

[submission on behalf of Northland Councils]

## Northland Renewable Energy Zones Northland Pilot concept DRAFT

Thank you for this opportunity to submit on the Northland Renewable Energy Zone (REZ) pilot consultation.

Your consultation asks whether renewable energy zones are right for Northland. Our submission on behalf of all Northland Councils supports the concept, noting the social, economic and environmental benefits we believe it will bring to the region.

It is an unfortunate distinction that Northland is known as one of the more deprived regions in the country, with some of the highest electricity costs. We are working collectively in many areas to address disparities in our communities, and to encourage growth and well-being. We are united in our objective to see Northland thrive. The region's rich renewable energy resources (including solar, wind, geothermal, biomass and wave and tidal environments) offer real opportunities to achieve cultural, community and economic benefit, whilst also protecting environmental outcomes and ensuring community resilience.

It is these aspects that we have considered in our submission, focusing on the long term benefits to Northland, as well as New Zealand. However, with any long-term infrastructure investment it is important to get the foundations right. This is key to ensuring that the investment realises its benefit to communities and the environment.

We consider it critical that local communities do not fund the substantial investment required to increase the capacity of networks, and support local renewable energy. Rather, these costs should be borne collectively by those seeking to connect renewable energy projects to the network, and those benefitting from that generation.

The development of renewables could have strong flow on benefits for our communities, with more affordable energy through increased competition on the electricity wholesale market, along with employment opportunities through construction and ongoing maintenance. Northland needs more of these opportunities to enable it to thrive.

Being energy self-sufficient will also assist in achieving the long-term sustainable use of Māori land and can support and strengthen marae and papakainga development. Undertaken properly, renewable energy zones could support regenerative environmental outcomes, as articulated by tangata whenua within iwi and hapū environmental plans, providing for the aspirations of iwi and hapū to be realised on their whenua. Working in partnership with hapū and iwi to embrace Te Ao Māori in any pilot, and beyond, will be critical to realising these aspirations.

With access to more diverse sources of renewable generation, a Northland REZ would improve the security and resilience of the local electricity supply and would allow for any excess generation to be exported to Auckland, meaning benefits would go beyond the local boundaries of the Northland REZ.

We support the underpinning environmental value that a REZ provides in helping our community and New Zealand meet decarbonisation targets. This is a challenge that we collectively support for the long-term prosperity of our region and New Zealand. All four Northland councils alongside Tangata whenua have already developed a draft Climate Adaptation Strategy, endorsed by our Joint Climate Change Adaptation Standing Committee. Renewable energy zones support several priority actions identified in the strategy including inter-council collaboration, national and regional partnerships, infrastructure resilience, planning and community adaptation.

Northland's councils look forward to working with developers and network owners on renewable projects as we build towards a sustainable renewable energy future for our region. We acknowledge the commitment of network owners to continue to meet core regulatory outcomes, including the need to:

- protect and where necessary restore the natural environment
- better enable development within biophysical limits, including supply of housing, affordability choice, and timely provision of appropriate infrastructure
- give effect to the principles of Te Tiriti o Waitangi
- prepare for adapting to climate change and mitigate contributing emissions
- improve system efficiency and effectiveness while retaining local inputs

The REZ initiative would allow for the region to respond to these outcomes, whilst benefitting the social and economic wellbeing of our communities

## Northland REZ consultation questions

***Q1. Do you support the development of a pilot REZ in Northland? Please provide your reasons as to why or why not.***

We are supportive of a Northland REZ pilot that focusses on unlocking the renewable energy resources in Te Tai Tokerau. Rich in solar and wind resource, Northland significant potential for renewable energy, which is currently largely untapped.

The councils of Te Tai Tokerau support the goal of a decarbonised New Zealand, and a thriving net-zero emissions society by 2050. To address the challenges of climate change, we are focused on building a resilient Northland. Mechanisms to unlock the renewable generation in our region will be essential to enable community wide decarbonisation, affordability of energy and resilience of our community.

We support the REZ concept as an opportunity to reduce prices for consumers by meeting local demand for electricity locally, thereby reducing transmission losses and lowering wholesale electricity costs. Lower energy prices are an important input into developing new industries in Northland and stimulating economic growth.

Unfortunately, Northland is a region that has seen the departure of several major industries. Northland councils are supportive of settings that help drive economic stimulus, provide employment opportunities and have a net positive benefit on our region environmentally, socially and culturally.

It will be important in the design of any REZ that the resulting costs are not borne by our community, and that it produces an overall net benefit. The proposal to focus on first upgrading existing infrastructure to improve utilisation and efficiency is therefore supported.

We are pleased to see that the consultation paper acknowledges that community and tangata whenua consultation is essential. We recommend robust and meaningful consultation with owners of whenua Māori, marae, hapū and iwi. As with any new projects, community consultation and acceptance are key.

As such we support ongoing dialogue with the Northland community on the development of sites for future renewable generation, and for new transmission assets required to unlock that generation.

***Q2. What potential benefits of a REZ are important to you? Consider economic, social, cultural and environmental factors.***

We recognise that increased local generation introduces more competition into the electricity wholesale market, reducing wholesale prices. Lower energy costs prices will have a direct positive impact on community well-being. This may in turn stimulate new businesses, bringing further employment opportunities and supporting economic growth.

Investment into generation and network infrastructure will provide benefits to the local economy through job creation and work force training, as well as creating employment opportunities in infrastructure maintenance and operations. Local economic development is critical for our region, and infrastructure investment has a role to play in attracting industry, supporting jobs and skills development.

We understand that tangata whenua have strong aspirations for their ancestral whenua with increasing settlement on whenua Māori, often in relatively isolated areas. Ensuring a secure energy supply to these areas is vital. Renewable energy creates the potential for electricity generation to be located close to this demand and will be key to supporting resilience on whenua Māori, and for communities in a changing climate. Indeed, renewable energy generation is already an approach adopted by several papakainga and marae in Te Tai Tokerau.

We see Renewable Energy Zones as an important tool in helping to meet the Government's target of 100% renewable energy by 2030, and the climate change commitments of Councils in Te Tai Tokerau.

The environmental benefits of reduced carbon emissions from non-renewable generation must also be considered

***Q3. What potential costs of a REZ are important to you? Consider economic, social, cultural and environmental factors***

It is important that our community, businesses and organisations do not bear the cost of new infrastructure required to support renewable generation.

Northland has some of the highest deprivation factors in New Zealand including the highest unemployment rate, and the highest dependency on benefits. With household incomes increasing at a slower rate than the national average the development of a REZ cannot add additional costs to our communities.

Environmental costs are an important consideration. The whole of life cost (or the life cycle) of upgrades and new asset construction must form part of the decision-making process. We acknowledge and support any works or projects going through normal consenting regimes, with requirements to mitigate adverse impacts, including adverse impacts on landscape.

We are therefore supportive of the focus on staged/targeted upgrades of existing assets, that are less intrusive on the natural and built environment.

***Q4. Do you support enabling developments through upgrades to existing lines and substations as demand for connections to the networks emerge? If not, what alternatives would you propose?***

In principle, we support efficient utilisation and maximising the potential of existing assets, noting that building new assets can be more disruptive on the environment. The proposal to focus on incremental upgrades to existing infrastructure is a sensible short to medium term solution. At

present there are an increasing number of proposals, especially solar power projects, that would benefit from focus on the capacity of existing assets, and localised connections.

We understand that in the longer-term, new assets may be required to connect the generation from existing transmission assets, and that these projects would go through the usual consenting regime. Community, hapū and iwi consultation will be critical at that stage.

***Q5. If new lines needed to be built to connect resources, where should they be constructed/not constructed?***

All proposals should take care to minimise adverse effects on areas with historical, cultural, environmental values. Siting and design of proposals in the region's more sensitive coastal environment should be treated with additional consideration and care.