

17 November 2025

Transpower submission on the Fast-track Approvals Amendment Bill

As the owner and operator of nationally significant infrastructure, Transpower New Zealand Limited (**Transpower**) welcomes the opportunity to submit on the Fast-track Approvals Amendment Bill (**Bill**).

Transpower supports the policy intent of the changes in the Bill to:

- allow the staging of listed projects;
- allow minor changes to the location and descriptions of listed projects; and
- clarify that panels can impose conditions relating to infrastructure which supports a development.

Our submission seeks changes to the Bill to clarify and refine the application of these changes, particularly in relation to enabling and ancillary activities forming a necessary part of projects with nationally or regionally significant benefits.

In addition, we generally support proposed changes that provide certainty of timeframes. However, we caution that placing panels under too tight timeframes could compromise the quality of decision-making, which could in turn result in greater litigation risk. Any appeals or judicial review would increase timeframes for relevant projects.

Transpower wishes to be heard by the Select Committee.

Key comments on the Bill

We seek that the Bill is amended to:

- a. support applications for ancillary and enabling works as a stage of a listed project;
- b. allow the Order in Council process to modify a listed project to identify enabling and ancillary activities required for full implementation of the listed project; and
- clarify that panels can only impose obligations on project applicants, and cannot impose obligations on infrastructure providers, such as Transpower (unless they are also the applicant).

Appendix A to this submission sets out the suggested tracked changes for these amendments.

Background and context

Transpower is the state-owned enterprise who invests in, maintains and operates the electricity transmission network – the National Grid. We have approximately \$5 billion of network assets throughout New Zealand. These assets include over 170 substations, approximately 11,000km of transmission lines (overhead, underground and submarine) and one of the country's largest telecommunications networks.

National Grid assets, and the ability to operate, maintain, develop and upgrade them, are key to the economy – not only due to the key role Transpower plays in electrification, but also its role in enabling economic growth more generally.

Our major upgrades and new build projects span multiple years. They involve core activities – such as bulk earthworks, lay down areas, and electrical installations. Depending on the project, they could also require temporary storage depots and offices associated with transmission construction activities, construction or strengthening of jetties/wharves associated with delivery of equipment, upgrades of routes to site, including access tracks, bridges, and culverts crossed by construction traffic, concrete batching plants, localised quarries, and potentially workers villages. These ancillary activities are also integral to projects that require them. Some activities may be distant from the core project area.

In addition to major upgrades and new build for the National Grid, new connections to renewable generation and major industrial users – particularly to enable the electrification of transport and process heat – will also be needed.

National Grid assets will also need to be relocated to enable other infrastructure and residential development. State highways and arterial road development often require relocation of lines to adjacent land. Further, residential developers sometimes engage in relation to relocation of National Grid lines in order to increase their subdivision yield. In both instances, relocation would occur outside of the project area.

We expect that many of Transpower's projects will be authorised using the Fast-track Approvals Act (**FTAA**). Transpower has two projects listed in Schedule 2 to the FTAA, but has not yet lodged applications for them. Transpower is also working with other FTAA applicants who either rely on the National Grid to support their projects (e.g. new connections or upgrades), or require Transpower to relocate National Grid lines away from their project area so their development can proceed (many roading projects fall into this category).

Our projects must be completed at pace to meet New Zealand's economic growth needs and to enable electrification. Faster consenting of projects intended to be provided by the FTAA will be undermined if:

- enabling and ancillary works, that are integral to the overall project, cannot occur in advance
 of detailed design and consenting of the core aspects of projects with regionally or nationally
 significant benefits. If such staging is prevented, enabling works will be delayed while
 detailed design "catches up" and either a single application via the FTAA is lodged, or the
 enabling works are consented under standard processes.
- Projects with regionally and nationally significant benefits authorised under the FTAA still
 need to wait for enabling and ancillary activities to be authorised using the standard Resource
 Management Act 1991 processes. This outcome could happen if Transpower's works were
 ancillary or enabling of another party's fast-tracked project, but were not themselves able to
 be processed via the FTAA.

If we are able to commence enabling and ancillary works, while carrying out detailed design of later stages in parallel, the purpose of the FTAA, in facilitating infrastructure delivery will be met.

Changes sought to the Bill

Staging of listed projects

Suggested changes

The Bill proposes staging of listed projects. We suggest the Bill defines the term "specified stage" which is used in proposed section 37A (to be inserted by clause 19). The definition should clarify that a specified stage could be, or include, an enabling or ancillary activity – whether that activity is known at the time of the listing in the Schedule, or identified subsequently.

We further suggest that the way project stages are assessed under proposed section 37A(5) is broadened to also provide for ancillary and enabling activities, and not merely stages that are nationally or regionally significant.

In addition, we seek that similar changes are made section 21 of the FTAA, so that the Minister could consider a referral application for a stage of a project in relation to ancillary and enabling activities.

Explanation

Our projects often occur in a staged manner, over multiple years - ancillary activities (such as earthworks) and asset relocation/realignment are required in advance of detailed design for network infrastructure. Enabling works are often subject to different contractual arrangements, with different contractors carrying out the works. These works are large parts of an overall project. Because of this commercial and project reality, we consider that the ability to stage a project should be broadened to include ancillary and enabling activities, and clarification provided in both a definition of "specified stage" and the underlying statutory provision. The definition should encompass stages defined by time or location, and also encompass enabling and ancillary works carried out as a stage.

We also consider that staging should be able to occur where Grid assets are enabling of, or ancillary to, another infrastructure operator's project – such as substations and grid connections for generation, or line relocations for roading projects.

We also seek amendments to proposed section 37A(5). This provision currently requires that a specified stage meet the criteria in section 22 of the FTAA (relating to national and regional benefits) as if it were a stand-alone project.

We suggest that proposed section 37A(5) is amended to account for the importance of ancillary and enabling activities which may not meet the FTAA section 22 criteria in isolation. In this regard, early completion of ancillary or enabling activities will often enable a more efficient and cost-effective implementation of the entire project, and such staging may be necessary for project completion (and the regional and national benefits being obtained).

Descriptions of listed projects

Suggested change

We seek that proposed section 117A (inserted by clause 54 of the Bill) be amended so that Orders in Council are able to modify listed projects to capture ancillary and enabling activities required for the full implementation of projects, including where the ancillary or enabling activities will be undertaken by another party.

Explanation

Proposed section 117A provides that Orders in Council to amend the description or location of a listed project can only be made if they will not create a 'substantially different' project scope as a result. Consideration will be required of a project's benefits and purpose, and the location, scale, and nature of works in order to determine whether it is 'substantially different.'

We consider that infrastructure could be facilitated if the Bill clarifies that ancillary or enabling activities required to implement a project do not amount to a 'substantially different' project outcome.

For our HVDC Project, we are considering how construction could occur more efficiently. The termination station in each island is remote – with significant construction traffic movements being likely to get materials and equipment to each site. We are considering options such as development of a localised quarry, local farmland for storage and laydown areas and construction of a jetty – which would result in project and cost efficiencies, reduced traffic movements and reduced impacts on local communities. We are concerned that ancillary and enabling activities of this kind would be precluded by section 117A – yet the overall project deliverable will remain the same, being replacement of 3 HVDC cables, with 4 cables, together with necessary infrastructure at either island to enable their connection to the Grid. In this regard, we seek amendment to the bill to enable the detailed activities that go to overall project delivery.

We also wish to ensure that construction of infrastructure and development authorised by the FTAA is not held up by unauthorised out of scope enabling works, such as the relocation of a transmission line away from a housing development area or road corridor. Enabling works of this kind can sometimes occur outside of the project footprint of the listed project (eg. the relocation of a transmission line away from a road corridor). In this regard, any ability to limit modifications to a listed project to the same project area would be unhelpful.

Conditions relating to infrastructure

Suggested change

Transpower suggests that proposed section 84A (to be inserted by clause 46 of the Bill) is amended to clarify that conditions imposed under this section cannot compel third-party infrastructure providers to provide or alter their infrastructure.

Explanation

The current drafting of proposed section 84A is unclear. It could be interpreted as allowing conditions to be imposed which require:

- a. the applicant to provide infrastructure necessary to support their project;
- b. project implementation to be delayed until the necessary infrastructure is in place; or
- c. a third party infrastructure provider (such as a council or Transpower) to provide infrastructure which the project relies on.

Transpower supports amendments to proposed section 84A which would accommodate the first interpretation, but strongly opposes the third interpretation. The second interpretation is unnecessary, because it is a standard approach to imposing conditions under the Resource Management Act 1991 (a condition precedent could be imposed).

The third interpretation is strongly opposed. Infrastructure providers cannot, through an application by another party, be forced to commit funding, resources and time to the servicing of developments by others. Infrastructure developers must be allowed to deliver upgrades in a strategic and planned manner.

Examples of relevant projects

A number of electricity generation projects are listed in Schedule 2 to the FTAA. These typically rely on the construction of new substations and National Grid connections in order to facilitate power distribution from the proposed generation. Some of these substation-related projects progress without our involvement, including through the consenting phase. Further, some of the roading projects that are listed will inevitably require relocation of Transpower assets.

Construction of these substations or connections, or relocation of assets, could potentially trigger conditions under proposed section 84A. Transpower currently works with developers to agree the funding and scheduling of 'customer work' such as this. Working by agreement is the only feasible method of aligning Grid upgrades with developer aspirations.

Other matters

Our submission does not contain confidential matters.

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Appendix A Specific changes sought to the Bill and FTAA to give effect to Transpower's submission

Our suggested changes are marked up – additions are <u>underlined</u> and deletions are shown by <u>strikethrough</u>.

37A(5), (6) and (7) Listed projects proceeding in stages

- (5) If the Minister is satisfied that the specified stage of the project would meet the criteria in section 22 if considered as a stand-alone project, <u>or if the specified stage is required to</u> enable the cost-effective or efficient implementation of the project, the Minister—
 - (a) may determine that the authorised person may lodge a separate substantive application for that stage; and
 - (b) must notify the following of that determination:
 - (i) the authorised person for the project:
 - (ii) the EPA.
- (6) If the Minister is not satisfied that the specified stage of the project would meet the criteria in section 22 if considered as a stand-alone project, or if the specified stage is not required to enable the cost-effective or efficient implementation of the project, the Minister—
 - (a) may decline to make the determination requested; and
 - (b) must notify the authorised person for the project of the Minister's decision and the reasons for that decision.
- (7) In this section, specified stage means any stage of a listed project, including stages determined by geographic area or time, and can be enabling and ancillary activities carried out as a stage of a listed project.

21 Minister's decision on referral application

- The Minister may accept a referral application if the Minister is satisfied that,-
 - (a) In the case of a staged project,-
 - (i) The whole project meets the criteria in section 22; and
 - (ii) Each stage of the project would meet those criteria if considered as a standalone project, or is required to enable the cost-effective or efficient implementation of the whole project:

84A Conditions relating to infrastructure

- (1) The panel may set conditions that require the approval holder to provide to ensure that the infrastructure in the project area or other infrastructure the project will rely on is or will be made to support—
 - (a) The project; or
 - (b) The stage of the project to which the application relates.

(2) This section applies in addition to, and does not limit, any other powers to set conditions under this Act.

117A Order in Council to amend description in Schedule 2

- (1) The Governor-General may, by Order in Council made on the recommendation of the Minister, amend Schedule 2 to amend—
 - (a) the project description of a listed project:
 - (b) the description of the approximate geographical location of a listed project.
- (2) The Minister must not make the recommendation unless the Minister is satisfied that the scope of the listed project will not be substantially different as a result of the amendment, taking into account—
 - (a) the significant regional or national benefits of the project; and
 - (b) the purpose of the project; and
 - (c) the location, scale, and nature of the works involved in the project-; and
 - (d) <u>ancillary or enabling works that are reasonably necessary for a project's implementation.</u>
- (3) To avoid doubt, no new items may be inserted into Schedule 2 by an Order in Council made under this section.
- (4) An Order in Council made under this section is secondary legislation (see Part 3 of the Legislation Act 2019 for publication requirements).