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Ministry for the Environment
Wellington

via Email: ndprogramme@mfe.govt.nz

Otago Regional Council Submission on proposals for Infrastructure and Development National Directions (Package 1)

Introduction

1. Otago Regional Council (ORC) welcomes the opportunity to provide feedback on the proposed changes to the national direction for Package 1 – Infrastructure and development.
2. This submission reflects the views of ORC Councillors and is informed by ORC's practical experience in the management of natural and physical resources, its own infrastructure assets, and its knowledge of diverse land uses and the views gathered through engagement with the Otago community and stakeholders in developing our strategic, policy, and planning frameworks.
3. ORC acknowledges and supports the Government's ongoing efforts to reform how infrastructure activities are managed to give greater clarity and confidence for infrastructure providers, including councils, to appropriately plan and deliver infrastructure, and to support its ongoing use and maintenance.
4. ORC supports many of the proposed changes and considers that opportunities exist to refine aspects of some proposals, so they achieve better environmental and community outcomes while still delivering on the government's original intent. ORC's submission identifies areas of support, and requests for further refinement.
5. ORC's submission has two parts: key messages that apply to all aspects of the proposals, and feedback on the proposed changes to national instruments and regulations.

Key messages

Need for enduring solutions

6. Successive reforms can put a significant financial strain on the council, stakeholders and ratepayers and is disruptive for planned or ongoing initiatives.

7. ORC acknowledges that there is a need for national direction to adapt to changing situations. However, infrastructure in particular needs a stable regulatory environment to drive investment, enabling it to support New Zealand's changing needs, including in response to climate change.
8. ORC supports the development of management reforms that are built on cross-party agreement. Without broad political consensus, there is a risk that future governments will continue to reverse or revise reforms, undermining the commitment of communities, industries, agencies and local authorities to plan for and deliver on initiatives that achieve the desired outcomes. Enduring solutions must be implemented with a significant horizon that will outlast political cycles and become the responsibility of the government of the day to manage with a duty of care ensuring New Zealand continues to move forward confidently with a strategic vision.

Simplicity

9. ORC considers that the new national direction should set clear and simple direction that is more specific than the direction provided in the RMA and use unambiguous terms and concepts. This will support its effective and cost-efficient implementation.

Supporting evidence-based decision making

10. Future national direction should be a driver of positive change without alienating stakeholders and landholders by setting unreasonable goals. To achieve this, the framework must ensure that the environmental outcomes set are realistic and time-bound, and any decisions made to achieve these are based on robust technical information.

Feedback on the proposed changes to national instruments and regulations

National Policy Statement Infrastructure (NPS-I)

11. ORC welcomes the development of a proposed NPS-I. Infrastructure development, particularly that which forms regional and nationally significant assets, is critical for providing essential services such as access, electricity, schools, hospitals, and telecommunications, all which ensure the well-being of communities and their resilience.
12. Infrastructure projects, particularly those which cover large areas, can be complex to develop, maintain and regulate. It is important for owners, operators and regulators that there is clear and certain national direction to support planning processes to be effective and efficient, and outcomes to be positive for people and our environment.
13. ORC supports the inclusion of definitions for 'operational' needs and 'functional' needs. As the policy suite is heavily framed towards implementing new infrastructure, ORC requests the provisions provide clarity and guidance with respect to how much regard needs to be given to those needs for existing infrastructure.

14. ORC requests that infrastructure, and ancillary activities which provide a public benefit (such as flood protection) should be provided for within the directions including the recognition of health and safety benefits. ORC owns and operates infrastructure assets and schemes which provide flood protection, and management and drainage for large areas of land to protect public assets and private property, as part of responsibilities it inherited for flood protection and drainage under the Soil Conservation and Rivers Control Act 1941.
15. ORC also requests that there is a clearer integration between the proposed NPS-I and the proposed National Policy Statement for Natural Hazards. On one hand, infrastructure which provides resilience functions can be critical for natural hazard risk management. On the other hand, certain types of infrastructure are often co-located with flood protection assets (as they both tend to be located along corridors), and it is critical that any activities to develop or maintain this infrastructure does not undermine the flood protection assets. As drafted, it is unclear how these matters are provided for when applying both NPS policy frameworks. ORC recommends that, in areas with natural hazard risks, a precautionary approach is taken to development in the proposed NPS-I.

National Policy Statement Renewable Energy Generation

16. ORC considers the suite of 'renewable energy' focused new and amended natural directions are a positive and necessary step for New Zealand. These will improve processes and outcomes for owners, operators and regulators dealing with renewable energy generation projects.
17. ORC recognises and supports an improved focus on renewable energy activities as being important for:
 - Providing resilience for our communities' well-being needs
 - Increasing confidence for investment in, and maintenance of, New Zealand's energy generation and delivery networks
 - Providing for resilience for supply by harnessing energy from a range of natural sources
 - Providing for energy resilience of small or isolated communities so they have reduced reliance on the national grid
 - Contributing to the reduction of emissions from the burning of fossil fuels for energy
 - Ensuring fossil fuel resources can be reserved for times of need
18. ORC requests that the finalised national direction provides clear guidance on when to prioritise the public benefits of renewable energy activities (such as contribution to emissions reductions) over potential adverse effects on the environment, particularly where those effects impact on matters of national importance in section 6 of the RMA.
19. ORC supports the proposed national directions enabling small generation schemes at a community level. While we recognise the proposed national directions will support resilience in the overall energy sector, it is critical for our smaller communities to have options to increase their energy resilience. This is particularly important to those who face greater exposure to natural hazard risks from disruptions to the national grid due to a range of

external factors, e.g. storm events or seismic activity. In addition, the opportunity to generate and sell energy back into the national grid may support communities to reduce the overheads of the operation and maintenance of their schemes.

National Policy Statement for Electricity Networks (NPS-EN)

20. Within Otago we are facing growth pressures, most significantly in the Queenstown Lakes and Central Otago areas that needs certainty to be able to adequately provide the necessary infrastructure to support communities. Development within the Otago region will benefit from a planning framework which is developed via national direction that supports important infrastructure. It will also assist planning process to be well-informed when making decisions that rely on the provision of infrastructure and critical services to sustainably support growth. We support the renaming from the NPS on Electricity Transmission due to it reflecting the wider scope of providing a framework that encompasses the network, of which transmission is only one component.
21. ORC requests that national direction specifies that the network and its capacity be included within regional spatial planning. This information is valuable to support strategic decision making for urban development.
22. ORC considers that this NPS would benefit from an objective that requires consideration of the strategic development of complementary systems, e.g. hydro and wind, within areas where they are feasible, to provide greater resilience at a district or regional level. This ensures that New Zealand's network does not risk clustering specific types of renewable energy generation activity where its disruption could magnify adverse impacts on supply across the national network.

National Environmental Standards Electric Network Activities (NES-ENA)

23. ORC recognises and supports clear rules to support activities for the development and implementation of the electricity network, and some ancillary activities. We also support the proposed renaming from the NES for Electricity Transmission Activities as it more accurately encompasses all necessary activities to support the function and maintenance of the network.
24. Generally, ORC is comfortable with the scope and guidance of the proposed environmental standards. However, the detail will be important to ensuring the standards can support good outcomes and be efficient and certain for regulators to implement and manage.
25. ORC requests the standards should give clearer direction and provision for the consideration of natural hazards in undertaking any activities. The amendments proposed are broad and cover many activities, and as such there is little clarity on how consideration of natural hazard risk is provided for, particularly where activities would become permitted. The standards must ensure that activities are not exposed to unnecessary natural hazard risk, and do not exacerbate any natural hazard, including exacerbating risk to any other properties.
26. ORC supports a wider distribution network of EV charging stations and supports their permitted activity status, however we wish to highlight the challenges with permitted

activities when understanding the demand they may place on the associated resource. In this instance, if a significant number of permitted EV charging stations are established, it is not clear if the local electricity network will have capacity to provide for this additional demand. If regulators have no oversight of where EV chargers are placed, this could result in EV infrastructure that is neither strategic nor supported by a sufficient power supply.

National Environmental Standards Telecommunication Facilities

27. ORC recognises that in many instances, implementation of this standard will be a matter for city and district authorities. ORC has noted two pieces of feedback it would like to contribute.
28. ORC requests that the standards need to ensure reverse sensitivity issues or impediments to the operation of telecommunication facilities are required to be addressed where there is increased development nearby, e.g. interference with radio.
29. ORC supports the standard enabling the clustering of telecommunications facilities as this will reduce the risk of environmental effects occurring because of the spatial dispersal of infrastructure.

National Policy Statement for Natural Hazards

30. ORC generally supports the proposed NPS-NH, noting that the risk matrix of scale and likelihood has significant alignment to the approach taken in the proposed Otago Regional Policy Statement.
31. In terms of scope, ORC considers that the NPS-NH should apply to new infrastructure, as well as new subdivision, land use and development. It is important that new infrastructure is assessed to ensure it does not increase the risk of natural hazards, and to ensure it is resilient and can withstand identified natural hazards.
32. ORC also considers there should be integration between the NPS-I and the NPS-NH, with an explicit direction about which instrument prevails in the case of conflict between the two.
33. ORC also recommends that Policy 6 of the proposed NPS-NH is amended to require resource consent applicants, in addition to local authorities, to carry out risk assessments where it will support and inform planning and resource consent decision-making. ORC does not believe that ratepayers should be burdened with the cost of natural hazard risk assessments for new use and development, particularly where a developer is challenging an existing hazard assessment.
34. ORC requests that the proposed NPS-NH should also apply to wildfires, as this is a significant natural hazard issue in Otago that will be increasingly exacerbated due to the impacts of climate change and increased afforestation. ORC also notes that no date is given as to when local authorities need to fully give effect to the new instrument. ORC supports this if it means that local authorities are not required to make plan changes ahead of resource management law reform.

Conclusion

35. ORC looks forward to the finalised suite of national directions for Infrastructure and Development and implementing these to benefit Otago. Thank you again for the opportunity to provide our thoughts.

Yours sincerely



Gretchen Robertson
Chairperson