

10 February 2025

Environment Committee Parliament Buildings Wellington

## By email: en.legislation@parliament.govt.nz

## Vector Limited submission on the Resource Management (Consenting and Other System Changes) Amendment Bill

- 1. Vector Limited ("**Vector**") is New Zealand's largest distributor of electricity, supplying more than 629,000 electricity connections between Papakura and Wellsford.
- 2. We welcome the opportunity to submit on the Resource Management (Consenting and Other System Changes) Amendment Bill ("**Bill**").
- 3. We broadly support the intent of the Bill to simplify the consenting system for infrastructure, particularly those provisions relating to the energy system. Alongside generation and transmission, electricity distribution is a vital pillar in the supply of renewable energy to New Zealanders. Efficient engagement with the consenting system is paramount to safe, efficient, and cost-effective access to electricity.
- 4. It is essential that the consenting system recognises electricity networks are not limited to discrete locations in the same way other land uses are planned and implemented. Linear networks span thousands of kilometres and comprise hundreds of thousands of distinct assets in every conceivable environmental context. Changes to the regulatory framework can have unintended outcomes that make the construction and operation of these networks unnecessarily complex, costly and inefficient.
- 5. Provisions that are overly broad and encompassing can lead to infrastructure activities being assessed through the same lens as residential activities, for example, in relation to natural hazards. It is essential that critical network infrastructure is appropriately contextualised in the Resource Management Act ("Act"), and this necessitates further clarification to the drafting of the Bill to better carve out provisions to simplify infrastructure consenting.
- 6. In summary, the key areas of change we seek include:
  - a. **Definitions:** While we support the creation of new definitions for electricity activities, more clarity is needed for several definitions to avoid issues of interpretation in the consenting system.
  - b. Duration of consents: The duration of consent for long-lived infrastructure should reflect the requirements of the activity and the scale of ongoing effects. Vector already routinely obtains consents with a 35-year duration for coastal occupation. We question the value of setting durations for these long-lived permanent assets, with many of them having anticipated lifespans of over 60 years. We propose that coastal occupation consents for electricity infrastructure, or alternatively for submarine cables specifically, be granted in perpetuity. We also note that durations must be clearly limited to regional consents. The Bill currently risks adding a limited duration to assets that are otherwise currently consented in perpetuity.

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- c. **Default lapse periods:** We propose that default lapse periods be increased for infrastructure consents and designations to 30 years instead of the 10 years proposed in the Bill. While most of our assets are consented and built in compressed timeframes, the identification and protection of key subtransmission routes would benefit from longer timeframes to ensure that critical connectivity between parts of the network are maintained.
- d. **Natural hazards:** Risks around electricity infrastructure in natural hazard areas should not be assessed in the same way as residential development activities. Linear infrastructure assets are part of a wider system and the deployment of assets in areas affected by natural hazards is responsive to the requirements of the network. The risks associated with these decisions should be determined by the network operator. If not limited to residential activities, the natural hazard provisions risk significantly increasing the complexity of electricity network consenting and, by extension, risks poor operational outcomes in the electricity network.
- e. **Emergency works**: We support increasing the timeframes for consent to be obtained for activities with ongoing effects. We suggest that these timeframes could be further extended to ensure that activities and their effects are able to be adequately recorded, including sufficient specialist assessment.
- 7. Vector supports many of the comments and drafting suggestions made in Transpower's submission on this Bill. Clarity and certainty are required in the consenting system for all linear electricity networks to ensure that infrastructure can be constructed and maintained without significant barriers or unintended outcomes.
- 8. Our comments and suggested changes are attached in Appendix A.

Yours sincerely

Mark Toner Chief Public Policy and Regulatory Officer



## APPENDIX A – COMMENTS AND CHANGES SOUGHT

	APPENDIX A – COMMENTS AND CHANGES SOUGHT		
Resource Management (Consenting and Other System Changes) Amendment Bill	Comments	Drafting	
Clause 2(4) and (5)	Vector supports Transpower New Zealand's comments. We oppose changes to natural hazard provisions in plans that affect infrastructure being part of the intensification planning process. We support commencement of section 22 being delayed, particularly if the changes sought to section 80E(2)(h) are not made. However, we consider the delay should be two years, not the lesser timeframe provided in clause 2(4). This would allow time for the development of the National Policy Statement on natural hazards, which has been announced by the Government.	If the cha below, a (4) Secti 24, and (5) Secti after Roy	
Electricity distribution network	It is essential that the definitions for "electricity distribution" and "electricity transmission" are functionally separate (notwithstanding the additional broad category of "electricity network"). To ensure accuracy and clarity in interpretation, we support Transpower's proposed amendment as drafted.	Amend t Transpor Means a controlle electricit those ter Electricit Transpor	
Electricity network	There are matters that are applicable to both electricity distribution and transmission networks. We support the retention of this definition as drafted.	Retain d	
Long-lived infrastructure	We support this definition, however the apparent limitation to "lines used or intended to be used to convey electricity and support structures for lines used to convey electricity" has the potential to exclude other critical components of long-lived infrastructure, for example, substations. Vector supports Transpower's drafting suggestions.	Retain, s (c) faciliti <u>electricity</u> <del>used to c</del> for lines electricity structure Or, in the transmis (c) faciliti <del>used or i</del> <del>and supp</del> <del>be used</del> <del>lines and</del> <u>(ca) elec</u>	
Renewable energy activities	We note that <i>"renewable energy activities"</i> are subject to specific provisions e.g. amendment of section 125. However, the proposed interpretations do not include a specific definition for such activities beyond reference being made to <i>"an activity that produces energy from solar, wind, geothermal, or biomass sources"</i> nested in the definition for <i>"specified energy activity"</i> .	Amend t specified (a) tl maintena	



## ng suggestions

changes are not made to clause 22 as sought , amend clause 2(4) and (5), as follows:

ections 7, 9, 17 to 19, 20(1) and (2), 21<u>, to 23,</u> ad …

ction <u>22 and </u>66 come<del>s</del> into force 2 years Royal assent.

d the definition to make it clear that power's assets are not included, as follows:

s any part of the electricity network that is elled by a person or body who is both an city distributor and an electricity operator as terms are defined in section 2 of the icity Act 1992; and does not include power New Zealand Limited.

n definition as drafted.

n, subject to the amendments below:

city networks lines used or intended to be co convey electricity, and support structures as used or intended to be used to convey city, excluding facilities, lines and support ures that a person - ....

the alternative, separate generation from nission and distribution:

ilities for the generation of electricity, lines or intended to be used to convey electricity, upport structures for lines used or intended to ed to convey electricity, excluding facilities, and support structures that a person - ....

lectricity networks:

d the definition as follows:

ied energy activity means—

the establishment, operation, or enance of <u>a renewable energy activity</u> <del>an</del>

	For consistency, and avoidance of issues with interpretation in the consenting system, <i>"renewable energy activities"</i> should be provided with a distinct interpretation in line with that provided for <i>"electricity network"</i> , which is also nested in the <i>"specified energy activity"</i> interpretations but has a distinct definition.	activity geother (b) t mainten electrici
		Propose "renewa <u>produce</u> <u>hydro, c</u>
Clause 7 – New section 25A(4)	We support the provisions enabling the Minister to direct plan changes and variations to address non-compliance with a National Policy Statement. It is essential that National Policy Statements are implemented in a timely manner – particularly where they provide much needed national consistency for the energy sector.	Retain a
Clause 11 – Section 37 amended (Power of waiver and extension of time limits)	We support this amendment to add section 7. Delays associated with extensions of time limits for the processing of electricity distribution network activity consents can have significant run-on effects on the scheduling and cost of essential works. While all efforts are made to obtain consents well in advance of works being required, electricity networks are complex, and activities are not always able to be scheduled with sufficient notice to accommodate extensions of time. We expect that this amendment would improve resourcing by local authorities for applications involving specified energy activities to ensure timely processing of resource consents.	Retain a
Clause 22 – Section 80E(2) amended	<ul> <li>We generally support the intent behind the inclusion of natural hazards as a related matter in intensification planning instruments. However, the framing of section 80E has been problematic for electricity distribution businesses.</li> <li>Efforts by distribution businesses to achieve qualifying matters to ensure development occurs at minimum safe distances from overhead lines (compliance with the Electrical Code of Practice for Electric Safe Distances: 2001 (ECP 34)) have at best resulted in partial solutions. Failing to account for the operational needs of infrastructure has resulted in perverse urban development outcomes.</li> <li>Electricity distribution networks are necessarily located in areas affected by flood plains and other natural hazard areas. While the intent to provide additional controls on residential development in areas affected by natural hazards is sound, the drafting has the potential to result in broad attribution of unnecessary and overly restrictive controls to essential infrastructure including electricity distribution activities. Operators of electricity networks are best placed to assess and address risks associated with natural hazards, and broad application of those provisions beyond the intended scope of residential development would contradict the purpose of the Bill.</li> <li>This is evident in the industry-wide consensus on the proposed National Policy Statement on Natural Hazard Decision-making in which electricity distribution businesses and Transpower called for an exclusion of our activities from the scope. The scope of the natural hazard matters should therefore be limited to residential development. As a matter of consistency, we adopt Transpower's proposed amendment to proposed section 80E(2)(h).</li> </ul>	Retain, (h) natu
Clause 25 - New section 86B(3)(f)	In alignment with the risks identified in clause 22, immediate legal effect on notification has the potential to create significant additional complexity for consenting and compliance related to electricity network activities. This could result in Councils taking strong opposing positions to the development of essential infrastructure as if it were residential-type development for which the potential adverse environmental effects are significantly different. The drafting of section 86B(3)(f) must limit its scope to residential development.	Amend, (f) relate <u>develop</u>

/ that produces energy from solar, wind, ermal, hydro, or biomass sources:
the establishment, operation, or enance of the transmission and distribution of city through the electricity network
sed insertion of an interpretation for vable energy activity":
able energy activity means an activity that ces energy from solar, wind, geothermal, or biomass sources
as drafted.
as drafted
, with amendments: rural hazard <u>risks to residential development:</u>
d, as follows:
tes to natural hazard <del>s</del> <u>risks to residential</u> p <u>ment:</u>

	We oppose rules in relation to natural hazards taking immediate legal effect on notification. The risks of natural hazards for infrastructure and residential development differ.	
Clause 27 – Section 87A(2)(a)(i) amended	This clause relates to a clause 37 and new section 106A, which enables a consent authority to decline land use consent due to natural hazard risks. For the reasons set out in relation to section 106A, we oppose Councils having the ability to decline consent due to natural	Retain t to section
Clause 29 – New section 88BA inserted (Certain consents must be processed and decided no later than 1 year after lodgement)	hazard risks to infrastructure. Electricity distribution activity consents are likely to see negligible benefit from this amendment as the effects and outcomes of activities are generally known. Electricity distribution activity consents are typically taking less than six months to process, and most are within the scope of 20-day processing complexity. There is concern that the amendment provides scope for applications to take significantly longer to process. The amendment should be altered to ensure that this section is appropriately applied as and when processing of the application calls for certainty associated with complex and contentious proposals.	Delete, (1A) Se activity requirin (1) The must pr resourc specifie activity
Clause 30 – Section 92 amended (Further information, or agreement, may be requested)	Vector supports this amendment. Consent processing can be delayed because of overly prescriptive requests for detail disproportionate to the effects of the proposal.	Retain a
Clause 32 - New section 92AA inserted (Consequences of applicant's failure to respond to requests, etc)	While the intent of this amendment is to provide greater structure and clarity about requirements to respond to requests for information and associated consent processes, failure to provide written approval for a proposed activity as a reason to determine that an application is incomplete is an inappropriate addition to the scope of this section. The application of section 92 is to ensure that a processing officer has sufficient information to decide on a proposal. As drafted, s92AA provides scope to unnecessarily return an application where the decision whether to notify an application is not part of the s92 process. We otherwise support the new section subject to drafting suggestions.	Retain,
Clause 34 – Section 100 replaced (Obligation to hold a hearing)	While we understand (and broadly support) the intent of this provision to narrow the scope of applications that proceed to a hearing, it would however remove the ability for an applicant to request a hearing as currently provided for in section 100. Applicants should have the option to request a hearing to provide the opportunity for a hearings panel to understand more complex projects.	Retain, (1) A co an appli determin decide t <u>respect</u> <u>heard a</u> <u>she doe</u>
Clause 37 – New section 106A inserted (Consent authority may refuse land use consent in certain circumstances)	We support this provision, provided infrastructure is excluded from its scope. The granularity and modularity of electricity distribution networks means that our assets are exposed to every possible natural hazard by necessity. Assets in the public domain and on third-party sites are designed for resilience and are usually of a dimension and design that is unlikely to exacerbate events such as flood water displacement in the way typical land uses e.g. residential buildings might. Design	Retain p 106(1A)

n the provision, provided the changes sought ction 106A are made.

e, unless amendments below are made:

Section 88BA applies to a specified energy by where requested by an applicant and/or ing authority.

the time period in which a consent authority process and decide an application for a rce consent <u>or notice of requirement</u> for a fied energy activity or wood processing ry ....

n as drafted.

n, subject to deleting section 92AA(1)(a)(iv).

n, subject to the following amendments:

consent authority must not hold a hearing on plication for a resource consent if it mines that it has sufficient information to e the application, <u>unless the applicant in</u> <u>ct of that application has requested to be</u> <u>and has not subsequently advised that he or</u> <u>oes not wish to be heard</u>.

n provision, subject to adding a new section A) after section 106(1):

	choices in the development of infrastructure are driven by a range of factors such as congestion of underground services	(1A) Thi
	which typically mean that the locations and configurations of infrastructure within natural hazard locations are limited to what is proposed by the infrastructure operator.	consent
	The drafting of new section 106A is likely to only add to the administrative burden associated with justifying the positioning and design of infrastructure that can only appropriately be located in the proposed position. This will simply increase cost and complexity in the consenting system for infrastructure, including run-on effects.	
	Additionally, because electricity distribution network construction and alteration is usually responsive to demand driven by third party development, the application of section 106 to those activities will likely result in an overall reduction of new infrastructure assets being installed in areas exposed to natural hazards.	
Clause 38 – New section 107G inserted (Review of draft conditions of consent)	We are concerned that the drafting of this section will create unnecessary friction and relitigation of terms when reviewing draft conditions for applications. Limitations of a consent authority's scope to consider an applicant's comments on draft conditions to <i>"technical or minor matters"</i> creates the potential for consent to be issued with conditions that cannot reasonably be implemented – particularly in the absence of clarity about what constitutes a technical or minor matter.	Retain, (4) A co into acc <del>or mino</del>
Clause 42 – New section 123B (duration of consent for renewable energy and long-lived infrastructure)	Vector supports the intent of this clause to provide greater certainty for the significant investment associated with long-lived infrastructure. However, we question the value of retaining the 35-year duration limit for certain assets and propose that some long-lived assets should benefit from unlimited duration – in particular coastal occupation consents for which our assets are subject to a statutory maximum period of 35 years.	Retain s amendn (1A) A la is grante
	Vector owns and operates submarine cables that provide electricity to offshore communities such as Waiheke and Kawau Islands. While a fixed duration may make sense for assets that may be replaced in an alternative geographic location at their end of life, these submarine cables are permanent power supply routes for which there are no viable alternatives and no ongoing effects on the environment, other than those associated with disturbance associated with their installation, repair, replacement, or removal.	<ul> <li>(1) A real energy of contraval specify</li> <li>(2) The</li> </ul>
	Where works are required to install a new submarine cable or repair, replace, or remove an existing submarine cable the effects can be duly assessed, and consents obtained for the disturbance of the environment associated with the works. This can be undertaken both as a planned operation / maintenance schedule toward the end of the asset life, or, as appropriate, under the emergency works provisions contained in section 330 of the Act. This aligns with the approach to consenting similar works outside of the coastal marine area where they are located in environments with significant environmental values.	years fro consent  (d) it is f infrastru or distril granted
	Absent physical works being required to replace, repair or remove a submarine cable, reconsenting of these assets is a purely administrative task and is at odds with the concept of effects-based consenting or the simplification of the planning system. Our proposed amendments seek to extend the maximum period for consent for these assets from 35 years to an unlimited period.	Alternat the scop (d) it is f infrastru of the tr
	We otherwise support Transpower's proposed amendment to clarify that land-use consents are granted for an unlimited period and that a resource consent authorising a renewable energy or long-lived infrastructure activity <u>for contravening</u> <u>sections 12, 13, 14 and 15</u> must specify the period for which it is granted.	<u>which c</u> period.

<u>This section does not apply to a land use</u> nt for, or related to, infrastructure.

n, subject to the following amendments:

consent authority may take those comments ccount <del>only to the extent they cover technical nor matters</del>.

n section 123B subject to the following dments:

land use consent for long-lived infrastructure nted for an unlimited period.

resource consent authorising a renewable y or long-lived infrastructure activity <u>for</u> avening sections 12, 13, 14 and 15 must by the period for which it is granted.

re period specified under **subsection (1)** is 35 from the date of commencement of the ent under section 116A unless –

s for contravening section 12(1)(b) and the tructure is for the purpose of the transmission tribution of energy, in which case consent is ed for an unlimited period.

atively, if a narrower scope is required to limit cope to submarine cables:

s for contravening section 12(1)(b) and the ructure is a submarine cable for the purpose transmission or distribution of energy, in case consent is granted for an unlimited

Clause 46 – Section 149N amended (Process if section 149M applies or proposed plan or change not yet prepared)	We generally support the inclusion of "natural hazards" as a category for which a rule has legal effect on public notice by the EPA of a proposed plan or plan change under section 1490, provided it is limited in scope to residential development as noted in our response to 25/section 86B(3)(f).	Retain, (v) relat <u>develor</u>
Clause 49 – Section 168 amended (Notice of requirement to territorial authority)	We support Transpower's position on this clause. Information requirements for an AEE should be located in either Form 18 of the Forms Regulations, or in a new Schedule to the Act akin to Schedule 4 for resource consents, tailored to the designation process. This would address the risks associated with the amendment to section 168 introducing the word "possible" in subsection (3B(c)). Electricity distribution businesses typically designate sites they have an interest in (e.g. substation sites) and particular critical subtransmission routes. Where a subtransmission route is required to be designated this is often due to that route being the only practicable option. The potential to be compelled to investigate, at length, "possible" alternative options creates significant cost and risk implications to the delivery of critical infrastructure – particularly where those route options interact with features like wetlands, the alternatives assessment hierarchies (e.g. NPS Freshwater Management) which can hinder the selection of routes that present a better overall environmental outcome.	Delete Add a S of the F Procedu guidand designa schedu designa should assessi have ar underta
Clause 51 – Section 171 amended (Recommendation by territorial authority)	<ul> <li>We support the amendment of section 171 to clarify that alternatives need only be considered when the requiring authority does not have sufficient interest in the land for undertaking the work. We also support the amendment of section 171 to remove the requirement to consider alternatives due to the extent of effects.</li> <li>As noted re: clause 49/section 168, we consider that the alternatives assessment requirements should be an information requirement to be included in a notice of requirement to demonstrate the extent that alternatives have been considered, and if so, the process followed.</li> <li>We also oppose retention of the reasonable necessity test in section 171 (b)(ii). A requiring authority – an entity that has been approved by the Minister – should be able to outline its objectives for a work (the subject of a NOR), including the need for, and benefits of, the work, and then describe how the proposal meets those objectives. The need for, and benefits of, the designation should be weighted positively by the decision-maker, instead of being used as a tool by opponents seeking to prevent a designation being approved.</li> </ul>	Delete (togethe discuss (b) <u>the</u> <u>need fo</u> <u>infrastru</u> <del>have ar</del> <del>underta</del>
Clause 52 – Section 184 amended (Lapsing of designations which have not been given effect to)	We support the intent of the amendment to section 184 to increase the lapse period for designation durations. Sites acquired for substation development may be purchased well in advance of detailed planning and development and it is beneficial to publicly identify a particular site or areas designated for a particular purpose – even well in advance of the detailed design and implementation of that purpose. To this end, we support the recommendation of Transpower to Replace "5 years" with "30 years".	Replace
Clause 63 – Section 330A amended (Resource consents for emergency works)	Vector supports increasing the time required to apply for a resource consent to authorise ongoing effects from 20 working days. However, the addition of 10 working days to a total of 30 working days is insufficient to appropriately capture the scope of activity and prepare the necessary documentation – particularly in the face of increasingly severe natural hazards that can result in complex assessments by multiple specialists being required. We support Transpower's proposed increase from 20-50 working days. Provided the responsible party notifies the consenting authority of the activity and pending consent application in accordance section 330A, we consider there to be sufficient certainty that the additional time enabled will provide for better recording of emergency works and higher quality applications.	Retain s amendr (2) Whe contrav and the then the network which u the app

n, subject to the following amendments:

lates to natural hazard<del>s</del> <u>risks to residential</u> lopment:

e clause 49, section 168(3A)-(3C).

a Schedule to the Act and/or amend Form 18 e Resource Management (Forms, Fees, and edure) Regulations 2003 to provide explicit ance on the level of information required for pations, for example using a similar format as dule 4 of the Act, appropriately tailored for pations processes. These requirements Id include the need for an alternatives ssment where the requiring authority does not an interest in the land sufficient for rtaking the work.

te clause 51, and replace with the following ther with the amendments to section 168 ssed above):

e objectives of the requiring authority, the for the infrastructure and the benefits of the tructure if the requiring authority does not an interest in the land sufficient for taking the work, -

ace "5 years" with "30 years"

n section 330A, subject to the following adments:

here an activity, but for section 330, avenes any of sections 9. 12, 13, 14 and 15 he adverse effects of the activity continue, the person (other than the occupier), authority, ork utility operator, or lifeline utility who or a undertook the activity shall apply in writing to oppropriate consent authority for any necessary

	resource
	within <del>20</del>
	subsecti

rce consents required in respect of the activity <del>20-<u>50</u> working days of notification under action (1).</del>