

FTA057: Application for listed project under the Fast-track Approvals Bill – Kaihiku Wind Farm Project for Schedule 2A

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| Date submitted to secretariat: | 29 May 2024 |
| Security level: | In-Confidence |
| To: | David TAPSELL, Chair – Fast-track Projects Advisory Group |

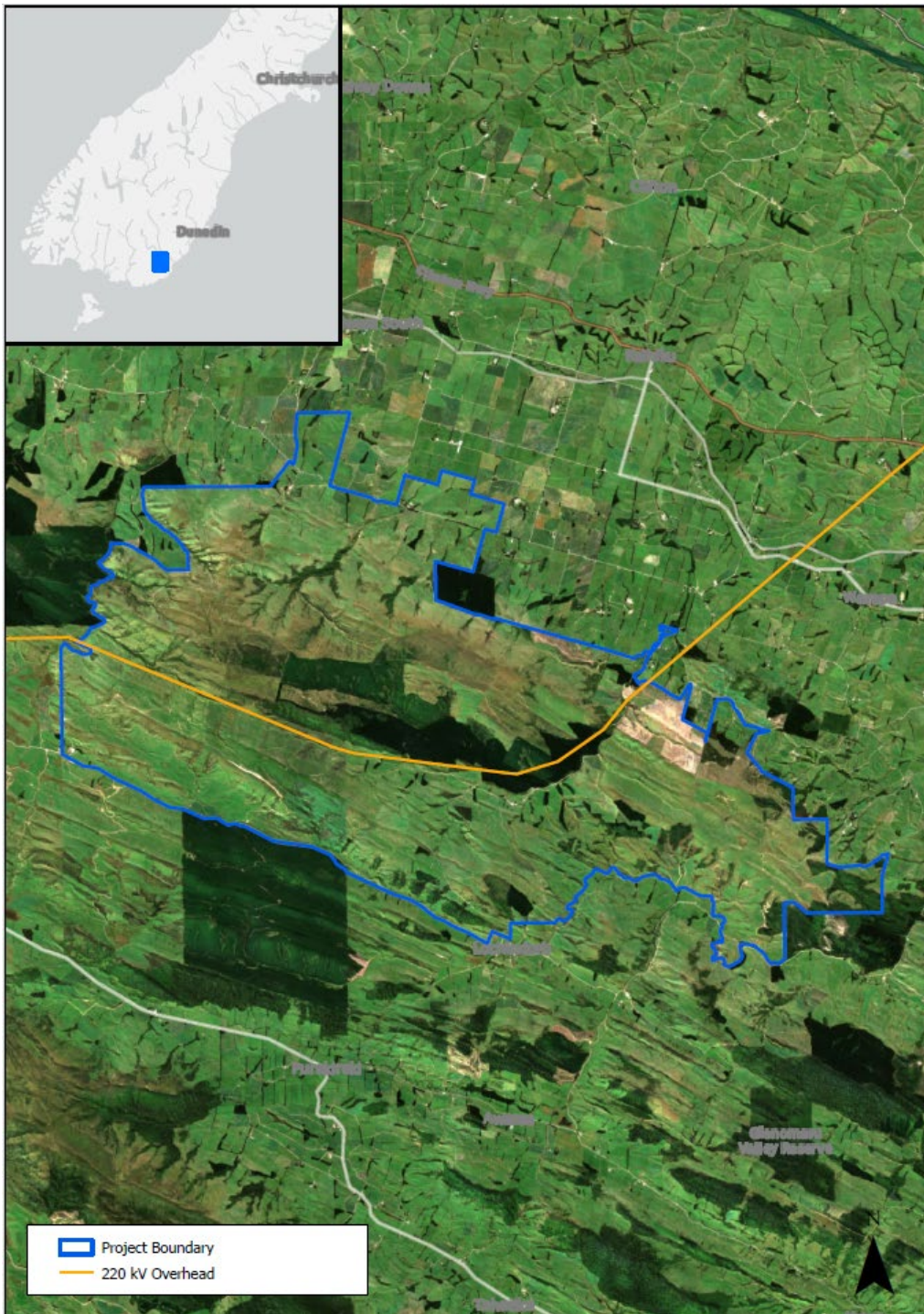
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| Number of attachments: # | Attachments: 1. Application documents for Kaihiku Wind Farm Project |
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| Applicant | Sector | Region | Identified in a priority/strategy? |
|-------------------------------------|-----------|--------|------------------------------------|
| Lochindorb Wind Limited Partnership | Wind Farm | Otago | No |

Ministry for the Environment contacts

| Position | Name | Mobile | 1 st contact |
|-------------------|-------------------------|-----------|-------------------------|
| Principal Authors | Rob Schick, Anna Galvin | | |
| Manager | Stephanie Frame | s 9(2)(a) | ✓ |
| Director | Ilana Miller | s 9(2)(a) | |

Project location

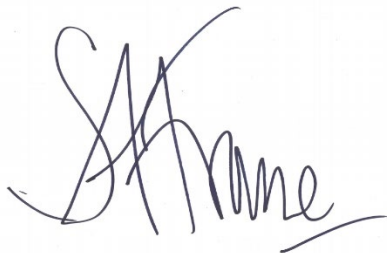


Key messages

1. The Kaihiku Wind Farm project is to construct and operate a wind farm that covers the ridgelines and hilltops of over a project area of 2000-hectares across ten properties halfway between Balclutha and Clinton in the Kaihiku Range, South Otago and to connect and supply electricity to the national grid. The wind farm will have generation capacity of 300 Megawatts and an annual output of 1180 Gigawatts.

2. The wind farm will comprise:
 - a. up to 80 wind turbines with a maximum tip height of 220 metres
 - b. meteorological masts across the project site
 - c. underground or overhead cabling between each wind turbine
 - d. operations and maintenance buildings, and a switchyard / substation within the project site
 - e. an overhead transmission line between each of the three turbine clusters within the wind farm to the national grid
3. The project will require resource consents under the Resource Management Act 1991 (RMA), permits under the Wildlife Act 1953, and an archaeological authority under the Heritage New Zealand Pouhere Taonga Act 2014.
4. The applicant, Lochindorb Wind Limited Partnership, is an entity formed through a 50/50 partnership between Manawa Energy Limited and Pioneer Energy Limited.
5. The applicant has a wind farm development agreement with eight property owners whose properties are proposed to support the Kaihiku Wind Farm. This agreement gives the applicant the legal right to investigate the potential for a wind farm on the properties and to construct, operate and maintain a wind farm if all the necessary approvals are granted. The project infrastructure will be located across ten farm stations.
6. The applicant is in the final stages of negotiations with two additional landowners to add additional benefit to the project.
7. We have undertaken an initial (Stage 1) analysis of the application and this is provided in Table A.
8. We consider the applicant has provided sufficient information to consider the project for inclusion on Schedule 2A (although we note it could still be included on Schedule 2B based on the information provided).
9. The project does not trigger the ineligibility criteria in clause 18 of the Fast-track Approvals Bill (the Bill).
10. Advice on PSGE development priorities and Māori development is provided in Table A. Table A also includes the relevant PSGEs or Māori groups and the settlement mechanisms, that will/may be impacted by the project and whether the project is low, medium or high impact on Treaty settlement/s and other relevant arrangements. Appendix 1 provides further detail on how this advice should be considered and our approach to analysis.

Signature

A handwritten signature in black ink, appearing to read 'S. Frame', written in a cursive style.

Stephanie Frame
Manager – Listed Projects

Table A: Stage 1 initial assessment of project eligibility and Treaty settlement assessment and advice¹

| Project details | Project description | Approvals sought | Consultation undertaken | Does the project trigger the ineligibility criteria [clause 18]? | | | | Discretionary ground to decline [clause 21(2)] | Eligibility [clause 17] | |
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| | | | | Treaty settlement land, Māori customary land, customary marine title, customary rights, aquaculture settlement area, or prevented by RMA clauses [clauses 18(a-e, g)] | Access arrangement under CMA where a permit can't be granted, or is listed in items 1-11, 14 [clauses 18(f,h)] | Activity on a national reserve under Reserves Act which requires approval under that Act [clause 18(i)] | Prohibited activity under EEZA or regulations under that Act, decommissioning -related activities, offshore renewable energy progressing ahead of permitting legislation [clause 18(j-l)] | | Is the project eligible [clause 17(2)] | Would the project have significant regional or national benefits [clause 17(3)] |
| High level summary | | | Y | N | N | N | N | | Y | Y |
| <p>Schedule requested 2A</p> <p>Project Name Kaihiku Wind Farm</p> <p>Applicants Lochindorb Wind Limited Partnership (A 50/50 partnership between Manawa Energy Limited and Pioneer Energy Limited)</p> <p>Company directors Manawa Energy Limited</p> <ul style="list-style-type: none"> Margaret Joanna Breare Sheridan Adelene Broadbent Deion Mark Campbell Phillippa Mary Harford Michael John Smith Joseph Michael Windmeyer <p>Pioneer Energy Limited</p> <ul style="list-style-type: none"> Antony John BALFOUR Jacqueline Margaret Cheyne Donald McGillivray Elder Robert James Hewett William Hugh Moran | <p>The project is to construct a wind farm, and supply and connect to electricity to the national grid.</p> <p>The wind farm will have an approximate peak output of 300 Megawatts and have an annual output of 1180 Gigawatts.</p> <p>The key activities involved in the project include:</p> <ul style="list-style-type: none"> Earthworks and vegetation clearance to establish access roads, hard stands for turbines, turbine foundations, and ancillary activities; The establishment of culverts for vehicle crossings; The establishment of up to 80 turbines (and transformers) | <p>The applicant seeks approval under the:</p> <ul style="list-style-type: none"> Resource Management Act 1991 Wildlife Act 1953 Heritage New Zealand Pouhere Taonga Act 2014 <p>The Department of Conservation advise approvals may also be required under the:</p> <ul style="list-style-type: none"> Conservation Act 1987 | <p>Yes - Pre-application meetings have been held with the Otago Regional Council and the Clutha District Council in 2023 and 2024.</p> <p>Ngāi Tahu - Contact made via local Runanga consultancy representatives Aukaha and Te Ao Marama Inc.</p> <p>One open day held to date in October 2023 to introduce the project to the community.</p> | No | No | No | No | <p>The project, or any part of it, is inconsistent with a relevant Treaty settlement, the NHNP Act, the Marine and Coastal Area (Takutai Moana) Act 2011, a Mana Whakahono ā Rohe, or a joint management agreement</p> <p>No - We do not consider any of these matters are triggered by the application.</p> <p>It is more appropriate to deal with the application under another Act</p> <p>No</p> <p>The project may have significant adverse effects on the environment</p> <p>Yes - Wind farms generally have visual/landscape effects.</p> <p>The applicant also proposes management measures in relation to other listed potential adverse effects (noise, freshwater, wetland, construction and stormwater management).</p> <p>The application was referred to the Department of Conservation (DoC) for comment, who state that there are potential biodiversity issues including:</p> <ul style="list-style-type: none"> Indigenous fauna including long tailed bats, fish and various lizard species | <p>Whether access to the fast-track process will enable the project to be processed in a more timely and cost-efficient way than under normal processes</p> <p>Yes – The applicant notes that consenting a new wind farm through current RMA processes is challenging, costly and lengthy, often taking multiple years. They are generally publicly notified, attracting submissions from a wide range of parties. Hearings are common, as are appeals to the Environment Court, which can add another 1-2 years before any work can begin.</p> <p>Consequently, it is considered likely that the project will progress faster under the Fast Track process than the traditional RMA consenting pathway.</p> | <p>The project has been identified as a priority project in a central government, local government, or sector plan or strategy (for example, in a general policy statement or spatial strategy) or central government infrastructure priority list</p> <p>No - The applicant notes however, that renewable energy development is a central pillar to many central and local government plans and policies.</p> <p>The project will deliver regionally or nationally significant infrastructure</p> <p>Yes – The project will supply up to 300 Megawatts of additional renewable electricity capacity to the national grid.</p> <p>The project will increase the supply of housing, address housing needs, or contribute to a well-functioning urban environment</p> <p>No - The applicant notes however, that reliable clean energy is critical to a well-functioning urban environment, in that regard, the electricity supplied to the national grid will ensure those urban environments can grow.</p> <p>The project will deliver significant economic benefits</p> <p>Yes - Regional economies will be buoyed by the increased employment of around 117 to 129 full-time equivalent jobs each year over two years of construction, and 13-15 full time equivalent jobs per year over 30 years of operation. The project will also generate local spending by way of payments and royalties to landowners on which the wind farm is located.</p> |

¹ **Disclaimer:** Given time and scope constraints, the initial assessment is solely based on information provided by applicants. There may be additional relevant information which has not been provided to MfE.

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| <p>Location</p> <p>The project site is accessible off Glenfalloch Road, Hillfoot Road and Lochindorb Runs Road.</p> <p>12 km northeast of Clinton and 8km south of Balclutha</p> <p>Kaihiku Range in South Otago</p> <p>Land Status</p> <p>Lochindorb Wind Limited Partnership has a wind farm development agreement with eight property owners whose properties are proposed to support the Kaihiku Wind Farm. This agreement gives the Partnership the legal right to investigate the potential for a wind farm on the properties and to construct, operate and maintain a wind farm if all the necessary approvals are granted.</p> <p>The applicant is in the final stages of negotiations with two additional landowners to add additional benefit to the project.</p> | <p>across the project site;</p> <ul style="list-style-type: none"> The establishment of meteorological masts across the project site; Underground or overhead cabling between each wind turbine; The establishment of an operations / maintenance building and switchyard / substation within the project site; and An overhead transmission line between each of the three turbine clusters within the wind farm to the National Grid. | | | | | | <ul style="list-style-type: none"> Fish Passage approvals under the Freshwater Fish regulations may be required, depending on any in stream works proposed. <p>DoC have also noted that they have been in early consultation with Manawa Energy Limited and Pioneer Energy Limited about the project and noted that there are four blocks of public conservation land within the general vicinity of the project, which if directly affected, will require conservation concessions.</p> <p>The applicant has a poor compliance history under the relevant legislation</p> <p>Yes - The applicant has identified Manawa Energy (stated as Trustpower/ Manawa):</p> <ul style="list-style-type: none"> received a handful of abatement or infringement notices with no further action by regulators One prosecution by Otago Regional Council against Trustpower for sediment discharge from Waipori Scheme into the Beaumont River. Pled guilty. <p>The project involves an activity that would occur on land that the Minister for Treaty of Waitangi Negotiations considers necessary for Treaty settlement purposes</p> <p>No</p> <p>The project includes an activity that is a prohibited activity under the RMA</p> <p>No</p> | <p>The impact referring this project will have on the efficient operation of the fast-track process</p> <p>Yes – The applicant states that the effects of constructing and operating a wind farm are largely known, and any effects can be appropriately managed by way of conditions recommended by an expert panel.</p> <p>Whether the application contains sufficient information to inform the referral decision</p> <p>Yes</p> | <p>The project will support primary industries, including aquaculture</p> <p>No</p> <p>The project will support development of natural resources, including minerals and petroleum</p> <p>No</p> <p>The project will support climate change mitigation, including the reduction or removal of greenhouse gas emissions</p> <p>Yes - Greenhouse gas emission reductions of between 510,000 tCo2-e (for gas) or 1,295,000 tCO2-e (for coal)</p> <p>The project will support adaptation, resilience, and recovery from natural hazards</p> <p>Yes - Helps to diversify national electricity supply</p> <p>The project will address significant environmental issues</p> <p>Yes - Supporting emissions reduction and increasing security of supply.</p> <p>The project is consistent with local or regional planning documents, including spatial strategies</p> <p>Yes - The local (Clutha District Plan) and regional (Otago Regional Policy Statement and Otago Water Regional Plan) planning documents contain provisions that enable renewable electricity generation activities, where adverse effects on the receiving environment are able to be appropriately managed and mitigated.</p> <p>On the basis that the potential adverse effects of the project on the surrounding environment are able to be appropriately managed, the project will be consistent with the local and regional planning documents.</p> |
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PSGE Settlement Priorities and Māori Development assessment –

Note - given the time and scope constraints of this advice, some assumptions have been made and engagement has only been undertaken in limited circumstances. Given this, the advice may not be comprehensive and is not intended to reflect the views of relevant Post Settlement Governance Entities or other groups (unless specifically noted). In limited circumstances where engagement has been able to occur, it has most likely not been comprehensive due to the timeframes available.

Advice on Māori development and PSGE settlement priorities includes information relating to:

- where projects align explicitly with PSGE or iwi strategic objectives/vision/other strategic documents.
- where projects contribute towards addressing historical or systemic inequities faced by Māori. This would be undertaken through an equity assessment; and/or are being led by or in partnership with a Māori entity or business;

to relevant provisions in Treaty settlements, Joint Management Agreements outside of settlement; Mana Whakahono ā Rohe; Iwi Environment Management plans; implications for groups yet to settle their historical Treaty of Waitangi claims; and implications arising under the Marine and Coastal Area (Takutai Moana) Act 2011 and Ngā Rohe Moana o Ngā Hapū o Ngāti Porou Act 2019.

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| <p>Ineligible projects - based on the considerations at cl18(a–e) of the Fast Track Approvals Bill (version as at introduction)</p> | <p>This project does not appear to be ineligible according to the information provided in the application.</p> |
| <p>Affected Māori group/s</p> | <p>The applicant has identified the following groups as the groups with interests in the area:</p> <ul style="list-style-type: none"> Ngai Tahu Aukaha |

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| | <p><u>Ngai Tahu</u></p> <p>The applicant has identified Ngai Tahu as the group with interests in the area. Information from Te Kāhui Māngai confirms the proposed project location as being within the area of interest for Ngai Tahu (as provided in the Ngai Tahu settlement). TKM Waipounamu and Rēkohu/Wharekauri Te Kahui Māngai</p> <p><u>Auhaka</u></p> <p>Auhaka is an organisation that liaises with Te Runanga o Ngai Tahu and engages on their behalf with the local authorities in relation to RMA matters. Auhaka is owned by and represents Te Runanga o Moeraki, Kāti Huirapa Rūnaka ki Puketeraki, Te Rūnanga o Ōtākou, Hokonui Rūnanga, and Te Rūnanga o Waihao. We have not identified any additional groups beyond those identified by the applicant.</p> |
| Has the applicant consulted with those Māori groups? | Yes, the applicant states that it has made contact via the local Runanga consultancy representatives Auhaka (since February 2023) and Te Ao Marama Inc (since November 2023). The applicant stated that a site visit was completed by a senior planner from Auhaka in April 2024. |
| Impact/s of the project on Māori development and PSGE settlement priorities and related matters | <p><u>Impacts on PSGE settlement priorities and Māori development</u></p> <p>There is no information in the application to suggest that this application is made by or on behalf of a Māori organisation, or that the project will have a direct benefit in terms of Māori development.</p> <p>In the time available, there has been a brief review of the following strategic plans:</p> <ul style="list-style-type: none"> • Ngai Tahu 2025 • Ngāi Tahu ki Murihiku Natural Resource and Environmental Iwi Management Plan 2008 <p>It is not possible to confirm from those documents that the project does or does not align with the strategic objectives of those iwi or Māori groups.</p> <p>The iwi management plan addresses a range of issues, and a full analysis of the plan would need to be undertaken in conjunction with the relevant iwi before any firm conclusions can be reached. That is a matter to be considered in more detail in subsequent stages if this progresses through the fast-track processes.</p> <p><u>Impact on Treaty settlements and other relevant arrangements</u></p> <p>Ngai Tahu Claims Settlement Act 1998 and Ngai Tahu Deed of Settlement dated 21 November 1997</p> <p><u>Wildlife Act 1953</u></p> <p>The Settlement Act includes obligations in relation to the Wildlife Act 1953. This application involves wildlife permits which may be relevant to those settlement obligations (depending on the nature of the wildlife affected and the applications made).</p> <p><u>Statutory Acknowledgements</u></p> <p>There are various statutory acknowledgements in the Settlement Act. However, none have been identified in or adjacent to the project</p> <p>Iwi Environment Management plans</p> <p><u>Te Tangi a Taurā – Ngāi Tahu ki Murihiku Natural Resource and Environmental Iwi Management Plan 2008</u></p> <p>This management plan is “written as a statement that consolidates Ngai Tahu ki Murihiku values, knowledge and perspectives on natural resources and environmental management issues”.</p> <p><u>Ngai Tahu 2025</u></p> <p>Ngai Tahu’s document, Ngai Tahu 2025 states the aspiration is that “Te Runanga o Ngai Tahu fully participates in the decision-making processes of resource management agencies”.</p> <p>Please note the comments above in relation to the iwi management plans.</p> <p>Other matters</p> <p>In the time available, officials have not identified any other impacts for the Marine and Coastal Area (Takutai Moana) Act 2011 (noting the project area is outside the marine and coastal area), groups yet-to-settle their historical claims, Joint Management Agreements outside of settlement or Mana Whakahono ā Rohe.</p> |
| Is the project considered low, medium or high impact (based on assessment criteria above) | <p>From the information available we consider this project is likely to be of low impact.</p> <p>An impact of listing this project under Schedule 2 Part A is that the Ministers will not have to exercise their 'referral discretion' including considering the Treaty settlement impacts through that process, nor will they have the benefit of the clause 13 report. For Part A projects, there is a requirement on the expert panel to invite comment from the PSGE on the application.</p> |
| Has the Ministry for the Environment undertaken engagement? | Officials do not consider engagement necessary at this stage to inform this assessment. |
| Additional comments/context | N/A |

Appendix One: Approach and considerations for Treaty settlement advice on listed project applications advice in Table A

1. Ministers have advised the Advisory Group should receive advice from officials on “Māori development and PSGE settlement priorities” relevant to each application. Note this differs from section 13 requirements of the current Fast Track Consenting Bill that ‘Ministers must consider Treaty settlements and other obligations report’ as these reports will not be in existence at the time, although matters identified in section 13 (2)(a)-(j) will be considered as part of official's analysis.
2. We have interpreted “Māori development” and “PSGE priorities” to mean primarily projects that:
 - a. align explicitly with PSGE or iwi strategic objectives/vision/other strategic documents; and/or
 - b. contribute towards addressing historical or systemic inequities faced by Māori. This would be undertaken through an equity assessment; and/or
 - c. the project is being led by or in partnership with a Māori entity or business.
3. Given the time constraints and limited engagement this advice cannot be considered as comprehensive and does not intend to reflect their views, and should not be read as such.
4. Engagement with PSGEs and other relevant groups has been considered based on potential high-risk factors including, but not limited to, if:
 - a. a project will take place on or effect any taonga or areas of significance that are protected by Treaty settlement arrangements.
 - b. a project will have a substantive and/or ongoing environment impact on any taonga or areas of significance.
 - c. a project will include a consenting arrangement that will require a significant take, or be ongoing for an extended period, in relation to a taonga or area of significance, or in regions where PSGEs have specific planning mechanisms in place.
 - d. PSGEs or other Māori entities have previously strongly contested the project or a similar type of project, particularly where court action has been taken.
 - e. The project is clearly in conflict with or undermines PSGE priorities.
 - f. Engagement would be required to maintain and uphold the Te Tiriti Crown relationship.
5. In limited circumstances where engagement occurs, it has been brief. Where engagement has been undertaken it is reflected in our analysis but should not be taken to mean that our Treaty Partners endorse our advice.