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## **SUBMISSION TO THE NATIONAL POLICY STATEMENT ON RENEWABLE ELECTRICITY GENERATION**

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### **1. Purpose of Paper**

This paper seeks the Council's agreement to the draft submission (attached as Appendix 1) to the proposed National Policy Statement on Renewable Electricity Generation.

### **2. Executive Summary**

The Government has proposed a National Policy Statement for Renewable Electricity Generation ('the proposed NPS') to:

- recognise the national significance of renewable electricity generation
- promote the development of renewable electricity generation
- help meet the New Zealand Energy Strategy Target of generating 90% of New Zealand's electricity from renewable energy sources by 2025.

The 90% target was developed in order to confront two major energy challenges for New Zealand as electricity demand increases: (1) reducing greenhouse gas emissions ('emissions') and (2) delivering secure, affordable energy while treating the environment responsibly.

The Council's draft submission (attached as Appendix 1) is strongly supportive of the intent of the proposed NPS (attached as Appendix 2). The Council's District Plan already include provisions that recognise that the benefits of renewable electricity are of national significance and there are also provisions that encourage renewable electricity generation in Wellington City. The Council's submission seeks clarification from the Board of Enquiry for the proposed NPS whether the Council's District Plan sufficiently covers some of the proposed NPS requirements.

The Council's draft submission states that while the intent of the proposed NPS is strong, it is unclear whether it will provide improved practical guidance to the Council (and other local authorities) for assessing resource consents for renewable electricity generation. More detail was recommended for each of the policies in order to provide more consistency and clarity for consent authorities, applicants and the community.

### **3. Recommendations**

Officers recommend that Council:

1. *Receive the information.*
2. *Agree to the draft Submission to the National Policy Statement on Renewable Electricity Generation, attached as Appendix 1.*
3. *Note that Council officers have been liaising with Local Government New Zealand Energy Working Group and other local government partners on the submission to the Proposed National Policy Statement on Renewable Electricity Generation.*
4. *Agree that the Chief Executive, Environment Portfolio Spokesperson and Climate Change Spokesperson have delegation to make minor wording changes as suggested by the Council.*
5. *Note that under the proposed National Policy Statement the Council will have to notify plan changes to enable activities associated with:*
  - a. *the identification and assessment by generators of potential sites and energy sources for renewable electricity generation*
  - b. *research-scale investigation into emerging renewable electricity generation technologies and methods*
  - c. *the development and operation of small and community-scale distributed renewable electricity generation.*

### **4. Background**

In 2007, the Government adopted the New Zealand Energy Strategy, which states that New Zealand must confront two major energy challenges as it meets growing energy demand: (1) reducing greenhouse gas emissions ('emissions') and (2) delivering secure, affordable energy while treating the environment responsibly. In order to meet these two challenges, the Government has determined that 90% of New Zealand's electricity should be generated from renewable energy sources by 2025.

The Government has concerns that renewable electricity projects (based on their assessment of Resource Management Act 1991 (RMA) experiences) face particular barriers that threaten the ability of generators to develop enough capacity to meet the 2025 target. The Government has therefore chosen to propose a National Policy Statement for Renewable Electricity Generation to attempt to remove some of these barriers by providing better guidance to consent authorities. A summary of the National Policy Statement is attached as Appendix 2.

#### **4.1 What is a National Policy Statement?**

The purpose of an NPS prepared under the RMA is to "state objectives and policies for matters of national significance that are relevant to achieving the

purpose of this Act.”<sup>1</sup> Decision-makers are required to have regard to any relevant provisions of an NPS when considering a resource consent application and/or submissions. The Council and other local authorities are required to give effect to an NPS by making plan changes (where appropriate) and through decisions on consents and submissions. An NPS can elevate a particular resource management matter to one of national significance and help determine the weight that is given to the particular matter in the judgements of decision-makers.

#### ***4.2 Positive and adverse environmental impacts of renewable electricity***

The Government recognises that increases in renewable electricity generation can result in positive environmental impacts nationally and regionally (i.e. reduced emissions) and adverse environmental impacts locally (i.e. landscape amenity values).

The proposed NPS aims to ensure a consistent approach to renewable electricity development to provide greater certainty to decision makers, applicants and the wider community. Moreover, the proposed NPS recognises the national benefits of renewable electricity generation by promoting the development of new and existing renewable generation activities so that the 90% renewable electricity supply target is achieved.

#### ***4.3 Existing Council policy on renewable electricity generation***

The Council finalised District Plan Change 32 (‘Plan Change 32’) in 2005 as a response to the Resource Management (Energy and Climate Change) Amendment Act 2004 requiring councils to have particular regard to the benefits of renewable energy. Plan Change 32 provides specific objectives and policies that encourage the use and development of renewable energy. Because wind farm development has obvious potential in the Wellington area, Plan Change 32 includes specific rules for assessing wind farm proposals.

In addition, the Council’s Climate Change Action Plan (2007) includes city emissions reduction targets to reduce greenhouse gas emissions 30% below 2001 levels by 2020. The Council is partly reliant on greater investment and policies promoting renewable energy to achieve this target.

## **5. Discussion**

The proposed NPS contains five key policies:

- **Policy 1**: Recognising the national significance of the benefits of renewable electricity generation activities.
- **Policy 2**: Acknowledging the practical constraints associated with the development, upgrading, maintenance and operation of new and existing renewable electricity generation activities.

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<sup>1</sup> With the exception of the Coastal Policy Statement, NPS’s are not mandatory. To date, only two NPS’s have been prepared: the Coastal Policy Statement and the NPS on Electricity Transmission (2008).

- **Policy 3:** Having regard to the relative reversibility of adverse effects associated with particular generation types.
- **Policy 4:** Enabling identification of renewable electricity generation possibilities.
- **Policy 5:** Supporting small and community-scale renewable electricity generation.

Three of the policies (policies 1, 2 and 3) do not require any District Plan Changes but do require the Council to give immediate effect on consent decisions. The other two policies (policies 4 and 5) may require the Council to amend the District Plan “where appropriate”. This could likely be resourced with the upcoming Second Generation Plan Review, set to commence in July 2010. The draft Council submission is supportive of making plan changes for policy 5 and parts of policy 4. See the submission attached as Appendix 1 for more detail.

### ***5.1 General support for proposed NPS***

The draft Council submission (attached as appendix 1) is strongly supportive of the intent of the proposed NPS. The Council’s District Plan Change 32 states that the benefits of renewable electricity – reduced greenhouse gas emissions and securing New Zealand’s electricity supply<sup>2</sup> - are of national significance and this is considered in processing resource consent applications. Moreover, officers feel that District Plan Change 32 sufficiently covers many of the proposed NPS requirements, especially policies 1-3. The draft submission seeks confirmation from the Ministry for the Environment and Board of Enquiry that District Plan Change 32 meets the proposed NPS requirements.

### ***5.2 More clarity required from specific policies***

There are some policy aspects of the proposed NPS that are difficult to interpret and require more clarification and detail. It is unclear whether the proposed NPS provides improved practical guidance to the Council for assessing resource consents for renewable electricity generation (more so than what is currently in place from Plan Change 32). For example, the proposed NPS does not provide specific guidance to the Council and other consent authorities on how much positive “weight” to give consent applications for renewable electricity generation projects. More detailed analysis and comments can be found in the draft Council submission, attached as Appendix 1.

### ***5.3 Implications for the Council’s work plan***

Policies 1-3 of the proposed NPS do not require the Council to make any plan changes but do require the Council to give immediate effect on consent decisions. Even so, there may be scope with the upcoming Second Generation District Plan Change review to install minor wording that highlights the intent of the proposed NPS, such as detailing the specific benefits of renewable

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<sup>2</sup> Fossil fuel electricity generation also contributes to security of supply.

electricity generation: reducing greenhouse gas emissions, maintaining security of supply and diversifying the types and location of electricity generation.

Policies 4 and 5 will require the Council to notify plan changes and/or variations that

enable activities associated with:

- the identification and assessment by generators of potential sites and energy sources for renewable electricity generation
- research-scale investigation into emerging renewable electricity generation technologies and methods
- the development and operation of small and community-scale distributed renewable electricity generation.

The Council already has made plan changes enabling the first bullet – identification of potential sites - in relation to specific rules in District Plan Change 32 relating to research and measurement of wind energy. These rules relate to the installation and operation of anemometers. The draft submission states that further amendments to the District Plan are not required because practically, it is not appropriate to make plan changes relating to hydro and geothermal generation technologies (as they are not viable in Wellington) and regional councils are responsible for consenting activities relating to marine energy research and development.

The draft submission is supportive of the intent behind policy 5. Officers are currently looking at ways to remove barriers for distributed generation technologies in urban settings. The draft submission does question the definition of 'community-scale' as being less than 4MW capacity. This is equivalent to 16 Brooklyn Turbines. The draft submission states that it is appropriate to have different capacity threshold scales for different technologies: wind, geothermal and hydro. Any plan changes and/or variations can be accommodated with the upcoming Second Generation Plan review, which will commence in July 2010.

## **6. Conclusion**

This paper is seeking Council's agreement to the draft submission to the National Policy Statement on Renewable Electricity Generation.

*Contact Officer: Zach Rissel, Senior Advisor – Climate Change Office*

## **Supporting Information**

### **1) Strategic Fit / Strategic Outcome**

*This report relates to several long-term outcomes from the Council's overall strategic direction, as reflected in the LTCCP, including:*

***More Sustainable***

***More Prosperous.***

### **2) LTCCP/Annual Plan reference and long term financial impact**

*There are no LTCCP funding implications.*

### **3) Treaty of Waitangi considerations**

*This report has no Treaty implications.*

### **4) Decision-Making**

*This report does not require a significant decision to be made.*

### **5) Consultation**

#### **a) General Consultation**

*Not applicable.*

#### **b) Consultation with Maori**

*Not applicable. .*

### **6) Legal Implications**

*There are potential legal implications from this report in relation to an Environment Court challenge relating to Plan Change 32.*

### **7) Consistency with existing policy**

*This report is consistent with the current District Plan, Plan Change 32.*

## **The Wellington City Council's Submission to the Proposed National Policy Statement for Renewable Electricity Generation**

**October 2008**

### **1. Introduction and Summary**

The Wellington City Council ('the Council') welcomes the opportunity to provide comment to the proposed National Policy Statement for Renewable Electricity Generation ('the proposed NPS'). The Council strongly supports the intent of the proposed NPS to recognise the benefits of renewable electricity generation with resource consent decisions and promote the development of renewable electricity in New Zealand. The Council has city emissions reduction targets to reduce greenhouse gas emissions 30% below 2001 levels by 2020. The Council is partly reliant on greater investment and policies promoting renewable energy to achieve this target.

The Council understands that through our consenting roles, we (and other territorial authorities) have a major role in helping New Zealand and the Wellington Region transition to a lower-carbon economy. This is especially relevant with the introduction of the Emissions Trading Scheme, which sends price signals attempting to reduce emissions of our economic activities.

Despite strong support of the intent, there are aspects of the proposed NPS that are difficult to interpret and require more clarification and detail. It is unclear whether the proposed NPS will provide improved practical guidance to the Council for assessing resource consents for renewable electricity generation. For example, the proposed NPS does not provide specific guidance to the Council and other consent authorities on how much positive "weight" to give consent applications for renewable electricity generation projects. While the Council supports the intent to provide a nationally consistent approach for decision-makers, applicants and the wider community, there may be room to clarify or strengthen policy wording to help realise this consistency.

Furthermore, the Council notes that according to the Ministry's assessment, most of the delays associated with renewable electricity projects are a result of appeals to the Environment Court. While the proposed NPS can provide better guidance to consenting authorities, the public still maintains the right under the Resource Management Act 1991 ('RMA') to appeal consent decisions to the Environment Court. The Council believes this is the most significant cause of delays and uncertainty for renewable electricity generation project development.

The submission outlines the Council's current District Plan policies relating to renewable energy and then provides more detailed comments about the proposed NPS objective and specific policies.

The Council would like to give an oral submission to the Board of Enquiry.

### **2. Existing Council Policy: District Plan Change 32**

The Council finalised District Plan Change 32 ('Plan Change 32') in 2005 as a response to the Resource Management (Energy and Climate Change) Amendment Act 2004 requiring councils to have particular regard to the benefits of renewable energy.

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Plan Change 32 provides specific objectives and policies that encourage the use and development of renewable energy in Wellington and recognise the benefits of renewable electricity are of national significance. Because wind farm development has obvious potential in the Wellington area, Plan Change 32 includes specific rules for assessing wind farm proposals.

The Council believes that Plan Change 32 sufficiently covers the general intent of policies 1-4i from the proposed NPS. The Council is seeking confirmation from either the Board of Enquiry and/or the Ministry for the Environment that wording of Plan Change 32 is consistent with the objectives and policies of the proposed NPS. Furthermore, the Council is seeking confirmation that Plan Change 32 demonstrates that the Council, as a consenting authority and decision-maker, is adequately:

- recognising the national benefits of renewable electricity generation activities
- encouraging renewable electricity activities through its District Plan.

The Council notes that under policies 4ii and 5, it will have requirements to notify a plan change to enable the development of “small and community-scale distributed electricity generation”.

### 3. Comments on the objective of the proposed NPS

The Council is generally supportive of the objective of the proposed NPS. The Council believes it is also important to reference the real objective for developing the proposed NPS on renewable electricity: to reduce greenhouse gas emissions from New Zealand’s electricity generation while maintaining security of supply. There is little purpose in having a 90% renewable energy target in and of itself if it does not lead to other benefits.

### 4. Comments on Policy 1

The Council supports the intention of policy 1: to recognise the national significance of the benefits of renewable electricity generation activities. The Council’s Plan Change 32 clearly recognises the benefits of renewable electricity generation:

*“...Council is to have particular regard to the **benefits** to be derived from the use and development of renewable energy. This is to be considered within a wider context of central government project and policy framework to address climate change, which focuses on both a continued improvement in energy efficiency, and an increase in consumer energy to be supplied from renewable sources.”*

In order to provide the most detailed guidance to consenting authorities, the Council believes that policy 1 should provide greater detail regarding the benefits of renewable electricity generation activities. Other benefits (as noted in the proposed NPS evaluation) include:

- least-cost approach to reducing greenhouse gas emissions
- reduces dependence on fossil-fuel generation to minimise exposure to oil and gas prices
- provides generators with more certainty that decision-makers will give appropriate considerations to the benefits of renewable electricity generation
- increases in national generation capacity

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- investments in human capital for renewable generation sector
- reduces long-term operation costs of electricity generation
- maintenance and enhancement of New Zealand's environmental image
- reduces costs of meeting international emissions commitments.

If it is the Government's will to recognise the benefits then it is important to articulate these benefits in a detailed manner.

## 5. Comments on policy 2

### 5.1 Intent of policy 2

The Council understands that there are practical constraints associated with measures that avoid adverse effects for renewable electricity projects. Moreover, the Council supports, in principle, the intention to favour renewable electricity projects that, for reasons deriving from practical constraints, might otherwise fail to gain commercially viable resource consent. The Council's Plan Change 32 partially covers this policy in stating:

*"It is considered that renewable energy developments such as wind farms could successfully co-exist in the Wellington City boundary if adverse effects are avoided, remedied or mitigated. However, this potential conflict needs to be carefully managed and assessed on a case by case basis. The discretionary (unrestricted) rule will ensure that any application is given full consideration."*

The Council received its first practical test of Plan Change 32 with the lodging of the West Wind resource consent application. The Council effectively requested avoidance measures - the removal of turbines from the original application – whilst ensuring that the commercial viability of the project was maintained. The Council therefore feels that it has practically demonstrated that it has been able to use the Plan Change 32 to properly guide decision makers in this respect.

The Council agrees with the evaluation of the proposed NPS that states “well-designed and appropriate projects should gain consent under the existing RMA framework, whereas poorly conceived projects with overwhelmingly negative environmental effects should be declined.” The Council feels its District Plan has the proper balance of:

- recognising the national, regional and local benefits of renewable electricity generation
- encouraging (through planning tools) renewable electricity generation projects in Wellington
- ensuring that in managing any potential conflict between national benefits and local effects, that the Council considers commercial viability as a key factor when developing avoidance or remedy measures.

### 5.2 Points of clarification

The explanation of the policy provides clarity that policy 2 in “no way undermines the protective emphasis of section 6 and applicants will still need to establish that any proposal promotes the purpose of the RMA”. Furthermore, the explanation note states that the policy “...would likely place an onus on the project proponents to show that options and technologies for addressing adverse effects had been adequately considered.” These points are not properly reflected in the actual policy and there is

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room for misinterpretation from decision-makers and applicants. The Council believes more explanation and context will reduce confusion for the fore mentioned parties.

It is proposed the following wording should be added to policy 2:

*Consent authorities must still consider the protective emphasis of section 6 and applicants should demonstrate that options and technologies for addressing adverse effects had been adequately considered. Consent authorities should enable well-designed and appropriate projects to gain consent and ensure that these remain commercially viable.*

## 6. Comments on policy 3

The explanation note for the proposed NPS provides reasonable clarity relating to the term reversibility. This includes the transitional nature of certain technologies and the ability to return the environment to its pre-development state following a project's economic life. The Council supports the intent of the policy and believes consent authorities should recognise the relative reversibility when considering consent proposals for certain technologies.

Because the concept of reversibility is open to interpretation, the Council believes that the policy wording is not strong enough and requires more clarity in relation to the transitional nature of certain technologies and the ability to return the environment to its pre-development state following a project's economic life. It is important to clearly define what is meant by reversibility and there is scope to be explicit in stating which technologies have high degrees of reversibility in the Government's view. Wind energy and marine energy were used as examples in the explanation note.

It is difficult for the Council to comment about the issues relating to hydro-generation and reversibility as there are negligible opportunities for hydro generation in Wellington City. If the intent of the proposed NPS is not to prove prejudicial against hydro-generation, then the policy statement should state this.

## 7. Comments on policy 4

The Council believes that in relation to wind energy, Plan Change 32 currently covers the requirement relating to "the identification and assessment by generators of potential sites and energy sources for renewable electricity generation". The following wording is from Plan Change 32:

*Anemometers are erected to obtain information on wind flows at a particular location. Typically this is done as part of the initial research phase for a wind energy development... They are provided for as a discretionary activity (restricted) in the Rural and Open Space B Areas to facilitate testing in those areas, as they have been identified by the Council as being most likely for the development of wind energy proposals.*

The Council believes that further amendment to the District Plan is not required. Practically, it is not appropriate to make plan changes relating to hydro and geothermal generation technologies (as they are not viable in Wellington) and regional councils are responsible for consenting activities relating to marine energy research and development.

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The Council believes it is important to encourage research and investigation into new sites and sources of generation as well as emerging technologies. The Council therefore supports the intent of the second bullet of policy 4 and will look for opportunities to strengthen the District Plan in relation to emerging renewable electricity generation. This will likely be added in 2010 with the Second Generation Plan review.

## **8. Comments on Policy 5**

The Council strongly supports the intent of policy 5 and is currently identifying opportunities to amend the District Plan to enable the development of small-scale distributed generation activities. The Council understands that removing barriers for rural communities and in urban settings will help increase the viability and demand for small-scale distributed generation activities. New provisions will likely be included in the Council's Second Generation Plan review.

The Council would like to note that prohibitive cost of these technologies is likely the biggest barrier to their uptake. Even if barriers are removed through the consenting process, the uptake will likely remain low until the technologies become more cost effective and provide a higher rate of return.

### 8.1 Points of clarification on definition

The Council believes that the 4MW threshold is too high to be considered as community-scale. For example, under this threshold wind farms that include sixteen 0.25MW turbines (equivalent to the Brooklyn Turbine in Wellington, which is 31m high) or eight 0.5MW turbines are classified as community-scale. While this might be small compared to commercial scale wind farms, the environmental impacts might still need proper consideration with this scale. The Council believes that it may be appropriate to have different capacity threshold scales for different technologies: wind, geothermal and hydro. The Council believes that more work and consultation is required to properly define a community-scale project.

The Council submits that when an appropriate scale for small and community-scale distributed renewable electricity generation activities are defined, it is referenced in the actual policy.

## **9. Conclusion**

The Council is strongly supportive of the intent of the proposed NPS. The Council's current policy states that the benefits of renewable electricity – reduced greenhouse gas emissions and securing New Zealand's electricity supply - are of national significance and this is considered in processing resource consent applications. The Council would like clarification from the whether Plan Change 32 sufficiently cover some of the proposed NPS requirements. The Council believes that while the intent of the proposed NPS is strong, it is unclear whether the proposed NPS will provide improved practical guidance to the Council for assessing resource consents for renewable electricity generation. More detail was recommended for each of the policies in order to provide more consistency and clarity for consent authorities, applicants and the community. The Council would like to give an oral submission to the Board of Enquiry.

# PROPOSED NATIONAL POLICY STATEMENT FOR RENEWABLE ELECTRICITY GENERATION

## Preamble

This national policy statement sets out an objective and policies to enable the sustainable management of renewable electricity generation under the Resource Management Act 1991 ('the Act').

New Zealand's energy demand has been growing steadily and is forecast to continue to grow. In October 2007 the government adopted the New Zealand Energy Strategy, which states that New Zealand must confront two major energy challenges as it meets growing energy demand. The first is to respond to the risks of climate change by reducing greenhouse gas emissions caused by the production and use of energy. The second is to deliver clean, secure, affordable energy while treating the environment responsibly.

The contribution of renewable electricity generation, regardless of scale, towards addressing the effects of climate change plays a vital role in the wellbeing of New Zealand, its people and the environment. In considering the risks and opportunities associated with various electricity futures, the government has determined that 90 per cent of electricity generated in New Zealand should be derived from renewable energy sources by 2025 (based on delivered electricity in an average hydrological year).

Development that increases renewable electricity generation capacity can, however, have environmental effects that span local, regional and national scales, often with adverse effects manifesting locally and positive effects manifesting nationally. In some instances the benefits of renewable electricity generation can compete with matters of national importance as set out in section 6 of the Act, and with matters to which decision-makers are required to have particular regard under section 7 of the Act. In particular, the natural resources from which electricity is generated can coincide with areas of significant natural character, significant amenity values, historic heritage, outstanding natural features and landscapes, significant indigenous vegetation and significant habitats of indigenous fauna. Adopting a nationally consistent approach to balancing the competing values associated with the development of New Zealand's renewable energy resources will provide greater certainty to decision-makers, applicants, and the wider community.

## Title

This national policy statement may be cited as the National Policy Statement for Renewable Electricity Generation.

## Commencement

This national policy statement comes into force on the day after which it is notified in the Gazette.

## Matter of national significance

The matter of national significance to which this national policy statement applies is the need to develop, upgrade, maintain and operate renewable electricity generation activities throughout New Zealand.

### **Objective**

To recognise the national significance of renewable electricity generation by promoting the development, upgrading, maintenance and operation of new and existing renewable electricity generation activities, such that 90 per cent of New Zealand's electricity will be generated from renewable sources by 2025 (based on delivered electricity in an average hydrological year).

### **Recognising the national significance of the benefits of renewable electricity generation activities**

#### **Policy 1**

The benefits of renewable electricity generation activities, at any scale, are of national significance. Decision-makers must have particular regard to the national, regional and local benefits relevant to renewable electricity generation activities. These benefits may include, but are not limited to:

- maintaining or increasing electricity generation capacity while avoiding, reducing or displacing greenhouse gas emissions
- maintaining or increasing security of electricity supply at local, regional and national levels by diversifying the type and/or location of electricity generation.

### **Acknowledging the practical constraints associated with the development, upgrading, maintenance and operation of new and existing renewable electricity generation activities**

#### **Policy 2**

When considering measures to avoid, remedy or mitigate the adverse environmental effects of renewable electricity generation activities, consent authorities must have particular regard to the constraints imposed on achieving those measures by:

- the nature and location of the renewable energy source
- logistical or technical practicalities associated with developing, operating or maintaining the proposed renewable electricity generation activity
- the nature and location of existing renewable electricity generation activities
- the location of existing structures and infrastructure including, but not limited to, roads, navigation and telecommunication structures and facilities, the local electricity distribution network, and the national grid.

### **Having regard to the relative reversibility of adverse effects associated with particular generation types**

#### **Policy 3**

When considering proposals to develop new renewable electricity generation activities, decision-makers must have particular regard to the relative degree of reversibility of the adverse environmental effects associated with proposed generation technologies.

### Enabling identification of renewable electricity generation possibilities

#### Policy 4

By 13 March 2012, local authorities are to notify, in accordance with Schedule 1 of the Act, a plan change, proposed plan or variation to introduce objectives, policies and, where appropriate, methods, into policy statements and plans to enable activities associated with:

- the identification and assessment by generators of potential sites and energy sources for renewable electricity generation
- research-scale investigation into emerging renewable electricity generation technologies and methods.

### Supporting small and community-scale renewable electricity generation

#### Policy 5

By 13 March 2012, local authorities are to notify, in accordance with Schedule 1 of the Act, a plan change, proposed plan or variation to introduce objectives, policies and, where appropriate, methods, into policy statements and plans to enable activities associated with the development and operation of small and community-scale distributed renewable electricity generation.

### Interpretation

In this national policy statement, unless the context otherwise requires:

“**Act**” means the Resource Management Act 1991.

“**Application**” means any application for resource consent or consents or application under section 127 of the Act. Applicant has the corresponding meaning.

“**Decision-makers**” means all persons exercising functions and powers under the Act.

“**Local electricity distribution network**” means the system of electricity conveyance that connects individual electricity users with the national grid and electricity generation facilities.

“**National grid**” means the assets used or owned by Transpower NZ Limited.

“**Renewable electricity generation**” means generation of electricity from solar, wind, hydro, geothermal, biomass, tidal, wave, or ocean currents resources.

“**Renewable electricity generation activities**” means the construction, operation and maintenance of structures associated with the generation of renewable electricity. This includes small and community-scale distributed renewable generation activities and the system of electricity conveyance required to convey electricity to the local electricity distribution network and/or the national grid.

“**Small and community-scale distributed renewable electricity generation**” means renewable electricity generation projects with an installed electricity generation capacity of less than four megawatts and excludes offshore wind, tidal and wave generation.

### Explanatory note

*This note is not part of the national policy statement but is intended to indicate its general effect.*

This national policy statement comes into force on the day after which it is notified in the Gazette. It provides that renewable electricity generation is a matter of national significance under the Resource Management Act 1991. This national policy statement is to be applied by all persons exercising powers and functions under the Act. The objective and policies are intended to guide applicants and decision-makers when making applications for resource consent, in making decisions on the notification and determination of resource consent applications, in drafting policy statements and plans that relate to renewable electricity generation activities, and when exercising other powers under the Act. The national policy statement requires local authorities to give effect to its provisions in plans made under the Resource Management Act 1991 by initiating a plan change, proposed plan or variation by 13 March 2012.