

BEFORE THE HEARINGS PANEL

IN THE MATTER of the Resource Management Act
1991 (**Act**)

AND

IN THE MATTER of hearing submissions on Plan
Change 38 (**PC38**) to the Taupo
District Plan (**TDP**)

BY **MERCURY NZ LIMITED**
Submitter #68

**STATEMENT OF EVIDENCE OF HAYLEY STRONGE
FOR MERCURY**

PLANNING

9 August 2023

1.0 INTRODUCTION

- 1.1 My name is Hayley Andrea Stronge. I am a Senior Planner with Harrison Grierson Consultants Limited (**HGCL**) a multi-disciplinary consulting company with six offices throughout New Zealand. I have held this role for 4 years.
- 1.2 I have a Bachelor's Degree in Resource and Environmental Planning from Massey University in Palmerston North, completed in 1997. Since then, I have had approximately 15 years' planning and resource management experience. I have worked as a planner in both the public and private sector.
- 1.3 I am very familiar with the Taupo District as I grew up and went to school here. I have also lived and worked here as a Senior Planner for HGCL and have experience with the using the Taupo District Plan (**TDP**), Waikato Regional Plan (**WRP**) and the Waikato Regional Policy Statement (**WRPS**).

2.0 CODE OF CONDUCT

- 2.1 Although this is not an Environment Court Hearing I have read the Environment Court Code of Conduct for expert witnesses contained in the Environment Court Practice Note 2023 and agree to comply with it.
- 2.2 I confirm that the topics and opinions addressed in this statement are within my area of expertise except where I state that I have relied on the evidence of other persons. I have not omitted to consider materials or facts known to me that might alter or detract from the opinions I have expressed.

3.0 BACKGROUND

- 3.1 I have been engaged by Mercury NZ Limited (**Mercury**) to provide independent expert planning evidence on the issues raised in Mercury's submission and further submissions on PC38 to the TDP.
- 3.2 Mercury is a generator and retailer of electricity throughout New Zealand. 100% of Mercury's electricity is generated from renewable energy sources covering hydro, geothermal and wind generation. Mercury operates the Waikato Hydro Scheme consisting of the Taupo Control Gates, eight dams and nine power stations with a total electricity generating capacity of approximately 1050MW. Taupo Control Gates, Aratiatia, Ohakuri, Atiamuri, Whakamaru, Maraetai II, Maraetai I (Left abutment/half of Dam) power stations all of which are located within the Taupo District, General Rural Environment (**GRE**) Mercury also operates five geothermal power stations within the Taupo volcanic zone,

four of which are located within the Taupo District, with a total net capacity of approximately 370MW.

3.3 There are also other renewable electricity generators in the Taupo District including, Contact, Genesis and Manawa. Together we have prepared a plan showing the location and capacity for each renewable electricity generation site in the Taupo District. There are 21 in total (refer to **Attachment 1**). I note here that the plan excludes the Taupo Control Gates which is an essential structure capturing hydro energy.

3.4 Given the abundant number of renewable electricity generation sites in the Taupo District, I consider that the Taupo District is well positioned to play a significant role in New Zealand's successful transition to a low carbon economy.

3.5 In preparing my evidence I have:

- a) Reviewed the notified version of PC38;
- b) Reviewed Mercury's the submission and further submission on PC38;
- c) Reviewed the Overarching s.42A report prepared by Ms Hilary Samuel on behalf of TDC covering Plan Changes 38 – 42;
- c) Reviewed the s.42 report prepared by Mr Rowan Sapsford on behalf of TDC specifically relating to PC38;
- d) Liaised with Mercury and other electricity generators that operate within the Taupo District;

3.6 As requested in Minute 5 of the Independent Hearing Panel a s32AA evaluation report is provided in **Attachment 2**. This assessment is at a level of detail that corresponds to the scale and significance of the changes.

4.0 SCOPE OF EVIDENCE

4.1 This evidence is structured to reflect the following key topics:

Strategic Direction 3 – Urban Form and Development

- i) Role of the East Taupo Arterial
- ii) Reverse Sensitivity

Strategic Directions 4 – Climate Change

- i) Recognition of Renewable Electricity Generation Activities

Strategic Direction 5 - Significant and Local Infrastructure

- i) Protection of Renewable Electricity Generation Activities
- ii) Provision of Renewable Electricity Generation Core Activities.

Strategic Direction 6 – Natural Environmental Values

- i) Offsetting and compensation
- ii) National Policy Statement for Indigenous Biodiversity

4.2 All recommended new text to PC38 is underlined and all recommended text to delete in struck-through.

4.3 Attached to my evidence as **Attachment 3** are the suggested amendments to PC38. I have numbered each proposed amendment for ease of reference.

5.0 STRATEGIC DIRECTIONS 3 – URBAN FORM AND DEVELOPMENT

5.1 Role of the East Taupo Arterial

5.1.1 Mercury submission point 68.3 sought a new objective 2.3.2(8):

Objective 2.3.2(8)

The East Taupo Arterial will continue to act as an ‘urban fence’ separating urban activities to the west from industrial and rural activities to the east including renewable electricity generation activities.

5.1.2 The Wairakei Geothermal System (**WGS**) is New Zealand’s oldest and largest (by electrical generation) and it covers between 20 and 25km² lying 8km north of Taupo along State Highway 1¹. The WGS is utilised for Renewable Electricity Generation (**REG**) purposes and this new objective seeks to recognise the importance of REG activities being able establish to the east of the East Taupo Arterial clear of incompatible urban activities to the west of the East Taupo Arterial. The road physically separates urban activities from industrial and rural activities and acts as an ‘urban fence’.

5.1.3 The s 42A report recommends that this new objective is not accepted (see this in 4.2.9 on page 34 of the report), on the basis that “Higher level guidance is provided through the strategic directions which reference the 2018 District Wide Growth Management Strategy,

¹ New Zealand Geothermal Association

*TD2050...the reference to TD2050 provides a suitable level of direction relating to land use through the district". In Section 1.1 of TD2050 (**Attachment 4**), the East Taupo Arterial is identified as the 'urban fence' which will "...reduce the impacts on the towns growth on the geothermal field."*

- 5.1.4 In my view, as TD2050 identifies the East Taupo Arterial as an urban fence, it is worthy of inclusion in the TDP.
- 5.1.5 It is also my view that the suggested objective is appropriate in the context of issues facing the Taupo District, such as reverse sensitivity. I consider that there is an opportunity to allow for future REG activities in the WGS to the east of the road and to ensure that urban activities are located away from these areas to the west of the road, by inserting the suggested objective into the TDP. The separation of incompatible activities, avoidance of hazards and management of areas where similar outcomes are sought, are considered to be fundamental principles of sound planning and resource management practice.
- 5.1.6 Furthermore, it is of regional significance (in the WRPS) and of national significance (in the National Policy Statement for Renewable Electricity Generation (**NPS-REG**)) that new and existing REG activities are recognised and provided for. PC38 in the TDP can better give effect to the WRPS and the NPS-REG through inclusion of Mercury's recommended objective.

5.2 Reverse Sensitivity

- 5.2.1 Mercury's submission 68.10 seeks to amend policy 2.3.3(10) as follows:

Policy 2.3.3(10)

Manage subdivision use and development of land to ensure that it will not:

- a. have an adverse effect on the functioning of the environment where it is located,*
- b. unduly conflict with existing activities on adjoining properties and the surrounding areas,*
- c. compromise development consistent with the intent and planned urban built form of the environment where it is located*
- d. give rise to reverse sensitivity effects ~~from existing uses~~*

- 5.2.2 The 42A report (4.5.6 on page 42), recommends acceptance of Mercury's suggested amendment to policy 2.3.3(10)(b), to include "... *and the surrounding areas*", as the proposed wording extends the consideration of reverse sensitivity to a wider area not just to adjoining properties. I agree with this addition for the same reason.

- 5.2.3 As noted above, Mercury's submission also sought to amend policy 2.3.3(10)(d) by deleting the words "from existing uses", Mercury's submission states that reverse sensitivity effects do not arise from existing uses, rather they arise from new or expanded sensitive activities locating in close proximity to existing uses.
- 5.2.4 The section 42A report recommends deleting policy 2.3.3(10)(d) in its entirety (see section 4.5.5 on page 30 of the section 42A report) stating that the matters in policy 2.3.3(10)(b) and policy 2.3.3(10)(d) address the same subject of reverse sensitivity and that by removing one of these, it will increase the effectiveness of the policy.
- 5.2.5 Whilst I agree that one of these policies could be removed, if one is to be removed, in my view it should be policy 2.3.3(10)(b) rather than policy 2.3.3(10)(d). I consider that there are suitable definitions for 'reverse sensitivity' in the WRPS and as sought in Mercury's submission on plan change 42, the policy should refer to defined terms where possible (as it provides clearer direction and it reduces any ambiguity). I also consider it important to identify reverse sensitivity in District Plan policy, as it is an adverse effect that needs consideration particularly in the rural and industrial environments where REG activities exist and some incompatible urban activities wish to exist.

6.0 STRATEGIC DIRECTIONS 4 – CLIMATE CHANGE

6.1 Recognition of Renewable Electricity Generation Activities

- 6.1.1 Mercury's submission point 68.5 seeks amendment to the introductory section of the Climate Change chapter. The suggested amendments will strengthen knowledge about the importance of REG activities in assisting to mitigate climate change. The section 42A report accepts the majority of the wording recommended by Mercury and this is supported.
- 6.1.2 Mercury's submission point 68.6 sought to include a new objective as follows:

Objective 2.4.2(4)

An increase in the amount of electricity generated from renewable sources within the Taupo District to assist with the decarbonisation of the economy.

- 6.1.3 Mercury's submission point 68.7 sought to replace policy 2.4.3(2) and 2.4.3(3) with two new policy clauses as follows:

~~Policy 2.4.3(2)–~~

~~Land use activities which will unduly accelerate the effects of climate change will be discouraged.~~

Policy 2.4.3(3)

~~Urban and built development must be designed in a manner which considers the need to reduce greenhouse gas emissions associated with that development and resulting land use.~~

Policy 2.4.3(2)

Recognise and provide for the use and development of the District's renewable energy resources to facilitate decarbonisation of the economy, including a reduction in greenhouse gas emissions, increased electricity generation capacity, improved security of supply and transmission.

Policy 2.4.3(3).

Enable the upgrading and maintenance of existing and new renewable electricity generation activities and transmission, including where contributing to one of the following:

- adaptation required to mitigate risks from climate change or
- provides for increased electricity output, or greater efficiency
- continued safe, efficient and secure operation.

6.1.4 The section 42A report considers that Mercury's recommended objectives and policies are not required as there are other objectives and policies in Chapter 2.5 (Strategic Direction 5 – Significant and Local Infrastructure) that are specific to the benefits of REG activities and there is no need to include these additional objectives and policies as they would duplicate the intent of the existing policies.

6.1.5 It is my view that objectives and policies in the Climate Change section of the Strategic Directions chapter need to specifically feature and express the importance of REG activities, helping New Zealand to achieve the reduction in net Green House Gas (**GHG**) emissions to 50% below gross 2005 levels by 2030 and to reach net zero carbon emissions by 2050². Without specific objectives and policies being provided in the Climate Change section, and with no dedicated Energy Chapter in the TDP³, I consider that there is currently inadequate policy coverage in the TDP. In particular this is in relation to

² [Greenhouse gas emissions targets and reporting | Ministry for the Environment](#)

³ (the Overarching s.42A report, it states that in the future an Energy Chapter is "anticipated to be developed as part of Bundle 2 or potentially additional bundles if necessary.").

identifying that there is a need to increase REG activities to assist with the decarbonisation of the economy.

- 6.1.6 Another point I'd like to mention is that the objectives and policies sought by Mercury are stronger than PC38's proposed objectives and policies as they use the terms 'recognise', 'provide for' and 'enable' which indicate more tangible outcomes. Mercury's recommended objectives and policies are specific to REG activities and they emphasise the importance of REG to Taupo, New Zealand and globally to mitigate risks from climate change.

7.0 STRATEGIC DIRECTIONS 5 – SIGNIFICANT AND LOCAL INFRASTRUCTURE (NATIONALLY AND REGIONALLY SIGNIFICANT INFRASTRUCTURE)

7.1 Protection of Renewable Electricity Generation activities

- 7.1.1 Mercury generally supports all of the objectives in 2.5.2, as infrastructure at all levels is critical for the effective functioning and social, economic and cultural wellbeing of our communities.
- 7.1.2 Mercury's submission point 68.9 sought to include a minor addition to objective 2.5.2(1), to include the protection of the benefits and strategic importance of nationally and regionally significant infrastructure. See this objective as follows:

Objective 2.5.2(1)

The wider benefits and strategic importance of nationally and regionally significant infrastructure to the District and wider, including the economic, cultural and social wellbeing of people and communities and for their health and safety, are recognised and protected in decision making and land use planning.

- 7.1.3 Te Kotahitanga o Ngati Tuwharetoa's submission point 115.11 sought to amend this objective 2.5.2(1) also by removing the reference to 'economic, cultural and social wellbeing of people and communities and their health and safety' and including a new objective to ensure local and national transport infrastructure protects health and wellbeing of te taiao, toanoga tuku iho, tangata. See the amended objective as follows:

Objective 2.5.2(1) - The wider benefits and strategic importance of nationally and regionally significant infrastructure to the District and wider, ~~including the economic, cultural and social wellbeing of people and communities and for their health and safety,~~ are recognised in decision making and land use planning.

- 7.1.4 The section 42A report recommends accepting the amendments to objective 2.5.2(1) as sought by Te Kotahitanga o Ngati Tuwharetoa (and includes this deleted text in the introduction section) however the report does not accept the amendments as sought by Mercury.
- 7.1.5 In my view the recommendations sought by Mercury should be accepted. In particular, as outlined in Mercury's submission the objective needs to ensure the ability for the wider benefits and strategic importance of nationally and regionally significant infrastructure are 'protected' not just 'recognised'. By including the word 'protected' in this objective, it safeguards REG activities and emphasises the crucial contribution that these activities have on the wellbeing of New Zealanders. It also ensures that there is a tangible outcome to the objective.
- 7.1.6 It is also my view that the words '*including the economic, cultural and social wellbeing of people and communities and for their health and safety,*' should remain in this objective. These words provide the link to the specific benefits of infrastructure for economic, cultural and social wellbeing and health and safety. The proposed deletion of these words detract from what I believe the objective is seeking to achieve (to be 'specific' about the benefits of infrastructure rather than 'generic').

7.2 Provision of Renewable Electricity Generation activities

- 7.2.1 Mercury's submission point 68.10 sought to amend policy 2.5.3(2) so that the policy direction is not only to 'recognise' the functional and operational needs of infrastructure, but to 'provide' for these important needs also. Mercury's proposed wording is as follows:

Policy 2.5.3(2) - Recognise and provide for the functional and operational needs associated with the use and development of nationally and regionally significant infrastructure.

- 7.2.2 The section 42A report does not accept this amendment, as REG activities are specifically recognised and provided for in policy 2.5.3(1), as follows:

Policy 2.5.3(1) – Recognise and provide for the national, regional and local benefits of renewable ~~energy~~—electricity generation activities and resources, and transmission activities, in relation to climate change, security of supply, and social and economic wellbeing of people and communities and for their health and safety.

- 7.2.3 It is my view that policy 2.5.3(2) should be amended to 'provide for' the functional and operational needs of REG activities. The policy will then be stronger and enable a tangible outcome to be achieved. It should be noted that policy 2.5.3(2) relates to all nationally

and regionally significant infrastructure. My view is that their functional and operational needs must be provided for. My view is not limited to just the needs of infrastructure provided by Mercury.

8.0 STRATEGIC DIRECTIONS 6 – NATURAL ENVIRONMENT VALUES

8.1 Offsetting and Compensation

8.1.1 Mercury's submission point number 68.11 sought to add a new policy which covers an increasingly important aspect of consenting REG activities. See policy 2.6.3(7) below as follows:

Policy 2.6.3(7)

Recognise the benefits of offset measures and compensation and provide for their use as feasible alternatives to manage significant residual adverse effects of renewable electricity generation activities and regionally significant infrastructure.

8.1.2 The section 42A report does not accept this new policy. The section 42A report advises that PC38 sets high level direction on key matters within the district and that incorporation of an effects management hierarchy approach into the management of biodiversity, is a method which is more appropriately considered in a review of the Natural Values chapter of the District Plan which will be undertaken following the gazettal of the NPS-IB (it is noted that the NPS-IB was gazetted after the section 42 report was released).

8.1.3 Mercury's submission point was made in relation to 'any' adverse effects from REG activities and regionally significant infrastructure, not just 'biodiversity' adverse effects from REG activities and regionally significant infrastructure. For example, where the construction of significant infrastructure adversely effect the visual amenity, noise, or public access of an area, if adverse effects remain after following the effects management hierarchy (avoid, minimise and remedy), offsets and compensation can be considered offering positive effects elsewhere. This is outlined by s104(1)(ab) where in processing resource consent applications, regard shall be had to '*any measure proposed or agreed to by the applicant for the purpose of ensuring positive effects on the environment to offset or compensate for any adverse effects on the environment that will or may result from allowing the activity*'.

8.1.4 Furthermore in my opinion by including policy sought by Mercury, it would provide recognition of the benefits of offsetting measures and environmental compensation in a manner which is consistent with Policy C2 in the NPS-REG, which states:

“POLICY C2 - When considering any residual environmental effects of renewable electricity generation activities that cannot be avoided, remedied or mitigated, decision-makers shall have regard to offsetting measures or environmental compensation including measures or compensation which benefit the local environment and community affected.”

8.2 National Policy Statement: Indigenous Biodiversity (NPS:IB)

- 8.2.1 Mercury opposed the Department of Conservation submission point number 89.1. The submission point requested that it would be effective and efficient to align PC38 with the policy direction and requirements anticipated under the NPS-IB to avoid an additional plan change.
- 8.2.2 Mercury’s further submission on point number 89.1 expressed the view that it is not appropriate to pre-empt possible outcomes of the NPS-IB prior to its gazettal and that any update to the Strategic Directions chapter must be first subject to a public process.
- 8.2.3 The s.42A report accepts Mercury’s view. In my opinion even though the NPS-IB has now been gazetted and can be given effect to, a future plan change to the District Plan is the most appropriate process to implement the NPS:IB.

9.0 CONCLUSION

- 9.1 In conclusion, I support PC38 in most respects. I have identified some areas within the scope of Mercury’s submissions and further submissions where I consider that PC38 can be improved further. Having regard to s32 of the RMA, I consider that my proposed amendments will result in more effective, efficient and appropriate provisions.

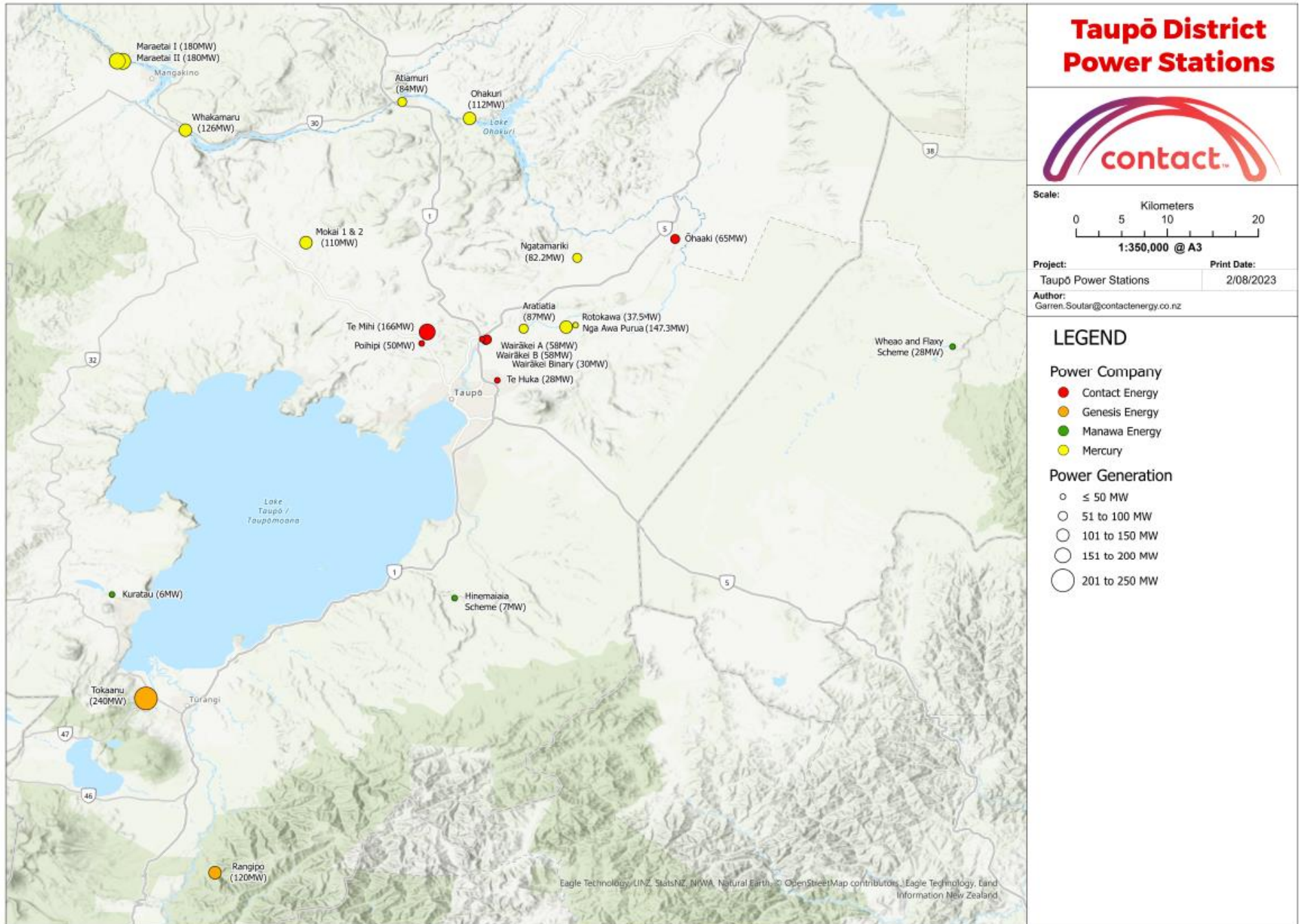
Dated this 9th day of August 2023



Hayley Stronge

Attachment 1 to Stronge planning evidence

Plan of Renewable Electricity Generation sites in the Taupō District



Attachment 2 to Stronge planning evidence



S32AA EVALUATION - PC38

The following analysis is made under s32AA of the Act for the proposed changes to the General Rural and Rural Lifestyle Environment (PC38) provisions.

S32AA ANALYSIS FOR MERCURY SUBMISSION (ON PLAN CHANGE 42)	
Provisions	Evaluation
<p><u>Objective 2.3.2(8)</u></p> <p><u>The East Taupo Arterial will continue to act as an 'urban fence' separating urban activities to the west from industrial and rural activities to the east including renewable electricity generation activities.</u></p>	<p><u>Alternative Options:</u></p> <ul style="list-style-type: none"> No new objective – unchanged - not preferable because: <ul style="list-style-type: none"> Without this objective, the Taupo District Plan (TDP) Strategic Directions Chapter would not adequately recognise that the East Taupo Arterial acts as an 'urban fence' (as identified in TD2050) identified to reduce the impacts of urban development on the Wairakei Geothermal System. <p><u>Benefits:</u></p> <ul style="list-style-type: none"> Objective 2.3.2(8) provides consistency with TD2050 as it identifies the East Taupo Arterial as an 'urban fence' to separate incompatible activities. The objective supports the separation of incompatible activities, avoidance of hazards and management of areas where similar outcomes are sought (consideration of reverse sensitivity effects). <p><u>Costs:</u></p> <ul style="list-style-type: none"> The costs are outweighed by the direct benefits to environmental, cultural and social well-being as identified in the TDP. There is no less or greater opportunities for economic growth anticipated to be provided or reduced; or employment anticipated when compared to having no objective on this matter.
<p><u>Policy 2.3.3(10)</u></p> <p><u>Manage subdivision use and development of land to ensure that it will not:</u></p>	<p><u>Alternative Options:</u></p> <ul style="list-style-type: none"> Retain policy 2.3.3(10)(b) – unchanged - not preferable because: <ul style="list-style-type: none"> It is not specific enough to ensure consideration and assessment of reverse sensitivity effects.

S32AA ANALYSIS FOR MERCURY SUBMISSION (ON PLAN CHANGE 42)

- a. *have an adverse effect on the functioning of the environment where it is located,*
- b. *unduly conflict with existing activities on adjoining properties and the surrounding areas,*
- c. *compromise development consistent with the intent and planned urban built form of the environment where it is located*
- d. *give rise to reverse sensitivity effects ~~from existing uses~~*

- Retain policy 2.3.3(10)(d) – unchanged - not preferable because:
 - It does not identify consented activities as well as existing uses.

Benefits:

- The wording to be included “*and the surrounding area*” extends the consideration of reverse sensitivity to a wider area, not just adjoining properties.
- The wording to be deleted “*..from existing uses*” will ensure that the assessment is not too specific ie; as it currently leaves out legally consented activities.

Costs:

- The costs are outweighed by the direct benefits to environmental, cultural and social well-being identified in the TDP. There is no lesser or greater opportunities for economic growth anticipated to be provided or reduced; or employment anticipated when compared to keeping the existing policy.

Objective 2.4.2(4)

An increase in the amount of electricity generated from renewable sources within the Taupo District to assist with the decarbonisation of the economy.

Alternative Options:

- No new objective 2.4.2(4) – unchanged - not preferable because:
 - The Climate Change section of the Strategic Directions Chapter would not be recognising the elevated status and importance of REG, as identified in the National Policy Statement – Renewable Electricity Generation 2011 (NPS-REG).
 - Without a specific objective and with no dedicated Energy Chapter, there would be inadequate policy coverage in the TDP.

Benefits:

- The Climate Change section of the TDP will specifically identify the importance of REG in assisting with the reduction in green house gases.
- A specific objective for REG is provided for in the Climate Change section now rather than reliance on a future Energy Chapter covering this.

S32AA ANALYSIS FOR MERCURY SUBMISSION (ON PLAN CHANGE 42)

	<p><u>Costs:</u></p> <ul style="list-style-type: none"> The costs are outweighed by the direct benefits to environmental, cultural and social well-being identified in the TDP, and economic growth and employment, by identifying that REG assist with the decarbonisation of the economy.
<p><u>Policy 2.4.3(2)</u></p> <p><u>Recognise and provide for the use and development of the District's renewable energy resources to facilitate decarbonisation of the economy, including a reduction in greenhouse gas emissions, increased electricity generation capacity, improved security of supply and transmission.</u></p>	<p><u>Alternative Options:</u></p> <ul style="list-style-type: none"> No new policy 2.4.3(2) – unchanged - not preferable because: <ul style="list-style-type: none"> The Climate Change section of the Strategic Directions Chapter would not be recognising the elevated status and importance of REG, as identified in the National Policy Statement – Renewable Electricity Generation 2011 (NPS-REG). Without a specific policy and with no dedicated Energy Chapter, there would be inadequate policy coverage in the TDP. <p><u>Benefits:</u></p> <ul style="list-style-type: none"> The Climate Change section of the TDP will specifically recognise and provide for REG, in assisting with the reduction in green house gases. A specific policy for REG is provided for in the Climate Change section now rather than reliance on a future Energy Chapter covering this. <p><u>Costs:</u></p> <ul style="list-style-type: none"> The costs are outweighed by the direct benefits to environmental, cultural and social well-being identified in the TDP, and economic growth and employment, by recognising and providing for the use and development of REG activities to facilitate with the decarbonisation of the economy.
<p><u>Policy 2.4.3(3).</u></p>	<p><u>Alternative Options:</u></p> <ul style="list-style-type: none"> No new policy 2.4.3(3) – unchanged - not preferable because: <ul style="list-style-type: none"> The Climate Change section of the Strategic Directions Chapter would not be recognising the elevated status and importance of REG, as identified in

S32AA ANALYSIS FOR MERCURY SUBMISSION (ON PLAN CHANGE 42)

Enable the upgrading and maintenance of existing and new renewable electricity generation activities and transmission, including where contributing to one of the following:

- adaptation required to mitigate risks from climate change or
- provides for increased electricity output, or greater efficiency
- continued safe, efficient and secure operation.

the National Policy Statement – Renewable Electricity Generation 2011 (NPS-REG).

- Without a specific policy and with no dedicated Energy Chapter, there would be inadequate policy coverage in the TDP.

Benefits:

- The Climate Change section of the TDP will specifically recognise and provide for REG, in assisting with the reduction in green house gases.
- A specific policy for REG is provided for in the Climate Change section now rather than reliance on a future Energy Chapter covering this.

Costs:

- The costs are outweighed by the direct benefits to environmental, cultural and social well-being identified in the TDP, and economic growth and employment, by enabling the upgrading and maintenance of REG, to assist with the decarbonisation of the economy.

Objective 2.5.2(1)

The wider benefits and strategic importance of nationally and regionally significant infrastructure to the District and wider, including the economic, cultural and social wellbeing of people and communities and for their health and safety, are recognised and protected in decision making and land use planning.

Alternative Options:

- Retain Objective 2.5.2(1) – unchanged - not preferable because:
 - An objective to ‘protect’ the benefits and strategic importance of nationally and regionally significant infrastructure, rather than just ‘recognise’, safeguards REG activities and emphasises the crucial contribution that these activities have on the wellbeing of New Zealanders.

Benefits:

- The amended objective ensures that the ability for the wider benefits and strategic importance of nationally and regionally significant infrastructure are ‘protected’ not just ‘recognised’.
- By leaving the words ‘*including the economic, cultural and social wellbeing of people and communities and for the health and safety*’ it is more specific about the benefits of infrastructure (rather than generic).

S32AA ANALYSIS FOR MERCURY SUBMISSION (ON PLAN CHANGE 42)

	<p><u>Costs:</u></p> <ul style="list-style-type: none"> The costs are outweighed by the direct benefits to environmental, cultural and social well-being identified in the TDP. There is no lesser or greater opportunities for economic growth anticipated to be provided or reduced; or employment anticipated when compared to having the existing objective.
<p><i>Policy 2.5.3(2)</i></p> <p><i>Recognise <u>and provide for</u> the functional and operational needs associated with the use and development of nationally and regionally significant infrastructure.</i></p>	<p><u>Alternative Options:</u></p> <ul style="list-style-type: none"> Retain Policy 2.5.3(2) – unchanged - not preferable because: <ul style="list-style-type: none"> The policy will only ‘recognise’ the functional and operation needs associated with REG, rather than recognising and providing for. <p><u>Benefits:</u></p> <ul style="list-style-type: none"> The policy will be stronger and enable a tangible outcome to be achieved. <p><u>Costs:</u></p> <ul style="list-style-type: none"> The costs are outweighed by the direct benefits to environmental, cultural and social well-being identified in the TDP, and economic growth and employment, by recognising and providing for the functional and operational needs associated with nationally and regionally significant infrastructure.
<p><i><u>Policy 2.6.3(7)</u></i></p> <p><i><u>Recognise the benefits of offset measures and compensation and provide for their use as feasible alternatives to manage significant residual adverse effects of renewable electricity generation activities and regionally significant infrastructure.</u></i></p>	<p><u>Alternative Options:</u></p> <ul style="list-style-type: none"> New policy 2.6.3(7) – unchanged - not preferable because: <ul style="list-style-type: none"> The new policy identifies an alternative measure to manage significant residual adverse effects of REG activities. <p><u>Benefits:</u></p> <ul style="list-style-type: none"> A specific policy to recognise the benefits of offset measures and compensation can offer positive effects elsewhere.

S32AA ANALYSIS FOR MERCURY SUBMISSION (ON PLAN CHANGE 42)

- Specific provision is provided for REG and REG activities to locate in the rural environment where the majority currently exist and are part of the existing rural character.

Costs:

- The potential adverse effects from REG activities.
- The costs are outweighed by the direct benefits to environmental, cultural and social well-being identified in the TDP, and economic growth and employment, by specifying a policy that recognises the benefits of offset measures or compensation elsewhere as an alternative.

Effectiveness and efficiency - The recommended changes promote a more efficient and clearer pathway for which decision makers and plan users can assess proposed activities in the General Rural Environment and the Rural Lifestyle Environment.

Risk of acting or not acting - The risks of not acting as outlined, include a failure to recognise that REG and REG activities are a matter of national importance in the NPS-REG and that they play a significant role in New Zealand's successful transition to a low carbon economy.

Attachment 3 to Stronge planning evidence

Suggested amendments to PC38 provisions

Introductory note

The red, green and purple fonts below identify the following:

- **red font:** notified PC38 text;
- **green font:** s.42A report recommended changes;
- **purple font:** my suggested amendments.

Underlined is new text and strike-through deletes text.

PC38 – Strategic Directions

1. Include a new objective 2.3.2(8) to read:

Policy 2.3.2(8)

The East Taupo Arterial will continue to act as an ‘urban fence’ separating urban activities to the west from industrial and rural activities to the east including renewable electricity generation activities.

2. Amend the definition of Rural Industry to read:

Policy 2.3.3(10)(b)

Manage subdivision use and development of land to ensure that it will not:

- a. have an adverse effect on the functioning of the environment where it is located,*
- b. unduly conflict with existing activities on adjoining properties and the surrounding areas.*
- c. compromise development consistent with the intent and planned urban built form of the environment where it is located*
- d. give rise to reverse sensitivity effects ~~from existing uses~~*

3. Include a new objective 2.4.2(4), to read.

Objective 2.4.2(4)

An increase in the amount of electricity generated from renewable sources within the Taupo District to assist with the decarbonisation of the economy.

4. Include a new policy 2.4.3(2) to read:

Policy 2.4.3(2)

~~Policy 2.4.3(2) – Land use activities which will unduly accelerate the effects of climate change will be discouraged.~~

Recognise and provide for the use and development of the District's renewable energy resources to facilitate decarbonisation of the economy, including a reduction in greenhouse gas emissions, increased electricity generation capacity, improved security of supply and transmission.

5. Amend policy 2.4.3(3) to read:

Policy 2.4.3(3)

~~Policy 2.4.3(3) Urban and built development must be designed in a manner which considers the need to reduce greenhouse gas emissions associated with that development the and resulting land use and the infrastructure required to service that development.~~

Policy 2.4.3(3) - Enable the upgrading and maintenance of existing and new renewable electricity generation activities and transmission, including where contributing to one of the following;

- adaptation required to mitigate risks from climate change or
- provides for increased electricity output, or greater efficiency
- continued safe, efficient and secure operation.

6. Amend objective 2.5.2(1) to read:

Objective 2.5.2(1)

The wider benefits and strategic importance of nationally and regionally significant infrastructure to the District and wider, including the economic, cultural and social wellbeing of people and communities and for their health and safety, are recognised and protected in decision making and land use planning.

7. Amend policy 2.5.3(1) to read:

Policy 2.5.3(1)

Recognise and provide for the national, regional and local benefits of renewable ~~energy~~ electricity generation activities and resources, and transmission activities, in relation to climate change, security of supply, and social and economic wellbeing of people and communities and for their health and safety.

8. Amend policy 2.5.3(2) to read;

Policy 2.5.3(2)

Recognise and provide for the functional and operational needs associated with the use and development of nationally and ~~Regionally~~ ~~Significant~~ ~~Infrastructure~~.

9. Include a new policy 2.6.3(7) to read:

Policy 2.6.3(7)

Recognise the benefits of offset measures and compensation and provide for their use as feasible alternatives to manage significant residual adverse effects of renewable electricity generation activities and regionally significant infrastructure.

Attachment 4 to Stronge planning evidence

Extract from TD2050

Yellow highlights added.



1.1 Background

Taupō District 2050 (TD2050) is a growth management strategy which outlines where Taupō District Council (Council) anticipates future urban growth to occur and the nature and scale of such growth.

TD2050 is a review of the original version of TD2050 (TD2050 (2006)) created in 2006. It has been more than ten years since TD2050 2006 was developed and there have been some significant shifts within the planning framework and in the population and demographic projections for the Taupō District, the region and New Zealand.

TD2050 2006 was developed at a time when Council had a limited set of tools to manage urban growth. Council now has tools like development contributions, financial and infrastructure strategies to support the management of growth. This means this version of TD2050 can focus on ensuring there is a sufficient supply of land for the anticipated residential, commercial and industrial growth.

In the early 2000's Taupō was facing three key issues that drove the direction of TD2050 2006:

- Council needed to change the way the District Plan managed the effects of urban growth. The Proposed District Plan had created an ad hoc approach to development of residential living opportunities in the rural areas. The case by case consideration of subdivisions made it difficult to take into consideration cumulative effects of new developments. There was also growing pressure on Council to extend the town's infrastructure but no certainty about where future development would take place.

- The ongoing use of the Wairākei Tauhara geothermal field by Contact Energy was creating tensions with the growth of Taupō town. The use of the geothermal field to generate electricity was resulting in some areas of subsidence. Council wanted to ensure the town could continue to grow without being adversely affected by that subsidence, while Contact Energy wanted to protect their rights to continued use of the resource.
- The funding for the East Taupō Arterial was in question due to concerns about the Council's management of urban growth. Council required a significant investment for the New Zealand Transport Agency (NZTA) to build the road, however NZTA was concerned uncontrolled urban expansion might undermine the investment.

To address these issues TD2050 2006 established a long-term vision and strategy for land use and development. This included identification of land to be rezoned for future urban growth and a requirement for detailed structure planning for the remaining future growth areas. This was supported by a clear signal that urban development in the rural areas would not be permitted to avoid the cumulative effects of uncontrolled growth. The strategy also identified the East Taupō Arterial as the "urban fence" to the east of Taupō town, to help secure funding for the new road and to reduce the impacts on the town's growth on the geothermal field.