

From: [William Phillips](#)
To: [David Falconer](#); [Emma Bailey](#)
Cc: [Natasha Wall](#); [Eva Hansen](#); [Akash Sathaye](#); [Kirsty Hulena](#)
Subject: RE: MfE comment sought - CONFIDENTIAL
Date: Friday, 3 November 2023 11:53:10 am
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)
[image007.png](#)
[image008.png](#)
[image009.png](#)
[image010.png](#)
[image011.png](#)
[image012.png](#)
[image013.png](#)
[image018.png](#)

On behalf of the team here at LINZ, thank you for your insights this morning David. Champion!

Talk more over the next couple weeks.

Cheers,
Will.

[SEEMAIL]

Will Phillips (he/him)

Lead Intelligence Analyst

Overseas Investment Office

wphillips@linz.govt.nz | DDI +64 4 462 4454



Wellington Office, Level 7,
Radio New Zealand House,
155 The Terrace
PO Box 5501, Wellington
6145
New Zealand
www.linz.govt.nz |
data.linz.govt.nz



From: David Falconer <David.Falconer@mfe.govt.nz>
Sent: Friday, November 3, 2023 10:52 AM
To: Emma Bailey <EBailey@linz.govt.nz>
Cc: Natasha Wall <NWall@linz.govt.nz>; Eva Hansen <EHansen@linz.govt.nz>; Akash Sathaye <ASathaye@linz.govt.nz>; William Phillips <WPhillips@linz.govt.nz>; Kirsty Hulena <KHulena@linz.govt.nz>
Subject: RE: MfE comment sought - CONFIDENTIAL

Kia ora Emma,

Thanks for the meeting this morning. The health contact who has been discussing waste to energy plants with us is:

Sally Gilbert ([she/her](#))

Manager, Environmental and Border Health

Health Protection - National Public Health Service

Te Whatu Ora – Health New Zealand

Waea pūkoro: +64 21 369 764 | **īmēra:** sally.gilbert@health.govt.nz



In terms of the potential coalition parties positions:


- NZ First has a policy to : Halt creation of any new landfills and urgently advance work on the development of rubbish disposal alternatives through conducting a nationwide recycling and recovery strategy and develop a nationwide **Waste-to-Energy strategy**. See NZ First’s Environment Policy under https://www.nzfirst.nz/2023_policies
- ACT want to repeal the Zero Carbon Act. See <https://www.act.org.nz/climate>.

Kā mihi
David

David Falconer

Principal Analyst | Kaitātari Mātāmua
RM System Performance – Policy Implementation and Delivery
Ministry for the Environment | Manatū Mō Te Taiao
Level 2 (East Building), 335 Lincoln Road, Addington, Christchurch
027 243 3047 | david.falconer@mfe.govt.nz | environment.govt.nz

Ministry staff work flexibly by default. For me, this means I work from Ōtautahi/Christchurch. It also means you may receive an email outside of usual working hours. Please respond at a time that is convenient for you.



From: Emma Bailey <EBailey@linz.govt.nz>
Sent: Monday, October 30, 2023 9:46 PM
To: David Falconer <David.Falconer@mfe.govt.nz>
Cc: Natasha Wall <NWall@linz.govt.nz>; Eva Hansen <EHansen@linz.govt.nz>; Akash Sathaye <ASathaye@linz.govt.nz>; William Phillips <WPhillips@linz.govt.nz>; Kirsty Hulena <KHulena@linz.govt.nz>
Subject: RE: MfE comment sought - CONFIDENTIAL

Kia ora David

Many thanks for providing your responses regarding the proposed W2E plant in Waimate. These will be very helpful to us in our substantive assessment and in our national interest assessment.

Ngā mihi
Emma

Emma Bailey

Rōia ā-Tari Matua / Senior Solicitor

Overseas Investment

ebailey@linz.govt.nz DDI 04 462 4407



Wellington Office, Level 6, Radio New Zealand House, 155 The Terrace
PO Box 5501, Wellington 6145, New Zealand
www.linz.govt.nz | data.linz.govt.nz



From: David Falconer <David.Falconer@mfe.govt.nz>
Sent: Monday, October 30, 2023 4:31 PM
To: Emma Bailey <EBailey@linz.govt.nz>
Cc: Natasha Wall <NWall@linz.govt.nz>; Eva Hansen <EHansen@linz.govt.nz>; Akash Sathaye <ASathaye@linz.govt.nz>; William Phillips <WPhillips@linz.govt.nz>; Kirsty Hulena <KHulena@linz.govt.nz>
Subject: RE: MfE comment sought - CONFIDENTIAL

Kia ora Emma,
Please find attached responses to your questions in red. If you want to discuss further, please let me know.

Kā mihi
David

David Falconer

Principal Analyst | Kaitātari Mātāmua

RM System Performance – Policy Implementation and Delivery

Ministry for the Environment | Manatū Mō Te Taiao

Level 2 (East Building), 335 Lincoln Road, Addington, Christchurch

027 243 3047 | david.falconer@mfe.govt.nz | environment.govt.nz

Ministry staff work flexibly by default. For me, this means I work from Ōtautahi/Christchurch. It also means you may receive an email outside of usual working hours. Please respond at a time that is convenient for you.



From: Emma Bailey
Sent: Tuesday, October 17, 2023 1:37 PM

To: David Falconer <David.Falconer@mfe.govt.nz>

Cc: Natasha Wall <NWall@linz.govt.nz>; Eva Hansen <EHansen@linz.govt.nz>; Akash Sathaye <ASathaye@linz.govt.nz>; William Phillips <WPhillips@linz.govt.nz>; Kirsty Hulena <KHulena@linz.govt.nz>

Subject: RE: MfE comment sought - CONFIDENTIAL

[IN-CONFIDENCE]

Hi David

I'm writing in relation to South Island Resource Recovery Limited's (SIRRL's) application for Overseas Investment consent to acquire land in Waimate to construct a waste to energy plant.

Background

Overseas Investment's role in this transaction is to produce an assessment report for the Minister of Land Information New Zealand and the Associate Minister of Finance – this is our Substantive Assessment Report. In that report, we consider the benefits proposition to New Zealand, without including reference to negative effects of the transaction. We also produce a second assessment report, our National Interest (NI) Assessment Report - which seeks to provide information to the decision-making Minister (currently the Minister of Finance, but noting this could change) to determine whether the transaction is contrary to New Zealand's national interest (and therefore must be either the subject of additional conditions or declined altogether). The NI report provides scope to consider the investment generally, without limiting it to the benefits only. In practice the considerations in both reports have some natural overlap and we are writing them in tandem.

As part of preparing our Substantive Assessment Report, we typically seek comment from relevant government agencies on the proposed investment (hence our email to Regan in May). Since then, you and I have spoken several times about the progress of the resource consents eventually being called in by Minister Parker.

What we now need from MfE

We have some specific questions that we'd ideally like responses to from MfE, in order to ensure we are providing sufficient context in our reports. We understand that the issue of the resource consents will now be decided through the Environment Court process, however we would welcome any comments you have on the proposed investment generally and in relation to the specific questions below. Alternatively, if you would prefer to have a meeting to discuss these questions or any comments you wish to make, we would be happy to organise this.

1. Is the diversion of waste from landfill to combustion in the proposed waste to energy plant likely to lead to lower levels of greenhouse emissions, noting that the Applicant submits that this plant should divert 365,000 tonnes of waste from landfill per annum?
2. Putting the issue of resource consent to one side, does MfE generally support the proposed plan to build a plant of this nature in New Zealand?
3. We have spoken in the past about whether this proposed plant may run counter to the country's waste minimisation strategies, does MfE have a comment on this? We have seen reference to plants in Northern Europe where waste has sometimes had to be imported in order to fuel plants of this kind.
4. You mentioned that there is a chance of a legislative change which would require councils to pay levies for placing refuse with a plant of this nature, to bring it into line with levies charged for using landfills, do you think this is likely to occur and would it impact this investment?
5. We understand Bioplant NZ Ltd wanted to build a waste to energy plant near Fielding and withdrew their resource management consent application in June 2023. We note there was resistance to the

application on similar grounds to the Waimate plant, principally around concerns about the proposal running counter to waste minimisation strategies and the unknown environmental impact associated with burning waste. Does MfE have any perspective on why the resource consent application for this plant was withdrawn?

6. Similarly we understand there is a project afoot in Huntly to create a similar-sounding waste to energy plant, focussed on pyrolysis of unrecyclable items destined for landfill. We are unsure of the progress of that plant however we note recent media articles refer to significant community resistance. We have seen reference to the potential importation of waste from Pacific Islands to fuel the plant. Does MfE have a view on the attractiveness of such a plant in Huntly?
7. Does MfE generally have a positive or negative view of the potential introduction of this new technology into New Zealand? (Noting that it will provide an additional form of alternative energy supply, useful by-products in the form of various minerals for use in fertilisers and bring in new technology and business skills, as well as significant jobs and capital investment). Conversely, the introduction of new technology also carries risks. We understand this type of energy generation is not currently regulated in New Zealand and new technology may pose risks relating to dual use and the ability to disrupt the existing network.
8. Does MfE have concerns about the location of the plant on a flood plain?
9. Has MfE consulted its international partners regarding whether this type of waste to energy plant is regarded as a positive or negative presence? Can MfE provide us with any of this international context?
10. Finally, does MfE have a view of the likelihood of resource consent being granted for this investment in the Environment Court?

Next steps

We aim to have a finalised NI report to the Ministers by the end of November and I understand MfE will be part of the Standing Committee in relation to this assessment. I think a date for this meeting is likely to be around 3 November so if you are able to provide your thoughts on the above before that meeting, that would enable us to advance our draft NI report (which will ultimately be circulated to all Standing Committee members before being sent to the relevant Minister once finalised).

Please let me know if you have any questions or comments about the above. We look forward to hearing from you.

Many thanks
Emma

From: Emma Bailey
Sent: Thursday, May 25, 2023 5:56 PM
To: Regan.Brash@mfe.govt
Cc: Natasha Wall <NWall@linz.govt.nz>
Subject: STRICTLY CONFIDENTIAL - Application received/consultation requested

Kia ora Regan

I'm part of the assessment team at the Overseas Investment Office and I'm currently assessing an application that has already garnered considerable media interest. This project is referred to as Project Kea in the media.

The Applicant is South Island Resource Recovery Limited (**SIRRL**), which is 60% foreign owned. SIRRL is seeking consent to acquire approximately 14.85 hectares of sensitive land (currently part of a dairy farm) in Waimate, Canterbury under the farm land benefit to New Zealand test. SIRRL intends to establish New Zealand's first ever energy-from-waste plant on the land. As part of the assessment process, we wish to

consult with the Ministry for the Environment.

Can you please confirm whether you are the appropriate contact for MfE for this consultation and/or whether we should also be consulting with other people within MfE? We will also be consulting with the Department of Conservation, Herenga a Nuku (OAC), Environment Canterbury and the Waimate District Council in relation to this application.

We require consultation feedback from MfE in relation to this application no later than **Friday 23 June 2023** in order to meet our own statutory timeframes. This is in line with agreed business rules between LINZ and partner agencies of 20 working days for applications of 100 working days. We are happy to arrange a Teams meeting or an in-person meeting if that is easier than providing advice via email. Please let me know as soon as possible if the timeline is likely to be an issue.

By way of background, I've made some notes below. Please let me know if you have any questions or require any further information.

The Land

- located at Morven Glenavy Road, Waimate in Canterbury
- the land is 14.85 ha which is being subdivided from a 100% Kiwi owned dairy farm.
- Currently used for cattle grazing – it supports the current operation but is not a vital part of it due to its position (wedged between the Main South Railway and the road). It is therefore surplus to requirements.
- It is sensitive because it is non-urban land > 5 hectares.
- The land is farm land and therefore the applicant will need to satisfy the higher benefit threshold of the modified farm land benefit test.
- Land Use Classification is 3 and 4 (please see map at bottom of this email).

The Applicant's Plans

The Applicant intends to construct a waste-to-energy plant on the land. The land's position, close to the railway and major transport routes, is seen as critical to the success of the operation. The project involves 3 phases. The first phase will involve engineering and construction planning, procurement, sorting out road access, site preparations and foundations, establishing water bores, the KiwiRail siding, rail barrier crossings and NZTA road alignment and building the structure. The second phase will involve the commissioning of the plant, including fitout, road sealing and final works. The third phase involves the on-going operation of the plant, including employing and training staff.

The Applicant currently has resource consent applications with Environment Canterbury and the Waimate District Council relating to discharging contaminants into the air, discharge domestic wastewater to land, discharge stormwater from roofs, to take water for dewatering for excavation and construction, undertaking earthworks, storage and use of hazardous substances, constructing and operating an energy-from-waste plant, use of temporary construction buildings, installation and placement of signage and the provision of parking and access within the facility.

Once the plant has been built it will take waste from commercial and domestic waste suppliers, including councils and waste transfer stations and incinerate it to convert into electricity. The waste will be placed in a negative pressure bunker which eliminates odours. The plant will have a 7 step gas flue treatments system and plasma treatment for fly ash. All emissions will be required to meet air and noise standards.

The project is expected to involve approximately **9(2)(b)(ii)**, 300 jobs during the construction phase and 76 FTEs once the plant is up and running. The plant should consume approximately 365,000t of waste per annum and create a net output of 30MW each day as a local network embedded generator. The plant will generate its own electricity. It will produce ash for use in concrete and fertiliser, use technology which is new to New Zealand and recover waste that would otherwise go to

landfill and become a significant source of carbon emissions.

Media reaction

If you google this subject you'll find lots of commentary about it. Having sifted through some of the articles it appears some of the negativity revolves around the potential health risks of incinerating waste and whether, by using waste as a source of energy (and requiring considerable amounts of it), it is contrary to the idea of reducing waste. On the other hand, there are also some positive references to reducing the significant landfill burden in New Zealand.

Please also find attached the following documents:

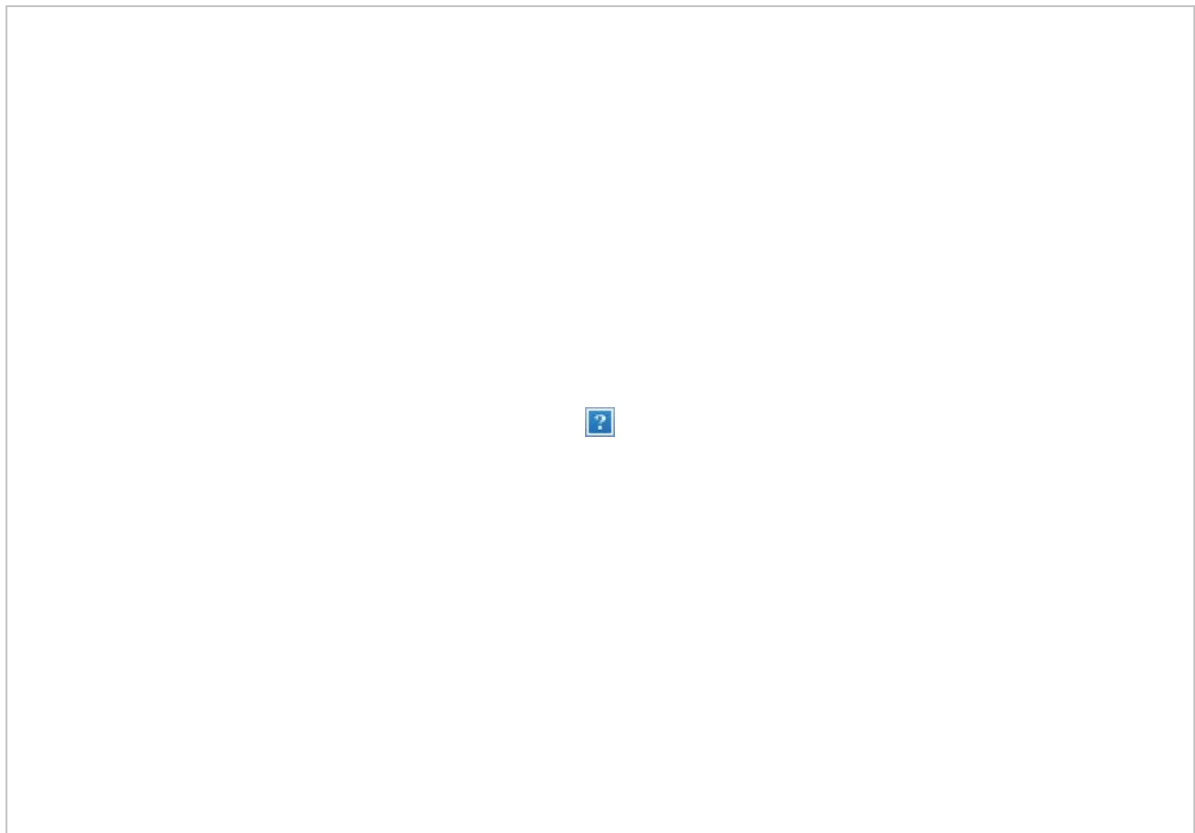
- our information sheet with further details about the consultation process, and what we are looking for from you in terms of a response;
- information about the benefit to New Zealand test;
- an aerial photo of the land
- a Planning Report prepared by Babbage and
- the Applicant's investment plan.

Please keep all details related to this application confidential.

We look forward to hearing from you.

Ngā mihi

Emma



Emma Bailey

Senior Solicitor

Overseas Investment Office

ebailey@linz.govt.nz DDI 04 462 4407



Wellington Office, Level 6, Radio New Zealand House, 155 The Terrace
PO Box 5501, Wellington 6145, New Zealand
www.linz.govt.nz | data.linz.govt.nz



This message contains information, which may be in confidence and may be subject to legal privilege. If you are not the intended recipient, you must not peruse, use, disseminate, distribute or copy this message. If you have received this message in error, please notify us immediately (Phone 0800 665 463 or info@linz.govt.nz) and destroy the original message. LINZ accepts no responsibility for changes to this email, or for any attachments, after its transmission from LINZ. Thank You.