Response ID ANON-URZ4-5FT5-S

Submitted to Fast-track approval applications Submitted on 2024-05-03 15:33:28

Submitter details

Is this application for section 2a or 2b?

2A

1 Submitter name

Individual or organisation name: Mercury NZ Limited

2 Contact person

Contact person name: Ryan Piddington

3 What is your job title

Job title: Strategic Consents Manager

4 What is your contact email address?

Email: s 9(2)(a)

5 What is your phone number?

Phone number: s 9(2)(a)

6 What is your postal address?

Postal address:

Tauranga Mail Centre Private Bag 12023 Tauranga 3143

7 Is your address for service different from your postal address?

Yes

Organisation: Mercury NZ Limited

Contact person: Howard Thomas

Phone number: s 9(2)(a)

Email address: s 9(2)(a)

Job title: General Counsel

Please enter your service address:

The Mercury Building, 33 Broadway, Newmarket, Auckland

Section 1: Project location

Site address or location

Add the address or describe the location:

The subject properties are located at 78 Whakamaru Road (being State Highway 30), Whakamaru, legally described as Lot 1 DP 501855, held in Record of Title 774483, owned by Mercury NZ Limited and Lot 2 DP 501855, held in Record of Title 774484 owned by Mercury NZ Limited ('Mercury'). The project area is approximately 7.5-8ha in size north and east of the Transpower Whakamaru Substation.

File upload: 20240503FTTrackMap.jpg was uploaded

Upload file here: No file uploaded

Do you have a current copy of the relevant Record(s) of Title?

Yes

upload file: 774483_Title_Search_Copy.pdf was uploaded

Who are the registered legal land owner(s)?

Please write your answer here:

Mercury NZ Limited

Detail the nature of the applicant's legal interest (if any) in the land on which the project will occur

Please write your answer here:

Owner of the fee simple interest in the land.

Section 2: Project details

What is the project name?

Please write your answer here: Whakamaru Battery Energy Storage System

What is the project summary?

Please write your answer here:

The Whakamaru Battery Energy Storage System (WKM BESS) will be modular and have a maximum capacity of 300MW. The WKM BESS will connect to Mercury's Whakamaru Hydro Station 220kV line, via a new 33kV underground cable.

What are the project details?

Please write your answer here:

Mercury is proposing to construct and establish a Battery Energy Storage System ("BESS") within the project site adjacent to the Whakamaru Hydro Electric Power Scheme.

The purpose of the WKM BESS is to store energy which can then be re-distributed to the national grid when demand is high, therefore providing increased resilience to the national grid.

This project will supply much needed capacity into the market. Transpower's most recent Security of Supply Annual Assessment found that the building of new resources that can provide a high contribution to the capacity margin and ideally high levels of flexibility, such as fast start generation, storage, or demand response, is needed more urgently than energy.

Projects such as the WKM BESS are critical to ensure security of supply at peak demand periods. The WKM BESS will enhance the flexibility of the Waikato Hydro Scheme due to its ability to respond to demand as well as changes in supply from variable renewable sources such as solar and wind. In this way it enables additional renewable energy sources to be added to the electricity system while helping to maintain a reliable electricity supply for electricity consumers.

The batteries will be housed in purpose-built battery containers with associated inverters and transformers installed.

The proposal includes the following components:

• Battery containers on concrete foundations

- BESS Substation
- \cdot 33kV underground cabling and control cabling between BESS and substation
- 33kV switchroom(s) with control room(s)
- Operations and maintenance building
- Boundary fencing and security infrastructure
- Stormwater management system
- Water tanks
- Onsite landscaping

- Internal access roads/tracks
- Installation of culvert(s)
- Temporary construction laydown area(s)
- Storage of Hazardous Substances
- · Vegetation clearance for the internal access and vehicle entrance

Additional land from across the wider site (i.e., the subject properties detailed in Section 1) will be utilised for laydown areas during construction, construction car parking and office space.

The activities involved in the proposal may include:

- Earthworks
- Erosion Sediment control
- Stormwater management
- Installation of buildings and battery units
- Installation of network utility structures including substation and transmission line(s) both underground and overhead.
- Installation of culvert(s)

Describe the staging of the project, including the nature and timing of the staging

Please write your answer here:

The intention at this stage is to build the project as one. However, if staging of the project is undertaken, the most likely scale for Stage 1 would be a minimum of 100 MW, with the second stage comprising the remainder.

Construction of the first stage will likely include site-wide platforms, roads, drainage, firefighting infrastructure, the substation and grid connection, security fencing and landscaping for the full development. Batteries and their foundations, cabling, transformers, switchrooms, and associated electrical equipment required for the first stage will also be installed.

The second stage will then involve installation of additional batteries and their foundations, cabling, transformers, switchrooms and other associated electrical equipment required for the second stage.

What are the details of the regime under which approval is being sought?

Please write your answer here:

Resource Management Act 1991

Land Use Consent

• Specific details of stormwater management are still to be finalised; however, a discharge consent may be required.

While it's unlikely, there is a possibility that an Archaeological Authority under the Heritage New Zealand Pouhere Taonga Act 2014 may also be required.

Wildlife Act 1953 (authority)

A wildlife permit may be required should monitoring of bats identify roosts located within areas that trees are to be removed for site access.

If you seeking approval under the Resource Management Act, who are the relevant local authorities?

Please write your answer here:

Taupō District Council Waikato Regional Council

What applications have you already made for approvals on the same or a similar project?

Please write your answer here:

N/A

Is approval required for the project by someone other than the applicant?

No

Please explain your answer here:

Mercury does not require any approvals from third parties to build the WKM BESS.

If the approval(s) are granted, when do you anticipate construction activities will begin, and be completed?

Please write your answer here:

All timeframes for this project will be dependent on if and when consent approvals are granted. If those approvals are granted by end of 2024 Mercury anticipates the following project timeframes:

Detailed Design 2025

Procurement 2025 Funding 2025 Site works commencement 2025 Completion 2027

Section 3: Consultation

Who are the persons affected by the project?

Please write your answer here:

Local Authorities

The local authorities are:

Taupō District Council

Waikato Regional Council

Iwi Authorities

The relevant iwi authority for this project is Raukawa Settlement Trust.

There are no customary marine title groups, applicant groups under the Marine and Coastal (Tukutai Moana) Act, Ngā Hapū o Ngāti Porou affected by this proposal. There is also no land to be acquired under the Public Works Act.

Detail all consultation undertaken with the persons referred to above. Include a statement explaining how engagement has informed the project.

Please write your answer here:

Local Authorities

Mercury has had initial engagement with Taupo District Council on the project and intends on engaging more specifically with them during the next partnership meeting.

Iwi Authorities

• A Memorandum of Understanding was entered into with Raukawa Trust Board and Mighty River Power (MRP) in 2001, prompted by the process to replace the resource consents for the Waikato Hydro system. The MOU saw the parties recognise each other's interests in the catchment and commit to working together. Raukawa formally supported the granting of the resource consents at their hearing in 2003, and have provided both specific actions and moral support for the continued operation of the Waikato Hydro System subsequently.

• The Raukawa Mercury Partnership Kawenata was signed in 2021.

The project was first introduced in October 2023 at a hui held between Mercury and Raukawa. Mercury is continuing to engage with Raukawa on the project.

Transpower:

Mercury has been engaging with Transpower on the connection and constraints to inform the design and will continue to work with Transpower moving forward. It should be noted that the project is connecting into Mercury owned transmission infrastructure and does not require a Transpower connection agreement.

Upload file here: No file uploaded

Describe any processes already undertaken under the Public Works Act 1981 in relation to the land or any part of the land on which the project will occur:

Please write your answer here:

N/A

Section 4: Iwi authorities and Treaty settlements

What treaty settlements apply to the geographical location of the project?

Please write your answer here:

Raukawa Settlement

Raukawa and the Crown signed a Deed of Settlement in 2012. The Raukawa Deed of Settlement is the final settlement of all historical Treaty of Waitangi claims of Raukawa resulting from acts or omissions by the Crown prior to 21 September 1992 and is made up of a package that includes:

An agreed historical account, Crown acknowledgments, which form the basis for a Crown Apology to Raukawa

Cultural redress

Financial and commercial redress.

No private land is affected by the redress.

The benefits of the settlement will be available to all members of Raukawa, wherever they live.

Are there any Nga Rohe Moana o Nga Hapu o Ngati Porou Act 2019 principles or provisions that are relevant to the project?

No

If yes, what are they?:

Are there any identified parcels of Māori land within the project area, marae, and identified wāhi tapu?

No

If yes, what are they?:

Is the project proposed on any land returned under a Treaty settlement or any identified Māori land described in the ineligibility criteria?

No

Has the applicant has secured the relevant landowners' consent?

Yes

Is the project proposed in any customary marine title area, protected customary rights area, or aquaculture settlement area declared under s 12 of the Māori Commercial Aquaculture Claims Settlement Act 2004 or identified within an individual iwi settlement?

No

If yes, what are they?:

Has there been an assessment of any effects of the activity on the exercise of a protected customary right?

No

If yes, please explain:

Upload your assessment if necessary: No file uploaded

Section 5: Adverse effects

What are the anticipated and known adverse effects of the project on the environment?

Please describe:

Adverse effects associated with the proposal can be generally grouped as follows:

- Landscape and Rural Character Effects
- Ecological Effects
- Cultural Effects
- Archaeological Effects
- Acoustic Effects
- Construction Effects
- Operational Effects

Hazardous Substances Effects

These matters are addressed in turn in the following paragraphs.

Landscape and Rural Character Effects

The site is located within a rural environment with the township of Whakamaru located adjacent to the project site on the opposite side of State Highway 30.

The site itself is a major node for North Island Transmission and existing activities/infrastructure include the Whakamaru Hydro Electric Power Station. Transpower assets within the surrounding environment include the Whakamaru South Substation, Whakamaru North / B Substation, switchyard and line connections, along with multiple 220kV overhead lines and one 400kV overhead line. Co-siting the BESS with these existing network utilities is a key consideration in the context of potential effects on the landscape and rural character.

The project site is separated from the Whakamaru township/residential areas by a distance of more than 400m. The natural topography provides visual separation from State Highway 30 and existing trees/mature vegetation located along the road boundary provide visual mitigation into the project site. A full landscape assessment will be undertaken as part of the substantive application, through which appropriate mitigation will be identified if required. Ecological Effects

The project site is primarily in pasture however key ecological features of the project areas include the following: Area 1

• Predominantly exotic vegetation lining the eastern boundary. This includes large pine, gum and poplar trees with blackberry dominating the understory. The occasional kanuka was also present.

Area 2

Stands of totara surrounded by well drained grazed pasture.

Riparian vegetation of the Waikato River is present bordering the northern extent but outside of the proposed works area. This vegetation consists of large exotic species dominating the canopy (predominantly pine, popular and gum trees). Kanuka, manuka, totara, grey willow and tree privet are present throughout the mid-tier. The understory comprises rank grasses, pig fern and blackberry. Waikato Regional Council has identified this as predominantly

indigenous broadleaved hardwood shrubland, however the vegetation bordering the project areas was heavily impacted by exotic species during the site visit undertaken by the project ecologist.

The site is located in proximity to known habitat for long-tailed bats. The species has also been identified in habitat surrounding the sites, with the nearest recording 6 km away, adjacent to Lake Maraetai. Additionally, the large pine, eucalyptus, and poplar trees bordering the sites may provide good roosting habitat for this species. The totara identified on site is unlikely to provide habitat for native bats as they are not mature enough to provide features utilised by bats. No appropriate habitat within the sites has been identified for native skinks and lizards.

Works directly related to the BESS and associated substation infrastructure will predominantly occur within the areas of exotic pasture. However, some vegetation, including the removal of tree(s) may be required to establish access and connections between the two project areas. Where possible, vegetation removal will be limited to the area identified as exotic scrub with small poplars and blackberry, as it is not appropriate fauna habitat. If removal of vegetation that provides fauna habitat is unavoidable, and fauna are identified to utilise the habitat, effects management will be applied to minimise and mitigate for any effects. This will include bat monitoring should any of the larger trees need to be removed.

Ongoing input from a qualified ecologist throughout the design of the project will ensure that ecological effects are avoided in the first instance. Where effects cannot be avoided, management measures including a lizard and/or bat management plan will ensure any adverse effects on fauna species that have been identified as utilising the habitat, will be appropriately managed and mitigated.

Overall, ecological constraints within both project areas are low. As such, it is considered that any potential adverse effects on fauna can be effectively avoided or mitigated with appropriate effects management and as such it is anticipated adverse effects will be no more than minor.

Cultural Effects

Mercury has an existing partnership with Raukawa and is consulting with that iwi to ensure that cultural values are considered within the application. Mercury will continue to work with Raukawa throughout the development of the project.

Archaeological Effects

There are no known archaeological sites on the property. It is anticipated that Accidental Discovery Protocols may form a condition of consent, therefore in the unlikely scenario archaeological sites are identified/discovered throughout the project works, effects on these can be appropriately managed. Overall, any adverse archaeological effects are anticipated to be less than minor.

Construction Effects

Construction Traffic

Construction traffic will involve the transport of the battery units to the site, transport of the transformers and prefabricated switchroom, as well as ancillary infrastructure including road construction aggregates, culverts, concrete foundation pads and water tanks. Construction traffic will also include the delivery of typical earthworks construction plant to the site, such as an excavator, front end loader, steel drum roller and grader. An on-site crane for the positioning of the battery units will also be required.

It is anticipated that construction staff will commute to the site via car or other light vehicles. The construction period is anticipated to take between 12 to 18 months.

All construction traffic will be managed through a Construction Traffic Management Plan. Given access to the site is via a State Highway, consultation/approval will be obtained from NZTA as required. Based on employing standard traffic management and heavy vehicle permitting, it is anticipated that construction traffic effects will be no more than minor.

Construction Noise and Vibration

During construction, sources of noise will include construction traffic, earthworks and general construction noise associated with the preparation of the foundations, positioning of the battery units and construction of the ancillary infrastructure.

It is anticipated that noise and vibration will comply with the relevant District Plan and construction noise standards. It is also anticipated that a condition of consent requiring a Construction Management Plan will be proposed to ensure that all construction effects are appropriately managed. Earthworks Effects

Earthworks will be required to provide level platforms for the WKM BESS infrastructure. All earthworks will be contained within the project site (on Mercury-owned land) and subject to erosion and sediment control measures. This may include the use of silt fences, and other standard erosion and sediment control practices minimising the area of exposed soil and undertaking rehabilitation to ensure there is no run-off to waterways or beyond the boundary of the project area.

Dust

Dust will be managed during construction, as set out in the Construction Management Plan referred to above. Management measures may include rehabilitation to minimise exposed soil, the use of water carts or other temporary stabilisation, and responding to adverse weather conditions in an appropriate manner.

Operational Effects

Operational details are still being finalised however the WKM BESS will either have a permanent site based operational and maintenance team or be subject to regular/weekly maintenance visits by a team to perform inspections. It is anticipated this will be limited to approximately 3 utes of staff travelling to the site and performing walk arounds of the equipment. External monitoring of the site is likely to include CCTV and remote system monitoring of equipment.

Other operational effects include replacing the batteries/infrastructure as required. Batteries typically have a 20-year life however periodic replacement of some modules may be necessary to maintain capacity. This could be as frequently as every 6 years depending on requirement of energy storage capacity retainment.

Given the location of the project areas, which is adjacent to existing network utility infrastructure, it is anticipated that any operational effects of the project can be readily absorbed into this existing environment. It is also anticipated that any associated traffic movements can be readily absorbed by the existing roading network.

Overall, it is considered that any potential operational effects of the proposal will be less than minor.

Operational Acoustic Effects

Noise from batteries is generated during operation and charging, and, depending on climatic conditions the operation of cooling systems will contribute to noise generation.

The nearest residential properties are located approximately 450m from the project site and are separated from the project areas by the existing infrastructure, including the state highway, sub-station, and ancillary buildings. Background noise monitoring and assessment has been undertaken and a full acoustic assessment is currently underway. It is anticipated the proposal will either meet the standards of the District Plan or be appropriately mitigated. Overall, it is anticipated that any acoustic effects will be able to be managed such that they are no more than minor. Hazardous Substances Effects

The proposal will contain hazardous substances associated with the WKM BESS. Specifically, batteries are considered dangerous goods for shipment, they

will likely be Lithium Ion Polymer (LiPo) batteries. Other chemicals involved with the project include transformer oil, sulphur hexafluoride and gaseous fire suppression.

The Battery Safety Storage Management Plan will outline how safety and incidents will be managed on the site and set out key emergency response procedures relating to the WKM BESS infrastructure and any hazardous substance incidents. A Fire Risk Assessment and Emergency Response Plan will also be prepared to ensure fire risks are appropriately managed.

As such, any adverse effects from hazardous substances can be appropriately managed.

Conclusion

All potential effects of the proposal can be avoided, remedied or mitigated to an appropriate level and are anticipated to be no more than minor.

Upload file:

No file uploaded

Section 6: National policy statements and national environmental standards

What is the general assessment of the project in relation to any relevant national policy statement (including the New Zealand Coastal Policy Statement) and national environmental standard?

Please write your answer here:

National Policy Statement for Renewable Electricity Generation (NPS:REG)

The National Policy Statement for Renewable Electricity Generation 2011 recognises the national significance of renewable electricity generation activities and provides for the development, operation, maintenance and upgrading of new and existing renewable electricity generation activities, such that the proportion of New Zealand's electricity generated from renewable energy sources increases to a level that meets or exceeds the New Zealand Government's national target for renewable electricity generation. Although the NPS:REG primarily focuses on renewable electricity generation activities, it does seek to provide for the operation, maintenance and upgrading of new and existing renewable electricity generation activities. As such, it is considered the NPS:REG is relevant to BESS projects.

Policy A specifically acknowledges benefits of renewable electricity generation activities include maintaining or increasing security of electricity supply at local, regional, and national levels by diversifying the type and/or location of electricity. Policy C1 acknowledges the logistical or technical practicalities associated with developing, upgrading, operating, or maintaining the renewable electricity generation activity. In this instance, the proposal will support the generation of renewable energy by providing an energy storage facility, which will in turn assist with increasing the security of electricity supply. The project site has been specifically chosen given its proximity to existing electricity activities and ability to connect into the grid. As such, the proposal is considered to be consistent with the NPS:REG.

National Policy Statement on Electricity Transmission (NPS:ET)

The National Policy Statement for Electricity Transmission acknowledges the national significance of the national grid and seeks to ensure there is balanced consideration of the national benefits and the local effects of electricity transmission.

Given batteries are relatively 'new' within the New Zealand context it is acknowledged that the NPS:ET does not specifically apply to BESS infrastructure. However, the WKM BESS will directly benefit transmission activities, including improving security of supply of electricity. The project site has been chosen due to its proximity to existing electricity generation and transmission activities, and for its ability to avoid, remedy or mitigate any adverse effects on the environment. As such, the proposal is considered to be consistent with the NPS:ET.

National Policy Statement for Highly Productive Land (NPS:HPL)

The project sites are subject to LUC Class 4 land which is not considered highly productive land. As such, the NPS:HPL is not considered relevant to the proposal.

National Environmental Standards for Assessing and Managing Contaminants in Soil to Protect Human Health (NES:CS)

A Preliminary Site Investigation has been undertaken which has determined that the project site (Areas 1 and 2) is not subject to contaminated land. As such, the NES:CS is not considered relevant to the proposal.

National Policy Statement for Freshwater Management (NPS:FM)

The National Policy Statement for Freshwater Management 2020 sets a national policy framework for managing freshwater quality and quantity. It seeks to prioritise the well-being of water bodies and freshwater systems, health and the needs of people, as well as the well-being of communities now and in the future. Policies relevant to this proposal seek to ensure that freshwater is managed in an integrated way, that the loss of river extent and values is avoided to the extent practicable, habitats of indigenous freshwater species are protected, and freshwater values are improved.

In this instance, no natural inland wetlands have been identified within the project areas. Earthworks required as part of the proposal will be well-separated from the Waikato River. Appropriate erosion and sediment control measures will be in place throughout the construction phase to ensure any temporary effects associated with the earthworks are appropriately managed. Stormwater management for both the construction and operational phases is still being developed, however final stormwater design will take into consideration effects of any discharge to water, including undertaking a water quality assessment if required. For these reasons, the proposal is considered to be consistent with the NPS:FM.

File upload: No file uploaded

Section 7: Eligibility

Will access to the fast-track process enable the project to be processed in a more timely and cost-efficient way than under normal processes?

Yes

Please explain your answer here:

Mercury's view is that this project may well be enabled in a more timely and cost efficient manner under the fast-track process than under the usual RMA process.

The proposal represents a large-scale BESS project within the current New Zealand context. The scale and uniqueness of this project could result in a long RMA process as affected parties (including Councils) seek to understand the way in which the project works and the possible environmental, social and cultural effects and impact of the project.

In addition, BESS projects are relatively "new" within the New Zealand context, so there is a risk that current regional and district planning policy may not be sufficiently progressed to enable such a project. This could also result in delays through the traditional consenting process.

What is the impact referring this project will have on the efficient operation of the fast-track process?

Please write your answer here:

The Whakamaru BESS project represents an infrastructure project with significant regional and national benefits and therefore meets the purpose of the Fast-track Approvals Bill. Listing the project in Schedule 2A of the Fast-track Approvals Bill/Act will avoid the requirement for a referral application and therefore provide Mercury with greater certainty in respect to timeframes. The Project investigation and development of the substantive consent application is well advanced and would be able to be included in the Schedule 2A fast-track process without adversely affecting the efficiency of the fast-track process and efficient operation of the process.

Has the project been identified as a priority project in a:

Other

Please explain your answer here:

Transpower's Annual Security of Supply Assessment

As identified in Transpower's recent Annual Security of Supply Assessment, the variability of generation resources in the supply pipeline (wind, solar) reduces the contribution of the pipeline to managing capacity margins. To enable adoption of more variable renewable energy it is suggested that it could be supplemented by non-generating assets such as battery technology.

Transpower's assessment looks at the future supply pipeline and found that there are insufficient projects to provide the additional capacity required to maintain the North Island Winter Capacity Margin upper security standard for any of the scenarios they ran.

A key takeaway from the report is a much-needed increase in capacity options with Transpower noting the building of new resources that can provide a high contribution to the capacity margin and ideally high levels of flexibility, such as fast start generation, storage, or demand response, is needed more urgently than energy.

New Zealand Energy Strategy

The New Zealand Energy Strategy is currently being development by the Government. However, the terms of reference for the strategy set out the Ministry Business, Innovation and Employments scope, objectives and approach. This includes identifying that in order to meet the 2050 target of a net zero emissions economy, we need a transformed energy system, with much lower reliance on fossil fuels and increased reliance on renewable electricity. High-level objectives of the strategy include having an energy supply which is secure and reliable, including as we adapt to the effects of climate change and in the face of global shocks. In order for the system to be able to increase its proportion of variable producing renewables, capacity projects such as the WKM BESS are required. Battery systems are critical enabling technologies for renewables as the proportion of electricity generated from renewables technology increases.

Rautaki Hanganga o Aotearoa, the New Zealand Infrastructure Strategy and The Infrastructure Action Plan

The Rautaki Hanganga o Aotearoa, the New Zealand Infrastructure Strategy (Strategy) sets out actions New Zealand needs to take to ensure the infrastructure system meet the challenges of a growing population and environmental factors, such as climate change, over the next 30 years. The Infrastructure Action Plan, May 2023, sets out a work programme in response to identified challenges and opportunities in the Strategy around the provision of efficient, equitable, resilient and sustainable infrastructure system.

The strategy recognises that electricity generation capacity needs to increase by up to 170%. It also recognises that over the next 30-years we'll need to build significantly more low-emissions electricity generation. However, a key challenge of renewable energy generation is preparing for times when quantities of wind and sunshine are low and demand for power is high. The Action Plan includes Actions (11.2.1, 11.2.2 and 11.2.3) to accelerate the development of new renewable electricity generation across the country, ensure the electricity system and market can support high levels of renewables and to support development and efficient use of transmission and distribution infrastructure to further electrify the economy.

Will the project deliver regionally or nationally significant infrastructure?

National significant infrastructure

Please explain your answer here:

This project will deliver both regionally and nationally significant infrastructure. The WKM BESS will assist with increasing supply to the national grid during periods of high demand and improve grid resilience. The New Zealand electricity system needs new flexible generation plant to cater for growth, replace old plant, and reduce use of plant with higher cost and less favourable operating characteristics. In particular, there is an increasing need for fast responding plant to assist in accommodating changes in the output of variable renewables such as wind and solar, while additionally peaks in demand have been growing.

Will the project:

contribute to a well-functioning urban environment

Please explain your answer here:

This project will contribute to a well-functioning urban environment through providing more resilience to the national grid. This will benefit both the local and national urban environments as follows:

- Increase electricity security
- Support economic growth
- Support people and communities physical wellbeing
- Diversify New Zealand's energy storage

Will the project deliver significant economic benefits?

Yes

Please explain your answer here:

The New Zealand electricity system needs new flexible generation plant to cater for growth, replace old plant, and reduce use of plant with higher cost and less favourable operating characteristics. In particular, there is an increasing need for fast responding plant to assist in accommodating changes in the output of variable renewables such as wind and solar, while additionally peaks in demand have been growing. The capital expenditure to deliver the project is estimated at ^{\$ 9(2)(b)(ii)} with approximately ^{\$ 9(2)(b)(ii)} of this being spent within in New Zealand and locally. The construction and ongoing operational maintenance of the project will provide local job opportunities and support adjacent services within the electrical area.

Will the project support primary industries, including aquaculture?

No

Please explain your answer here:

Will the project support development of natural resources, including minerals and petroleum?

No

Please explain your answer here:

Will the project support climate change mitigation, including the reduction or removal of greenhouse gas emissions?

Yes

Please explain your answer here:

Projects like the WKM BESS are enablers to the continued growth of variable renewable generation such as wind and solar, and are essential to meet climate change targets through the decarbonisation of the energy system. They improve the ongoing stability and security of the National Grid while reducing the reliance on thermal generation types that are significant contributors to greenhouse gas emission in New Zealand.

Will the project support adaptation, resilience, and recovery from natural hazards?

Yes

Please explain your answer here:

To the extent that electricity generated by the WKM BESS improves security of supply through enabling fuel diversification, the project will add to local and national resilience and recovery in the event of a major natural hazard event.

Will the project address significant environmental issues?

Yes

Please explain your answer here:

Climate change presents an existential threat to people and their communities. The project will help address this issue by contributing to New Zealand's renewable electricity targets and its decarbonisation journey. A battery project connected to the National Grid will provide support to firm grid resilience as more intermittent renewables are connected, further supporting New Zealand's decarbonisation goals.

Is the project consistent with local or regional planning documents, including spatial strategies?

Yes

Please explain your answer here:

Waikato Regional Policy Statement

The Waikato Regional Policy Statement (WRPS) identifies the regionally significant resource management issues for the region. This includes: • SRMR-12 – Effects of climate change; • SRMR-I3 – Providing for energy demand;

- SRMR-I4 Managing the built environment;
- SRMR-I5 Relationship of tangata whenua with the environment (te taiao); and
- SRMR-I6 Health and wellbeing of the Waikato River catchment.

Specific objectives and policies in respect to Energy, Infrastructure and Transport are also identified. This includes EIT-01 – Energy which recognizes the increasing demand for energy; recognizes and provides for the national, regional and local benefits of electricity transmission and renewable electricity generation and recognises the contribution of existing and future electricity transmission and electricity generation activities to regional and national energy needs and security of supply. The WKM BESS will provide for the increasing demand for energy whilst assisting with increasing the security of supply. As such, it is consistent with the above objectives.

The land and freshwater chapter outlines objectives and policies including maintaining or enhancing the mauri and identified values of freshwater bodies, managing the soil resource and protecting high-class soils. As discussed earlier in this application, effects from earthworks will be managed through appropriate erosion and sediment control measures to ensure there is no run-off to the Waikato River. The project areas are not subject to high-class soils.

Objectives and policies relating to Natural Character include NATC-O1 which seeks to ensure the natural character of the coastal environment, wetlands, and lakes and rivers and their margins are protected from the adverse effects of inappropriate subdivision, use and development. Policy NATC-P1.3 recognizes that where man-made elements/influences are dominant, it may be appropriate that activities result in further adverse effects on natural character, though opportunities to remedy or mitigate adverse effects should still be considered. As discussed earlier in this application, the project area is located adjacent to the Waikato River. The project is being designed with input from Landscape Architects to ensure any effects on the natural character of this particular environment are remedied and mitigated to ensure they are appropriate.

Overall, the proposal is considered to be consistent with the objectives and policies of the WRPS.

Te Ture Whaimana o te Awa o Waikato - the Vision and Strategy for the Waikato River

The Waikato River Vision and Strategy is consistent with the overarching purpose of the settlement between Waikato-Tainui and the Crown to restore and protect the health and wellbeing of the Waikato River. The Vision and Strategy incorporates the objectives provided by Waikato-Tainui as set out in the Agreement in Principle, and other objectives that reflect the interests of Waikato River iwi, and of all New Zealanders, including the protection and restoration of the health and wellbeing of the Waikato River and the restoration and protection of the relationship of Waikato-Tainui with the Waikato River.

As outlined earlier in this application, the project is being designed and development in partnership with iwi to ensure it is consistent with the objectives and strategies within Te Ture Whaimana.

Waikato Regional Plan

The Waikato Regional Plan (WRP) gives effect to the Waikato Regional Policy Statement but focuses on Waikato Regional Council's direct functions under the Resource Management Act and addresses areas where the Council can add clarity and efficiency. Section 2 of the WRP identifies matters of significance to Māori. This includes identifying specific resource management issues of concern for Raukawa. Mercury recognise and acknowledge that Raukawa is mana whenua at the subject site. The proposal is being developed in partnership with iwi to ensure that the important physical, spiritual, cultural, social and economic values of iwi are incorporated into the design of the project.

Section 3 of the RPS identifies issues relating to freshwater management, including giving effect to the policies of the NPS:FM. As outlined earlier in this application, no natural inland wetlands have been identified within the project areas. Earthworks required as part of the proposal will be well-separated from the Waikato River. Appropriate erosion and sediment control measures will be in place throughout the construction phase to ensure any temporary effects associated with the earthworks are appropriately managed. Stormwater management for both the construction and operational phases is still being developed, however final stormwater design will take into consideration effects of any discharge to water, including undertaking a water quality assessment if required. Relevant discharge consent will be sought under the WRP if required.

Section 5 outlines objectives and policies relating to land and soil, including accelerated erosion, discharges onto/into land and contaminated land. A PSI is being prepared which does not identify the project area as being subject to contaminated land. As such, no discharge of contaminants from contaminated land is anticipated.

Overall, the proposal will be consistent with the provisions of the WRP.

Taupō District Plan

The Taupō District Plan recognises the importance of network utilities for the effective and efficient functioning of the district, and acknowledges the significant contribution network utilities make to the health, safety and wellbeing of the community. It also identifies that the well-being of the community may be adversely affected if provision is not made for the continued operation and maintenance of Network Utilities. Relevant objectives to this project include objective 3n.2.1 (which seeks to enable the operation, maintenance and upgrading of existing Network Utilities and the provision of new Network Utilities) and objective 3n.2.2 (which seeks to ensure Network Utilities are designed and located to avoid, remedy or mitigate adverse effects on the environment and protect the health and safety of the community).

The proposal meets the above objectives as it will enable the ongoing operation of existing transmission activities whilst providing for the provision of new energy storage infrastructure. The project area has been specifically chosen to co-site with existing network utility infrastructure whilst ensuring effects on the rural character and amenity values are acceptable. As such, the proposal is consistent with the provisions within the Taupō District Plan.

Anything else?

Please write your answer here:

Projects, such as the WKM BESS are critical to ensure New Zealand's security of electricity supply. More capacity projects are required to ensure that power can continue to be delivered at peak demand periods. The technology is new and, consequently, often not well contemplated under current planning frameworks. It is essential that a 'fit for purpose' consenting regime is made available to enable these projects to be developed at pace. For these reasons, Mercury's view is that the WKM BESS project is exactly the type of project that the fast-track process has been designed to enable. Mercury requests the WKM BESS project be listed under Schedule 2A. If the project is unsuccessful for Schedule 2A, Mercury requests that it is considered for Schedule 2B.

Does the project includes an activity which would make it ineligible?

If yes, please explain:

Section 8: Climate change and natural hazards

Will the project be affected by climate change and natural hazards?

No

If yes, please explain:

The project area will be subject to a natural hazards assessment which may include a slope stability assessment, flooding/inundation risk and seismic risk/liquefaction. The design of the project will take into account any recommendations from the natural hazard assessment, if deemed necessary.

Section 9: Track record

Please add a summary of all compliance and/or enforcement actions taken against the applicant by any entity with enforcement powers under the Acts referred to in the Bill, and the outcome of those actions.

Please write your answer here:

Nil

Load your file here: No file uploaded

Declaration

Do you acknowledge your submission will be published on environment.govt.nz if required

Yes

By typing your name in the field below you are electronically signing this application form and certifying the information given in this application is true and correct.

Please write your name here: Ryan Piddington

Important notes