

2020-B-07359

Joanne Mooar  
Senior Corporate Counsel  
Transpower New Zealand Limited  
s 9(2)(a)

Dear Joanne

**COVID-19 Recovery (Fast-Track Consenting) Act 2020 – Kapuni Green Hydrogen Project – Comments sought**

In the week commencing 7 November 2020, the Minister for the Environment received an application from Hiringa Energy Limited (“Hiringa”) and Ballance Agri-Nutrients Limited (“Ballance”) to refer the above project to an expert consenting panel for consideration under the COVID-19 Recovery (Fast-track Consenting) Act 2020 (the Act). The proposed project is located within the South Taranaki District.

A copy of the application is attached, and a brief project description follows.

**Kapuni Green Hydrogen Project**

The proposal is to develop a renewable hydrogen hub at Kapuni, Taranaki. It will involve generation of renewable electricity from wind to provide baseload power to the existing Ballance Kapuni ammonia-urea manufacturing plant, and to produce ‘green’ hydrogen from water via electrolysis. Excess power generated by the wind turbines during peak electricity production will be fed into the local distribution network.

Initially the resulting ‘green’ hydrogen will be used to produce ammonia and ‘green’ urea at the Ballance Kapuni Plant and is proposed to transition over a 10-year period to use as a fuel for the transport sector as the hydrogen fuel market develops.

The project works involve the following activities:

- Installation of four wind turbines with up to 24 MW of generation capacity on the land referred to as the PKW farm. The wind turbines will have a hub height of approximately 149 metres and a rotor diameter of 162 metres, resulting in an overall maximum height of approximately 230 metres.
- Construction and installation of electrolysis plant and hydrogen production infrastructure within the Ballance Kapuni Plant site.
- Construction and installation of hydrogen storage, loadout and refuelling facilities within the Ballance Kapuni Plant site.

- Installation of underground power cables and associated buildings and structures to convey electricity from the PKW farm to the Ballance Kapuni Plant, and to connect to the local distribution network.

The applicant has advised that the project has two options for a transmission grid connection as follows:

- a. The first connection is via the 33kV Powerco distribution network which would connect into the national grid system at Hawera.
- b. The second option is via the 110kV Nova Energy Limited private distribution line at Kapuni that connects into the national grid line between Stratford and Opunake.

The applicant has advised that both options have been assessed as technically viable, however the focus is currently on pursuing an agreement with Nova Energy Limited.

You have been identified as a company that may have an interest in this project as it may have an impact on your assets. Under delegated authority from the Minister for the Environment, I invite you to provide written comments on the proposed project pursuant to section 21(3) of the Act, a template is attached for this purpose.

If you would like more information about the fast-track consenting process, or to discuss this application, please contact me or my team at [fasttrackconsenting@mfe.govt.nz](mailto:fasttrackconsenting@mfe.govt.nz) and we will make a time to contact you.

We note that if the Minister for the Environment decides to refer the project to an expert consenting panel (Panel), applicants will provide a detailed assessment of environmental effects at the next stage.

Please provide your comments via return email within 10 working days (21 January 2021, due to holiday period) so that the Minister for the Environment can take your comments into consideration when deciding on the application.

Nāku noa, nā



Sara Clarke  
**Manager, Fast-Track Consenting Team**

Enclosures:

- A. Application to refer Kapuni Green Hydrogen Project to an expert consenting panel including supporting information.
- B. Response template for written comments

cc: Jenna McFarlane, Senior Environment Planner, Transpower New Zealand Limited,  
s 9(2)(a)

Neil Bromley, Senior Environmental Adviser, Transpower New Zealand Limited,  
s 9(2)(a)

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the Official Information Act 1982