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

By Email: <a href="mailto:ndprogramme@mfe.govt.nz">ndprogramme@mfe.govt.nz</a>

#### 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

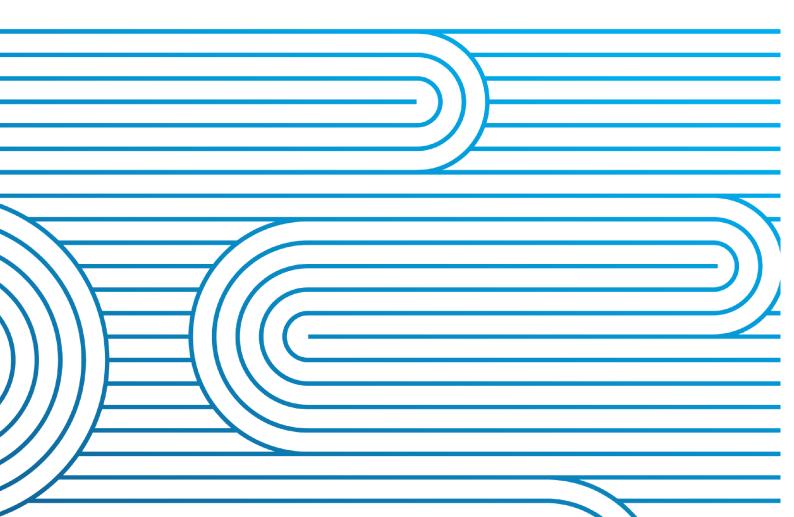
**EGM, Customer & External Affairs** 

# Submission by Transpower New Zealand Limited

## Proposed provisions – New National Environmental Standards for Papakāinga

National direction consultation – Package 1: Infrastructure and development

25 July 2025



### Proposed provisions – New National Environmental Standards for Papakāinga

Ministry for the Environment
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#### 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'.

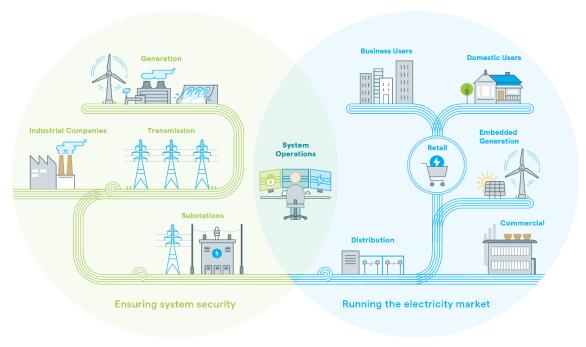


Figure 1. Electricity Industry in New Zealand.

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.

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Operating such a vast and linear network presents unique challenges. The 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 Papakāinga (NES-P), 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.

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 the 'benefits' and 'consideration/recognition' policies, 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. 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 RMA Phase 3 framework is fully implemented. As such the changes made during Phase 2 may have longer term relevance.

Within this context, Transpower is neutral on the overall objective and the majority of provisions in the NES-P. 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 papakāinga.

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-P

#### PAS3 Applicable rules of the underlying zone

<u>Standards and rules for the following matters shall be determined by the relevant provisions from district or regional plans, or other regulations:</u>

- setbacks from waterways;
- setbacks from rail corridors;
- building height;
- earthworks;
- permeable surfaces;
- lighting;
- noise;
- accessways;
- waste water and water supply;
- natural hazards;
- relocatable buildings; and
- green infrastructure.

While the above clause contains a number of matters, including setback from rail corridors, the above clause and other clauses in the NES-P are silent on setbacks from transmission lines and the application of the National Grid Yard rules to papakāinga. The application of district and regional plan provisions for setbacks from transmission lines and the National Grid Yard would implement the policy direction in Policy P10 (in the proposed amendments to the National Policy Statement for Electricity Transmission (the NPS-EN)) that manages the effects of third parties on the electricity network. In particular, Clause 2) d) in Policy P10 of the NPS-EN 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.

Activities (such as Papakāinga and other activities provided for in the NES-P) can compromise the operation, maintenance, development and upgrade of the National Grid, with the three primary reasons for restricting these activities being:

- Electrical risk (health and safety);
- Annoyance caused by transmission lines and reverse sensitivity; and
- Restrictions on the ability of Transpower to access, maintain, upgrade and develop
  the transmission lines, as well as third party development directly affecting and
  compromising the assets themselves.

Prudently designing buildings, structures or activities with the transmission line in mind (including beneath conductors, where such activities can be provided for) ensures vital National Grid infrastructure is protected and can be maintained and upgraded. 'Underbuild' can delay, restrict or compromise the ability of Transpower to undertake maintenance or project work.

Transpower has developed a corridor management approach to give effect to Policies 10 and 11 of the existing NPSET (and Policy P10 of the proposed NPS-EN). It includes land use setbacks, subdivision corridors and rules underpinned by robust evidence (including engineering, maintenance, planning, farming and economic impacts). The National Grid Yard (either side of the centreline) is the area (measured horizontally) beneath the conductors in "everyday" operating conditions (including ambient temperature and windspeed), being the conditions when line maintenance can be carried out. A setback around each transmission line support structure is also required for access, maintenance and safety purposes. The wider National Grid Subdivision Corridor is the area sought for subdivision which extends to the width defined by the swing of the conductors in high wind conditions (with the intent being to ensure newly created lots aren't created which could only accommodate a building for a sensitive activity within the National Grid Yard). These areas are the bare minimum to ensure that Transpower's maintenance, repair, upgrade and operation activities are not compromised and to maintain public safety. Sensitive activities, commercial buildings and intensive development (including some farm buildings) should be avoided beneath transmission lines because of electrical risk, annoyance caused by the transmission lines, and the challenges presented by these activities when Transpower needs to access, maintain, upgrade and develop the lines. Many of the activities provided for as permitted activities within PA1 and PA2 of the NES-P are 'sensitive activities' (as defined in the NES-ENA) which have the potential to generate adverse effects on the National Grid, including reverse sensitivity effects.

To implement Policy P10 of the NPS-EN (and Policy 10 and Policy 11 of the gazetted National Policy Statement for Electricity Transmission 2008), 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). Transpower strongly supports the inclusion of the National Grid Yard and National Grid Subdivision Corridor rules in the NES-EN, and believes it is essential that they are carried across into the Phase 3 legislation as national standards (which therefore cannot be altered at a local level), given they have been robustly debated and refined through countless local authority plan hearings over the past decade.

To provide clarity on the relationship between NESs, it is requested that the NES-P is amended by adding reference to the part of the NES-ENA that would apply to papakāinga. This reference should include that papakāinga 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, and give effect to the NPS-EN.

Discussion Document Questions		Transpower Response
66.	What additional permitted activity standards for papakāinga should be included?	Request a reference to papakāinga development being subject to Part 4 NES- ENA is added. Protects the safe and efficient operation of the National Grid.
67.	Which, if any, rules from the underlying zone should apply to papakāinga developments?	Request National Grid Yard rules in District Plans apply if Part 4 NES-ENA is not applied. 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-P 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:

• setbacks from electricity transmission lines as provided for in the National Grid Yard rules (refer to Part 4 National Environmental Standards for Electricity Network Activities).

#### **Permitted Activity Standards**

#### PAS3 Applicable rules of the underlying zone

<u>Standards and rules for the following matters shall be determined by the relevant provisions from district or regional plans, or other regulations, including NES's:</u>

- setbacks from waterways;
- setbacks from rail corridors;
- setbacks from electricity transmission lines as provided for in the National Grid Yard rules (refer to Part 4 National Environmental Standards for Electricity Network Activities).
- building height;
- earthworks;
- permeable surfaces;
- lighting;
- noise;
- accessways;
- waste water and water supply;
- natural hazards;
- relocatable buildings; and
- green infrastructure.

### **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.