



TRANSPOWER

Waikoukou
22 Boulcott Street
PO Box 1021
Wellington 6140
New Zealand
+64 4 495 7000
www.transpower.co.nz

25 July 2025

Ministry for the Environment
Manatū mō te Taiao
PO Box 10362
Wellington 614

By Email: ndprogramme@mfe.govt.nz

Phase 2 National Direction – Submission from Transpower New Zealand Ltd

Transpower appreciates the Ministry for the Environment's ongoing efforts in developing the Phase 2 National Direction, particularly as it relates to the electricity sector. We acknowledge and welcome the improvements officials have recommended within the proposed National Policy Statement for Electricity Networks (NPS-EN) and the National Environmental Standards for Electricity Network Activities (NES-ENA) documents. These represent positive steps towards a more enabling regulatory framework for electricity transmission, which is crucial for New Zealand's decarbonisation and electrification goals.

While the Phase 2 proposed documents are improved on the current national direction for electricity, they are not a complete solution for accelerating the electrification of New Zealand's economy. Our submissions detail critical areas where tensions between Section 6 (RMA) matters and national direction still exist. These unresolved tensions will continue to perpetuate uncertainty and hinder the pace and scale of electricity transmission development required to meet New Zealand's emission reduction targets. Given the Phase 2 national direction could exist and play a role in resource management decision-making for five years or more as Phase 3 policy is developed, passed into law and then implemented, it is imperative that these conflicts are definitively resolved within the national direction now.

Transpower is committed to enabling New Zealand's energy transition, as highlighted in our "*Te Kanapu*" initiative, which outlines the development of our future grid blueprint to power Aotearoa. Rapid expansion of renewable electricity generation and robust transmission infrastructure are essential to meet increasing demand and achieve our nation's climate change commitments. While we appreciate the progress made, we look forward to continuing our engagement with officials on Phase 3 of the reform programme, which we believe holds the key to truly unlocking the potential for New Zealand's electrification and securing a thriving, sustainable energy future for Aotearoa.

Yours sincerely

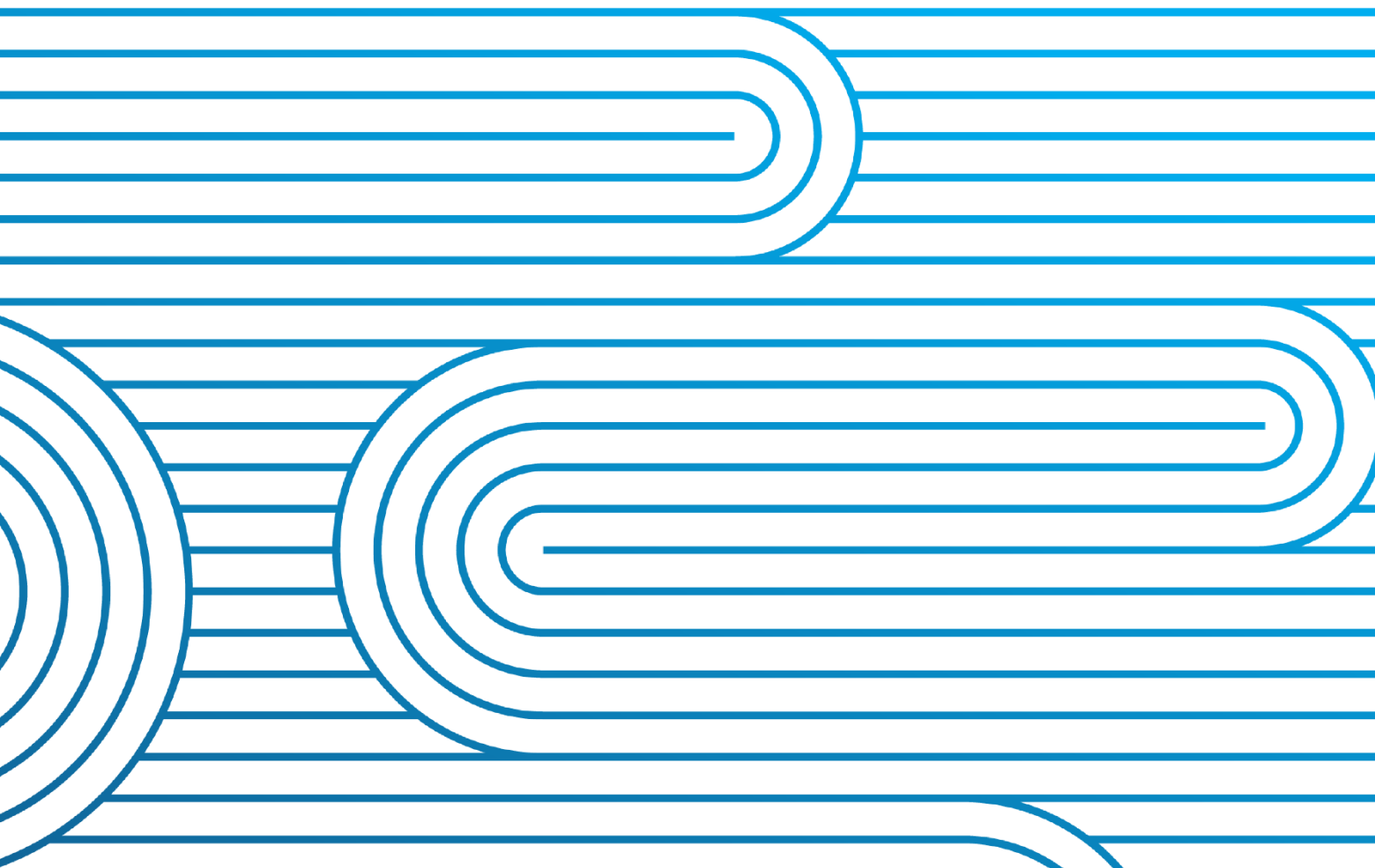
Raewyn Moss
EGM, Customer & External Affairs

Submission by Transpower New Zealand Limited

Proposed provisions – New National Environmental Standards for Granny Flats

National direction consultation – Package 1: Infrastructure and development

25 July 2025



Proposed provisions – New National Environmental Standards for Granny Flats

Ministry for the Environment
By email: ndprogramme@mfe.govt.nz

Transpower's address for service is:

Transpower New Zealand Limited
PO Box 1021
Wellington 6140

Attention: Daniel Hamilton, Strategic Planning Lead
Email: Daniel.hamilton@transpower.co.nz
Phone: (03) 590 6926



1.0 Introduction

Introduction to Transpower New Zealand Limited

Transpower is a State-Owned Enterprise that plans, builds, maintains, owns, and operates New Zealand's high voltage electricity transmission network – the National Grid. The National Grid links generators to distribution companies and major industrial users. It extends from Kaikohe in the North Island to Tiwai in the South Island and carries electricity throughout New Zealand.

Transpower's main role is to ensure the reliable supply of electricity to the country. Transpower is not a generator of electricity and has no retail sales of electricity. It can be considered a 'freight company' for electricity, in that it carries bulk electrical energy from where it is generated to the local distribution companies and some major users of electricity. Transpower plays a significant part in New Zealand's economy, with all major industries, cities and communities being reliant on a secure and reliable supply of electricity. Figure 1 is a schematic of the electricity industry in New Zealand, with the National Grid assets being represented as 'Transmission' and 'Substations'.

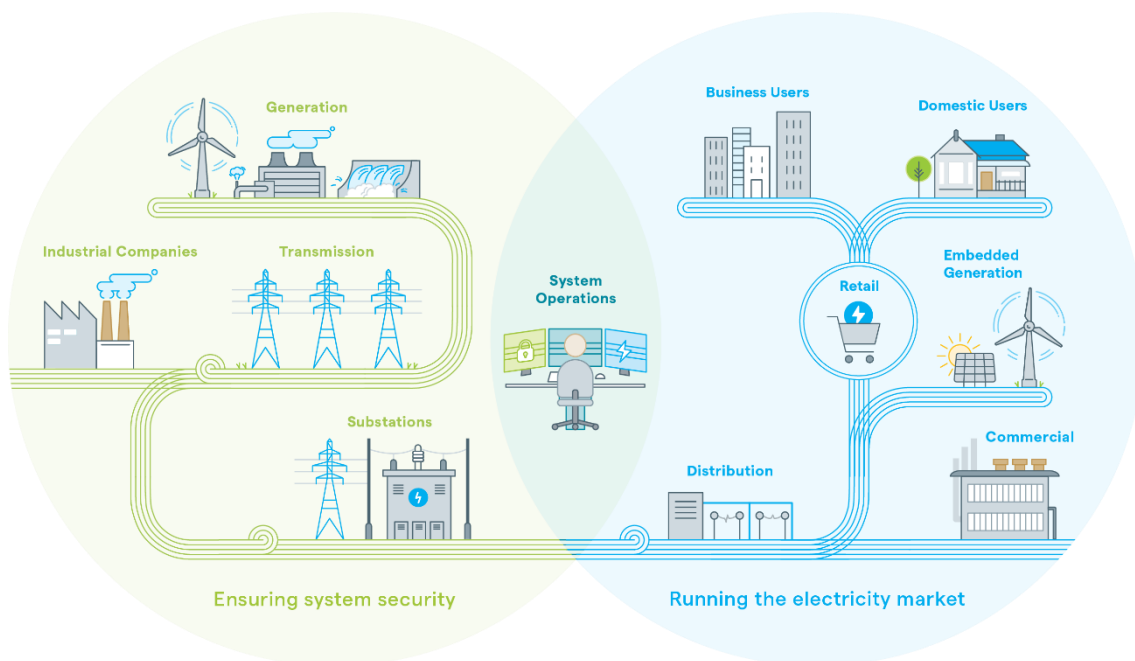


Figure 1. Electricity Industry in New Zealand.

Transpower is the backbone of New Zealand's energy future. As the owner and operator of the nation's 11,000 km high-voltage electricity transmission network – our National Grid – we are responsible for powering every home, business, and industry from Kaikohe to Tiwai Point. This extensive, interconnected system, supported by nearly 200 substations and a sophisticated telecommunications network, is more than just infrastructure: it's a strategic national asset.

Operating such a vast and linear network presents unique challenges. The National Grid must often traverse sensitive environments, connecting fixed points like energy generators to towns and major industries. While route flexibility can be limited, Transpower is committed to maintaining and developing this vital asset sustainably.

Crucially, the National Grid is at the heart of New Zealand's climate response. Our nation's ambition to achieve climate change objectives, including net-zero greenhouse gas emissions by 2050, hinges on the rapid electrification of the economy, a shift that will see electricity demand more than double by 2050. This transformation demands a resilient and reliable electricity system, making Transpower's role more critical than ever.

To meet this unprecedented demand, we face a significant undertaking: strengthening the National Grid to support massive growth in renewable electricity generation. This includes an estimated 60-70 new Grid connections over the next 15 years, alongside 10-20 major core Grid upgrades by 2035. These are not minor adjustments; they are foundational projects essential for New Zealand's social, economic, and environmental wellbeing for decades to come. The resource management system must become more enabling of rapid electrification if we are to support a secure supply as we electrify and grow Aotearoa.

2.0 Submission Overview

Transpower acknowledges the release of the Phase 2 national direction documents within the broader context of the ongoing Resource Management (RM) system reform. We understand these Phase 2 documents, including the proposed new National Environmental Standards for Granny Flats (NES-GF), serve as an interim measure. This is consistent with messaging received from Ministry for the Environment (MfE) officials, indicating that the Phase 2 national direction will be "*lifted, sifted and shifted*" into the subsequent Phase 3 legislation. We recognise that Phase 3 of the RM reform will introduce entirely new legislation to replace the RMA – the Planning Act and the Natural Environment Act – each with its own comprehensive suite of national direction. However, Transpower is also cognisant of the recent messaging from officials that the Phase 2 changes may have relevance for up to five years until the new RM Phase 3 framework is fully implemented.

A number of the Phase 2 national direction documents have relevance to Transpower. Of primary relevance are the proposed National Policy Statement for Electricity Networks (NPS-EN) and the amendments to the Resource Management (National Environmental Standards for Electricity Transmission Activities) Regulations 2009 (NES-ENA). Transpower has provided separate submissions on these documents, largely in support. In particular, Transpower supports Policy P10 of the NPS-EN ("*Managing the effects of third parties on the electricity network*") and the rules within Part 4 of the NES-ENA for the National Grid Yard and National Grid Subdivision Corridor.

Within this context, Transpower is neutral on the overall objective and the majority of provisions in the NES-GF. However, Transpower seeks the implementation of policy direction in the NPS-EN on managing the effects of third parties on the electricity network and integration with other NESs, Regional and District Plan rules and standards that apply to granny flats.

Amendments requested through this submission are provided throughout this submission (shown as blue text). Edits proposed as part of the consultation material are shown as red text.

To assist officials in understanding the relief sought in the Transpower submissions on the various national direction instruments, Appendix A provides a summary of the submissions and amendments requested.

3.0 Application of NES-GF

All other provisions in district and regional plans

Other than as provided for in the NES, all other district and regional plan provisions are proposed to apply in relation to:

- subdivision;*
- Resource Management Act 1991 section 6 matters of national importance (eg, management of risks from natural hazards);*
- the specific use of the MRU (other than for residential activities);*
- regional plan rules;*
- papakāinga;*
- earthworks; and*
- setbacks from transmission lines, railway lines and the National Grid Yard.*

Transpower supports the above clause stating setbacks from transmission lines such as the National Grid Yard apply to granny flats. The application of district and regional plan provisions for setbacks from transmission lines (such as the National Grid Yard) would implement the policy direction in Policy P10 in the Proposed NPS-EN that manages the effects of third parties on the electricity network. In particular, Clause 2) d) in Policy P10 requires buildings, structures, earthworks, and activities to avoid adverse effects on the electricity network, including reverse sensitivity effects, and to be designed and located to maintain safe distances from, and allow sufficient space for access to, and maintenance, construction, development, and upgrading of, electricity network assets.

To implement this policy, district and regional plans can contain setbacks and other rules and standards to manage the location of buildings, structures and other activities. In addition, to

give effect to Policy P10 of the NPS-EN, the proposed NES-ENA contains specific and detailed regulations for the National Grid Yard (R12) (and National Grid Subdivision Corridor (R13), noting subdivision is not relevant to the NES-GF).

To provide absolute clarity on the relationship between NESs and ensure a consistent, nationwide rule framework, it is requested that the NES-GF is amended by adding reference to the part of the NES-ENA that would apply to granny flats. This reference should include that granny flats that do not comply with the NES-ENA would be assessed under the NES-ENA. These amendments would provide a high level of certainty on the application of the two NESs and would save administrative time and costs for applicants and Councils.

As a minor point of clarification, Transpower also notes the references to ‘setbacks from transmission lines’, and the ‘National Grid Yard’ are potentially confusing as the transmission line setbacks are contained within the National Grid Yard. An amendment is requested to the reference to clarify they are the same.

Discussion Document Questions		Transpower Response
58.	Do you support the proposed permitted activity standards for minor residential units?	Request a reference is added to note minor residential units are subject to Part 4 NES-ENA. Protects the safe and efficient operation of the National Grid.
59.	Do you support district plans being able to have more lenient standards for minor residential units?	Request a reference is added to note minor residential units are subject to Part 4 NES-ENA. Protects the safe and efficient operation of the National Grid.
62.	Do you support existing district plan rules applying when one or more of the proposed permitted activity standards are not met?	Request a reference is added to note minor residential units are subject to Part 4 NES-ENA. Protects the safe and efficient operation of the National Grid. If Part 4 NES-ENA does not apply, request National Grid Yard and Corridor rules in District Plans apply.
63.	Do you support the list of matters that are out of scope of the proposed NES-GF? Should any additional matters be included?	Request a reference is added to note minor residential units are subject to Part 4 NES-ENA. Protects the safe and efficient operation of the National Grid.

Amendments requested

To address the above matter, Transpower seeks that the application of the NPS-GF be amended to specifically reference the NES-ENA. Wording is as follows (refer [blue](#) text. Edits proposed as part of the consultation material are shown as [red](#) text):

Application

All other provisions in district and regional plans

Other than as provided for in the NES, provisions in other NESs apply and all other district and regional plan provisions are proposed to apply in relation to:

- subdivision;
- Resource Management Act 1991 section 6 matters of national importance (eg, management of risks from natural hazards);
- the specific use of the MRU (other than for residential activities);
- regional plan rules;
- papakāinga;
- earthworks; and
- setbacks from ~~transmission lines~~, railway lines and electricity transmission lines as provided for in the National Grid Yard (refer to Part 4 National Environmental Standards for Electricity Network Activities).

Appendix A

To assist officials in understanding the relief sought in the Transpower submission on the various national direction instruments, the following provides a general summary of the submissions and amendments requested.

Package 1 Infrastructure and development

National Policy Statement for Electricity Networks - NPS-EN

Transpower is generally supportive of the NPS-EN and in particular the ‘benefits’ and ‘consideration/recognition’ policies and the introduction of P10 for the protection of the electricity network (‘EN’). However, it has concerns with the lack of reconciliation of matters subject to Section 6 of the RMA and other national direction in the interim, until the Phase 3 changes are enacted and the transition to the new system is complete. Transpower supports in principle the inclusion of the electricity distribution network.

The primary points and amendments requested by Transpower are:

- Clear implementation requirements and inclusion of ‘readymade’ provisions for inclusion in plans.
- Confined refinement to definitions for *Customer driven projects*, *Decision makers*, *EN assets*, *EN line*, *Routine EN activities*, *Sensitive activities*, and *Upgrading*, and inclusion of a definition of *Transmission line or distribution line*).
- Support for the objective, with confined amendment requested to clause b. and e. and rewording of clause f.
- P1 - amendment to clause 2) e) i) to recognise expanded or increased REG, and inclusion of reference to the broader issue of climate change mitigation.
- P2 - amendment to clause 2) b) to recognise the different needs, technical requirements and therefore scale of the EDN and ETN, and a new clause to recognise the need for EN to locate in hazard areas.
- P3 – confirmation as to how clause a) will be given effect to.
- P4 and P5 – support with minor amendments.
- P6 – amendment to apply the policy to significant adverse effects, and amendment to the avoid, remedy or mitigate where practicable policy directive.
- P8 – amendment to the chapeau to replace ‘upgrades’ with ‘non-routine’, and insertion of ‘where appropriate’ at the start of the policy.
- P9 – support.
- P10 – confined amendments to clause 1) to refer to activities.
- P11 – amendment to refer to strategic planning documents.
- P12 – amendment to broaden application (‘Electric and magnetic fields’ policy).
- Significant amendments are requested to P7 to provide a complete policy framework for non-routine and new development ET activities that would apply to all environments, including matters subject to Section 6 and other national direction.

National Environmental Standards for Electricity Network Activities - NES-EN

Transpower supports the amendment and updating of the NESETA to respond to the increasing challenges of enabling electrification.

The primary points and amendments requested by Transpower are:

- Refinement and correction to some definitions, including ensuring consistency with the NPS-EN.
- Reframing of Regulation 4 to reflect requested amendments and clarify application of the NES-ENA.
- Refinement of the noise standards within Regulations 6 and 10, and inclusion of a definition for 'Assessment point'.
- Expansion of Regulation 23 to permit signage within the bed of a lake, river, stream or coastal marine area.
- Amendment to Regulations 30-32 relating to Trimming, felling, and removing trees and vegetation.
- Amendment to Regulations 33-35 relating to earthworks, including removing the exclusion of regional earthworks rules within Regulation 4.
- Amendment to Regulation 36 to manage soil disturbance on contaminated land, and removing the application of the NES-CS.
- Inclusion of regional rules for Waterway Crossings, Groundwater take and use, dewatering; Structures and works in the coastal marine area; and Works within the bed of a lake or river.
- Minor amendments (corrections) to the Part 4 Rules for the National Grid Yard and Corridor, and insertion of inclusion of the yard and corridor provisions from the AUP.

National Policy Statement for Infrastructure - NPS-I

Noting the NPS-I does not apply to the ETN, Transpower generally supports the proposed direction outlined in the NPS-I. Notwithstanding the general support, Transpower prefers the wording within the NPS-EN in so far as the application of any policies to the ETN. As with the NPS-EN, a principal concern of Transpower is the lack of reconciliation between the enabling provisions of the NPS-I and other 'protective' forms of national direction (and Section 6 RMA matters in general).

The primary points and amendments requested by Transpower are:

- Refinement and correction to some definitions, including ensuring consistency with the NPS-EN.
- Amendment to clause f) of the objective to reflect the 'proportionate' approach under the NPS-EN.
- Support for policies, with amendment to policies P1, P3, P6 and P7.
- Significant amendments are requested to P8 to provide clear guidance on the expectations for management of effects, particularly in relation to Section 6 RMA values such as for landscapes, indigenous biodiversity and historic heritage.
- Concerns if P9 and P10 were applied to the ETN.

National Policy Statement for Renewable Electricity Generation - NPS-REG

While Transpower's main role is to ensure the reliable supply of electricity to the country, Transpower is also responsible for managing the power system in real time, a role referred to as the 'System Operator'. As part of this role, Transpower operates the electricity market to ensure electricity transmitted through the Grid is delivered whenever and wherever it is needed, 24 hours a day, seven days a week. In this way, we balance electricity demand and supply. To ensure this balance, Transpower is responsible for providing information and forecasting to the industry about security of electricity supply.

Transpower is cognisant that while it has a strong interest in the NPS-REG, its actual application to the ETN is limited. As such Transpower recognises that the electricity generators are best placed to comment on specific wording and concerns with the NPS-REG. At a high level, Transpower is concerned that the intent of the amendments to the NPS-REG will not address the problems articulated in the discussion document. On this basis, Transpower has requested limited amendments to the NPS, with those sought confined to refinement and correction to the definitions of *REG activities* and *REG assets*.

National Environmental Standards for Telecommunication Facilities - NES-TF

Noting Transpower's confined use and interaction with the NES-TF, in principle Transpower is supportive of the proposed changes to the NES in so far as it applies to the ETN, acknowledging that other users of the NES may have broader concerns. In particular Transpower supports the new state of emergency provisions. Transpower requested clarification as whether the NES-ENA or NES-TF manage Optical Ground Wires ('OPGW'), with specific wording requested to address the issue.

National Environmental Standards for Granny Flats - NES-GF

Transpower is neutral on the overall objective and the majority of provisions in the NES-GF. However, Transpower requests clarity on the relationship to the NES-ENA. It is requested that the NES-GF is amended by adding reference to Part 4 of the NES-ENA (the corridor provisions).

National Environmental Standards for Papakāinga - NES-P

Transpower is neutral on the overall objective and the majority of provisions in the NES-P. However, Transpower requests clarity on the relationship to the NES-ENA (noting ET is not included within *PAS3 Applicable rules of the underlying zone*). It is requested that the NES-P is amended by adding reference to Part 4 of the NES-ENA (the corridor provisions).

National Policy Statement for Natural Hazards - NPS-NH

Transpower supports the NPS-NH not applying to infrastructure. However, despite this exclusion, the NPS-NH states this NPS does not limit local authorities from managing natural hazard risk beyond the application of the NPS. Transpower is concerned this non-limitation could mean local authorities could apply provisions for infrastructure (including the National Grid) despite the specific exclusion in the NPS-NH. Transpower seeks this non-limitation be clarified/confined.

Package 2 and 3 - Primary Sector, and Freshwater

National Policy Statement for Freshwater and National Environmental Standards for Freshwater

Acknowledging the confined scope of the proposed amendments within Package 2, Transpower has provided general comments on the discussion points for Package 3, including concerns with any delay in the identification of wetlands; that Regulations 46(4)(b), 46(4)(c) and 46(4)(d) of the NES-F not apply in relation to altering, relocation and replacing support structures, transmission line removal, tree trimming and earthworks; and that 'operational need' be included for specified infrastructure (as is proposed for quarries as part of Package 2). Other matters to be addressed relate to how upgrading is managed within the NES, the lack of provision for Specified Infrastructure ancillary activities, the ability for councils to impose more stringent rules, and the offsetting and compensation principles when applied to existing electricity transmission assets.

New Zealand Coastal Policy Statement - NZCPS

Transpower supports the amendments to Policy 6, and specifically the amendment to recognise that electricity transmission (as a priority activity) may have an operational need to locate in the coastal marine area. Notwithstanding its support and the proposed changes to Policy 6, Transpower is cognisant the NZCPS requires the avoidance of all adverse effects in valued areas, and the avoidance of significant adverse effects in all other areas (referred to as the 'protection policies' within the discussion document). The amendments proposed to the NZCPS and in the NPS-EN neither recognise or reconcile these tensions, or provide a policy pathway for recognised activities when read alongside protective NZCPS policies, despite the recognition of 'operational need' within the NZCPS or how 'enabling' the NPSET/NPS-EN policies are expressed to be. While Transpower understands that reconciliation of the major tensions will occur as part of the replacement of the RMA in Phase 3 of the reform, and therefore the policy 'gap' and tensions are an interim issue, given the significance of the issue and need to enable electricity transmission (and renewable electricity generation) as soon as possible, Transpower would support the policy gap being addressed in the interim to provide certainty. Suggested additional wording to Policy 6 is requested in the Transpower submission.