



T R A N S P O W E R

National Environmental Standards for Sources of Human Drinking Water Consultation Document

**Submission to the Ministry for the Environment 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. 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), over 36,000 structures, and 178 substations across the country. Transpower also has over 15,000 km of access tracks throughout New Zealand which it uses to access these assets.
2. 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.
3. Transpower is making this submission on the Ministry for the Environment's National Environmental Standards for Sources of Human Drinking Water (**NES-DW**) Consultation Document (the **Consultation Document**) as Transpower's assets will inevitably be located near sources of drinking water and will therefore be subject to the provisions of the NES-DW.
4. Transpower understands the need for a strengthened NES-DW. Transpower's submission seeks only to ensure that the proposed amendments to the NES-DW do not result in any unintended consequences for Transpower's assets that could compromise their effective operation, maintenance, upgrading and development.

Summary of Transpower's position on the NES-DW Consultation Document

5. Transpower's key concern with the Consultation Document is that it does not refer to infrastructure, yet activities undertaken by Transpower, and other infrastructure providers, will be captured by the NES-DW.
6. In particular, where activities Transpower regularly carries out as part of its routine maintenance works, such as earthworks, culverting and other riverbed disturbance works, are to be undertaken within source water risk management areas (**SWRMAs**) the NES-DW will regulate or manage those activities, and in some cases those activities may not be able to be undertaken at all.
7. If Transpower is unable to undertake certain activities within SWRMAs this may compromise the effective operation, maintenance, upgrading and development of the electricity network. It is critically important Transpower can continue to maintain and operate its assets, including where they are located within SWRMAs. The NES-DW needs to recognise this, and specifically provide for the Grid (as well as other nationally significant infrastructure).
8. Restricting Transpower from undertaking certain activities within SWRMAs would be inconsistent with the National Policy Statement for Electricity Transmission 2008 (NPSET) which requires that the National Grid be recognised and provided for, and that the operation, maintenance, upgrading and development of the National Grid is not compromised. It would also be inconsistent with other national direction which recognises and provides for National Grid infrastructure, as well as the NES-Freshwater Management which provides a consenting pathway for "specified infrastructure." As noted in the Consultation Document, consistency

across national direction is important, as the NES-DW is intended to work in parallel with other freshwater national direction.

Particular submission points

Establishing a methodology for delineating SWRMAs

9. The Consultation Document states that a default methodology will be established for delineating SWRMAs for different types of water bodies.
10. SWRMA 1 will be the immediate area around the source water take where there is an immediate risk of contamination. Most activities will be restricted in this area.
11. While Transpower has assets in rivers, and in close proximity to aquifers across New Zealand, because there is currently no national database for the locations of drinking water sources, Transpower does not know if any of its assets are within the area defined by SWRMA 1 in relation to drinking water sources. In the absence of complete mapping of water sources, it is likely that Transpower's assets will be located within various SWRMAs.
12. On that basis, Transpower supports the mapping of drinking water sources and would prefer that mapping of all drinking water sources occurred as soon as possible. If Transpower is not aware of a drinking water source it cannot avoid the drinking water source when it relocates existing assets or constructs new assets. Similarly, Transpower may not manage effects on the drinking water source when undertaking work on existing assets, if an existing drinking water source near existing Grid assets is not identified or known.
13. Transpower is not opposed to delineating SWRMAs. However, as explained further below, Transpower is concerned about the unintended consequences of its assets being within SWRMAs and the impact this may have on the ability for Transpower to undertake activities within SWRMAs – particularly in respect of SWRMA 1.
14. The Consultation Document also states that the NES-DW will provide regional councils with the ability to propose 'bespoke' delineation, where appropriate. While Transpower does not oppose the requirement for bespoke delineation, Transpower considers that the identification of bespoke SWRMAs, which could result in regulatory restrictions over and above those imposed under the default SWRMAs, should proceed through a schedule 1 process to allow Transpower, and other affected parties, to be involved in the preparation of the bespoke SWRMAs.

Regulation and management of activities within SWRMAs

15. The Consultation Document states that the NES-DW will regulate and manage activities undertaken within SWRMAs. Activities will be restricted (SWRMA 1), or require consent, with specific consideration given to effects on source water (SWRMA 2) in any application for consent and decision on that consent.

16. As set out above, activities which are to be restricted or managed in SWRMAs are activities that are routinely undertaken by Transpower, therefore these provisions will have direct application to Transpower and the National Grid. The Consultation Document does not recognise that these provisions will apply to infrastructure providers. The Consultation Document does not differentiate between different types of resource users, or that some resource users like Transpower may not be able to easily move or locate their assets outside of SWRMAs.
17. Transpower considers the NES-DW must provide for the National Grid (and other nationally significant infrastructure) within SWRMAs and differentiate between different types of resource users.

SWRMA 1

18. In SWRMA 1, new activities are to be restricted and resource users will need to consider alternatives to undertaking that activity, in that location. Where there is no practicable alternative and the activity is necessary, a consent application may be made.
19. Establishing that an activity is “necessary” in a certain location and that there are no practicable alternatives, is a very high threshold and there may be other considerations which are relevant to whether or not an activity should be established within SWRMA 1, particularly in the context of National Grid infrastructure. For example, there may be technical or operational requirements of National Grid infrastructure that require it to be located within SWRMA 1. The broader SWRMA 1, the more likely it would need to be traversed.
20. Transpower considers the NES-DW needs to recognise that there may be instances where infrastructure is required to be located in SWRMA 1. This likelihood would increase, the broader SWRMA 1 is. On that basis the NES-DW needs to provide a pathway for the establishment of nationally significant infrastructure within SWRMA 1, similar to that provided for in other national direction. Transpower considers that a nationally consistent set of standards could be developed to support permitted activity status for the routine activities it carries out on its assets.
21. The Consultation Document also states that in relation to existing activities in SWRMA 1, activities must be relocated if an activity is not essential, and there are alternatives available to move the location of the activity beyond SWRMA 1.
22. The requirement to move existing assets would be particularly onerous in the context of National Grid infrastructure. Removal of National Grid overhead line structures and potentially entire substations is a significant and costly undertaking and should only be undertaken in certain circumstances as required by Transpower.
23. There is no discussion within the anticipated costs section of the Consultation Document regarding the costs associated with the relocation of infrastructure activities. If Transpower is required to relocate National Grid infrastructure as a result of the NES-DW, the costs of this could be significant.
24. The NES-DW needs to recognise and distinguish between activities that can easily be relocated, and those like National Grid infrastructure which cannot. Transpower considers any requirement to remove existing activities from within SWRMA 1 should not apply to nationally significant infrastructure.

SWRMA 2

25. In SWRMA 2, permitted activity status is to be removed for high-risk activities, and risks to source water should be considered for all applications for consent within SWRMAs, with appropriate conditions imposed on all consent applications.
26. SWRMA 2 is likely to cover large areas of land, so it is likely Transpower's assets will be captured. However, the focus of SWRMA 2 appears to be on management, rather than prevention of activities.
27. Provided nationally significant infrastructure is appropriately provided for, and Transpower can maintain its assets, Transpower does not have any key concerns with the NES-DW managing activities within SWRMA 2. However, Transpower notes that the suggested matters of discretion in the Consultation Document are not appropriate for National Grid infrastructure.
28. For example, one of the criteria is "the need for the activity to be within the SWRMA, and alternative options available". As set out above, it is the locational, operational, and technical requirements of National Grid infrastructure that dictates where National Grid infrastructure is required to be located, rather than functional requirements.
29. Transpower considers that any matters of discretion set out in the NES-DW will need to be tailored so they are relevant to nationally significant infrastructure. Alternatively, nationally significant infrastructure activities should be provided for as permitted activities within SWRMA 2. Transpower considers that appropriate and robust permitted activity standards could be developed in relation to the routine activities it carries out.

SWRMA 3

30. Transpower does not consider any other controls are required in SWRMA 3.

Retrospective application of the NES-DW to existing activities

31. The Consultation Document notes that consideration is being given to retrospectively applying the requirements of the NES-DW to those activities where effects on source water are ongoing and require addressing, pursuant to s 128 of the Resource Management Act 1991 (**RMA**). We assume the default transitional period under section 43B(9) of the RMA would apply in this situation.

Proactive response planning

32. The Consultation Document notes that consideration is being given to the need to require proactive emergency response planning for certain activities within SWRMAs that have the potential to significantly affect source water in the event of an accident or emergency, or natural event.
33. The appropriateness of response planning for National Grid infrastructure depends on what types of National Grid assets the NES-DW is going to apply to. This will depend on where water sources are located and what sort of National Grid infrastructure is within SWRMAs.
34. For example, response planning may be reasonable if the asset within a SWRMA is a substation. However, if the assets are just National Grid overhead line structures, then it may not be reasonable to require response planning given the infrequency with which accidents occur, or emergency works would be required.

Application of the NES-DW

35. The Consultation Document proposes to apply the source water protections of the NES-DW to all registered drinking-water supplies.
36. Transpower supports the application of the NES-DW to all registered drinking-water supplies as Transpower supports consistent application of the provisions, and mapping of all sources.
37. However, the staggered approach to implementation set out under Proposal 3 of the Consultation Document will take a significant amount of time and in the interim, Transpower may have new assets in place.
38. The length of time until these provisions are fully in place, and the extent of the impact of the NES-DW on the National Grid, supports an exception for infrastructure being provided within the NES-DW as set out above.

Merging of national direction through reforms

39. Transpower supports the reference to the merging of national direction as part of the reform at page 18 of the Consultation Document.
40. The proliferation of national direction is making consenting problematic for Transpower with various National Environmental Standards now applying to Transpower's activities including the National Environmental Standards for Electricity Transmission Activities, the National Environmental Standards for Freshwater and now the NES-DW.

Exposure Draft

41. Transpower would welcome the opportunity to comment on any exposure draft of the proposed NES, to ensure it is workable for National Grid infrastructure.