



Briefing: Waimate waste to energy proposal

Date submitted: 13 July 2023

Tracking number: BRF-2399

Security level: [REDACTED]

MfE priority: Not Urgent

Actions sought from ministers		
Name and position	Action sought	Response by
To Hon David PARKER Minister for the Environment	Agree to the actions sought in this briefing	N/A

Actions for Minister's Office staff
<p>Forward this briefing to the Associate Minister for the Environment, Hon Rachel Brooking, Minister for Energy, Hon Megan Woods, and the Minister of Climate Change, Hon James Shaw.</p> <p>Return the signed briefing to Ministry for the Environment (ministerials@mfe.govt.nz) — please send both hard <i>and</i> soft copies to ensure we meet our public record obligations.</p>

Appendices and attachments
<ol style="list-style-type: none">Appendix 1: Letters from Environment Canterbury and Waimate District CouncilAppendix 2: Letter from South Island Resource Recovery LtdAppendix 3: Letter from Zero Waste Network addressed to the Minister for the EnvironmentAppendix 4: Letter to ECan and WDC from the chairperson of Te Rūnanga o WaihaoAppendix 5: Draft Letter to EPA requesting call in advice

Key contacts at Ministry for the Environment			
Position	Name	Cell phone	First contact
Principal Authors	Richard Souness, Shane McGhie	-	
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Director	Caroline Hart	027 270 8335	
Director	Glenn Wigley	027 491 7806	✓

Minister's comments

Waimate waste to energy proposal

Key messages

1. Ministry for the Environment officials recently discussed with you a resource consent application for a waste to energy plant in Waimate district, and whether to call the consents in as a proposal of national significance, under section 142 of the Resource Management Act 1991 (RMA). You have the power to call it in, that is, make a direction to refer this application to a Board of Inquiry or Environment Court for decision.
2. The proposal triggers multiple resource consents from Environment Canterbury and Waimate District Council. Due to the timing of the application, which was during the statutory bar in the RMA on consideration of discharges on climate change, the councils are unable to consider greenhouse gas (GHG) emissions for the application. However, this statutory bar does not apply to this application if it is called in, and therefore GHG emissions could be considered through the call-in process.
3. Environment Canterbury, Waimate District Council, and the applicant, South Island Resource Recovery Ltd, have all made requests for you to call in the application, under section 142(1) of the RMA.
4. Officials consider that the proposed waste to energy plant at Waimate meets a number of the criteria in section 142(3) for calling in the application and recommend that you seek advice from the Environmental Protection Authority (EPA) on whether they recommend calling the application in, and if recommending a call in, where to refer the matter.
5. Referral to a Board of Inquiry would require a decision within 9 months, with the ability to extend to 18 months if special circumstances exist, whereas there is no time by which the Environment Court must decide the matter.
6. The actual and reasonable costs associated with a call in and referral to a Board of Inquiry or the Environment Court are recoverable from the applicant, by the local authority, the EPA, and you.
7. A recommendation on where the matter might most appropriately be referred is part of the recommendation you may seek from the EPA.

Recommendations

We recommend that you:

- a. **note** Environment Canterbury, Waimate District Council, and the applicant, South Island Resource Recovery Ltd, have all requested that you call in the resource consent application for a waste to energy plant at Waimate.
- b. **note** our preliminary assessment that the proposed waste to energy plant at Waimate demonstrates some of the factors that you can consider for a Ministerial call in as a proposal of national significance under section 142 of the RMA.
- c. **agree** to seek advice from the EPA on whether the proposal is consistent with the considerations in section 142 of the RMA for a proposal of national significance and, if so, where they advise referring the application.

Yes | No | Discuss

- d. **agree** to request that the EPA seek the views of the applicant, local authorities, Te Rūnanga o Ngāi Tahu and Papatipu Rūnunga.

Yes | No | Discuss

Recommendations continued next page

- e. **forward** copies of this briefing note to the Associate Minister for the Environment, Hon Rachel Brooking, Minister for Energy, Hon Megan Woods, and the Minister of Climate Change, Hon James Shaw.

Yes | No | Discuss

Signatures



Caroline Hart (for RMA call in) **12 July 2023**
Director
**Implementation – Resource
Management and System
oversight**



Glenn Wigley (for Waste) **12 July 2023**
Director – Policy and
Regulatory
**Waste and Resource
Efficiency**

Hon David PARKER
**Minister for the
Environment**

Waimate waste to energy proposal

Purpose

8. You requested advice on South Island Resource Recovery Limited's resource consent application to build a waste-to energy facility near Waimate.

Background

9. Ministry for the Environment officials recently met with you to discuss the resource consent application for a proposed waste to energy facility in the Waimate district, and whether you should call in the application as a proposal of national significance, under section 142 of the Resource Management Act 1991 (RMA). The applicant is South Island Resource Recovery Limited (SIRRL).
10. The proposed Project Kea waste to energy facility in Waimate District would use approximately 955 tonnes per day (365,000 tonnes per year) of municipal and construction solid waste in approximately equal quantities to produce electricity for the local and national grid. This amount is approximately 10 per cent of all waste that goes to Class 1 landfills in New Zealand per year.
11. The waste is proposed to come from transfer stations, which will be contracted to sort through waste and remove recyclables prior to it being sent to the facility. The waste is proposed to be mixed at the facility, to ensure that there will be a homogeneous waste before entering a steam boiler. The pressure from the steam drives turbine blades and generates electricity, and steam can be provided for unspecified downstream industries. The process would create fly ash, which will be treated within a plasma furnace to convert it into a glass-like material, which is proposed to be used as construction aggregate.
12. The proposal requires multiple consents from Environment Canterbury (ECan) and Waimate District Council (WDC). SIRRL has requested that the application be jointly publicly notified.
13. The application and supporting documents highlight the proposed economic and environmental benefits. It would produce approximately 30 MW energy for local and national use, which is slightly less than the Kinleith wood cogeneration generator in South Waikato and the 12 turbine Mahinerangi wind farm in Dunedin. The applicant expects that this project, if approved would divert waste going to landfill, create 165 new jobs, and contribute \$77.3 million to New Zealand's GDP, with the potential to become the third largest industry in the Waimate district.
14. The councils have been prevented from including specific provisions on greenhouse gases (GHGs) in plans and resource consents under section 70A of the RMA. This statutory bar was removed on 30 November 2022 when the

climate change provisions under the Resource Management Amendment Act 2020 came into force. This change only applies to applications that were lodged after 30 November 2022. Given that the Waimate waste to energy applicant was lodged on 28 November 2022, prior to 30 November 2022, GHG emissions are not able to be considered by ECan and WDC.

15. Section 142 of the RMA allows the Minister to call in an application that is or is part of proposal of national significance. The Minister may make a direction to:
 - a. refer the matter to a Board of Inquiry for decision; or
 - b. refer the matter to the Environment Court for decision.
16. Waimate District Council, ECan, and the applicant, SIRRL, have all requested you call in the application.
17. The statutory bars do not apply to the Environment Court or a Board of Inquiry, so they can consider the climate impacts of greenhouse gas emissions. Prior to you making a decision to call in the application, you may seek a recommendation from the Environmental Protection Authority (EPA) on whether the application should be called in, and where the application should be referred to.
18. You may have regard to any relevant factor including those listed in section 142(3)(a) and the view of the EPA and must have regard to the views of the applicant and the local authority, the capacity of the local authority to process the matter and the recommendations of the EPA.

Application history

19. ECan and WDC received the application from South Island Resource Recovery Limited (SIRRL) on 28 September 2022. On 20 October 2022, ECan and WDC returned the resource consent application due to insufficient information being supplied regarding the proposed activities of the plant and their effect on the environment under section 88(3A) of the RMA.
20. ECan and WDC received a revised resource consent application from SIRRL on 28 November 2022. On 20 December 2022, ECan and WDC returned the revised resource consent application due to insufficient information being supplied regarding the proposed activities of the plant and their effect on the environment under section 88(3A) of the RMA. The application was returned on the basis that, while the resubmitted application addressed many of the matters raised in the previous version regarding adverse effects of the discharges to air, stormwater and wastewater, the cultural values had not been adequately addressed.
21. On 31 January 2023, SIRRL lodged a formal objection, under section 357 of the RMA, to the decisions of the two councils to return the application. The matter was considered by an Independent Commissioner, with a joint hearing held on 11 April 2023. The objection was upheld and ECan and WDC were directed to

accept the application as complete, with the relevant processing time commencing on 12 May 2023.

22. ECan subsequently advised the applicant that an additional water permit was required and gave notice under section 91 that the application would not be processed further, pending receipt of the additional resource consent application.
23. On 20 June 2023, and 21 June 2023, WDC and ECan respectively, resolved to request a Ministerial call in. Letters requesting the call in were received on 27 June 2023, and 29 June 2023. These letters are attached at Appendix 1.
24. A letter from the applicant, requesting you call in the application, was received on 5 July 2023. This letter is attached at Appendix 2.
25. On 6 October 2022, Zero Waste Network provided you with a letter requesting you call in this application. This letter is attached at Appendix 3. Given the status of the application at that time, officials provided you with a draft letter replying to Zero Waste Network, and agreed to provide further advice to you when the application was accepted by the two Councils.

Analysis and advice

26. Our preliminary assessment is that the proposal for a waste to energy (incineration) plant at Waimate demonstrates some of the factors that you can consider for a ministerial call in under section 142(3) of the RMA. This includes the potential impact on New Zealand's international obligations to the global environment, the widespread public concern or interest, potential significant or irreversible changes to the environment, and matters that are likely to be significant in terms of section 8 of the RMA. An assessment against section 142(3) is at paragraph 52.

Previous advice regarding Feilding Pyrolysis Plant (BRF-1412) and Te Awamutu waste to energy plant (BRF-1805).

27. Officials have previously provided advice to you regarding the call in of two separate waste to energy plant applications. The first application was for a plant in Feilding (BRF-1412, 6 April 2022) and the second was for a plant in Te Awamutu (BRF-1805, 28 June 2022).

28. For the Feilding application, Out of Scope 

 This application has since been withdrawn.

29. For the Te Awamutu proposal, Out of Scope 

██████████ The volume of proposed waste to be processed by the Te Awamutu facility was 166,525 tonnes per year which is much higher than the Feilding facility (up to 15,000 tonnes per year). We considered the possible GHG emissions of between 65 kt and 150 kt p/a CO₂-e could be nationally significant. This application has since been accepted by Waipā District Council for processing but is yet to be notified.

30. The following table shows the difference in scale between the three applications we have provided advice on:

	Feilding (BRF-1412, 6 April 2022)	Te Awamutu (BRF-1805, 28 June 2022)	Waimate (this application)
Tonnes of waste consumed per year	~15 kt	166.5 kt	365 kt
Greenhouse Gas Emissions	Not known	between 65 kt and 150 kt p/a CO ₂ e, depending on offsets	Not known but estimates vary from 64 to 350 kt p/a CO ₂ e
Officials Recommendation	Ministerial intervention in this resource consent is not needed.	Out of Scope ██████████ ██████████ ██████████ ██████████ ██████████ ██████████ ██████████ ██████████ ██████████ ██████████	Demonstrates some of the factors that can be considered for a ministerial call in. Recommendation to request advice from EPA.
Current status	Withdrawn – no longer proceeding	Accepted by Waipā District Council but not yet notified.	Accepted by ECan and WDC but on hold waiting for water permit.

NES-AQ air quality consideration

31. In our assessment of Te Awamutu facility, officials considered whether the facility could be considered a “high temperature hazardous waste incinerator” and therefore prohibited outright. Officials concluded that due to the primary purpose of the facility was to produce electricity, it was unlikely to be a “high temperature hazardous waste incinerator,” even though it may incinerate some hazardous waste. Officials consider a similar argument for this application can be made for the same reasons.

32. The applicant for the Waimate application states that the facility will not accept hazardous materials or tyres, other than the small incidental quantities that may be present in the waste that is allowable. If municipal solid waste is used as a fuel, it is inevitable that some hazardous waste materials would be incinerated, and the applicant acknowledges that lithium-ion batteries will be present in the waste. However, we consider that it is unlikely to be considered prohibited and therefore should not be relevant to the decision on whether to call it in.

GHG emissions from the proposed plant

33. As the current resource consent application did not have to take GHG emissions into account when it was lodged, the application and supporting documents do not mention the amount of GHG emissions from this facility, and consideration of GHG emissions is not relevant to the decisions. Use of ministerial call in to either, the Environment Court or a Board of Inquiry would mean that GHG emissions would become a relevant matter for consideration and decision making.
34. Officials have made some estimates of the possible amounts of GHG emissions from the Waimate plant, as follows:
 - a. 65 kt p/a CO₂e (using default levels for ETS input)
 - b. between 64 to 147 kt p/a CO₂e depending on feedstock and assumptions (using assumptions from the IPCC)¹
35. Further to these estimates, Zero Waste Network quoted an estimate of approximately 350 kt p/a CO₂e in their letter to you.
36. There is significant variation in the estimated levels of GHG emissions based on the different assumptions and therefore it is difficult to assess the effects of GHG emissions this plant will have. However, officials have made an initial attempt at identifying the effect of these emissions using the most conservative estimate (64 kt p/a CO₂e which is equivalent to approximately 24,000 cars on the road).
37. In assessing whether the emissions from the proposed facility may be nationally significant under section 142(3) of the RMA, we have made a comparison with the proposed national direction for industrial greenhouse gas emissions, and the Climate Implications of Policy Assessments (CIPA), required for all policy proposals for Ministers and Cabinet.
38. The national environmental standards for greenhouse gases from industrial process heat was recently gazetted and comes into force on the 27 July 2023. These national standards requires a resource consent and emission reduction actions to be taken for discharges of 500 tonnes of CO₂e per year (0.5 kt p/a CO₂e) and above, as long as they meet other criteria. While it is unclear whether the other criteria are met, and therefore whether the national environmental standards will cover this plant, this threshold is significantly less than the most conservative estimated amount of GHG emissions for the proposed Waimate plant.
39. The Government's threshold for significance for requiring CIPA for policy proposals is for proposals resulting in an impact of 50 kt p/a CO₂e per annum. This is the threshold for when we expect the emissions impact of policy proposals

¹ Emissions From Waste Incineration https://www.ipcc-nggip.iges.or.jp/public/gp/bgp/5_3_Waste_Incineration.pdf

to be modelled. The lowest estimated amount of GHG of the proposed plant in Waimate is above this threshold.

40. The proposal does not align with the Government's long-term strategies for energy and waste. The Emissions Reduction Plan is for more renewable, low-emissions energy production. Waste to energy by incineration of fossil-fuel derived materials is not considered renewable energy by the Ministry because the raw materials are largely derived from fossil fuels. Burning natural gas is potentially more efficient than the proposed plant when considering plastics and other fossil energy intense feedstock production emissions.

41. We are also aware that the Ministry of Business, Innovation and Employment is progressing an energy strategy. ^{9(2)(g)(i)}

42. We believe, due to the estimated significant amount of GHG emitted from the proposed activity, it is appropriate for the proposal to be subject to a process that takes this into account, which will not occur if the resource consents continue to be processed by the two councils.

Emission Trading Scheme Implications

43. The operator of the waste to energy plant would be a mandatory participant in the New Zealand Emission Trading Scheme (NZ ETS) and face costs for GHG emissions.² The emissions that it reports under the NZ ETS will depend primarily on the amount of non-organic waste incinerated, including plastics.³ If the waste is sorted prior to incineration, this will influence GHG emissions and costs.

44. For comparison, emissions from waste disposed at landfill depend on tonnage and whether the landfill collects and destroys gas. The methane from the biodegradation of organic waste in landfills is generally captured and destroyed. No greenhouse gas emissions occur from the deterioration of non-organics.

The Aotearoa New Zealand Waste Strategy

45. While not relevant to your decision to call in, for wider context we have considered the alignment of this application to the new Aotearoa New Zealand Waste Strategy (the Waste Strategy) and waste reform work.

46. Goal six of the Waste Strategy looks for ways to recover any remaining value from waste, sustainably and without increasing emissions. While goal six does allow scope for waste to energy plants, it does so under the need to balance competing principles and considerations. When deciding the value of the

² There are five participants currently registered for combusting waste for energy, including Fletcher Cement (used tyres) and Oji Fibre Solutions (used oil).

³ CO₂ emissions from burning organic waste are not counted as they are part of the biogenic cycle.

technology, the purpose, feedstock, process (including potential emissions) and amount of energy produced all needs to be considered.

47. The Waste Strategy also notes that initiatives that are underway to reduce, reuse and recycle waste may significantly change the amount of waste available for these plants and make them unviable in the longer term. Finally, the strategy specifically states that “Pyrolysis and gasification of municipal solid waste is unlikely to align with our circular economy goals, due to its climate impacts, dependency on continued linear waste generation, and likelihood of hazardous discharge”.⁴
48. The proposed plant is not pyrolysis or gasification of municipal solid waste, but it is incineration of municipal solid waste. There is, however, little difference in the environmental outcomes of these technologies. Of additional concern is that these plants require a steady stream of waste to remain viable. Internationally, this has created an incentive for additional waste to be created, or at least a disincentive to reduce waste.
49. While not necessarily an issue to consider for a call in of this application, it is important to note that currently all waste to energy plants are excluded from potential coverage by the waste levy, which gives an economic incentive to fund and build new facilities. This is proposed to change under the proposed waste legislation, to enable regulations to apply the levy to specified types of waste to energy plants in future.
50. In our view greenhouse gas emissions should be considered in relation to this application based on goal six of the Waste Strategy.

Benefits of a call in process for future decisions

51. A Board of Inquiry or Environment Court decision on this application could clarify what is a significant level of greenhouse gas emissions from this type of activity. The decision would help guide future decisions by local government on future waste to energy plants.

Basis of your decision for calling in under the Resource Management Act

52. Section 142(3)(a) of the RMA lists specific requirements you may have regard to when deciding whether a proposal is of national significance. Our analysis suggests that the application triggers the following considerations under this provision of the Act:

⁴ Aotearoa New Zealand Waste Strategy pp46 [Te-rautaki-para-Waste-strategy.pdf \(environment.govt.nz\)](#).

- a. the proposed plant has aroused widespread public concern or interest regarding its actual or likely effect on the environment (including the global environment)⁵
 - b. New Zealand's international obligations to the global environment, such as our international climate change agreements, could be impacted by even the most conservative estimates of greenhouse gas emissions from the plant⁶
 - c. even at the conservative estimates, the amount of greenhouse gas emissions will result or is likely to result in or contribute to significant or irreversible changes to the environment (including the global environment)⁷
 - d. there are currently no municipal waste to energy plants in New Zealand. The proposal therefore involves technology, processes, or methods that are new to New Zealand and that may affect the environment⁸
 - e. the concerns raised by the two councils and Papatipu Rūnunga includes matters that are likely to be significant in terms of section 8 of the RMA⁹.
53. Furthermore, we consider due to the significant amount of uncertainty of the GHG emissions, there is merit in requiring the application to go through a process that allows GHG emissions to be considered.

Call in process and analysis of the options

54. If you agree that the resource consents submitted by SIRRL for a waste to energy facility at Waimate could be a proposal of national significance, section 144A of the RMA allows the Minister for the Environment to ask the EPA for advice. In providing this advice, the EPA must, within 20 working days, recommend that you call the matter in because it is a matter of national

⁵ Section 142(3)(a)(i) of the Resource Management Act 1991 provides that "in deciding whether a matter is, or is part of, a proposal of national significance, the Minister may have regard to any relevant factors including whether the matter has aroused widespread public concern or interest regarding its actual or likely effect on the environment (including the global environment)".

⁶ Section 142(3)(a)(iv) of the Resource Management Act 1991 provides that "in deciding whether a matter is, or is part of, a proposal of national significance, the Minister may have regard to any relevant factors including whether the matter affects or is likely to affect or is relevant to New Zealand's international obligations to the global environment".

⁷ Section 142(3)(a)(v) of the Resource Management Act 1991 provides that "in deciding whether a matter is, or is part of, a proposal of national significance, the Minister may have regard to any relevant factors including whether the matter results or is likely to result in or contribute to significant or irreversible changes to the environment (including the global environment)".

⁸ Section 142(3)(a)(vi) of the Resource Management Act 1991 provides that "in deciding whether a matter is, or is part of, a proposal of national significance, the Minister may have regard to any relevant factors including whether the matter involves or is likely to involve technology, processes, or methods that are new to New Zealand and that may affect its environment"

⁹ Section 142(3)(a)(vii) of the Resource Management Act 1991 provides that "in deciding whether a matter is, or is part of, a proposal of national significance, the Minister may have regard to any relevant factors including whether the matter is or is likely to be significant in terms of section 8 of the Act.

significance, and either refer the matter to a Board of Inquiry, or the Environment Court, or not call the matter in. A copy of the EPA's advice must be served on the applicant and the local authorities.¹⁰

55. If you choose to ask the EPA for advice, it is recommended that you also request that the EPA seek the views of the applicant and local authorities, on your behalf, as section 142(4) of the RMA requires consideration of those views in deciding whether to call in the matter or not. Although both councils and the applicant have asked you to call in the application, and provided their reasons for this, the EPA would generally ask for their view again to ensure that all information is available to inform their advice to you. In addition, it is recommended that you ask the EPA to seek the views of the Te Rūnanga o Ngāi Tahu and Papatipu Rūnunga, as Papatipu Rūnunga have written to both councils supporting a call in.

56. If, following advice from the EPA you make the decision to call in the matter, it may be referred to the Environment Court or to a Board of Inquiry. As you already have a good understanding of both of these processes, the following advice focuses on answering the questions you have asked relating to timing, costs for the two call in options, and where to refer the matter. The provisions referred to below are in the RMA:

- a. **Time taken:** Section 149R(2) requires a Board of Inquiry to decide and produce a report, within 9 months of the day on which the EPA gives public notice of your direction to call the matter in. The processing time excludes the Christmas closedown period and may be suspended if the costs able to be recovered by a person are not paid. Section 149S of the RMA provides you with the ability to extend the time by which the Board of Inquiry must report, with the time period limited to 18 months, unless the applicant agrees to a longer period, and only if you consider that special circumstances apply.

There is no deadline in the RMA for the Environment Court to decide on the matter, other than the general requirement under section 269, to regulate its proceedings in a manner best promotes the timely and cost-effective resolution. Officials have asked if the Environment Court has sufficient capacity to consider this matter and have been advised that the Court has capacity.

- b. **Cost:** The costs associated with a call in and referral to a Board of Inquiry are recoverable under section 149ZD of the RMA. A local authority, the EPA, and you, have the ability to recover actual and reasonable costs incurred from the applicant. The applicant can ask for an estimate of costs and an estimate must be provided, and the applicant has the right to object to the costs under section 357B of the RMA.

¹⁰ Section 146 of the Resource Management Act 1991

Costs associated with a call in and referral to the Environment Court are recoverable under section 285 of the RMA. When deciding to make an order the Environment Court must apply the presumptions that costs are not to be ordered against a s274(1) party, and that costs are to be ordered against the applicant.¹¹

- c. **Referral Options:** A recommendation on where the matter might most appropriately be referred is part of the recommendation you seek from the EPA. It is however worth noting that the applicant and Papatipu Rūnunga have requested referral to a board of inquiry.
57. An issue unique to consider for the potential call in are the implications of the statutory bar under section 70A of the RMA to consider greenhouse gas emissions that was in place when the application was lodged with the councils. As ECan was unable to consider greenhouse gas emissions, the application that is being considered for call in, does not include any information or assessments on greenhouse gas emissions.
58. The EPA has the ability, under section 149(2) of the RMA, to request an applicant provide further information relating to the matter, and/or commission a report on an issue. If you decide to ask for advice from the EPA, the EPA may use section 149(2) of the RMA to request further information on GHG emissions, or any other information considered necessary. The EPA must provide you with a call in recommendation, whether or not the applicant provides the information requested.
59. The application is presently on hold, under section 91 of the RMA, awaiting receipt of an additional consent to take water, which was not submitted when the application was lodged. ECan has placed the application on hold under section 91, awaiting receipt of the outstanding consent application, and in their letter requesting referral, suggest that this should not prevent you making a decision on the call in, because the application already lodged demonstrates the national significance of the proposal.
60. The EPA is unable to use section 91 of the RMA for the application to remain on hold if called in prior to receipt of the outstanding application. However, you may instruct the EPA to delay giving public notice pending lodgement of additional consent under section 149D of the RMA. It is recommended that if you decide to call in the application, that you ask the EPA to delay giving public notice pending submission of additional consents.

Other Ministerial responses to the proposed waste to energy plant

61. The applicant, SIRRL, is 60 per cent foreign owned. Due to the significant amount of overseas ownership, it requires an application to the Overseas Investment Office. This application was called in for a Ministerial decision by Minister O'Connor on 29 May 2023. In addition, it was called in by Minister

¹¹ Section 285(5) of the Resource Management Act 1991

Robertson on discretionary national interest grounds on 28 May 2023, and will therefore go through a national interest assessment process. Although call ins by other Ministers is not a relevant factor for your consideration on this matter, it is included to provide you with visibility across other portfolios.

Risks

62. There is a risk that calling in this application could set an expectation that all resource consent applications with significant GHG emissions, or for waste to energy facilities, will be subject to future call in. This risk is mitigated somewhat because, climate change, and in particular GHG emissions, are now factors that must be considered at a council level decision, and the Waste Strategy will provide additional direction to inform future applications for waste to energy facilities.

Consultation and collaboration

63. This is initial advice formulated within the Ministry with no external consultation. Officials have discussed the application with the Ministry of Business, Innovation and Employment, EPA, ECan and the WDC.

Te Tiriti analysis

64. The call in request letters from the councils both state that the councils have been in contact with Te Rūnanga o Waihao and that it is understood that they support the call in of this application. The basis of this support being a one-step process will better enable involvement of mana whenua and ensure that decision-makers have appropriate expertise in considering the cultural effects associated with the proposal. The councils consider that this supports calling in the application as the decision-making process will better take into account the principles of Te Tiriti o Waitangi, including partnership, participation and active protection.
65. ECan provided a copy of a letter sent to both councils from the Chairperson of Te Rūnanga o Waihao. This letter (attached at Appendix 4) states that the Rūnanga, have received and reviewed a copy of the resource consent applications, are leading the mana whenua response on behalf of the three Papatipu Rūnanga potentially affected by the proposal, and that the proposal is likely to be significant in terms of effects on tangata whenua and section 8 of the RMA.¹²
66. The Treaty Settlement legislation in place for this area is the Ngāi Tahu Claims Settlement Act 1998. Te Rūnanga o Waihao have raised concerns regarding the

¹² Section 8 of the Resource Management Act 1991 provides that “in achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi)”.

impacts on aspects of this Treaty Settlement, for example freshwater, mahinga kai, and taonga species. Given this, it would be appropriate to seek the views of Te Rūnanga o Ngāi Tahu, as the Iwi authority, in addition to Te Rūnanga o Waihao.

67. It is relevant to note that in supporting the call in, Papatipu Rūnanga have expressed a clear expectation that the matter would be referred to a board of inquiry and that someone with mātauranga Māori would be appointed to the board of inquiry. This is a matter that the EPA would consider in providing a recommendation to you on where to refer the matter, if you choose to ask for that advice. Officials could advise you on appointments to a board of inquiry.
68. If you decide to ask the EPA for advice on a call in, including a recommendation on where to refer the application, it is recommended you ask them to carefully consider the reasons Papatipu Rūnanga have cited in support of their preference for referral to a board of inquiry, and to seek the views of Te Rūnanga o Ngāi Tahu.

Next steps

69. As an initial step, officials recommend you send a letter to the EPA seeking their advice on whether the proposal is nationally significant under section 142 of the RMA. A draft letter is appended for your consideration (Appendix 5). If you choose to ask the EPA for advice, it is suggested that you also request that the EPA seek the views of the applicant and local authorities, on your behalf, as section 142(4) requires consideration of those views in deciding whether to call in the matter or not. In addition, it is suggested that you ask the EPA to consider the letter sent to ECan, by Papatipu Rūnanga, to seek additional information from them if required, and to seek the views of Te Rūnanga o Ngāi Tahu.

Appendices

Appendix 1: Letters from Environment Canterbury and Waimate District Council addressed to the Minister for the Environment

23 June 2023

Customer Services
P. 03 353 9007 or 0800 324 636

200 Tuam Street

PO Box 345
Christchurch 8140

www.ecan.govt.nz/contact

Attention: Minister for the Environment

Hon David Parker – Minister for the Environment
Parliament Buildings
Wellington 6160

By email to: d.parker@ministers.govt.nz

Tēnā koe Minister

REQUEST FOR CALL IN OF RESOURCE CONSENT APPLICATION UNDER SECTION 142(2) OF THE RMA – SOUTH ISLAND RESOURCE RECOVERY LTD – PROJECT KEA

1. I write on behalf of the Canterbury Regional Council (**Council**) to request that you make a direction under section 142(2) of the RMA, to call in the resource consent applications lodged by South Island Resource Recovery Ltd (**Applicant**) with the Council (and Waimate District Council) for a proposed energy from waste plant in Glenavy, South Canterbury, known as Project Kea.
2. The Council originally received these applications in September 2022. This application was returned but subsequently re-lodged on 28 November 2022.¹ The application constitutes a planning report, as well as 19 other technical reports on various aspects of the application.
3. The Applicant has applied for seven resource consents from Council,² and six resource consents from Waimate District Council. The proposal is for a large energy from waste plant, involving technology that has not yet been approved in New Zealand.
4. The Planning Report accompanying the applications notes:
 - a. The Applicant recognises that Project Kea is the first of its kind proposed in New Zealand and there will be initial concerns around accepting this technology. There may also be concerns as to whether New Zealand's relevant national standards adequately cover energy from waste facilities;³
 - b. The energy from waste plant would have the capacity to consume 1,000 tonnes per day and 365,000 tonnes per year of waste feedstock (which would otherwise be diverted to landfill);⁴ and

¹ While this application was again returned by CRC, the Applicant successfully objected to the Council, with an independent commissioner determining on 12 May 2023 that the application was complete.

² A request under section 91 of the RMA has been made in relation to a water permit that has not yet been applied for.

³ Planning Report, dated 26 November 2022, at page x.

⁴ Planning Report dated 26 November 2022, at page 21.

- c. The Applicant is committed to constructing Project Kea at a cost of approximately \$350 million NZD. The construction of Project Kea is estimated to add \$94 million to the gross domestic product of Waimate, Waitaki and Timaru annually over the two-year construction period, and \$77 million annually once operational.⁵
5. An image, included in the planning report, demonstrating a general overview of the energy from waste process is included as **Appendix 1** to this letter.
6. The Council considers that the proposal reaches the threshold to be considered of national significance in accordance with the factors listed in section 142(3) of the RMA. A more detailed assessment of the proposal against the relevant factors is included as **Appendix 2** to this letter, but in short:
 - a. The proposal has aroused widespread public concern or interest regarding its actual or likely effect on the environment (including the global environment);
 - b. The proposal involves or is likely to involve a significant use of natural and physical resources;
 - c. The proposal involves or is likely to involve technology, processes or methods that are new to New Zealand and that may affect its environment;
 - d. The proposal is likely to be significant in terms of section 8 of the RMA; and
 - e. The proposal affects more than one region or district.
7. The Council has been in contact with the local Rūnanga (Te Rūnanga o Waihao). The Council understands that Te Rūnanga o Waihao supports call in of this application, on the basis that a one-step process (as opposed to two step process ordinarily) will better enable involvement of mana whenua, and ensure that the decision-makers have appropriate expertise in considering the cultural effects associated with the proposal.
8. Given the scale of this application, and the novel technology that it proposes to use, the Council considers that call in of this application with a decision being made by either the Environment Court or a Board of Inquiry in the first instance would enable full consideration of the potential environmental effects of the proposed activity.
9. While the Council considers it would have capacity to process this application if required to, given the scale of the application and breadth of evidence involved this would place significant pressure on the Council's consent processes, potentially leading to delays in processing other applications. As there is a significant amount of technical evidence provided in support of the application, there may also be issues with the capacity and availability of commissioners with the relevant expertise to hear and determine the application.
10. While a section 91 request has been made in respect of a water permit that has not yet been applied for, the Council considers that this should not prevent you making a decision that the application is to be called in as a proposal of national significance, with the knowledge that the notification of the applications will be delayed until that water permit is applied for. The Council considers that the applications that have already been lodged demonstrate the national significance of the proposal, regardless of the outstanding water permit application.

⁵ Planning Report dated 26 November 2022, at page 23.

11. The Planning Report referred to in this letter, and all other technical reports provided as part of the application, are available at the following link:
<https://www.projectkea.co.nz/about>.
12. The Council thanks you for considering this request. Dr Stefanie Rixecker, Chief Executive, has oversight and can be contacted if you would like to discuss matters raised. Please feel free to contact Aurora Grant, Environment Canterbury Consents Planning Manager, at Aurora.Grant@ecan.govt.nz if you have detailed questions or require further information.

Yours sincerely,

A handwritten signature in black ink that reads "Peter Scott". The signature is written in a cursive style with a small dash at the end.

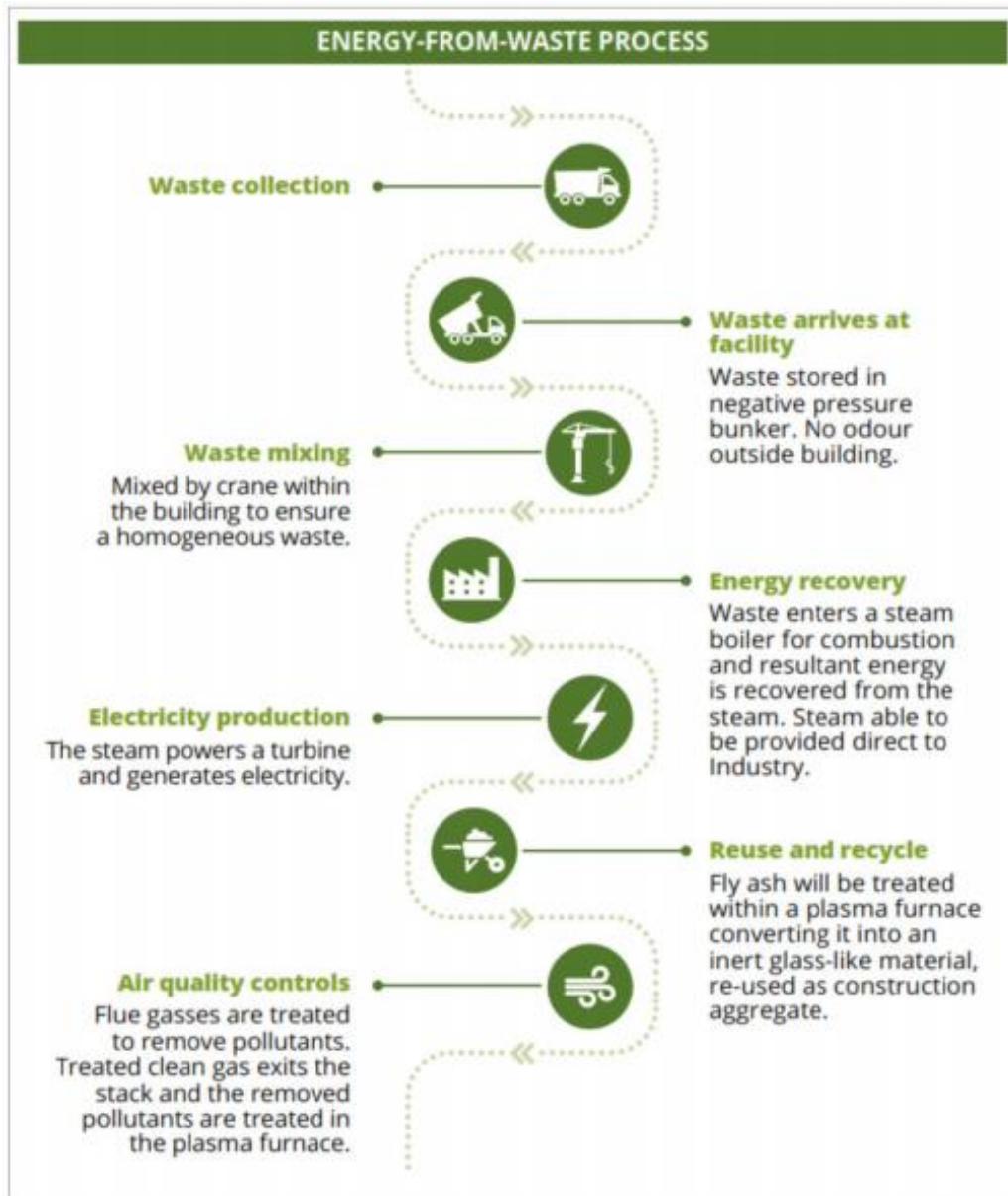
Chair Peter Scott

CC:

Sukhi Singh sukhi.singh@babbage.co.nz

Mark Christenson mark@naturalresourceslaw.co.nz

APPENDIX 1: ENERGY FROM WASTE PROCESS



APPENDIX 2: ASSESSMENT AGAINST RELEVANT FACTORS FOR CALL IN

Factor	Assessment of Application
Has aroused widespread public concern or interest regarding its actual or likely effect on the environment (including the global environment)	Significant public interest has already been fuelled by this application before it has even been notified. There has been extensive media coverage of the applications.
Involves or is likely to involve significant use of natural and physical resources.	<p>As noted in the Planning Report, the application will require construction of an approximately \$350m plant.⁶ The plant will also require the use of 2,500m³ of water per day in order to operate.⁷ The proposed plant would have the capacity to consume 1,000 tonnes per day and 365,000 tonnes per year of waste feedstock (which would otherwise be diverted to landfill).⁸ The Planning Report indicates that this means that Project Kea could have the capacity to consume approximately 20% of the eligible waste material produced in the South Island.⁹ The proposal also contains a significant air discharge component.</p> <p>Given the scale of the application, it is apparent that this application involves a significant use of natural and physical resources, both in its construction and ongoing operation.</p>
Involves or is likely to involve technology, processes or methods that are new to New Zealand and that may affect its environment.	<p>The statement attached to the Planning Report recognises that the technology proposed is the first of its kind in New Zealand, and there may be concerns as to whether New Zealand's relevant national standards adequately cover energy from waste facilities.¹⁰</p> <p>While the Planning Report refers to approximately 2,500 other energy from waste plants in operation around the world, there are no authorised waste to energy incinerators burning municipal solid waste in New Zealand so this proposal involves technology, processes, and methods that are new to this country. The burning of plastic and other inorganic waste can pose significant human health risks from compounds such as dioxins being discharged to air. While the proposal contains technology to clean the air discharges and minimise this risk, as well as contain and manage other hazardous compounds in the ash, this technology is</p>

⁶ Planning Report dated 26 November 2022, at page 23.

⁷ Planning Report dated 26 November 2022, at page 21.

⁸ Planning Report dated 26 November 2022, at page 21.

⁹ Planning Report dated 26 November 2022, at page 31.

¹⁰ Planning Report dated 26 November 2022, at page x.

	<p>highly complex and unproven in this country.</p> <p>Given the novel nature of this proposal, and the potential significant use of natural and physical resources, the Council considers it is appropriate that a judicial decision-maker such as the Environment Court or a Board of Inquiry considers this proposal in the first instance, with the ability to thoroughly test all of the evidence provided.</p>
<p>Is or is likely to be significant in terms of section 8 of the RMA</p>	<p>Te Rūnanga o Waihao (taking the lead role as mana whenua in respect of this application) has been in contact with the Council, indicating support for the call in of the applications. Te Rūnanga o Waihao considers that call in of the application would enable the involvement of mana whenua and ensure that the decision-makers have appropriate expertise in considering cultural effects. Given the preference expressed by mana whenua in this instance, it is considered significant in taking into account the principles of Te Tiriti o Waitangi.</p>
<p>Affects or is likely to affect more than one region or district</p>	<p>Resource consents are required from both Council and the Waimate District Council. The proposed location in Glenavy is also very close to the regional boundary with the Otago Regional Council, so there may be cross-boundary issues between the regional councils that will need to be dealt with.</p>



Waimate District Council

Office of the Mayor

26 June 2023

Minister for the Environment Hon David Parker
Parliament Buildings
Wellington 6160
By email to: d.parker@ministers.govt.nz

Tēnā koe Minister

REQUEST FOR CALL IN OF RESOURCE CONSENT APPLICATION UNDER SECTION 142(2) OF THE RMA – SOUTH ISLAND RESOURCE RECOVERY LTD – PROJECT KEA

1. I write on behalf of the Waimate District Council (**Council**) to request that you make a direction under section 142(2) of the RMA, to call in the resource consent applications lodged by South Island Resource Recovery Ltd (**Applicant**) with the Council (and Canterbury Regional Council) for a proposed energy from waste plant in Glenavy, South Canterbury, known as Project Kea.
2. The Council originally received these applications in September 2022. This application was returned but subsequently re-lodged on 28 November 2022.¹ The application constitutes a planning report, as well as 19 other technical reports on various aspects of the application.
3. The Applicant has applied for resource consents from the Canterbury Regional Council,² and the Council. The proposal is for a large energy from waste plant, involving technology that has not yet been approved in New Zealand.
4. The Planning Report accompanying the applications notes:
 - a. The Applicant recognises that Project Kea is the first of its kind proposed in New Zealand and there will be initial concerns around accepting this technology. There may also be concerns as to whether New Zealand's relevant national standards adequately cover energy from waste facilities;³
 - b. The energy from waste plant would have the capacity to consume 1,000 tonnes per day and 365,000 tonnes per year of waste feedstock (which would otherwise be diverted to landfill);⁴ and

¹ While this application was again returned by CRC, the Applicant successfully objected to the Council, with an independent commissioner determining on 12 May 2023 that the application was complete.

² A request under section 91 of the RMA has been made by the Canterbury Regional Council in relation to a water permit that has not yet been applied for.

³ Planning Report, dated 26 November 2022, at page x.

⁴ Planning Report dated 26 November 2022, at page 21.

- c. The Applicant is committed to constructing Project Kea at a cost of approximately \$350 million NZD. The construction of Project Kea is estimated to add \$94 million to the gross domestic product of Waimate, Waitaki and Timaru annually over the two-year construction period, and \$77 million annually once operational.⁵
5. An image, included in the planning report, demonstrating a general overview of the energy from waste process is included as **Appendix 1** to this letter.
 6. The Council considers that the proposal reaches the threshold to be considered of national significance in accordance with the factors listed in section 142(3) of the RMA. A more detailed assessment of the proposal against the relevant factors is included as **Appendix 2** to this letter, but in short:
 - a. The proposal has aroused widespread public concern or interest regarding its actual or likely effect on the environment (including the global environment);
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 - c. The proposal involves or is likely to involve technology, processes or methods that are new to New Zealand and that may affect its environment;
 - d. The proposal is likely to be significant in terms of section 8 of the RMA; and
 - e. The proposal affects more than one region or district.
 7. The Canterbury Regional Council and Waimate District Council have been in contact with the local Rūnanga (Te Rūnanga o Waihao). I understand that Te Rūnanga o Waihao supports call in of this application, on the basis that a one-step process (as opposed to two step process ordinarily) will better enable involvement of mana whenua, and ensure that the decision-makers have appropriate expertise in considering the cultural effects associated with the proposal.
 8. Given the scale of this application, and the novel technology that it proposes to use, the Council considers that call in of this application with a decision being made by either the Environment Court or a Board of Inquiry in the first instance would enable full consideration of the potential environmental effects of the proposed activity.
 9. While the Council considers it would have capacity to process this application if required to, given the scale of the application and breadth of evidence involved this would place significant pressure on the Councils' consent processes, potentially leading to delays in processing other applications. The capacity issue is more pronounced for Waimate District Council, with fewer staff and a smaller rating base than the Canterbury Regional Council.
 10. As there is a significant amount of technical evidence provided in support of the application, there may also be issues with the capacity and availability of commissioners with the relevant expertise to hear and determine the application.
 11. While a section 91 request has been made by the Canterbury Regional Council (and Waimate District Council) in respect of a water permit that has not yet been applied for, the Council considers that this should not prevent you making a decision that the application is to be called in as a proposal of national significance, with the knowledge that the notification of the applications will be delayed until that water permit is applied for. The Council considers that the applications that have already

⁵ Planning Report dated 26 November 2022, at page 23.

been lodged demonstrate the national significance of the proposal, regardless of the outstanding water permit application.

12. The Waimate District Council fully supports that the process remain publicly notified.
13. The Planning Report referred to in this letter, and all other technical reports provided as part of the application, are available at the following link:
<https://www.projectkea.co.nz/about>.
14. The Council thanks you for considering this request. Please feel free to contact Emma Bush, Planner at emma.bush@waimatedc.govt.nz. if you would like to discuss any of the matters raised in this letter or require any further information.

Yours sincerely

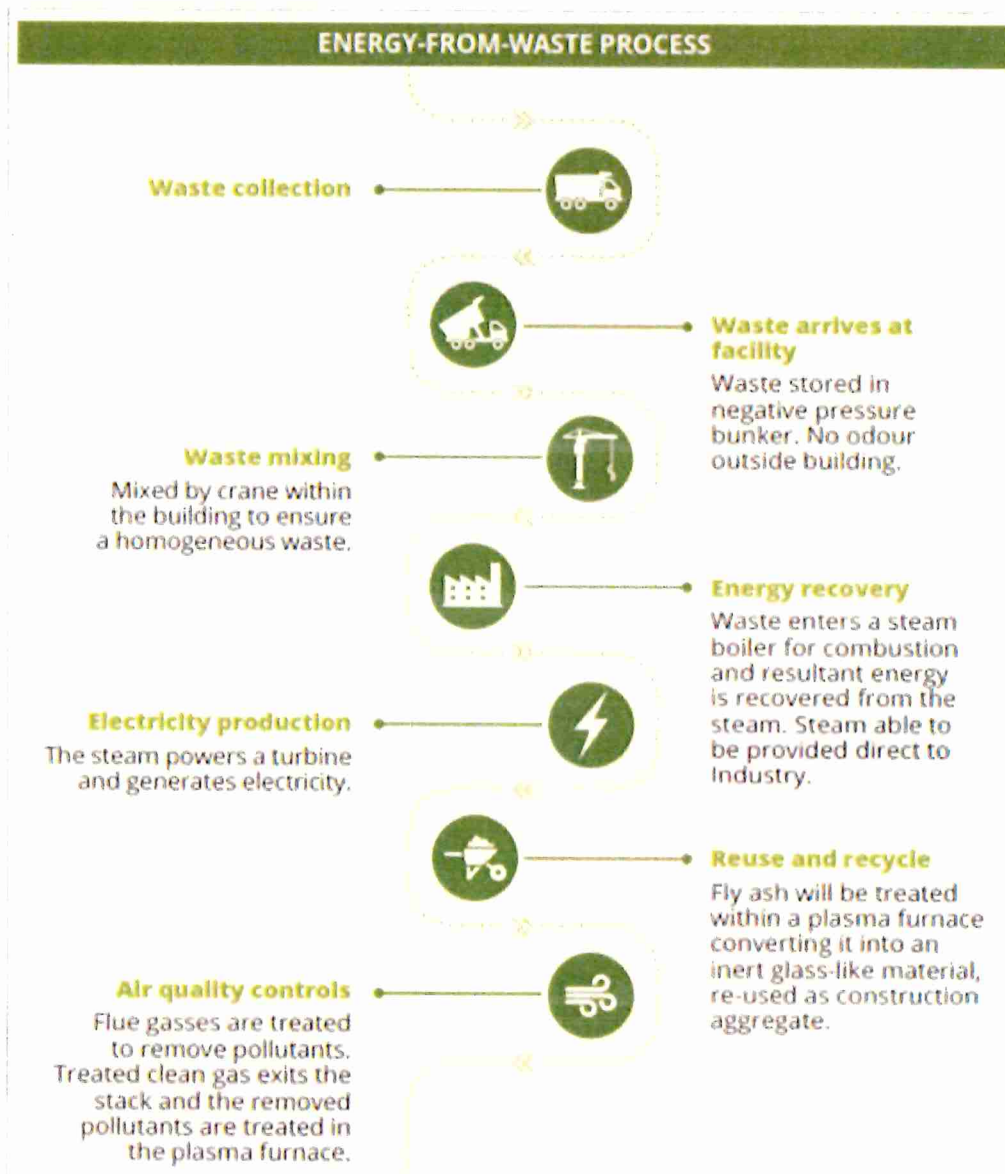

Mayor Craig Rowley

Copy to:

Sukhi Singh sukhi.singh@babbage.co.nz

Mark Christenson mark@naturalresourceslaw.co.nz

APPENDIX 1: ENERGY FROM WASTE PROCESS



APPENDIX 2: ASSESSMENT AGAINST RELEVANT FACTORS FOR CALL IN

Factor	Assessment of Application
Has aroused widespread public concern or interest regarding its actual or likely effect on the environment (including the global environment)	Significant public interest has already been fuelled by this application before it has even been notified. There has been extensive media coverage of the applications.
Involves or is likely to involve significant use of natural and physical resources.	<p>As noted in the Planning Report, the application will require construction of an approximately \$350m plant.⁶ The plant will also require the use of 2,500m³ of water per day in order to operate.⁷ The proposed plant would have the capacity to consume 1,000 tonnes per day and 365,000 tonnes per year of waste feedstock (which would otherwise be diverted to landfill).⁸ The Planning Report indicates that this means that Project Kea could have the capacity to consume approximately 20% of the eligible waste material produced in the South Island.⁹ The proposal also contains a significant air discharge component.</p> <p>Given the scale of the application, it is apparent that this application involves a significant use of natural and physical resources, both in its construction and ongoing operation.</p>
Involves or is likely to involve technology, processes or methods that are new to New Zealand and that may affect its environment.	<p>The statement attached to the Planning Report recognises that the technology proposed is the first of its kind in New Zealand, and there may be concerns as to whether New Zealand's relevant national standards adequately cover energy from waste facilities.¹⁰</p> <p>While the Planning Report refers to approximately 2,500 other energy from waste plants in operation around the world, there are no authorised waste to energy incinerators burning municipal solid waste in New Zealand so this proposal involves technology, processes, and methods that are new to this country. The burning of plastic and other inorganic waste can pose significant human health risks from compounds such as dioxins being discharged to air. While the proposal contains technology to clean the air discharges and minimise this risk, as well as contain and manage other hazardous compounds in the ash, this technology is</p>

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	<p>highly complex and unproven in this country.</p> <p>Given the novel nature of this proposal, and the potential significant use of natural and physical resources, the Council considers it is appropriate that a judicial decision-maker such as the Environment Court or a Board of Inquiry considers this proposal in the first instance, with the ability to thoroughly test all of the evidence provided.</p>
<p>Is or is likely to be significant in terms of section 8 of the RMA</p>	<p>Te Rūnanga o Waihao (taking the lead role as mana whenua in respect of this application) has been in contact with the Canterbury Regional Council and Waimate District Council, indicating support for the call in of the applications. Te Rūnanga o Waihao considers that call in of the application would enable the involvement of mana whenua and ensure that the decision-makers have appropriate expertise in considering cultural effects. Given the preference expressed by mana whenua in this instance, it is considered significant in taking into account the principles of Te Tiriti o Waitangi.</p>
<p>Affects or is likely to affect more than one region or district</p>	<p>Resource consents are required from both Council and the Waimate District Council. The proposed location in Glenavy is also very close to the regional and district boundary with the Otago Regional Council and Waitaki District Council, so there may be cross-boundary issues between the regional councils that will need to be dealt with.</p>

Appendix 2: Letter from South Island Resource Recovery Ltd (SIRRL) addressed to the Minister for the Environment



PROJECT KEA



South Island
Resource
Recovery Ltd

South Island Resource Recovery Ltd (SIRRL)
+64 27 438 3866
paul@sirrl.co.nz
www.projectkea.co.nz

29th June 2023

Hon David Parker MP
Minister for the Environment
Parliament Buildings
WELLINGTON 6160

By email: d.parker@ministers.govt.nz
David.parker@parliament.govt.nz

Tēnā koe Minister

REQUEST FOR CALL-IN UNDER SECTION 142 OF THE RESOURCE MANAGEMENT ACT – ENERGY FROM WASTE PLANT

As you may be aware, South Island Resource Recovery Limited (SIRRL) is the applicant for resource consents lodged with the Waimate District Council and Environment Canterbury (Councils) for New Zealand's first significant scale energy from waste plant using the best available techniques.

Known as Project Kea, the plant is proposed to be located near Glenavy in the Waimate District of South Canterbury.

SIRRL's application was lodged on 30 November 2022.

SIRRL understands that the Councils have requested you call-in SIRRL's application. SIRRL also requests that the application be called-in and that it be heard by a board of inquiry under section 142(a) of the Act.

Given the strategic importance of this proposal and its potential role in the vision of New Zealand as a low-emissions, low-waste society, embedding circular economy principles, SIRRL considers that confidence in the RMA process would, in the circumstances, be best achieved if the application is called-in and heard by a board of inquiry.

The reasons for SIRRL's request are discussed in more detail in the appendix to this letter. In summary, SIRRL requests that the application be called in because:

- a. The proposed energy from waste plant is consistent with Aotearoa New Zealand's long-term path, as outlined in your recently released draft waste strategy, to achieve the vision of Aotearoa New Zealand in 2050 as a low-emissions, low-waste society, embedding circular economy principles. Because the Project Kea proposal involves processes that are new to New Zealand (section 142(3)(a)(vi) of

the Act), it presents an opportunity to contribute nationally to a net positive effect on the management of our waste, in support of the transition to a circular economy. It therefore seems more appropriate that the application be considered in the national context and from a strategic perspective consistent with a national waste strategy. Consideration of this proposal should therefore be part of a coordinated approach across government.

- b. As you have also commented, the way we create and manage waste in Aotearoa New Zealand is way behind many other developed countries. Despite increasing waste minimisation and recycling efforts, which SIRRL fully supports, there remains an enormous amount of residual waste¹ going to methane-releasing landfills. Several existing landfills are also failing, particularly those in coastal areas which are already affected by extreme weather events. SIRRL believes that energy from waste plants have an important role in the waste hierarchy concept and provide an opportunity to recover value from materials that cannot be recycled, reused and are a genuine residual waste.
- c. Because the residual waste to be used will include biomass material, it is estimated that approximately 60% of the electricity generated from the proposed Project Kea facility will be 'renewable electricity generation' as defined in the National Policy Statement on Renewable Electricity Generation 2011.
- d. SIRRL and its international partners who are wishing to introduce direct foreign investment into Aotearoa New Zealand have lost confidence in the capacity of the Councils to process the applications in an objective manner. The Councils themselves have indicated to you that they have neither the capacity nor the desire to process the application (section 142(4)(b) of the Act).
- e. SIRRL is also concerned about the processing of the applications by the Councils to date which has caused SIRRL unnecessary time and expense by successfully obtaining a ruling from an independent Commissioner about the Councils' rejection of the application. In confirming the completeness of the application under section 88 of the Act, this avoided what many considered would have been an unhelpful and injurious precedent to future RMA applicants.
- f. In addition, SIRRL is concerned about the lack of timely consultation despite our attempts to work constructively with Council staff. For example, SIRRL as applicant was the last to know that a 'call in' decision would be taken to both Councils and that this would be put to vote in several days' time. We understand other stakeholders were not only consulted but had been much earlier. From this and other incidences, sadly SIRRL is concerned that council staff may not have adopted an objective position in terms of the processing of the application.
- g. The Councils' request for a call-in is supported by a local group who currently oppose Project Kea and by three Papatipu Rūnanga. They have all expressed a lack of confidence in the capacity of the Councils to process the application.
- h. SIRRL's application under the Overseas Investment Act is currently being processed by the Overseas Investment Office and we understand that this application is being treated as a transaction of national interest under s20(b) of the Overseas Investment Act.

¹ What SIRRL means by residual waste is explained in the Appendix.

Minister, as you are only too aware, Aotearoa New Zealand cannot continue to bury its waste and its considerable waste challenges. Instead, we must welcome safe, more efficient and less climate change emitting ways to treat residual waste, alongside our transition to greater waste minimisation and effective recycling efforts.

We request that:

- a. you call-in the application to be heard by a board of inquiry under section 142(a) of the Act;
- b. The EPA takes over the processing of the application from the Councils and issues such requests for further information as it considers necessary under section 149(2)(a) of the Act; and
- c. You instruct the EPA under section 149D(2) of the Act to delay giving public notice of your direction under section 149C of the Act until the application for a water take permit which is currently being prepared by SIRRL in response to a section 91 request from council has been lodged.

We also understand that Project Kea's operation is new to many kiwis and will introduce change for Aotearoa - but one that has many years' experience of similar plants throughout Europe, China, Singapore and Japan, and technological advancement behind it. SIRRL would welcome the opportunity to demonstrate to Aotearoa New Zealand communities that energy from waste technology can be delivered and implemented safely with the added advantage of renewable energy generation as our nation transitions towards the goal of a zero-waste future.

SIRRL would be pleased to meet with you or your advisors to further explain the reasons for our request, if you consider that would be helpful.

Yours sincerely

Ngā mihi nā



Mr Debiao Cao

SIRRL – Chairman of the Board



Mr Paul Taylor

SIRRL – Director

APPENDIX

South Island Resource Recovery Limited

South Island Resource Recovery Limited (**SIRRL**) is a New Zealand registered company that was formed in March 2021.

SIRRL's shareholders are:

- Renew Energy Ltd (**REL**) (40% shareholding). REL is a New Zealand registered company with experience in waste collection and waste logistics.
- China Tian Ying Incorporated (**CNTY**) (41% shareholding). CNTY is a Chinese registered company with significant experience in energy recovery and waste handling. Since 2009, CNTY has designed and delivered 17 EfW Plants throughout Asia and have a further 8 currently under construction.
- Europe ZhongYing BV (**EUZY**) (19% shareholding). EUZY is a Belgium registered company with experience in designing and delivering EfW Plants throughout Europe.

SIRRL is committed to constructing Project Kea, currently at a cost of approximately \$350 million. The construction of Project Kea is estimated to add \$94 million to the gross domestic product of the Waimate, Waitaki and Timaru districts annually over the two-year construction period, and \$77 million annually once operational.

The proposed energy from waste process

The primary purpose of the plant is to recover value from waste that would otherwise be going to final disposal in a landfill. The plant will burn waste in a specially designed furnace to recover the energy from the waste in the form of heat. This heat is then used to boil water to create steam. The steam is then used to drive a steam turbine which drives an electrical generator to produce electricity. Thus, the overall process converts the energy within waste into electricity.

This process is not pyrolysis or gasification, both of which the 2023 draft Waste Strategy states are unlikely to align with New Zealand's circular economy goals. In contrast, the proposed plant will use high-temperature incineration which is similar to the process used in cement kilns in New Zealand, although this proposal includes significantly greater emissions controls than cement kilns.

The Plant will consume 1,000 tonnes per day of residual waste feedstock, consisting of Municipal Solid Waste² and Construction and Demolition Waste³ both of which are currently

² MSW is defined in the technical Guidelines for Disposal to Land, Waste Management Institute New Zealand, Revision 3 October 2022 as "Any non-hazardous, solid waste from household, commercial and/or industrial sources. It includes putrescible waste, garden waste, biosolids, and clinical and related waste sterilised to a standard acceptable to the Ministry of Health (MoH). All MSW should have an angle of repose of greater than five degrees (5°) and have no free liquid component. It is recognised that MSW is likely to contain a small proportion of hazardous waste from households and small commercial premises that standard waste screening procedures will not detect. However, this quantity should not generally exceed 200 ml/tonne or 200 g/tonne".

³ C&D Waste is defined in the technical Guidelines for Disposal to Land, Waste Management Institute New Zealand, Revision 3 October 2022 as "Non-putrescible, non-hazardous C&D wastes. Waste may be generated from the construction, renovation, repair, and demolition of structures such as residential and commercial buildings, roads, and bridges."

being sent to landfill. The residual waste feedstock is to be sourced primarily from Canterbury and Otago. It is estimated that this represents approximately 20% of the South Island's existing waste stream which is currently sent to landfill. Even once the measures set out in the draft 2023 *Te rautaki para | Waste strategy* are implemented, there will continue to be an adequate supply of residual waste generated in the South Island over the proposed life of the plant.

Residual waste is that portion of waste which is not suitable for recycling and for currently known / available / economic alternative product substitution. Examples include treated timber framing offcuts, demolition treated timber, window frames and doors, single use building weather protective wrapping, transport bundle and product synthetic ties, non-recyclable contaminated containers such as disused jerry cans for oil, agricultural chemicals, contaminated cardboards, used carpet / carpet offcuts, used mattresses, and obsolete / broken furniture obsolete clothing.

Waste will initially be delivered by road only. It is intended that once commercial arrangements with KiwiRail are concluded then waste will ultimately be delivered by both road and rail.

The waste feedstock will be required to specified waste acceptance criteria to ensure that recyclable material is diverted in accordance with the waste management hierarchy (which is not the case even for Class I landfills). The facility will not accept hazardous waste.

The energy recovered will be turned into 30MW of electricity and fed into the local electricity network for use by electricity consumers.

Because the waste to be used will include biomass material, it is estimated that approximately 60% of the electricity generated from the plant will be 'renewable electricity generation' as defined in the National Policy Statement on Renewable Electricity Generation 2011.

The furnaces will be connected to a seven stage flue gas treatment system which involves the following steps:

Table 8: Main flue gas treatment steps

Treatment Step	Treatment Description	Components removed
Step 1: SNCR	Selective non-catalytic reduction Injection of Ammonia (25%) direct into boiler fire box at 850 – 1100C	NO _x
Step 2: Semi-dry Deacidification	Spray drying of Slaked Lime solution (8%) into the flue gas stream	Acid components
Step 3: Dry Spraying	Injection of Slaked Lime	Acid components
Step 4: Activated Carbon Absorption	Injection of Activated Carbon	Dioxins & Heavy metals
Step 5: Filtration	PTFE filter bags	Particulates and reaction products as salt particles

Step 6: Wet Scrubber	NaOH wash solution	Acid components
Step 7: SCR	Selective catalytic reduction Spray 25% Ammonia solution	NO _x (convert to N ₂ & H ₂ O), decompose dioxins (PCDD and PCDF)

Fly ash will then be separately treated through a dedicated plasma flue gas treatment process.

Vitrified fly ash and bottom ash (excluding metals recovered at grate) will either be recycled as an aggregate in the construction industry or disposed in landfill.

Capacity of the Councils to process the application

SIRRL and its advisors have considered the staff reports which recommended the Council request the Minister to call in the application, together with the request itself from Environment Canterbury. The officers' reports noted that the benefits to the Councils of a call-in include: "The Council is able to call on more significant technical expertise and resources more generally", "It will provide the Council with better access to resources generally, including legal representation", and "Less draw on Council resources in terms of administration and processing staff".

Notwithstanding the comments in the letter to you from Environment Canterbury, it is clear from those reports and from the discussion by councillors at their meetings on 20 and 21 June 2023 that both council staff and councillors have formed the view that they do not have the capacity, nor do they wish, to process the application.

Appendix 3: Letter from Zero Waste Network addressed to the Minister for the Environment



6 October 2022

Minister David Parker
c/- Parliament
david.parker@parliament.govt.nz

Tēnā koe Minister Parker,

Urgent request to call-in Waimate Waste-to-Energy Incinerator resource consent application

We are writing to seek your urgent intervention to call-in the resource consent applications of South Island Resource Recovery Limited lodged with Environment Canterbury and Waimate District Council to build a waste-to-energy incinerator using your powers granted under Section 142 of the Resource Management Act.

Background of the project

- This incinerator would burn 365,000 tonnes/per annum composed of 50% mixed solid waste and 50% construction waste.
- The proposed location is on a floodplain in an area of intensive dairy farming on the outskirts of Waimate, South Canterbury. In July this year a large portion of the proposed site was under water due to flooding.
- The incinerator would produce 80,000 tonnes/annum of bottom ash, and 20,000 tonnes/annum of fly ash.
- The incinerator would be located adjacent to two regions that are polluted airsheds under Section 17(4) of the NESAQ, Waimate and Oamaru.
- Emissions from the incinerator include, among many other toxic contaminants, dioxins, furans, lead, mercury, arsenic, SO₂ and other unidentified heavy metals.
- In 2019, Waimate sent just 1280 tonnes of rubbish to landfill, at least 460 tonnes of which could have been diverted through better recycling and composting systems. To run the incinerator, Waimate would have to bring in 348,719 tonnes of rubbish a year, or 955 tonnes per day.
- The project threatens waste minimisation efforts, including efforts to remove organic waste, and will be a net contributor of CO₂.

Powers under Section 142 of the Resource Management Act

We bring the following specific issues to your attention in respect of the matters you may take into account when deciding whether to call in the application

Has aroused widespread public concern or interest regarding its actual or likely effect on the environment (including the global environment)

Public concern over this project is not limited to its current iteration. Instead, this project has a long history, starting on the West Coast, where company representatives were embroiled in a scandal. The Ministry for the Environment advised the government that the original incinerator proposal was an economic and environmental loser. The community of Waimate, the project's new proposed location, is organised in opposition to the project and has been conducting public meetings for the past year. The community is already reeling from the environmental degradation of the region, as Glenavy is now unable to drink their water for at least another year due to nitrate contamination. The kaitiaki for the waterways from the Great Divide to the 200 mile limit for Te Rūnanga o Waihao, the local marae close to Glenavy, has come out against the incinerator project.

Affects or is likely to affect or is relevant to New Zealand's international obligations to the global environment; and will result in or contribute to significant or irreversible changes to the environment (including the global environment);

This proposal would increase emissions by approximately 350 kt p/a CO₂e. This does not take into account transport emissions to the facility of the waste that would need to come from all over the South Island, nor the diesel fuel needed both to cold start the incinerator and as a co-feeder fuel to ensure adequate burn temperature. The company applying to build the incinerator seeks to argue that burning unsorted mixed waste that contains organic biomass is renewable, and aims to benefit from provisions in the RMA allowing Councils to take into account the “*extent that the use and development of renewable energy enables a reduction in the discharge into air of greenhouse gases*” while the company has no responsibility to account for the impact of the emissions they will make.

The company's application contains accounting that is pure greenwashing: it neither takes into account that most NZ landfills have methane gas capture systems, and that the Government has an aggressive programme of works underway to get organic waste out of landfills.

As you will be aware, changes to the RMA allowing climate change effects to be considered as part of the RMA process come into effect on 30 November this year. It is imperative that you use this application to set a clear precedent that climate polluting proposals that add to NZ's gross emissions will no longer be given consent.

The Intergovernmental Panel on Climate Change reports that each tonne of waste burnt produces up to 1.2 tonnes of carbon dioxide which can stay in our atmosphere contributing to global warming for decades.

In addition to the emissions profile of this incinerator, the proposed location on a floodplain adjacent to farms and food producing businesses is alarming. New Zealand's largest insured has just issued a report calling for an immediate end to building in flood-prone areas and the creation of a document that binds councils to avoid new development or intensification in places with more than one-in-50 year flood risk.

The failure by the government to exercise every opportunity to reduce climate emissions and mitigate climate change effects will give rise to the further socialization of climate costs resulting from this proposal.

Involves or is likely to involve technology, processes, or methods that are new to New Zealand and that may affect its environment

New Zealand has no waste-to-energy facilities. European countries are moving away from waste-to-energy for climate and ecological reasons. We should exercise an abundance of caution about the introduction of new technology that creates and exposes communities to toxic emissions, including heavy metals, that would *otherwise not exist* as an inherent part of their business model. Our environment and the people it supports cannot and should not wear the cost of that exposure for the benefit of private profit.

Affects or is likely to affect more than 1 region or district

The company anticipates that materials would be brought in Waimate from Central Otago, Dunedin and Christchurch.

We urge you in the strongest possible terms to call-in and decline this application. Your leadership on this matter is of critical importance at this time.

Ngā mihi mahana,

Dorte Wray
Zero Waste Network Aotearoa

Robert Ireland
Why Waste Waimate

Tom Williams
Te Rūnanga o Waihao

CC:

Rt Honourable Grant Robertson, Minister for Infrastructure
Eugenie Sage, Member of Parliament
Shawn Lewis, Ministry for the Environment

Appendix 4: Letter to ECan and WDC from the chairperson of Te Rūnanga o Waihao



16/06/2023

By Email: aurora.grant@ecan.govt.nz and jonts.mckerrow@waimatedc.govt.nz

To: CEO ECan and WDC.

Te Rūnanga o Waihao understand the Canterbury Regional Council and Waimate District Council are requesting a Ministerial Call In of the resource consent applications lodged by South Island Resource Recovery Limited for a proposed Energy from Waste plant in Glenavy, South Canterbury, known as Project Kea.

Te Rūnanga o Waihao have received and reviewed a copy of the resource consent applications.

Te Rūnanga o Waihao is currently leading the mana whenua response on behalf of the three Papatipu Rūnanga potentially affected by the proposal (this includes ourselves, Te Rūnanga o Arowhenua, and Te Rūnanga o Moeraki).

Further to our letter to Canterbury Regional Council and Waimate District Council dated 11 October 2022, Te Rūnanga reconfirms that it supports the Councils' request for a Call In, for the following reasons:

1. The proposal is likely to be significant in terms of the effects on tangata whenua and Section 8 of the RMA.
 - Section 8 of the RMA requires all persons exercising functions and powers under the Act, in relation to managing the use, development, and protection of natural and physical resources, to take into account the principles of the Treaty of Waitangi.
 - Te Runanga o Waihao considers the following Treaty principles to be particularly relevant to the proposal:
 - The principle of *partnership*, including the duty to act reasonably, honourably and in good faith, to ensure the needs of both Māori and the wider community are met;
 - The principle of *mutual benefit or mutual advantage*;
 - The principle of *participation* including choice/options; and
 - The principle of *tino rangatiratanga*, which includes the protection and management of resources and other taonga according to Māori cultural preferences.
2. The proposal involves a significant use of natural and physical resources that have the potential to significantly impact tangata whenua.
3. There are potentially significant impacts on aspects of our Treaty Settlement, for example freshwater, mahinga kai, and taonga species.
4. It is Te Rūnanga's position that the decision makers need to have appropriate expertise to thoroughly test all the evidence provided and in particular consider a broad range of environmental and cultural effects, and understanding of the principles of Te Tiriti o Waitangi in relation to this 'new to New Zealand' technology.
5. Te Rūnanga would expect someone to be nominated to the Board of Inquiry with mātauranga Māori expertise and would welcome the opportunity to be involved in that process if appropriate.

I look forward to hearing the outcome of the Call In process and the next steps in relation to the processing of this application.

Nā,

Chairperson
Te Rūnanga o Waihao