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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

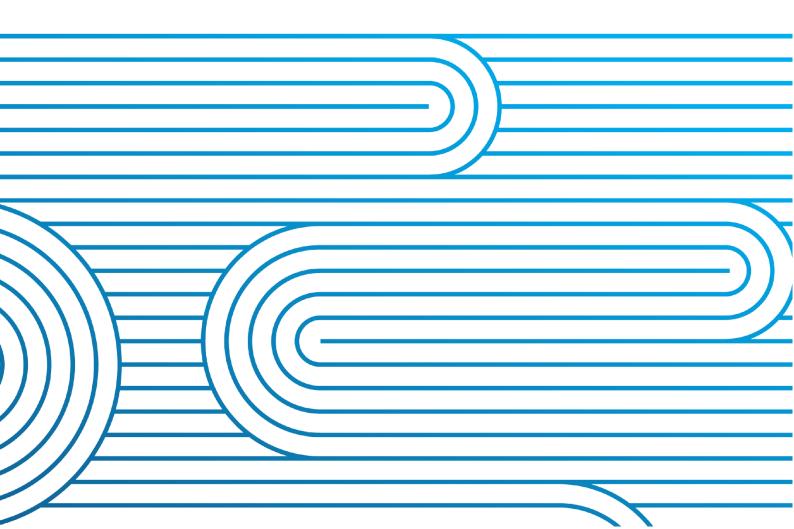
EGM, Customer & External Affairs

Submission by Transpower New Zealand Limited

New National Policy Statement for Infrastructure

National Direction Consultation – Package 1: Infrastructure and Development

25 July 2025



New National Policy Statement for Infrastructure

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

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1. Introduction

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'.

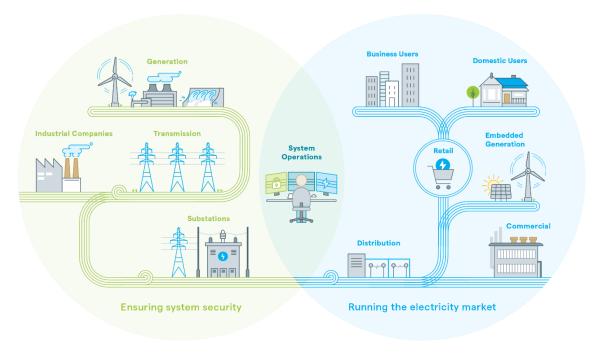


Figure 1. Electricity Industry in New Zealand.

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 Grid must often traverse sensitive environments, connecting fixed points like energy generators to towns and

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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. Submission Overview

The proposed National Policy Statement for Infrastructure ('NPS-I') is highly relevant to Transpower given the interrelationship between the National Grid and other infrastructure in supporting growth and development in New Zealand. While Transpower understands that under Phase 2 the National Grid is to be managed separately under the proposed National Policy Statement for Electricity Networks ('NPS-EN')¹, we would have concerns if, through Phase 3, the strength of the NPS-EN provisions relating to the National Grid were weakened (or not carried through into any more generic/high-level infrastructure national direction which would apply to the National Grid).

Transpower supports the overarching goals for the resource management reform programme, set out in the 'Package 1: Infrastructure and development discussion document', including "enabling delivery of high-quality infrastructure for the future, including doubling renewable energy".

Transpower generally supports the proposed direction outlined in the NPS-I, and many of the matters outlined in this submission are simply points of clarification or consistency. Notwithstanding the general support, Transpower prefers the wording within the NPS-EN as applied to electricity transmission given the NPS-EN better reflects the nuances of the ET network (specifically, its national benefits and significance, the linear nature of the network,

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¹ The NPS-I provides: This National Policy Statement does not apply to renewable electricity generation activities and assets managed under the National Policy Statement for Renewable Electricity Generation [2025] and the electricity transmission network and electricity distribution network activities and assets that are managed under the National Policy Statement for Electricity Networks [2025].

and the need for continual operation, maintenance, upgrading and development to improve capacity, resilience and delivery.

As explained in our submission on the NPS-REG and 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) and how this void perpetuates the issue of conflict between development and natural environment values. The silence on this issue within this instrument, and more widely in the other national direction instruments, is likely to continue the ongoing, prolonged and expensive debate over how to reconcile differing outcomes and effects. A substantial amount of cost and effort has been incurred to date with no clear reconciliation. It would appear that there has not been time or capacity to ensure that all of the national direction changes work together or that there is alignment across similar direction. It is requested that urgent consideration is given to providing reconciliation between national instruments. A potential policy resolution is proposed in this submission as a basis for discussion.

It is important that there is a large degree of consistency in language and direction in the various national direction instruments to optimise clarity and efficacy, unless there is a clear and logical reason for a different approach. A number of questions are raised in this submission relating to matters of consistency.

Transpower supports those parts of the proposed NPS-I that provide greater clarity and certainty, including proposed new definitions and those policies that provide clear direction to decision-makers. In particular the proposed changes of 'shall' to 'must' is supported, the use of 'recognise and provide for' within some of the policies directs greater emphasis, and the use of clear language such as 'enabling' and 'avoiding' is supported.

Amendments requested through this submission are provided throughout this submission (shown as blue text), and compiled within Appendix A.

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

3. Scope and Definitions

Transpower generally supports the proposed scope of 'infrastructure' under the NPS-I, in that all of the identified forms of infrastructure are important to the growth and wellbeing of New Zealand. However, it is important to ensure that the infrastructure associated with the National Grid, such as bridging, telecommunications and other associated assets are more appropriately managed under the NPS-EN to avoid inconsistency and potential duplication. Transpower therefore recommend a close alignment between the two national policy statements to ensure no overlap or uncertainty is created. Transpower supports the

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statement in the 'Application' section of the NPS-I which states the NPS-I does not apply to electricity transmission (because it is covered by the NPS-EN), on the basis it provides clarity as to the relationship between the NPS's and which applies to the electricity network.

Proposed definitions of specific relevance to the electricity network and Transpower's response are as follows:

NPS-	l Definitions	Transpower Response
D7	Infrastructure has the same meaning as in the Resource Management Act 1991 (RMA) but in this National Policy Statement also includes additional infrastructure.	The definition of 'Infrastructure' in the RMA (and consequently within the proposed definition of 'infrastructure activities') includes 'lines used or intended to be used to convey electricity, and support structures for lines used or intended to be used to convey electricity'.
		Transpower understands the intent is that the NPS-EN apply in relation to the "electricity transmission network" (as defined in the NPS-EN). As such, the clarification on what NPS applies to the "electricity transmission network" is important within the Application section of the NPS-I.
D11	Major Upgrade an upgrade of existing infrastructure that is not a minor upgrade. [note: the definition of 'minor upgrade' is included within the definition of 'maintenance and minor upgrade']	The provision of definitions for Major Upgrade (and maintenance and minor upgrades) proposed within the NPS-I are not used in the NPS-EN. Rather the NPS-EN uses the terms Routine and Non-routine EN activities, which reflect the nature of the ET activities. While the concepts within the terms are similar, there are nuanced differences. For example, the definition of Routine activities in the NPS-EN includes in clause (e) the removal, decommissioning or dismantling, clause (f) includes ancillary activities, and clause (g) includes activities regulated by the NES-ENA. Transpower considers these additional clauses helpful in relation to the ETN. On the basis the NPS-I does not apply to the National Grid, Transpower has no position on the definition of Major Upgrade.
D15	Provisions includes objectives, policies and/or rules.	It is unclear whether this definition is required in that the term is not used in relation to provisions outside the NPS-I itself.
D18	Reverse sensitivity in relation to infrastructure, means the vulnerability of existing infrastructure activity to complaint, burden, or	Transpower supports this definition, but questions why it does not relate directly to 'sensitive activities', or make reference to 'activities sensitive to the activity'.

	constraint from a new or more intensive activity proposed or located near the existing infrastructure	Transpower notes this term is not proposed to be defined in the proposed NPS-EN, although that national direction has policies that refer to reverse sensitivity. There is scope to improve the consistency in approach, and across the national direction.
D19	Sensitive activities residential activity (including visitor accommodation and retirement accommodation), care facilities, childcare facilities, schools, hospitals, custodial or supervised accommodation where residents are detained on site, marae, or place of worship.	Transpower supports the need for a definition of 'sensitive activities'. It is noted the different approach within the NPS-EN and NES-ENA reflects the context in which the definition is applied within those instruments.
D21	Wellbeing means the environmental, economic, social and cultural well-being of people and communities, and includes their health and safety.	This term has a well understood meaning in the RMA and does not need to be separately defined in the NPS-I.

Discu	ssion Document Questions	Transpower Response
1	Is the scope of the proposed NPS-I adequate?	In general, Transpower supports the proposed scope of the NPS-I, subject to further clarity about the potential overlap with the infrastructure that forms part of the National Grid under the NPS-EN. The introduction to the NPS-I could clarify this aspect.
2.	Do you agree with the definition of 'infrastructure', 'infrastructure activities' and 'infrastructure supporting activities' in the NPS-I?	In general, Transpower agrees with the definition of these terms, subject to retention of the Application statement (that the "electricity transmission network" is managed under the NPS-EN.

4. Objective

Objective

A possible objective has been proposed as:

New Zealand's infrastructure:

- a) supports the well-being of people and communities and their health and safety;
- b) provides national, regional or local benefits;
- c) supports the development and change of urban and rural environments to meet the diverse and changing needs of present and future generations;
- d) is well-functioning and resilient;
- e) provides value for money to people and communities;
- f) is delivered in a timely, efficient, and ongoing manner while managing adverse effects on the environment; and
- g) is protected from the adverse effects of other activities.

Transpower notes that the NPS-I is intended to provide an appropriate framework for managing New Zealand's infrastructure. However, Transpower is concerned that the wording of the proposed new objective is not as directive or enabling as it could be. Given there's only one objective within the NPS-I, it is essential that it provides very strong and clear direction on the importance nationally, regionally and locally of infrastructure.

Noting the wide range of infrastructure to which the NPS applies, there is no 'national significance' element within the objective (unlike the NPS-EN). Instead, it refers to 'national, regional or local benefits'. The difference in terminology reflects the differing assets to which the respective NPS's apply.

Notwithstanding the NPS-I doesn't apply to the electricity transmission network, and that other infrastructure providers are therefore more appropriately placed to provide comment on the provisions, Transpower is not best placed to provide specific wording.

However, as a minor point, we believe at the very least the objective should better recognise the correlation between the scale and level of effects of infrastructure and the significance of the benefits of the infrastructure. Transpower notes the 'proportionate' approach under the NPS-EN (managing adverse effects on the environment in a proportionate and cost-effective way) and considers there would be benefit in adding a similar recognition into the NPS-I Objective. This wording is preferred over the reference to 'value for money to people and communities' within clause e) of the NPS-I, as it relates the proportionate and cost-effective element to the effects on the environment as opposed solely to a monetary consideration (as is provided within clause e)).

Discussion Document Questions		Transpower Response
3.	Objective OB1 Does the proposed objective reflect the outcomes sought for infrastructure?	As outlined above, accepting the NPS-I does not apply to the electricity transmission network, Transpower feels the wording word benefit from being made more directive and enabling.

Objective - Amendments requested

Amend the objective as follows:

New Zealand's infrastructure:

...

f) is delivered in a timely, efficient, and ongoing manner while managing adverse effects on the environment in a proportionate and cost-effective way; and

5. Policies

Transpower supports the intent to ensure that the policies provide clear direction and support for existing and new infrastructure across New Zealand.

Changes are largely sought in regard to seeking improved clarity or to address omissions in policy direction that Transpower considers important to resolve.

The approach to managing reverse sensitivity issues between infrastructure activities and other activities, as set out in proposed Policy P9, is extensive. It is noted the wording differs from that used within the NPS-EN, reflecting the differing nature of the activities. However, the introduction of 'compatible activities' into managing the interface is recommended to be reconsidered. This term is not defined, and it is not clear the nature of the issue that this policy is intended to address, and how it differs from managing reverse sensitivity effects which is a long-established resource management issue. Transpower would have concerns if Policy P9 were to apply to the National Grid in that it introduces a number of new terms and does not reflect the well-established corridor policy approach that is reflected in the NPS-EN and the NES-ETA.

The proposed policies that support operation and maintenance of existing infrastructure, as well as the upgrading of infrastructure assets, are largely supported by Transpower.

As explained in our submission on the NPS-REG and NPS-ENA, 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) and how this

void perpetuates the issue of conflict between development and natural environment values. The silence on this issue within this instrument, and more widely in the other national direction instruments, is likely to continue the ongoing and expensive debate over how to reconcile differing outcomes and effects, on which a substantial amount of cost has been incurred with no clear reconciliation.

Transpower considers that proposed new NPS-I Policy P8 be reconsidered and reframed 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.

In addition, it is also unclear from the wording (of policy P7) whether the intent is for values arising from section 6 RMA matters to be dealt with through other national direction as it reads as if those can be disregarded under this NPS. While Transpower understands the intent is these matters (and the consequential inherent conflicts and tensions) be addressed as part of the Phase 3 legislation, as drafted there is a policy 'gap' in the NPS-I. Transpower would support the issue being addressed as soon as possible to provide as much certainty as possible for all users (particularly given the fact that the Phase 2 national direction could be around for up to five years, as part of the transition to the new Phase 3 legislation). It is Transpower's experience that, in the absence of clear policy direction, the policy void is filled by lower-level plans and policies (particularly for indigenous biodiversity and heritage) and Transpower has had to address locally derived policies through every individual plan-making process. This process is hugely costly and inefficient, resulting in a wide variety of policy outcomes achieved, depending on the nuances of the particular plan and the particular submissions and appeals process. These flaws (being the lack of policy direction to manage conflicts between the various national direction) need to be resolved and improved.

Notwithstanding the above, Transpower queries the new phraseology — "avoided where practicable, remedied where practicable, or mitigated where practicable" — as arguably it will not preclude councils from developing effects management direction. The intent and purpose of having 'where practicable' after each directive (avoid, remedy, mitigate) is not clear. On face value this phraseology still has an implicit sense of hierarchy and could initiate further litigation at regional and/or local level. While Transpower accepts (and indeed supports) the need to move away from the policy framework that has developed in the last 20 years which seeks a zero sum form of effects management, requiring every infrastructure provider to seek to avoid, and remedy, and mitigate (and potentially offset) every effect of their proposals, this phraseology will neither avoid lower level policies being developed that seek to embed the effects management hierarchy, nor the inefficiencies and costs involved with this process occurring across New Zealand. Transpower would be interested to understand the intent behind the wording sequence. Amended wording is proposed depending on the intent.

Discussion Document Questions		Transpower Response	
4.	Policy P1 Does the proposed policy adequately reflect the benefits that infrastructure provides?	Transpower considers that including a broad list of benefits in the policy is helpful as it provides a broader perspective and supports protection of existing assets and development of new assets. Transpower does consider that Policy P1(2) should be clarified, as the phrase "provided for relative to any localised adverse effects on the environment" is unclear. Transpower also considers that this policy could be improved by	
		better recognising that the scale and nature of effects on the environment created by new infrastructure often has a strong correlation with the level and scale of benefits that such infrastructu will provide, which should be recognised in decision-making.	
5.	Policy P2 Does the proposed policy sufficiently provide for the operational and functional needs for infrastructure to be located in particular environments?	Transpower generally considers this policy sufficiently provides for the operational and functional needs for infrastructure, noting the comparable activity within the NPS-EN (Policy P2) is more prescriptive and favoured as applied to the ETN.	
6.	Policy P3 Do you support the proposed requirement for decision-makers to	Transpower generally supports better recognition of spatial plans an strategies in making decisions on infrastructure, and we believe this will be more relevant under the Phase 3 legislation. However, spatial plans and strategies can be slow to respond to new demands and requirements for infrastructure.	
	have regard to spatial plans and strategic plans for infrastructure?	Transpower therefore considers that an element to this policy (or a separate policy) should require decision-makers to be responsive and adaptable to new or changing demand for infrastructure that may not be part of an established strategic or spatial plan.	
7.	Policy P4 Would the proposed policy help improve	Transpower generally considers this policy would promote better recognition of the need for the timely and efficient provision of infrastructure.	
	the efficient and timely delivery of infrastructure?	In particular Transpower supports the recognition within clause 2) a) that it is the role of the infrastructure provider to identity the preferred location for the infrastructure activity, noting that this policy directive is well articulated within NPS-EN Policy 4.	
8.	Policy P5 Does the proposed policy adequately provide for the consideration of	Transpower notes the policy differs (in respect of clause c)) from that provided in the NPS-EN (P3). In its submission on the NPS-EN, Transpower has provided some comments on the application of P3.	

	Māori interests in infrastructure?	
9.	Policies P6 to P8 Do the proposed policies sufficiently provide nationally consistent direction on assessing and managing the adverse effects of infrastructure?	Transpower supports the direction of Policy 6 which is, in part, based on a similar policy in the NPS-ET (Policy 4), which has proved efficacious in practice. Acknowledging that the NPS-I does not apply to the National Grid, at a broader level Transpower has concerns with the use of the word 'minimised' in relation to effects management. Not only does this seem to be the only national direction document in which the word is used in this context, it must be acknowledged that activities associated with the National Grid (and other large-scale infrastructure), by their very nature and scale, will inevitably result in some effects on the environment. Because of this, the complete 'minimisation' of all effects to an insignificant level is often not feasible or practicable. The approach to effects management that has been used across other national direction documents is also appropriate in the NPS-I (i.e. 'avoided, remedied or mitigated, as practicable.').
		Policy 7 is supported, noting it largely mirrors the wording within NPS-EN policy P6, noting P6 also refers to the existing nature of the assets. Transpower has requested amendment to P6 of the NPS-EN (Decision-makers must enable routine EN activities to occur without restriction in all locations and environments, provided significant adverse effects on the environment are avoided where practicable, remedied where practicable, or mitigated, where practicable, acknowledging the existing nature of the assets). Transpower prefers the approach (requested) within the NPS-EN.
		Policy 8 raises the question of how the tension between enabling direction such as this NPS-I and NPS-EN and that in protective directions such as under the NPS-IB, NZCPS or in Section 6 RMA will be resolved. As worded, Policy P8 creates a 'policy hole' that should be resolved now, rather than waiting for the RM reform Phase 3 process to address it.
10.	Policies P9 and P10 Do the proposed policies sufficiently provide for the interface between infrastructure and other activities including sensitive activities?	Transpower accepts that the proposed NPS-I does not apply to the ETN. The equivalent policy (P10) in the NPS-EN references the ETN buffer corridor within the NES-ENA, and the policy clearly reflects and articulates the range of activities and effects that are to be avoided in proximity of the ETN. The NPS-EN policy approach reflects that developed and tested through planning processes over the past 12 years and is well advanced in its application. Transpower would be concerned with any change in policy direction or re-litigation of the corridor approach.
		Given the above, if P9 and P10 of the NPS-I were to apply to the ETN in future (e.g. as part of the 'lift, sift and shift' of the RMA national direction into the new Phase 3 legislation), Transpower would have the following concerns.
		It is noted Policy 9 uses the word 'manage' and not the more directive 'avoid' wording used within the NPS-EN. Transpower prefers the 'avoid' wording as it is more explicit and directive and conveys the inappropriateness of some

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- activities within proximity of the National Grid. It also supports a more onerous activity status.
- rranspower is concerned that the introduction of managing 'compatible activities' will complicate and confuse the issue. It is unclear what a 'compatible activity' is, as this term is not defined; neither is 'incompatible activities'. Furthermore, it is not clear how a planning decision-maker would ensure how to make other activities "as compatible as practicable". As currently worded, these policies appear to conflate two (related) concepts. The issue of compatibility appears to relate to the spatial planning process for ensuring infrastructure is well-integrated into our urban and rural environments, to optimise the benefits from new or upgraded infrastructure, and to minimise the potential conflicts that lead to reverse sensitivity issues.
- Policy 9 refers to a range of methods. Transpower does not wish to deviate from the well-established corridor approach which is to be enshrined in the NES-ENA.
- Transpower has some concerns with how Policy 10 1)c) would be applied to the ETN. Specifically, what constitutes a 'new activity'? Would it include an upgrade or redevelopment of existing infrastructure? Transpower also has concerns with the codification of the general principles that the 'primary responsibility for managing adverse effects is on the new activity (including infrastructure)', in that the principle may not always be appropriate or achievable. As drafted, the reference to new activity and infrastructure suggests a constraint on the thing that the reverse sensitivity type policy is trying to protect.

Policies - Amendments requested

Amend Policy P1, Providing for the benefits of infrastructure, as follows:

- 1)
- When making planning decisions about infrastructure, ensure that the widespread, dispersed, and ongoing national, regional, or local benefits of infrastructure are recognised and provided for through a proportionate framework that corresponds with the scale and significance of the effects that the activity may have on the environment relative to any localised adverse effects on the environment.
- 2A) When making planning decisions about infrastructure, recognise that the scale and nature of effects on the environment may have a strong correlation with the level and scale of benefits of the proposed infrastructure.

Amend Policy P3, Considering spatial planning, by adding the following new clause as follows:

1) Planning decisions on infrastructure activities must:

- have regard to the extent to which the infrastructure has been identified within a strategic planning document, including future development strategies, while recognising that not all infrastructure can be spatially identified in advance and therefore the strategies need to be responsive and adaptable; and
- consider relevant spatial plans and master plans prepared by the infrastructure provider and provided to the consenting authority.

Amend Policy P6, Assessing and managing the effects of proposed infrastructure activities on the environment, by removing reference to 'minimised' and adding a new sub-policy:

- 1) When assessing and managing the effects of proposed infrastructure activities on the environment, decision-makers must:
 - a) have regard to the extent to which adverse effects have been avoided, remedied, or mitigated or minimised (as applicable) through the route, site, design and construction method selection;...
- When assessing and managing the effects of proposed infrastructure activities on the environment, decision-makers must have particular regard to the wider benefits of proposed infrastructure in assessing the relative scale and nature of effects, particularly if these effects are primarily localised in extent.

Amend Policy P7, *Operation, maintenance and minor upgrade of existing infrastructure*, to reframe the avoid, remedy or mitigate policy directive as follows (or to similar effect):

1) Planning decisions must enable the efficient operation, maintenance and minor upgrade of existing infrastructure in all environments and locations, provided that adverse effects are avoided where practicable, remedied where practicable, or mitigated, where practicable.

Amend Policy P8, Managing the effects of new infrastructure and major upgrades on environmental values, to address the 'policy hole' on section 6 matters, as follows (or to similar effect), noting Clause a)iii) would arguably not be appropriate in context of linear infrastructure, such as the National Grid (should the policy apply to electricity transmission):

- Planning decisions must enable new infrastructure or major upgrades of existing infrastructure, provided that:
 - a) adverse effects on significant values under s6 matters or subject to an NPS:
 - (i) have been avoided, remedied, or mitigated (as applicable) through the route, site, design and construction method selection; and
 - (ii) residual adverse effects can be practicably remedied or mitigated, having regard to
 - (i) technical, operational and functional requirements;
 - (ii) the constraints of infrastructure activities; and

- (iii) the financial and timing implications of mitigation measures and whether consent conditions are proportionate and cost-effective; and
- (iii) the overall coherency or integrity of the significant values affected by the proposal remains sustainable or viable.
- <u>b)</u> adverse effects on environmental values (not in section 6 or covered by national direction) are avoided where practicable, remedied where practicable, or mitigated where practicable.

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Appendix A

Amendments requested through this submission are shown as blue text.

Objective

A possible amendment objective has been proposed as follows:

New Zealand's infrastructure:

- a) supports the well-being of people and communities and their health and safety;
- b) provides national, regional or local benefits;
- c) supports the development and change of urban and rural environments to meet the diverse and changing needs of present and future generations;
- d) is well-functioning and resilient;
- e) provides value for money to people and communities;
- f) is delivered in a timely, efficient, and ongoing manner while managing adverse effects on the environment in a proportionate and cost-effective way; and
- g) is protected from the adverse effects of other activities.

P1 Providing for the benefits of infrastructure

Introduce policies in the NPS-I that would apply to planning decisions (in relation to infrastructure) in regional policy statements, regional and district plan documents (including plan changes), resource consent applications and notice of requirement:

- Planning decisions about infrastructure shall recognise and provide for the benefits of infrastructure, which includes all of the following:
 - a) providing for the well-being of future generations;
 - creating, supporting and enhancing well-functioning urban and rural environments, including providing for infrastructure necessary to provide sufficient development capacity to meet demand for housing and business land;
 - providing services that are essential to support human life and the development, growth and functioning of districts, regions, New Zealand and the economy;
 - d) enabling infrastructure activities that provide value for money;
 - e) helping to protect and restore the natural environment;
 - supporting New Zealand's emissions reduction targets and mitigating the effects of climate change; and
 - g) reducing the risks from, and improving resilience to, natural hazards and climate change.
- 2) When making planning decisions about infrastructure, ensure that the widespread, dispersed, and ongoing national, regional, or local benefits of infrastructure are recognised and provided for through a proportionate framework that corresponds with the scale and significance of the effects that the activity may have on the environment relative to any localised adverse effects on the environment.

- 2A) When making planning decisions about infrastructure, recognise that the scale and nature of effects on the environment may have a strong correlation with the level and scale of benefits of the proposed infrastructure.
- 3) When making planning decisions about infrastructure, recognise:
 - the significant risks to, and impacts on, public safety, the well-being of people and communities, and the environment that occur when infrastructure services are compromised; and
 - b) the significant benefits of infrastructure to the functioning of districts, regions and New Zealand and to the well-being of present and future generations; and
 - c) the independent or interconnected nature of infrastructure networks.

P3 Considering spatial planning

Amend the policy as follows:

- 1) Planning decisions on infrastructure activities must:
 - a) have regard to the extent to which the infrastructure has been identified within a strategic planning document, including future development strategies, while recognising that not all infrastructure can be spatially identified in advance and therefore the strategies need to be responsive and adaptable; and
 - b) consider relevant spatial plans and master plans prepared by the infrastructure provider and provided to the consenting authority.

P6 Assessing and managing the effects of proposed infrastructure activities on the environment

Introduce a new policy as follows:

- 1) When assessing and managing the effects of proposed infrastructure activities on the environment, decision-makers must:
 - have regard to the extent to which adverse effects have been avoided, remedied, or mitigated or minimised (as applicable) through the route, site, design and construction method selection;
 - b) consider the technical and operational requirements and constraints of infrastructure activities;
 - where considering a proposal involving existing infrastructure only consider any change or increase in environmental effects when the proposal relates to the reconsenting, renewal or upgrade of existing infrastructure;
 - d) adopt relevant international, national standards and recognised best practice standards and methodologies to assess and manage adverse effects; and
 - e) consider the financial and timing implications of mitigation measures and consent conditions to ensure these are proportionate and cost- effective.
- 2) When assessing and managing the effects of proposed infrastructure activities on the environment, decision-makers must have particular regard to the wider benefits of the proposed infrastructure in assessing the relative scale and nature of effects, particularly if these effects are primarily localised in extent.

P7 Operation, maintenance and minor upgrade of existing infrastructure

Amend the policy as follows:

 Planning decisions must enable the efficient operation, maintenance and minor upgrade of existing infrastructure in all environments and locations, provided that adverse effects are avoided where practicable, remedied where practicable, or mitigated, where practicable.

P8 Managing the effects of new infrastructure and major upgrades on environmental values

Introduce a new policy as follows:

- Planning decisions must enable new infrastructure or major upgrades of existing infrastructure, provided that:
 - a) adverse effects on significant values under s6 matters or subject to an NPS:
 - (i) have been avoided, remedied or mitigated (as applicable) through the route, site, design and construction method selection; and
 - (ii) residual adverse effects can be practicably mitigated, remedied or minimised, having regard to
 - a. technical, operational and functional requirements;
 - b. the constraints of infrastructure activities; and
 - c. <u>the financial and timing implications of mitigation measures and whether</u> <u>consent conditions are proportionate and cost-effective; and</u>
 - (iii) the overall coherency or integrity of the significant values affected by the proposal remains sustainable or viable.
 - <u>b)</u> adverse effects on environmental values (not in section 6 or covered by national direction) are avoided where practicable, remedied where practicable, or mitigated where practicable.

Appendix B

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 Wire ('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.