Submission on *Developing a Regulatory Framework for Offshore Renewable Energy*

Name	
Organisation (if applicable)	New Zealand Conservation Authority
Contact details	

Release of information

Please let us know if you would like any part of your submission to be kept confidential.

☒ I would like to be contacted before the release or use of my submission in the summary of submissions that will be published by MBIE after the consultation.

☐ I would like my submission (or identified parts of my submission) to be kept confidential, and **have stated below** my reasons and grounds under the Official Information Act that I believe apply, for consideration by MBIE.

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Responses to questions

Chapter 4: Further detail on feasibility permits	
1	**Following an initial feasibility permit application round, should there be both an open-door policy and the ability for government to run subsequent rounds? If not, why not?**
2	**What size of offshore renewable energy projects do you think are appropriate for a New Zealand context?**
3	**Do you think the maximum area of a project should be put forward by developers and set out in guidance material, rather than prescribed in legislation? If not, why not?**
Chapter 5: Commercial permits	
4	**Should there be a mechanism for government to be able to compare projects at the commercial stage in certain circumstances? If yes, would the approach outlined in Option 2 be appropriate or would there be other ways to achieve this same effect?**
5	**Are the proposed criteria appropriate and complete? If not, what are we missing?**
6	**Should there be mechanisms to ensure developers deliver on the commitments of their application over the life of the project? If yes, what should these mechanisms be?**
7	**Is 40 years an appropriate maximum commercial permit duration? If not, what would be an appropriate duration?**
8	**Should a developer that wishes to geographically extend their development be required to lodge new feasibility permit and commercial permit applications? Why or why not?**

9	**Would the structure of the feasibility and commercial permit process as described enable research and development and demonstration projects to go ahead? If not, why not?**
Chapter 6: Economics of the regime	
10	**Is there an interdependency between the case for revenue support mechanisms and the decision as to whether to gather revenue from the regime? What is the nature of this interdependency?**
11	**Is there a risk in offering support mechanisms for offshore renewables without offering equivalent support to onshore renewables? Are there any characteristics of offshore renewables which mean they require support that onshore renewables do not?**
12	**Should there be a revenue flow back to government? And if yes, do you have views on how this should be structured? For comments on potential flows to iwi and hapū please refer to Questions 14 and 15.**
13	**Do you agree with the proposed approach to cost recovery? If not, why not?**
Chapter 7: Māori Rights and Interests and Enabling Iwi and Hapū involvement	
14	**Is there anything you would like us to consider as we engage with iwi and hapū on Māori involvement in the permitting regime?**
15	**Have we identified the key design opportunities to work collaboratively with iwi and hapū alongside consultation? Is there anything we have missed?**
16	**Are there any Māori groups we should engage with (who may not have already engaged)?**

Chapter 8: Interaction with the environmental consenting processes	
	For each individual development, should a single consent authority be responsible for environmental consents under the Resource Management Act 1991 and the and Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012? Why or why not?
17	It is reasonable for one consent authority to be responsible for environmental consents under the RMA and the EEZ Act provided that: o Māori and local communities are enabled to have input into the objectives, policies and methods that apply to the assessment of offshore energy activities (e.g. through regional policy statements and regional coastal plans) and those provisions are applied to consent decisions. o The purpose and decision-making criteria specific to each statute are applied o Consideration is given to aligning the purpose and decision-making criteria under each statute (currently the purpose in the EEZ Act of protecting the environment from pollution from discharges does not apply under the RMA, and it should).
	Do environmental consenting processes adequately consider environmental effects such that it is not necessary to duplicate an assessment of environmental effects in the offshore renewables permitting regime?
18	Environmental consenting processes do not adequately consider environmental effects, because there is no national policy statement specifically addressing biodiversity in the marine environment (only Policy 11 of the NZCPS, which is not sufficiently detailed to address marine biodiversity). However, duplicating the environmental consenting assessment under the permitting regime is not the answer to this – what is needed is a programme of comprehensive investigation of New Zealand's marine biodiversity, coupled with the development of suitable marine biodiversity policy to guide decisions. The Authority notes that the recent National Policy Statement on Indigenous Biodiversity (which in most respects does not apply to the marine environment) effectively exempts renewable energy from the application of its policies. The Authority would strongly oppose a similar approach to biodiversity policy and offshore renewable energy.
	Should the offshore permitting regime assess the capability of a developer to obtain the necessary environmental consents? If not, why not?
19	Yes. Obtaining environmental consents for offshore energy projects will generally be complex and expensive, in particular because of the level of information about the proposed location and effects of the proposal on the environmental features in and around that location that will be required. It is unreasonable to expect Māori and local communities to engage in processes where the applicant does not have the capability to prepare this information.
20	**What is the optimum sequencing between obtaining feasibility permits, commercial permits and relevant environmental consent(s)?**

21	**Are there are any other matters about the environmental consent regimes that you think need to be considered in the context of the offshore renewable energy permitting regime?**
22	**How should the factors outlined influence decisions to pursue offshore renewable energy developments in the Exclusive Economic Zone or the Territorial Sea? Are there other factors that may drive development in the Exclusive Economic Zone versus the Territorial Sea?**
Chapter 9: Enabling transmission and other infrastructure	
23	**Are the trade-offs between a developer-led and a TSO-led approach, set out above, correct? Is there anything missing? What could we learn from international models?**
24	**Which party do you think should build offshore connection assets? Can existing processes already provide the flexibility for this to be carried out by the developer?**
25	**What are the potential benefits and opportunities for joint connection infrastructure? Do you agree with the barriers set out and how could these be addressed?**
26	**Do you agree with the representation of the timeline challenge for onshore interconnection assets? What opportunities might there be to front load planning work for interconnection upgrades? What role do you see for the developer in this?**
27	**What changes might be needed in order to deliver the types of port infrastructure upgrades needed to support offshore renewables?**
Chapter 10: Decommissioning	
28	**Should developers be required to submit a decommissioning plan, cost estimate and provide a financial security for the cost estimate? If not, why not?**
	Yes – in the view of NZCA this is essential.

29	**Should the permit decommissioning plan, cost estimate and financial security be based on the assumption of full removal? If not, why not?**
	Yes – otherwise the burden falls on local and central government.
30	**What are your views on the considerations set out in relation to the calculation of the cost estimate and financial security value or suggested approach for financial security vehicle?**
31	**What should the developer be required to provide in relation to decommissioning at the feasibility application stage?**
32	**What ongoing monitoring approach do you think is appropriate for the decommissioning plan, cost estimate and financial security?**
33	**Are there any other ways in which the regulatory regime could encourage the refurbishment of infrastructure or the recycling of materials?**
34	**Should offshore renewable energy projects applying for a consent to decommission be required to provide a detailed decommissioning plan related to environmental effects for approval by consent authorities? If not, why not?**
	Yes – the decommissioning steps should not place additional environmental costs on the region, community, local and central government,
Chapter 11: Compliance	
35	**How can the design of the regulatory regime encourage compliance so as to reduce instances of non-compliance?**
36	**Is the compliance approach and toolbox in Chapter 11 appropriate for dealing with non-compliance within the regulatory regime?**
Chapter 12: Other regulatory matters	
37	**Should the decision maker within the regime be the regulator but with an option for the Minister to become the decision maker in a specific set of circumstances? If not, why not?**

38	**Should there be an opportunity for public submissions on the commercial permitting decision? What would this capture that the environmental consent decision does not? If not, why not?**
39	**Should permitting decisions be able to be appealed and if so which ones? Which body should determine such appeals?**
40	**What early information would potential participants of the regime need to know about health and safety regulations to inform decisions about whether to enter the market?**
41	**What are your views on the approach to safety zones including the trade-offs between the different options presented?**
42	**Do you have any views or concerns with the application of these proposals to other offshore renewable energy technologies?**

General comments

NZCA is concerned that a number of fundamental questions have not yet been traversed. There appears to be the assumption that offshore energy is an appropriate activity in New Zealand waters. While there is a surge in interest from both local and international firms, and there are statements about the wind environment in the NZ region being very suitable for wind farms, there is no information about the relative wind availability on land when compared to offshore.

It is our understanding, that unlike countries in northern Europe, the topography and situation of New Zealand means that wind speeds on land exceed those over the sea, in contrast to the situation in other some other parts of the world. There has been little or no discussion about the NZ wave climate, the frequency and strength of coastal storm events, and the specific issues that the conditions in New Zealand present.

New Zealand differs considerably from countries in northern Europe (for example, in terms of population density, infrastructure for electricity transmission, the number and siting of ports equipped for large vessels and all weather conditions, etc). These characteristics, coupled with the challenges of working offshore in the New Zealand context wind and wave climates, are likely to have a significant impact on the costs and efficiencies of establishing and maintaining offshore facilities.

We consider that there needs to be a life cycle analysis of the carbon and energy footprint of offshore wind developments. The life span of equipment in marine environments, and the

frequency of maintenance required, as well as all-weather access, present particular challenges when compared to equivalent operations on land. While there are scientific papers on this topic in the international literature, we are not aware of such studies, even at a theoretical level, for the NZ region.

There is a need to consider not only the impacts in the immediate area of the proposed development but more broadly how the environment will respond to having offshore renewables added to the mix of pressures on species and ecosystems. Multi-stressor evaluations and consideration of cumulative impacts are essential – when considering single species, habitats as well as ecosystem functions. Many marine species travel large distances and therefore 'point' data based on limited study will not adequately identify the significance of sites.

NZCA is concerned that environmental and biodiversity data gathered in the exploratory and developmental phases are made available for communities and decision makers. In order to enable transparent and sound decision making, the best possible information needs to be available for analysis. NZCA considers there are significant risks associated with taking an industry led approach, particularly if data gathered by industry are not publicly available to be scrutinised.

In terms of reporting on impacts, international studies support making the use of standard parameters mandatory in renewable energy monitoring programmes, as well requiring data to be shared and stored in standardised templates to enable exchange of knowledge and development of deeper understanding and generalisations of effects,