a) to be located where a renewable resource is located and available; and
- (b) to be accessible to electricity transmission or distribution networks; and
- (c) to have sufficient land to support all associated current and future REG activities.”

### **3.5 Recognising and providing for Māori interests in relation to REG activities**

- (1) Every regional council must include the following policy (or words to the same effect) in its regional policy statement and regional plan, and every territorial authority must include it in its district plan:

“(1) When making decisions about REG activities, recognise and provide for Māori interests, including through:

- (a) early engagement with tangata whenua in a way that is meaningful and, as far as practicable, in accordance with tikanga Māori; and
- (b) ensuring that REG activities on or near sites of significance to tangata whenua (including wahi tapu) are undertaken in a way that provides for the significance of the sites; and
- (c) supporting tangata whenua to realise their aspirations by enabling small and community-scale REG activities.”



## Subpart 2 – Managing effects on the environment

### 3.6 Areas with significant environment values

- (1) Every regional council must include the following policy (or words to the same effect) in its regional policy statement and regional plan, and every territorial authority must include it in its district plan:

“(1) Allow REG activities in areas with significant environmental values only if:

- (a) there is an operational or functional need for the REG assets to be located in that area; and
- (b) the REG activities are nationally or regionally significant; and
- (c) the effects management hierarchy is applied.

“(2) The effects management hierarchy is as follows:

- (a) adverse effects are avoided where practicable; then
- (b) where adverse effects cannot be avoided, they are minimised where practicable; then
- (c) where adverse effects cannot be minimised, they are remedied where practicable; then
- (d) where more than minor residual adverse effects cannot be avoided, minimised, or remedied, offsetting is provided where practicable then
- (e) if offsetting of more than minor adverse effects is not practicable, compensation is provided; then
- (f) Option 2A (*same rule for all*) if compensation is not appropriate to address any residual adverse effects:
  - (i) the REG activities must be avoided if the residual adverse effects are significant; but
  - (ii) if the residual adverse effects are not significant, the REG activities must be enabled if the national significance and benefits of the REG activities outweigh the residual adverse effects.

(f) Option 2B (*special rule for significant natural areas*) if compensation is not appropriate to address any residual adverse effects:

(i) in the case of REG activities with adverse effects on a significant natural area:

(A) the REG activities must be avoided if the residual adverse effects are significant; but

(B) if the residual adverse effects are not significant, the REG activities must be enabled if the national significance and benefits of the REG activities outweigh the residual adverse effects; and

(ii) in all other areas with significant environment values, the REG activities must be enabled if the national significance and benefits of the REG activities outweigh the residual adverse effects.”

“(3) When considering offsetting and compensation, have regard to any relevant principles relating to offsetting and compensation set out in any other National Policy Statement or, if there are no relevant principles in a National Policy Statement, any other relevant nationally or internationally recognised principles.”

### **3.7 Areas that are not areas with significant environment values**

- (1) Every regional council must include the following policy (or words to the same effect) in its regional policy statement and regional plan, and every territorial authority must include it in its district plan:

“(1) In relation to areas that are not areas with significant environment values, enable REG activities provided that the adverse effects of the REG activities on the values of the area, including any local amenity values, are avoided, remedied, or mitigated to the extent practicable.

“(2) When considering changes in local amenity values from REG activities, recognise that changes in amenity values are not, of themselves, an adverse effect, and that:

- (a) changes that may detract from local amenity values appreciated by some people may result in amenity values appreciated by other people; and
- (b) the changes are likely to have wider benefits to the wellbeing of people and communities, including future generations.”

### **3.8 Small-scale and community-scale REG**

- (1) Decision-makers must ensure that the effects on the environment (including to local amenity values) of small-scale and community-scale REG activities are avoided, remedied, and mitigated to the extent practicable.
- (2) When considering proposals for small-scale and community-scale REG activities, decision-makers must have particular regard to the benefits of those activities, including:
- (d) local security of supply; and
  - (e) energy and community resilience; and
  - (f) the reduction and displacement of greenhouse gas emissions; and
  - (g) providing for the economic, social, and cultural well-being of people and communities.

## **Subpart 3 – Maintaining and increasing generation output**

### **3.9 Upgrading and repowering solar and wind REG assets**

- (1) Decision-makers must enable the timely and efficient upgrade and repowering of solar and wind-powered REG assets.

- (2) When making decisions relating to the upgrade or repowering of solar and wind-powered REG assets, decision-makers must:
  - (a) have particular regard to the efficiencies and environmental benefits of increasing renewable electricity output within the same or a similar environmental footprint; and
  - (b) consider only the additional adverse effects on the environment of the upgrade or repowering (and not any adverse effects from the existing consented activities).

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## 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 policy statements, regional plans, and district plans must be inserted within six months of gazettal.
- (3) All other changes to regional policy statements and regional or district plans that are required to give effect to this National Policy Statement need not be made until the next review of the policy statement or plan.

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