

Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill

Submission to the Environment Committee by Transpower New Zealand Limited

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Introduction

1. Transpower New Zealand Limited (**Transpower**) is the owner and operator of New Zealand's electricity transmission network, the National Grid. It welcomes the opportunity to submit on the Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill (the **Bill**) and wishes to appear before the Committee to speak to its submission.

National Grid assets and purpose

- Transpower is the State-Owned Enterprise that plans, builds, maintains, owns and operates
 the National Grid. The National Grid extends from Kaikohe in the North Island to Tiwai Point
 in the South Island. The National Grid comprises some 11,000 km of transmission lines and
 cables (overhead and underground), and 178 substations across the country.
- 3. The National Grid transports electricity from where it is generated to the distribution companies that supply electricity to homes, businesses and schools throughout New Zealand. It also directly supplies a number of large industrial customers. The National Grid literally keeps the country's lights on.
- 4. Electricity underpins economic growth and supports the economic, social and cultural aspirations of all New Zealanders. Electricity contributes actively to the lives of people in New Zealand every day.
- 5. Further, electricity is critical to the country's transformation to a zero-carbon economy. If Aotearoa New Zealand is to meet its emission reduction targets by 2030 and 2050 then the electricity sector will need to produce and transport around 70% more renewable electricity than it does now. It is estimated that around 60-70 new connections to Transpower's National Grid will be required in the next 15 years, with this trend continuing through to at least 2050. This is in addition to the 10-20 major upgrades to the National Grid that will also be required before 2035.

Inappropriate development under and near the National Grid

- 6. Most transmission lines and substations were originally built in rural areas over open land which posed little to no constraint on the ability to operate, maintain, upgrade and develop the National Grid. Over time, urban boundaries have expanded and development has occurred under, and in close proximity to the National Grid assets. Under the Electricity Act 1992, Transpower has little direct control over activities underneath or adjacent to its assets that may otherwise affect access, safety or operation. Housing and other buildings and structures have been constructed under, and in close proximity to, the National Grid without Transpower's knowledge or consent.
- 7. Against that background, the National Policy Statement on Electricity Transmission 2008 (NPSET) was developed as a mechanism to provide better management controls. It contains policies which protect the National Grid from housing being constructed under and in close proximity to it.

Summary of Transpower's position on the Bill

8. Transpower recognises that the Bill is seeking to address some of the issues with housing supply and affordability that New Zealand is facing by enabling greater intensification in urban areas where the demand for housing is high. Transpower does not seek to prevent

development. However, any development under and near high voltage transmission lines does present risks and needs to be managed carefully.

- 9. In summary, the key relief sought is as follows:
 - a. The Medium Density Residential Standards (MDRS) should not apply to the National Grid Yard, or at an absolute minimum the National Grid Yard should be identified as a mandatory qualifying matter within the Bill itself. The National Grid Yard is:
 - The area located 12 metres either side of the centreline of any overhead National Grid transmission line; or
 - ii. The area located 12 metres in any direction from the outer edge of a National Grid support structure foundation-.
 - b. The Bill should explicitly reference the requirement to comply with the New Zealand Electrical Code of Practice for Electrical Safety Distances 2001 (NZECP34).
 - c. Any requirements to prepare a section 32 assessment should not apply where the qualifying matter relates to the National Grid.

Scenarios the Bill needs to provide for

Protection of existing National Grid assets

- 10. The National Grid has developed over time. Most overhead lines are not designated,¹ nor do they have easements. Rather, they were lawfully established at the time under the relevant Public Works and Electricity Act legislation. Transpower relies on "deemed easements" under the Electricity Act 1992 to access, inspect, and maintain the lines. Due to the progressive development of the National Grid, and the fact that designations are not generally in place to protect the lines, recognition and protection of the National Grid in planning instruments was inconsistent, and in many instances non-existent, prior to the development of the NPSET.
- 11. The NPSET confirms the national significance of the National Grid and addresses its effects. Importantly, it also addresses effects on the National Grid including the activities (i.e. buildings) of others and requires that these do not compromise the operation, maintenance, upgrading and development of the National Grid. The NPSET mandates a corridor for this protection the corridor is a proxy for the protection that would otherwise be provided by a designation. Specifically Policy 11 of the NPSET requires that local authorities consult Transpower to identify an appropriate buffer corridor within which sensitive activities (such as residential development) will generally not be provided for. This outcome is appropriate and was tested through a comprehensive section 32 analysis undertaken by the Ministry for the Environment when the NPSET was developed and a Board of Inquiry hearing, and then subsequently through section 32 assessments undertaken for each district plan.
- 12. Since the NPSET was gazetted in 2008, Transpower has spent in excess of \$14 million on plan processes necessary to seek to give effect to the NPSET, and enable and protect the National Grid. These costs are so high due to the sheer number of local planning documents and the repetitive nature of local policy and plan-making.
- 13. The NPSET requires councils to give effect to it within 4 years (i.e. by 2012). As at August 2021, only 40 of the 64 district councils have done so. This is despite there being consistency for over nine years in how the NPSET is given effect to.

¹ We note that section 43D of the Resource Management Act 1991 negates the benefit of any designation, as the Resource Management Act (National Environmental Standards for Electricity Transmission Activities) Regulations 2009 will take precedence.

- 14. Only one Tier 1 territorial authority has not yet given effect to the NPSET which is Wellington City Council. The other Tier 1 territorial authorities already have operative National Grid corridor provisions. These provisions have been tested through section 32 analyses undertaken by the relevant territorial authorities when the provisions were developed.
- 15. The provisions Transpower seeks in plans have been relatively settled since 2012, when Environment Court appeals were lodged in relation to the Western Bay of Plenty and Waimate District Plans. The agreed provisions have been included in all plans since - they are now relatively formulaic. Since 2012, they have also been tested in excess of 80 plan processes and hearings including the Environment Court², High Court³ and by independent hearing panels.4
- 16. Having regard to the above, Transpower therefore considers it is not an efficient use of resources for these provisions to be re-litigated as part of the incorporation of the MDRS.

Transmission lines are a constraint on development

17. In Transpower's experience the public, and council officers, often do not understand the features of National Grid lines and substations. For example, National Grid transmission lines are not static. The sag and extent of swing of the conductors (wires) depends on a number of factors, including the operating temperature of the line, the conductor type, conductor tension and the extent of wind. Conductors can swing out to 37m either side of the centreline, and sometimes further. Photo 1 below shows conductor swing during high winds.

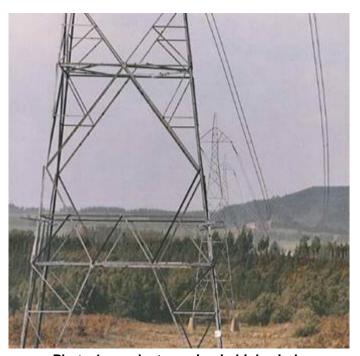


Photo 1: conductor swing in high winds

² Royal Forest and Bird Protection Society of New Zealand v Bay of Plenty Regional Council [2017] NZEnvC 045 and Royal Forest and Bird Protection Society of New Zealand Incorporated v Bay of Plenty Regional Council [2017] NZHC 3080.

³ Transpower New Zealand Limited v Auckland Council [2017] NZHC 281.

⁴ Auckland Unitary Plan and Christchurch Replacement Plan, Ruakura Inland Port Plan Change Board of Inquiry.

18. As a result, the transmission lines constrain development for at least the area where they are physically present during high winds. Any construction plans and building designs need to take this area into account and design accordingly. Often an lines engineer would need to be engaged to determine the characteristics of a transmission line, and where the conductor can swing to. However, the requirement to engage a lines engineer, and obtain data about the location and movement of the lines, is not often known by developers.

Maintenance of the National Grid

- 19. In addition to preventing inappropriate development around lines, the buffer corridor approach enables physical space to be available for Transpower to undertake ongoing maintenance of its assets. Policy 10 of the NPSET mandates this requirement.
- 20. National Grid assets have a long-life, and can effectively operate indefinitely provided they are properly maintained, upgraded and developed. Transpower has a continuous programme of work to maintain and enhance its assets to meet the needs of New Zealand. The ability to access the National Grid in order to carry out these works is essential, and must be maintained into the future to ensure the National Grid can continue to supply reliable and secure electricity to all New Zealanders.

Key concerns with the Bill

Housing development within the National Grid Yard

- 21. The MDRS enable, among other things, 3 storeys and 3 dwellings per site as of right. The Bill provides for territorial authorities to make the MDRS less permissive in relation to an area within a relevant residential zone if that change is required to accommodate a qualifying matter.
- Qualifying matters include nationally significant infrastructure and the potential need to give effect to other national policy statements, both of which would apply to the National Grid. However, as currently drafted the application of qualifying matters is at the discretion of the relevant territorial authority.
- 23. Some people may consider it is self-evident that the National Grid (as nationally significant infrastructure) will be a qualifying matter. _However, the National Grid was not included as a qualifying matter in the recent Proposed Plan Change 26 to the Tauranga City Plan. Transpower has lodged a submission on this plan change seeking that the existing National Grid provisions within the Operative Tauranga City Plan continue to apply and that the extent of the housing overlay be drawn back to align with the National Grid corridor boundary, particularly given that the proposed height limit for residential development would not be physically achievable under the transmission lines.
- 24. Further, where a relevant territorial authority determines that a qualifying matter limits the application of the MDRS, the territorial authority must provide evidence to support this in its evaluation report, as required under section 32 of the Resource Management Act 1991.⁵

 Accommodating the qualifying matter must be balanced against the national significance of urban development and the objectives of the National Policy Statement for Urban Development (NPS-UD).⁶

⁵ Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill, clause 7.

⁶ Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill, explanatory note.

- 25. A significant amount of work will be required to be undertaken by Transpower to provide each Tier 1 territorial authority with the relevant information to undertake this analysis involving broad ranging assumptions as to:
 - a. The existing constraints on the area of affected land (topography, existing development, proximity of the transmission lines, the existing subdivision and land use controls, other existing constraints);
 - b. The risk aspects of the area, some of which are low probability high impact events (safety and human life risks, risks of outrages, risks of structural damage);
 - c. The additional maintenance and disruption costs from inappropriate development, which would be very fact and site specific;
 - d. The costs of development to work out the true economic cost the landowner's lost profits or margin (if any), as well as additional costs on Transpower due to inappropriate development under and around its lines; and
 - e. The offset for the region of the costs of the corridor by the benefits of providing additional housing opportunities in other locations with better amenity and less conflict with the National Grid.
 - 26. While it would be possible to undertake such an analysis, in reality it would be an extremely costly and complex exercise, necessarily full of assumptions and likely to be inaccurate and subject to challenge. This is unreasonable given Transpower has already spent in excess of \$14 million on planning processes to ensure councils give effect to the NPSET and provide for buffer corridors within district plans, participating in excess of 80 plan processes. It is also inappropriate in the context of the National Grid as a comprehensive s 32 analysis of the NPSET was undertaken by the Ministry for the Environment when developing the NPSET. Each district council that has incorporated National Grid provisions within its district plan has also undertaken a s 32 analysis of those provisions.
 - 27. There is no local variability in the intent or restrictions the provisions provide and it is therefore not an efficient use of resources for these provisions to be re-litigated, and this assessment repeated, as part of the incorporation of the MDRS.
- 28. If the National Grid is not identified as a qualifying matter by the relevant territorial authority, then the MDRS will have immediate legal effect from the date the intensification planning instrument is notified.⁷ This will lead to inappropriate development occurring as of right under the National Grid and within the National Grid Yard (i.e. the buffer corridor) without any consultation with Transpower, which is effectively what the position was prior to the NPSET being introduced.
- 29. Development under and near high voltage transmission lines presents risks and needs to be managed carefully. It is critical that any development near the National Grid occurs in an appropriate and safe way. This will ensure risks such as electricity shocks are minimised to the greatest extent possible, access for vital maintenance and upgrade work is not constrained and reverse sensitivity effects are managed, ensuring the infrastructure can continue to operate in the long-term, keeping the lights on for the community. If new land uses are properly designed and managed, these effects can be reasonably managed. Transpower is very willing to accommodate and support new development provided it takes the transmission assets fully into account.

⁷ Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill, clause 9(3A).

- 30. Transpower prefers, wherever possible, to manage risks and effects proactively. Proactive management through appropriate planning rules such as buffers/setbacks is the most effective way of ensuring development occurs in a manner that is compatible with the National Grid.
- 31. The Bill needs to explicitly provide that the MDRS does not apply within a 12m corridor either side of the centreline of the National Grid (referred to as the National Grid Yard). This is consistent with the buffer corridor approach within district plans throughout New Zealand.
- 32. A buffer corridor either side of the transmission lines would partially give effect to the NPSET and protect the National Grid by:
 - a. ensuring that sensitive activities such as residential development will generally not be provided for near the lines;
 - b. partially minimising the risk of inadvertent contact with the lines including the risk of flashovers and arcing;
 - c. helping to reduce nuisance impacts on landowners and subsequent complaints about the lines;
 - d. partially protecting the lines from activities and development that could have direct or indirect effects on them;
 - e. partially protecting access to the National Grid by ensuring development activities cannot occur close to the National Grid and therefore prevent access; and
 - f. partially enabling efficient and safe operation, maintenance, upgrade and development of the lines.

Subdivision within the National Grid Corridor

- 33. Transpower seeks that buffer corridors to manage subdivision should be addressed as qualifying matters district by district given there is geographic variation in the necessary widths depending on the relevant transmission line. While the Bill does not make subdivision permitted, and consent will still be required, Schedule 1 removes any minimum lot size, shape size, or other size-related subdivision requirements for certain allotments.
- 34. Subdivision has the potential to significantly impact the National Grid. This is because subdivision provides the framework for future land use. If subdivision is poorly configured it can prevent access to the National Grid for maintenance and result in lots that cannot be safely built on.
- 35. Applying a corridor for subdivision activities allows Transpower to be recognised as an affected party that needs consulting with. The management of activities in close proximity to the National Grid often requires specialist technical and engineering input relating to the safe location of housing, including construction methodology, which Transpower is best placed to provide.

The New Zealand Electrical Code of Practice for Electrical Safety Distances 2001 (NZECP34)

- 36. In addition to the MDRS not applying within the National Grid Yard, Transpower considers the Bill needs to explicitly reference compliance with the requirements of NZECP34.
- 37. NZECP34 sets minimum safe distances from transmission lines to protect people, property and mobile plant from harm or damage from electrical hazards. Breaching these setbacks could create electrical flashovers which could seriously injure workers and the public, result in loss of electricity supply and result in damage to Transpower's infrastructure. Electricity at

high voltages can arc through the air even without direct contact. Compliance with NZECP34 is mandatory under the Electricity Act, and must be complied with in addition to any RMA controls.

- 38. NZECP34 is focussed only on minimum standards for safety. It cannot, and is not intended to, achieve the broader policy objectives sought by the NPSET (nor can it meet the wider sustainable management purpose of the RMA). This is because:
 - a. While NZECP34 may adequately provide for safe distances for smaller buildings and structures, the construction and location of new intensive development and buildings for sensitive activities may not always be sited in such a position that complements the operational or maintenance activities of the existing transmission line.
 - b. Transpower requires access to transmission conductors for routine inspection and maintenance work (for example insulator replacements) as well as for more substantive upgrade work such as re-stringing the conductors. NZECP34 does not address the other electrical safety hazards and the potential effects of the line on activities in close proximity to the line. This means even development (including underbuild) that complies with NZECP34 can constrain maintenance activities on lines, which can have consequential effects on safety and can result in increasing the number of people potentially at risk and exposed to adverse effects.
 - c. In Transpower's experience, many people are unaware NZECP34 exists, let alone its minimum setback requirements. The document is also very technical and will often require engineering advice to interpret.
 - d. NZECP34 does not provide an opportunity for WorkSafe (who is responsible for administering NZECP34) or Transpower to be involved in consenting processes.
 - e. NZECP34 does not protect the National Grid from the effects of subdivision, as it does not restrict the subdivision of land near lines, and it allows underbuilding.
 - f. NZECP34 does not address reverse sensitivity impacts on Transpower (for example its visual effects or mechanical or corona noise).
- 39. Transpower therefore does not consider that reference in the Bill to NZECP34 alone would adequately protect National Grid infrastructure and give effect to the NPSET. Transpower considers a buffer corridor approach embedded within the Bill, in addition to requiring compliance with NZECP34, is the most efficient way to protect National Grid infrastructure and partially give effect to the NPSET.
- 40. The buffer corridor approach will complement the requirements of NZECP34, and raise awareness of it. This is an important step towards ensuring that the transmission lines can be safely and efficiently managed and operated, and that electrical safe distances are met. It will also ensure that any housing development occurs in a safe manner.

Examples of inappropriate development

41. Despite the NPSET being gazetted over 12 years ago, and compliance with NZECP34 being mandatory, underbuild and inappropriate and unsafe development continues to occur under and around National Grid assets. Transpower has included some of these examples below to illustrate the practical realities of allowing development to occur under the National Grid and why the changes Transpower is seeking in this submission are so important.

178 McLeod Road

42. On 5 July 2020 Transpower identified that some recently installed temporary scaffolding erected as part of the construction of a residential development at 178 McLeod Road Te-

- Atatu, was encroaching on the setback requirements of NZECP34. The contractor was also breaching a number of consent conditions as a result.
- 43. The site was already known to Transpower as a number of buildings were built higher, and in closer proximity to the National Grid, than what was consented. As a result, a variation was required to be prepared to ensure that the buildings would sit within the approved height in proximity to Transpower's assets.
- 44. Transpower requested on two occasions that all work on the site be stopped and the affected area of the site needed to be barricaded off until appropriate safety measures could be put in place. Due to the proximity of the overhead high voltage power line there was a serious electrical safety risk to workers on the site and the general public due to proximity of the scaffolding to the 110kV line (a flashover can occur even without direct contact with the conductor).
- 45. Further, as a result of the lack of appreciation from the site owner around the risks of carrying out construction activities (including installing or removing scaffolding) in close proximity to high voltage lines, Transpower had to request that the site be shut down by WorkSafe until such a time that the contractor had developed, in consultation with Transpower, a thorough construction methodology that confirmed NZECP34 could be met for construction of the remainder of the buildings on site.

Otahuhu-Whakamaru Circuit 1

46. On 6 October 2021 the Otahuhu-Whakamaru circuit 1 tripped as a result of a concrete pump truck parked beneath the transmission lines on a residential construction site (as shown below). While the robotic arms of the truck were clear of the lines, a flashover occurred causing the circuit to trip and damage to the truck and freshly poured concrete.



Photo 2: Concrete pump truck parked beneath National Grid transmission lines

47. This recent example is not isolated. While not a residential activity, a shed associated with a house on the same property at 300 Hasketts Road which was built directly under the National

Grid was subject to a flash over. The flash over caused the solar power system to be damaged and the vehicle tyres to blow out.

Mary Dreaver Street, New Windsor

- 48. On 16 June 2014 a tower foundation crew was carrying out a pre-works inspection at Tower 48 on the Henderson to Roskill (HEN-ROS) 110kV line. This crew discovered a dwelling was under construction directly below the line. This new dwelling now blocks access to the tower site and foundation works may not now be able to be undertaken, placing the structure and supply of electricity at risk in the future.
- 49. The following photo clearly illustrates the difficulties now arising at that site. Included below is also the original subdivision plan, which envisaged a setback from the transmission lines.
- 50. While the subdivision consent was granted prior to the NPSET being gazetted, the subdivision consent that was granted identified a corridor and building platform locations. Had the house been constructed as per the subdivision plans access, access to the tower would have been provided for.

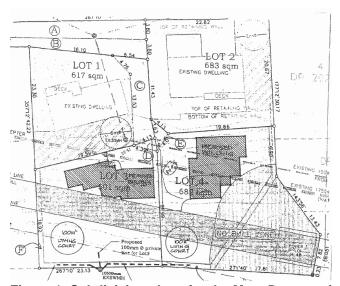


Figure 1: Subdivision plans for the Mary Dreaver site



Photo 3: New dwelling blocking access to Tower 48 HEN-ROS line

Particular submission points

51. The following section of Transpower's submission addresses specific clauses in the Bill, including those mentioned above, and suggests drafting amendments where appropriate.

Transpower's position on specific clauses of the Bill

Topic	Clause	Transpower's comment on proposed clause	Amendment sought by Transpower
Interpretation and Definitions	4	New definitions for National Grid Yard and NZECP34 are required in order to provide for the changes Transpower is seeking below.	Amend clause 4 to include the following new definitions: National Grid Yard means: The area located 12 metres in any direction from the outer edge of a National Grid support structure foundation; or The area located 12 metres either side of the centreline of any overhead National Grid transmission line. NZECP34 means the New Zealand Electrical Code of Practice for Electrical Safety Distances 2001 issued pursuant to section 36 of the Electricity Act 2008 and as cited in the Electricity (Safety) Regulations 2010.
Medium Density Residential Standards	7 (77F)	The MDRS will apply to any urban environment within the National Grid Yard, unless a territorial authority, in its discretion, identifies that the National Grid is a qualifying matter. The territorial authority is then given discretion to decide the extent to which the MDRS should be less permissive, in order to accommodate the National Grid. It is essential that the National Grid is protected from inappropriate development. Transpower considers it is inappropriate for the Bill to leave consideration of whether the MDRS should apply to the National Grid Yard to territorial authorities. In Transpower's experience the public, and council officers, often do not understand the features of National Grid lines and substations.	Amend clause 77F as follows: (1) Subject to subsection (5), every relevant residential zone in an urban environment of a relevant territorial authority must have the MDRS incorporated into that zone. (5) In carrying out its functions under this section, a territorial authority must not incorporate the MDRS in an area within a relevant residential zone that is within the National Grid Yard and must ensure every activity complies with the requirements of NZECP34.

Topic	Clause	Transpower's comment on proposed clause	Amendment sought by Transpower
		Transpower considers the Bill should include a clause which identifies that the MDRS does not apply where the relevant area is within the National Grid Yard, and that compliance with NZECP34 is required.	
Qualifying Matters	7 (77G)	 The following qualifying matters would apply to the National Grid: A matter required in order to give effect to a national policy statement (other than the NPS-UD). A matter required for the purpose of ensuring the safe or efficient operation of nationally significant infrastructure. 	As outlined above i.e. identifying the National Grid Yard as an area where the MDRS does not apply would resolve this issue. In the event that such a provision is not provided in the Bill, Transpower considers the following changes are required to clause 77G:
		However, Transpower is concerned that the assessment of what is a qualifying matter is left to individual territorial authorities to decide at their discretion. As currently drafted, even if a qualifying matter is identified, the territorial authority is not required to make the MDRS less permissive, and only "may" make the MDRS less permissive.	(1) A relevant territorial authority may must make the MDRS less permissive in relation to an area within a relevant residential zone if that change is required to accommodate 1 or more of the following qualifying matters that are present: (b) a matter required in order to give effect to a national
		The National Grid is linear infrastructure that stretches across New Zealand and will inevitably cross urban land that is subject to the Bill. It is imperative that inappropriate development is not allowed to occur as of right within the National Grid Yard.	policy statement (other than the NPS-UD): (c) a matter required for the purpose of ensuring the safe or efficient operation, maintenance, upgrade and development of nationally significant infrastructure:
		As set out above, Transpower considers that a bespoke provision is required in the Bill to make it clear that the MDRS does not apply in the National Grid Yard.	OR (2) A relevant territorial authority must not apply the MDRS in relation to an area within a relevant residential zone if that area is within the National Grid Yard, and must ensure
		In the event that a bespoke provision is not included within the Bill Transpower considers that clause 7 needs to be amended to make it mandatory for territorial	every activity complies with the requirements of NZECP34.

Topic	Clause	Transpower's comment on proposed clause	Amendment sought by Transpower
		authorities to make the MDRS less permissive where a qualifying matter applies, or at least where the qualifying matter is nationally significant infrastructure.	
		Transpower also considers clause (1)(c) needs to be expanded to include not just the operation of nationally significant infrastructure, but also the maintenance, upgrade and development of nationally significant infrastructure. As set out above, inappropriate development in the National Grid Yard not only impacts on the operation of the National Grid, but on the maintenance, upgrade and development of the National Grid, and the Bill needs to provide for all of these scenarios.	
Evaluation Report for Qualifying Matters	7 (77H)	Clause 77H requires an evaluation report to be prepared by a territorial authority when amending its district plan to give effect to the changes required in the Bill. As part of the evaluation report a territorial authority must demonstrate why an area is subject to a qualifying matter, why the qualifying matter is incompatible with the level of development permitted by the MDRS, and assess the impacts on limiting development capacity.	As outlined above i.e. identifying the National Grid Yard as an area where the MDRS does not apply would resolve this issue. In the event that a bespoke provision is not included in the Bill, Transpower seeks that clause 77H be amended as follows:
		Transpower will have to make its case to each territorial authority as to why the MDRS should not apply to the National Grid and provide sufficient information for territorial authorities to undertake this analysis. This is not a reasonable requirement given the significant amount of work that will be required to be undertaken by August 2022.	(2) <u>Subject to subsection 3,</u> the evaluation report from the relevant territorial authority referred to in section 32 must, in relation to the proposed change,—
		Further, it is not reasonable to require Transpower to undertake this work when Transpower has already spent in excess of \$14 million and participated in excess of 80 plan processes as well as numerous hearing processes	(3) The requirements in subsection 2 do not apply where the qualifying matter is a matter required for the purpose of ensuring the safe or efficient operation, maintenance, upgrade and development of nationally significant infrastructure or a matter required in order to give effect to a national policy statement.

Topic	Clause	Transpower's comment on proposed clause	Amendment sought by Transpower
		negotiating with councils throughout New Zealand to partially give effect to the NPSET and provide for buffer corridors within district plans. It does not make sense that these provisions should be re-litigated as part of the incorporation of the MDRS.	
		In the event that a bespoke provision is not included in the Bill providing for the National Grid Yard, then Transpower considers that the requirement to undertake a s 32 analysis should be removed where the qualifying matter comes under (b) a matter required in order to give effect to a national policy statement or (c) as nationally significant infrastructure. As set out above, this analysis is not required as this work already undertaken across New Zealand and has repeatedly demonstrated that it is important that the National Grid be protected from incompatible development.	
Effect of incorporation of MDRS in district plan on new applications for resource consents	7 (77J)	Clause 77J provides that any provisions of a district plan or proposed district plan which are inconsistent with the MDRS cease to have effect and the provisions of the intensification planning instrument that incorporate the MDRS apply when considering an application for a resource consent for an activity to which the MDRS is proposed to apply that is lodged after the intensification planning instrument is notified.	As outlined above i.e. identifying the National Grid Yard as an area where the MDRS does not apply would resolve this issue. In the event that such a provision is not included then clause 77J should be amended as follows:
		This could lead to inappropriate development occurring directly under National Grid lines, and within the National Grid Yard. This is both contrary to the NPSET and the buffer corridor approach within district plans which Transpower has spent in excess of \$14 million and participated in excess of 80 plan processes as well as numerous hearing processes securing plan provisions that partially give effect to the NPSET.	(6) To avoid doubt, any provisions in a district plan or a proposed district plan which seek to prevent or manage development in the National Grid Yard continue to apply to any application for a resource consent that is lodged on or after the date on which a relevant territorial authority notifies its intensification planning instrument incorporating the MDRS in its district plan.

Topic	Clause	Transpower's comment on proposed clause	Amendment sought by Transpower
		In the event that a bespoke provision is not included within the Bill, Transpower considers that this clause needs to be amended so that it is clear that any existing provisions intended to prevent development in the National Grid Yard still apply after the intensification planning instrument is notified.	
Urban non-residential zones	7 (77K- 77N)	A relevant territorial authority must ensure that the provisions in its district plan for each urban non-residential zone give effect to the other intensification policies as required. Again, a relevant territorial authority may modify the requirements where qualifying matters are present, but this is not required, and an evaluation report will need to be prepared demonstrating why the qualifying matter applies. Intensification in non-residential urban areas could impact on the National Grid if it takes place in the National Grid Yard. The High Court in the context of the Auckland Unitary Plan has already considered that it is appropriate to restrict non-sensitive activities to protect the National Grid. Therefore for the same reasons as set out above, a bespoke requirement that the intensification policies do not apply to the National Grid Yard is required in the Bill.	(4) In carrying out its functions under this section, a territorial authority must not give effect to the changes required by policy 3 or policy 5 in an area within a relevant non-residential zone that is within the National Grid Yard and must ensure every activity complies with the requirements of NZECP34. In the event that a bespoke provision is not provided, amend clause 77L as follows: A relevant territorial authority may must modify the requirements of policy 3(a), (b), or (c) in an urban non-residential zone to be less permissive than provided in those policies only to the extent necessary to accommodate 1 or more of the following qualifying matters that are present: (c) a matter required for the purpose of ensuring the safe or efficient operation, maintenance, upgrade and development of nationally significant infrastructure:

Topic	Clause	Transpower's comment on proposed clause	Amendment sought by Transpower
			2) A relevant territorial authority must not apply policies 3(a), (b), or (c) in an area within an urban non-residential zone if that area is within the National Grid Yard and must ensure every activity complies with the requirements of NZECP34.
			In the event that a bespoke provision is not provided, amend clause 77M as follows:
			(3) The requirements in subsection 2 do not apply where the qualifying matter is a matter required for the purpose of ensuring the safe or efficient operation, maintenance, upgrade and development of nationally significant infrastructure or a matter required in order to give effect to a national policy statement.
Tier 2 Territorial Authorities	8 (80E)	Clause 8 provides the ability for the Governor-General to by Order in Council and on the recommendation of the Minister make regulations requiring a tier 2 territorial authority to prepare a change to its district plan or a variation to its proposed district plan to incorporate the MDRS and give effect to Policy 5.	No specific changes required as these are covered by the above changes.
		The issues Transpower has raised in respect of Tier 1 territorial authorities implementing the MDRS apply equally to Tier 2 territorial authorities. The Bill needs to provide for the National Grid Yard to be exempt from the application of the MDRS for Tier 2 territorial authorities as well.	
When rules incorporating MDRS have legal effect	9 (86B)	If the National Grid is not identified as a qualifying matter then the MDRS will have immediate legal effect from the date the intensification planning instrument is notified. This could lead to inappropriate development occurring	Amend clause 9(3A) as follows: A rule in a proposed plan has immediate legal effect if the
		as of right under the National Grid and within the National Grid Yard. This is both contrary to the NPSET	rule— (a) is proposed in an intensification planning instrument

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		and the buffer corridor approach within district plans which Transpower has spent in excess of \$14 million securing to partially give effect to the NPSET. In the event that a bespoke provision is not included within the Bill, Transpower considers that this clause	prepared using the ISPP; and (b) is proposed to apply to a relevant residential zone; and (c) is not proposed to apply to any of the following areas: (i) a permissive area: (ii) a qualifying matter area:
		needs to be amended so that it is clear that the rules do not have immediate legal effect where they relate to an area within the National Grid Yard.	(iii) a new residential zone: (iv) the National Grid Yard.
Intensification Streamlined Planning Process	14	While the intensification streamlined planning process provides a process for submissions for Transpower to be heard, and the Independent Hearing Panel to consider and address any issues, this will require Transpower to participate in various hearing processes. This will be a significant use of resource when the issues will be the same across the different districts. It could also result in inconsistent application of the MDRS to the National Grid. In the event that the National Grid is not protected in a way that gives effect to the NPSET, there are no appeal rights available under the Bill. These issues should be addressed within the Bill itself, and not left to the discretion of territorial authorities and Independent Hearing Panels.	No specific changes required.
MDRS to be incorporated by relevant territorial authorities	Schedule 1 (New Schedule 3A inserted)	The construction of up to 3 residential units per site becomes a permitted activity provided compliance with relevant building standards. More than 3 residential units per site, or non-compliance with the building standards requires consent as a restricted discretionary activity. However, where more than 3 residential units complies with the building standards, the application is not to be notified. Transpower has proposed a bespoke provision to ensure the National Grid Yard is exempt from the	No specific changes required as these are covered by the above changes. In the event that reference to NZECP34 is not included in the clauses of the Bill as set out above, Transpower seeks a new standard be added to Schedule 3A, Part 2: Building standards as follows:
		application of these provisions. Transpower also proposes a standard be inserted in	Buildings, including associated construction activities, must comply with the <u>requirements of NZECP34.</u>

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		relation to compliance with NZECP34, to ensure safe development occurs outside of the National Grid Yard.	This approach would provide less certainly for housing developers from the outset, but simplicity for Councils when developing their plan changes.