

Report 08.900
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Committee Council
Author Tony Shaw Manager, Development & Strategy

Puketiro Wind Farm: Additional infrastructure area

1. Purpose

To inform the Council of the request by RES New Zealand Ltd (**RES**) to include an additional area of Council land into the Puketiro wind farm development and to enable the Council to make a decision about that request.

2. Significance of the decision

The matters for decision in this report **do not** trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

2.1 Significance policy

When applying the general approach to and criteria for determining whether a proposal or decision is significant under the Council's significance policy, the following conclusions can be drawn:

- While it is considered that increasing the potential size of the Puketiro wind farm development will have net positive effects, it will not have a major impact on:
 - (a) the current and future social, economic, environmental, or cultural well-being of the Wellington Region;
 - (b) the capacity of the Council to perform its role, or the financial and other cost of doing so; or
 - (c) the capacity of the Council to carry out, or the costs associated with the delivery or level of service of, any of the groups of activities identified in the current Long Term Council Community Plan.
- The effect on most individual residents and ratepayers will be negligible.
- While small numbers of residents and ratepayers may believe that the effect on them will be significant, the matters for decision in this report

relate only to making Council land available to RES for potential use as part of the Puketiro wind farm. The environmental effects of any wind farm development that eventuates will be dealt with thoroughly by processes under the Resource Management Act 1991. While neighbours to Council land can expect the same rights as neighbours to private land owners (for instance rights under the Resource Management Act 1991), the fact that management decisions about Council land might disappoint some people does not make such decisions significant.

- While public consultation about the Puketiro wind farm development did attract a reasonably large number of submissions in support, only a relatively small group within the Wellington Region oppose the proposal and regard it as an issue of controversy. The land to be made available for the installation of wind turbines is not held for a purpose at odds with renewable energy generation.
- The Puketiro wind farm development will not result in the sale or replacement of, or significant addition to, a strategic asset. While the Council's regional parks and forests network as a whole (including water supply catchments) is a strategic asset, the Puketiro wind farm development does not amount to a decision subject to section 97 of the Local Government Act 2002 to transfer the ownership or control of a strategic asset to or from the Council, or a decision to construct, replace, or abandon a strategic asset.

2.2 Section 76(3)(b) of the Local Government Act 2002

Section 76(3)(b) of the Local Government Act 2002 applies in the case of "significant" decisions regardless of whether the Council's significance policy applies. "Significant" means that the issue has a high degree of significance. "Significance" means the degree of importance of the issue, as assessed by the Council, in terms of its likely impact on, and likely consequences for:

- the current and future social, economic, environmental, or cultural well-being of the Region;
- any persons who are likely to be particularly affected by, or interested in, the issue; and
- the capacity of the Council to perform its role, and the financial and other costs of doing so.

This issue does not have a high degree of significance for the same reasons (set out above) that the Council's significance policy does not apply.

Despite the conclusion that section 76(3)(b) of the Local Government Act 2002 does not apply, judgements still need to be made about how to achieve compliance with sections 77 and 78 of the Local Government Act 2002 that are largely in proportion to the significance of the matters affected by the decisions, including judgements about:

- the extent to which different options are identified and assessed;

- the degree to which benefits and costs are quantified;
- the extent and detail of the information considered; and
- the extent and nature of any written record to be kept of the manner in which the Council has complied with those sections.

In making such judgements regard must be had to the significance of all relevant matters and, in addition, to:

- the principles set out in section 14 of the Local Government Act 2002;
- the extent of the Council's resources; and
- the extent to which the nature of the decisions, or the circumstances in which the decisions are taken, allow the Council scope and opportunity to consider a range of options or the views and preferences of other persons.

Such judgements have been made in the course of preparing this report.

3. Objective

The objective is to respond to RES's request. The Council has previously decided to support renewable energy in the Wellington Region by making land available for the construction of a wind farm by a private developer. Following a tender process, RES was selected as the preferred developer to negotiate a development contract with. RES's recent request is part of the developer/landowner relationship between the Council and RES. If the Council decides to make the additional area of land available for potential use as part of the Puketiro wind farm, this decision may be included as part of any contractual arrangements between RES and the Council.

4. Options

The options are to grant or to refuse RES's request. It is not considered that granting RES's request in part is a practical option. At this stage RES is simply requesting that the Council make particular land available for *potential* inclusion within the Puketiro wind farm. It is considered the costs of RES conducting necessary investigations require the Council to agree or not agree with this request.

5. Background

The report to the Council on Puketiro Commercial Issues (report RPE08.675 of 22 September 2008) included a map of the proposed infrastructure zones for the Puketiro wind farm. The map included an additional ridge (Ridge C) that RES had recently indicated to officers as showing promise for wind energy generation after its initial review. The Council's approval of report RPE08.675 included a resolution that allowed for options to increase the scope of the wind energy development subject to the approval by Council of such an increase.

Further investigation by RES shows that Ridge C has the potential to accommodate approximately 10 turbines and generate up to a maximum of 30MW of renewable electricity. Detailed and costly environmental and engineering studies are required to be carried out by RES before it is able to confirm the generating capability of the area, the viability of the development, and its environmental impacts and constraints.

In its letter of 20 November 2008, RES formally requested agreement from Council for Ridge C to be included in the Puketiro wind farm development contract before proceeding with these studies.

For a more comprehensive background, Councillors should also refer to report RPE08.675.

Councillors should also consider and take into account the *Regional Forest Lands Management Plan - Future Water Collection Areas*.

6. Community views

Under section 78 of the Local Government Act 2002 (and subject to judgements made under section 79 about how to achieve compliance) the Council must, in the course of its decision-making process, give consideration to the views and preferences of persons likely to be affected by, or to have an interest in, the issue for decision.

This has been done at the stage of defining the objective and identifying the reasonably practicable options for achieving that objective. The Council will need to be comfortable with this prior consideration and also consider community views in the course of assessing the options and making a decision.

The Council is not necessarily required by section 77 of the Local Government Act 2002 to undertake any consultation.

The Council will therefore need to consider the views and preferences of persons likely to be affected by, or to have an interest in, the Puketiro wind farm development in the course of considering this report. It is not believed that further consultation is necessary to identify community views on the objective identified and decision recommended by this report.

The July 2005 consultation publicised the proposal to make land at Puketiro available for a wind farm development widely (*Elements* was delivered to households throughout the region). Submissions were invited and heard by a specially constituted Subcommittee. The Subcommittee's findings were recorded in report 05.611. (Refer to Attachment 3.) As a consequence, the community's views on the use of Akatarawa Forest land have been identified. From ongoing contact with the community, officers have no reason to believe that the range of community views has changed significantly over time or would be different in relation to Ridge C, which remains within Akatarawa Forest.

7. Comment

Utilising information provided by RES in its 20 November letter, the proposed infrastructure zones for the wind farm have been updated and are shown on Attachment 1. Ridge C is shown in more detail on Attachment 2.

Ridge C is predominantly covered by 2 blocks of pine plantation with a small section of regenerating native scrub between and beyond the forestry blocks. The southern section of this ridge is adjacent to pine plantation on private land. The area proposed for development also includes a side ridge that heads approximately north-west and connects with Ridge A (Ridge A has been approved for inclusion in the development). A network of developed tracks already exists both along Ridge C and the ridge connecting to Ridge A. The existing track, with some widening, would be used for access between the ridges.

Detailed environmental, engineering and wind energy studies need to be undertaken by RES to confirm the value of Ridge C within the Puketiro wind farm development. In addition, since Ridge C is adjacent to the Whakatikei River and the site of the proposed future water supply dam and reservoir, particular study will also need to be carried out to ensure the development does not impede the use of the catchment for future water supply. Before commencing these studies, RES has requested assurance from Council that the area identified on Attachment 2 can be included within the wind farm development.

The inclusion of this ridge will clearly improve the cost benefit of developing Ridge A through shared roads and electricity cables. Increasing the potential generating capacity on Council land to between 105MW and 138MW (depending on the capacity of turbines selected) will improve the viability of the Puketiro wind farm development in the current environment of lower exchange rate and increased turbine and infrastructure costs. Increased generation on Council land will also improve the ongoing return to the Council.

8. Assessment of options

Under section 77 of the Local Government Act 2002 (and subject to judgements made under section 79 about how to achieve compliance) the Council must seek to identify all reasonably practicable options for the achievement of its objective and assess those options by considering:

- (a) The benefits and costs of each option in terms of the present and future social, economic, environmental and cultural well-being of the Region.
- (b) The extent to which community outcomes would be promoted or achieved in an integrated and efficient manner by each option.
- (c) The impact of each option on the Council's capacity to meet present and future needs in relation to any statutory responsibility of the Council.

- (d) Any other matters that, in the opinion of the Council, are relevant.

While these are assessments for the Council to make, in recommending that Ridge C be made available to RES, officers consider:

	Granting RES's request	Refusing RES's request
Benefits in terms of the 'four well-beings'	The inclusion of Ridge C will make successfully achieving the Council's goal of supporting renewable energy more likely. The Council may benefit financially from any additional turbines which result. Community views include significant support for a wind energy project on Puketiro.	Individuals opposed to the Puketiro wind farm will possibly feel 'listened to' and be more accepting of the project as it exists (although this is by no means certain).
Costs in terms of the 'four well-beings'	Individuals opposed to the Puketiro wind farm may be upset. To a minor extent, some productive capacity from the Akatarawa commercial forests may be lost. Some potential impact on landscape values if additional turbines do become planned and are consented to under the Resource Management Act 1991.	Individuals supportive of the Puketiro wind farm may feel that the Resource Management Act 1991 process is a better forum for taking into account how wind farm infrastructure might impact third parties. The unavailability of Ridge C might reduce the likelihood of the Puketiro wind farm proceeding.
Promotion of community outcomes (refer to pages 6-12 of the LTCCP)	<p>Healthy environment - promotion of renewable energy.</p> <p>Prosperous community - a significant local development and a potential source of Council revenue.</p> <p>Essential services - increase energy security.</p>	<p>Quality lifestyle - some individuals may feel that up to 10 additional wind turbines will further adversely impact on the recreation opportunities of Akatarawa Forest / surrounding land from which wind turbines can be viewed.</p> <p>Sense of place - some individuals may feel that up to 10 additional wind turbines will further adversely impact on landscape values, and that the Council should act to prevent this ahead of assessment under the Resource Management Act 1991.</p> <p>Strong and tolerant community - some individuals may feel that greater public involvement in this proposed decision is warranted.</p>
Impact on capacity to meet present and future needs	Nil, provided Council can be satisfied that the performance of its functions, duties, and powers under Part II of the Wellington Regional Water Board Act 1972 will not be impeded.	Nil.

9. Communication

Since this change requires further investigation and study before finalising the wind farm layout, a media statement is not regarded as appropriate at this time.

10. Recommendations

That the Council:

1. ***Receives the report.***
2. ***Notes the content of the report.***
3. ***Approves the inclusion of the area of land identified as Ridge C on Attachment 2 within the Puketiro wind farm development contract. This approval is on the condition that the land only be utilised as part of the Puketiro wind farm upon the Council being satisfied that the performance of its functions, duties, and powers under Part II of the Wellington Regional Water Board Act 1972 will not be impeded.***

Report prepared by:

Report approved by:

Tony Shaw
Manager, Development &
Strategy

Murray Kennedy
Divisional Manager, Water
Supply, Parks and Forests

Attachment 1: Proposed Infrastructure Zones for Puketiro Wind Farm

Attachment 2: Ridge C

Attachment 3: Report 05.611