

21 August 2020

Hon David Parker
Minister for the Environment
Parliament Buildings
WELLINGTON

Dear Minister

COVID-19 Recovery (Fast-Track Consenting) Act 2020 – Clutha Upper Waitaki Lines Project (CUWLP) Project Works and Workers' Village – Request for further information

This letter responds to your request on 7 August 2020 for further information on Transpower's CUWLP project, to be taken into account when making your decision whether to refer the project to an expert consenting panel.

In the **attached** appendix we provide additional information on each of the topics identified in your 7 August 2020 letter.

We would like to take this opportunity to thank the officials at the Ministry for the Environment for their assistance with this application process.

The CUWLP project is an important one for Transpower, and for the national electricity system. The additional capacity to transport electricity northward from the Otago-Southland region will be important once the Tiwai Point aluminium smelter ceases or reduces its operations, and the additional capacity for southward flow will increase resilience for times when there is low generation in the Otago-Southland region. Officials have recognised the national significance of the project and have been responsive under real time pressure.

In the period since lodging our application on 4 August, we have prioritised the works required for the Workers' Village, where the need for fast consenting is most urgent. We are continuing to assess the extent to which the existing national environmental standard will facilitate the Project Works and where additional fast-tracking will assist.

Thank you for your attention to this application. We are well aware of the competing demands on your time in the current environment. Transpower is excited by the opportunity the CUWLP project brings, both because of the project's significance to the resilience of the energy system over the long term and its ability to provide jobs and economic stimulus in the immediate term.

Please let me know if there is anything further Transpower can provide to assist with your decision.

Yours sincerely



Jo Mooar
Senior Corporate Counsel

APPENDIX A – RESPONSE TO FURTHER INFORMATION REQUESTS

Question 1: Further information on the employment benefits during construction and other employment opportunities that will be enabled through CUWLP.

The CUWLP project will stimulate employment in relation to both the Workers' Village and the work required to strengthen the transmission network.

In relation to the Workers' Village, the workforce to construct the Village, connect the Village to services, and staff the Village will be sourced locally.

We are in discussions with a building company based in the Central Otago and Southland area for the construction of the Village. We have also commenced discussions with the Central Otago District Council about businesses in the local area being involved in the Village once it is operational. An example is the opportunity for any meals required by the Village to be provided from the existing hospitality industry in the district. This will help local businesses hit by the economic downturn. A local workforce will also be required for the Village – including a manager, cleaners and security.

In relation to the work required to strengthen the transmission network, local employment opportunities include activities such as:

- Significant amounts of concrete will be required for tower foundation works. We are currently in discussions about reopening the concrete plant in Ranfurly;
- Using local fencing contractors;
- Local truck drivers to move materials around the districts;
- Hiring locals to staff warehouses / storage yards;
- Hiring local staff for other jobs, including administrative positions at the site offices throughout the districts;
- Engaging specialist local consultancy services, including archaeologists and environmental planners;
- Utilisation of the wider accommodation providers in the area;
- Making use of ancillary services, including fuel, mechanical repairs, traffic management.

The skilled workforce required for the Project Work will be sourced from Transpower's existing service providers. Our service providers have indicated that the project brings opportunities to bring on trainees for the skilled work. Transpower has publicly stated that an increase in skilled workers in the sector will be required as the economy electrifies to meet the Country's climate change commitments. Any trainees hired will be an important step towards increasing the workforce required to meet these commitments.

Finally, we note that further employment opportunities arise through the workforce locating to Central Otago and Waitaki for the project. Current estimates of workers are in the order of 150-200 workers being required at the peak of the works. We are currently refining how many will need to be located in the Workers' Village. The majority of the workforce will be located in existing accommodation, primarily in Alexandra (and some in Oamaru) and be spending money in the local economy for their day to day needs. Our project offices and site depots will also be on leased land.

We note these employment benefits that flow from the work required for the Workers' Village and the work required to strengthen the transmission network are distinct but related. CUWLP is an integrated project and one aspect will not happen without the other, but it is useful to describe the employment benefits separately.

Question 2: Clarification on the proposed servicing of the Worker's Village and whether it requires any construction or operational phase water take permits including abstraction of groundwater and any discharge permits for wastewater or stormwater under any regional plan.

Water and Wastewater

Since the application for referral was lodged, Transpower has continued its site selection process for the Workers' Village. It is currently investigating a number of sites in Ranfurly. A key criterion for the site selection process has been, and continues to be, the ability to connect to reticulated water and wastewater systems that have capacity to service the Village. Transpower has engaged Tonkin & Taylor to assist it with assessing site servicing options. Transpower is also working with the Central Otago District Council in relation to the Project, and is discussing water and wastewater supply with the Council.

Based on the work completed to date, Transpower is confident that the Workers' Village will be connected to reticulated water and wastewater systems. In the unlikely event that is not possible, Transpower would seek to operate the Workers' Village within the relevant permitted activity rules.

Stormwater – construction and operational phase

Since the application for referral was lodged, Transpower's consultant team has undertaken further work to identify the resource consents required for the Workers' Village. Based on the work completed to date, we are confident that any operational stormwater discharge from the Proposed Village will comply with the relevant permitted activity standards under Rule 12.B.1.8 of the Regional Plan: Water for Otago. Accordingly, no discharge permits for operational stormwater will be required.

Transpower's consultant team has advised that a restricted discretionary resource consent is likely to be required for the earthworks associated with the construction of the Workers' Village under Rule 14.5.2 of Proposed Plan Change 8 (Discharge Management) to the Regional Plan: Water for Otago. This consent will be required because the Workers' Village is anticipated to require earthworks greater than 2,500 m² in area. Any adverse effects of the earthworks will be appropriately managed through the application of good practice erosion and sediment control measures.

Question 3: Clarification on how potential adverse effects on heritage and cultural values, including wāhi tapu and other sites of significance (which may not be identified in district plans) will be appropriately managed.

CUWLP works

Transpower has engaged a local (Alexandra-based) archaeologist who has a thorough knowledge of the project area, as well as Transpower's assets and works. The Archaeologist will review all spans of the transmission lines requiring upgrade works (including any associated access tracks) to identify any heritage or archaeological values. Where necessary, the Archaeologist will undertake site visits to supplement desktop investigations. Transpower and/or the Archaeologist will consult with Heritage New Zealand throughout the works. An archaeological authority will be obtained from Heritage New Zealand where required.

Transpower is consulting with iwi at the rūnanga level as follows:

- Aukaha, on behalf of the Otago rūnanga/rūnaka;
- Te Ao Marama, on behalf of the Murihiku/Southland rūnanga/rūnaka;
- Te Rūnanga o Arowhenua.

Transpower has provided the above entities with information about the project and the project area, and has invited feedback from them (including in relation to any sites of significance or wāhi tapu within the project area). Transpower will continue to work with iwi and rūnanga/rūnaka throughout the project to ensure that any adverse effects of the project on cultural values are appropriately managed.

Transpower has an Accidental Discovery Protocol for all ground disturbance works which sets out what steps are to be taken in the event of an accidental discovery during earthworks. All of the civil contractors will be

briefed on the Protocol by the Archaeologist and/or a Transpower Environmental Planner prior to starting work on this project to ensure the Protocol is correctly implemented.

Workers' Village

As noted earlier, Transpower is currently investigating a number of sites in Ranfurly. None of the sites being considered have heritage or cultural values that are identified in the District Plan or New Zealand Heritage List. As set out above, Transpower is consulting with iwi at the rūnanga/rūnaka level to ensure any adverse effects of the project on cultural values are appropriately managed and has an Accidental Discovery Protocol in place for all ground disturbance works.

Question 4: Confirmation of whether the project, including the Workers' Village, would occur on any land transferred to Ngāi Tahu under their Treaty settlement (for example Naseby Forest) and if so, whether the landowner has provided their agreement in writing.

CUWLP Project works

Since the application for referral was lodged, a small section of the CUWLP Project Works (ROX-ISL A 303 to 304) has been identified as being located on land that was transferred from the Crown to Ngai Tahu Holdings Corporation Ltd under Section 20 of the Ngai Tahu Claims Settlement Act 1998. The land was subsequently sold to Ernslaw One Limited (title 814470).

Section 18(3)(b) of the Covid-19 Recovery (Fast-track Consenting) Act 2020 precludes the referral of a project that includes an activity located on land returned under a Treaty settlement where the activity has not been agreed to in writing by the relevant landowner. Although this provision is clearly intended to protect iwi interests, the relevant landowner in this case is Ernslaw One Limited, not Ngai Tahu.

Ernslaw One Limited is a New Zealand registered company with offshore shareholders. Accordingly, Transpower has not sought to obtain written approval from the company. Transpower instead withdraws the part of its application for referral in relation to the CUWLP works on the land shown on the **attached** map in appendix B.

The withdrawal of this part of the application for referral will not impact Transpower's ability to undertake the CUWLP works, or the realisation of the benefits described in the application for referral, as the works in this location are permitted activities under the Resource Management (National Environment Standards for Electricity Transmission) Regulations 2009.

Workers' Village

As noted earlier, Transpower is currently investigating a number of sites in Ranfurly. None of the sites being considered are land returned under a Treaty settlement.

APPENDIX B – LAND RETURNED UNDER THE TREATY

The following land contained in Lot 2 DP 307769, owned by Enslaw One Limited, was land returned under the Treaty.

