

23 March 2023

Madeline Berry Acting Manager, Fast-track Consenting Team Ministry for the Environment

By e-mail: fasttrackconsenting@mfe.govt.nz

Dear Madeline,

RE: RESPONSE TO COVID-19 RECOVERY (FAST-TRACK CONSENTING) ACT 2020 – REQUEST FOR FURTHER INFORMATION – WAIUKU WIND FARM PROJECT

Thank you for your request for further information for the Waiuku Wind Farm Project received on 9 March 2023. We provide our responses in the order that they are raised in the request.

1. Please find at Attachment A, a copy of the legal agreements for all the properties within the project site that confirm the applicant's right to access the land and undertake the project. We confirm that there are no conditions in any of the agreements that will prevent, limit or delay the project delivery. The legal agreements are for the following:

Owner	Legal Description(s)	Property(ies)
Alan and Mary Thomson	CT NA35D/742 Lot 96B Parish of Waiuku West and CT NA35D/741 Part Allotment 355 Parish of Waiuku West and CT 428319 Lot 3 Deposited Plan 407996; CT NA77D/119 Part Lot 2 Deposited Plan 22917, Lot 1 Deposited Plan 116009 and Lot 3 Deposited Plan 120338	66 Huarau Way and 44 Robertson Road
Michael and Rebecca Payne	CT: 735893; Lot 1 Deposited Plan 497779 and CT: 722742; Allotment 144 and Allotment 199 Parish of Waiuku West and CT: 736384; Lot 1 Deposited Plan 497891 and CT: 770979; Lot 1-2 Deposited Plan 507466; CT: NA35B/1393; Part Allotment 43 Suburban Section 2 Parish of Waiuku; CT: NA1524/54; Part Allotment 74 Parish of Waiuku	612 Forestry Road
Oceanview Farms Limited	CT NA7C/1449 Allotment 197 Parish of Waiuku West and CT 843471 Lot 1 Deposited Plan 526041; CT 589747 Lot 2 Deposited Plan 456384; CT	260 Thomson Road, 191 Thomson Road and 136 Thomson Road



	568210 Lot 1 Deposited Plan 448864	
s 9(2)(b)(ii)		

- 2. Please find as Attachment B an updated copy of the Market Economics Economic Impact Assessment (EIA). This now incorporates FTE numbers as requested. The updated EIA states at page 7 "a total of 416 job years' worth of work (330 FTEs) are directly sustained between 2025 and 2027" as a result of the project utilising the Covid-19 Recovery (Fast-track Consenting) Act 2020 (FTCA). The FTCA scenario would also contribute to sustaining the equivalent of around 1,415 Modified Employment Count (1,124 FTEs) working for one year when indirect and induced effects are considered. Appendix B of the EIA provides a more detailed breakdown of the anticipated Annual Employment Impact and the Employment sustained by Economic Sector if the project is delivered under the FTCA.
- 3. Attachment C, titled Waiuku Wind Farm Project Area is a KML file of the project area.
- 4. The expected generation output of the Waiuku Wind Farm will be between 75.6MWp and 80.6MWp (Megawatt Peak).

5. Transmission connection options

a) The Applicant wishes to retain both connection options for the project because further detailed design and planning is required to finalise the most practicable option. It is not considered that retaining both options results in any uncertainty for the delivery of this project.

A memo from APD Engineering, relevant to both transmission options, is in Attachment D. The memo seeks to detail the timeline of studies and approvals required before being able to negotiate agreements with Counties Energy, Waikato District Council and Transpower. As stated in the referral application, and below, discussion with all parties have commenced, and completion of the concept design and subsequent technical design for the final transmission option can be achieved within the project delivery timeframe. It should be noted that the some of the tasks identified in point 4 of Attachment D can occur concurrently. For example, as identified in the timeline, once the concept design (Task 1 Design Tasks – Electrical) is completed, detailed design (Task 2 Design Tasks – Electrical) can occur concurrently with tasks 2 and 3 of the Power System Studies.

As stated in the referral application the Applicant and Counties Energy met on 25 January 2023 to discuss the proposed Waiuku Wind Farm and associated network connection options. APD Engineering was engaged by the Applicant to carry out an initial connection study to determine the capacity of the existing lines from the wind farm site to the Transpower Glenbrook substation. This was completed and shared with Counties Energy prior to the meeting. This study concluded that the connection via the existing Counties Energy 33kV network would require significant upgrades for an 80MW project and additional investigations would be required to design the connection.

Counties Energy Network Development Manager – Adrian Nadan and Senior Network Planning Engineer – Jonathan Chen both agreed an 80MW connection through the existing network would be challenging but achievable and should not be considered a barrier for the project. All agreed it would require detailed assessment and planning but was achievable.

Options for upgrading the existing lines were discussed and it was noted that if the upgraded line was to be entirely within road reserve there would be sections where either the upgraded line or the existing line would need to be undergrounded. This was acknowledged, and the wind farm project team noted that following the concept design phase we should meet to discuss options further.

The Applicant has entered into a non-disclosure agreement with Counties Energy to enable sharing of network data for ongoing connections studies. The Applicant has lodged a connection application with Counties Energy who have acknowledged the receipt of the "DG2" application for distributed generation and that it is being processed as per Part 6 of the Electricity Industry Participation Code. There has been regular contact between the Applicant, APD Engineering and Counties Energy and a follow up meeting is scheduled for 12 April 2023 to agree further studies and discuss the approval process. This illustrates Counties Energy's willingness to work with the Applicant on delivering a connection solution to the proposed wind farm.

Engagement to date has not identified any fatal flaws for use and upgrade of the existing 33kV network and the Applicant has continued engagement with Counties Energy to ensure necessary design and connection studies can be undertaken. Based on the advice received by the Applicant's technical team to date, we do not consider the current progress to define the transmission connection will cause delay to delivery of the Waiuku Wind Farm, and that the time frame available is sufficient to design, agree and construct the transmission required for the proposed wind farm.

b) Upgrading of existing Counties transmission line

No formal agreements are in place with Counties Energy regarding location of the new line on their infrastructure, however we do not see this as impacting the anticipated project timeframes. As advised above we are in the process of agreeing the transmission options with Counties Energy and the time frames available to the project are sufficient to conduct the required technical assessments, detailed design and obtain necessary approvals.

c) Installing a new, separate, transmission line

We would like to note the option for a new line will retain the 33kV voltage and will not be a 110kV high voltage line. As identified in the attached memo from APD Engineering, an initial investigation of the capacity on the clean 33kV bus at Glenbrook is in excess of 100MW meaning no upgrade at this connection to the Glenbrook Transpower Substation would be required.

Like the response above the project does not have any agreement with Waikato District Council (WDC) for works within or accessway across the legal road reserve. We have met with the Network Corridor Controls Engineer, Traffic Management Coordinator, Waikato District Alliance on 23 March 2023 to initiate discussions on occupying the road reserve for this purpose. While only an initial engagement, no concerns were raised regarding road reserve occupation.

6. In terms of funding and delivery:

- a) The project is intended be funded by a combination of equity and debt funding. The Applicant's shareholders have substantial equity they can invest, as well as the option of bringing in further investors. The Applicant has already been engaging with major financial institutions about debt funding a proportion of the development cost. Attachment E is a letter that demonstrates that a major financial institution is highly interested in arranging or participating in debt financing for the project.
- b) As explained in a letter from the Applicant to the Honourable Minister David Parker (Attachment F) the Applicant's shareholders have a track record of success in investment in the renewable energy generation sector. Furthermore, Mr John Southworth, the author of that letter, was a Director and later Chairman of New Zealand Windfarms and championed the repowering of the Te Rere Hau

windfarm. Mr Southworth also has substantial experience as a formal advisor to major financial institutions on a range of projects since 2011 in New Zealand and Australia, including managing assets, investment committee membership and acquisition of assets. This includes a number of projects in excess of \$100m in value.

c) The need for third party funding is not anticipated to impact on project timing or delivery. As noted above, discussions with major financial institutions have already commenced. Practically, debt funding is unlikely to be confirmed until after resource consent is confirmed. However, the Applicant has programmed time in 2023 to conclude in-principle funding arrangements, which will be confirmed on issue of resource consent.

We note that a binding commitment for funding, particularly for any debt component, would be highly unusual and irregular at this point of a resource consent application. Apart from the more normal reasons such as uncertainty as to approved configuration and cost, such an offer would trigger a series of compliance requirements by a bank such as risk classification of the debt and commencement of internal cost allocation. The cost would be significant and normally charged to the borrower as a component of the set interest rates. Given debt drawdown would be some years away, the cost would be a wasted use of resource for the borrower.

- 7. As stated in the Referral Application the Applicant is focused on bringing the proposal to the construction phase as soon as possible following the grant of the resource consent. The chart provided in Attachment G sets out the indicative timeline for the project with the intention of starting construction in late 2024 with construction spanning 18 months and completing in mid-2026. The attached is based on a proactive move through the tasks to achieve construction readiness as soon as possible. The timeframe is optimistic but realistic and provides flexibility to cater for potential delays while still meeting the lapse date timeframe of the FTCA. The various stages are more fully described below:
- a) Investigation and other work for Environmental Buffer Zone and turbine location

As stated in the Project Details of the Referral Application an Environmental Buffer Zone (EBZ) will be developed that will exclude development within specific areas of the site. The EBZ currently excludes from the project envelope:

- Known archaeological sites;
- Locations of Notable Trees (as identified in the district plan)
- Significant natural areas; and
- Natural inland wetlands.

The EBZ will be refined further through the early stages of the consent preparation phase when more detailed on-site investigations will occur to support the application. These investigations will identify additional areas where the placement of turbines, roads or other related infrastructure should be avoided, e.g. very steep gullies, additional archaeological sites, close proximity to dwellings. At the same time these detailed investigations will identify the most suitable locations for individual turbines, this turbine placement will also take into account the separation distances required between turbines to ensure optimum layout and minimal wind flow disturbance. The precise turbine locations will be within a defined envelope that will be developed through engineering requirements and the application of the EBZ. The turbine envelope will provide flexibility for final detailed design micrositing of the turbines. It is noted that this turbine envelope approach is common practice for wind farm consents and has been utilised within the Te Rere Hau application, and the Kaiwaikawe, Mahinerangi, Kaiwera Downs and Waipipi Wind Farm consents.

The more detailed on-site assessments that will build on the existing EBZ establishing additional exclusion zones and inform turbine placement include:

- Archaeology
- Landscape and visual
- Noise

- Geotechnical and civil assessments.
- Cultural impact assessments by iwi

These on-site investigations will occur within the first few months of the consent preparation phase, with all investigations and reporting aiming to be completed by September 2023 to enable the consent application to be prepared.

b) Preferred turbine supplier negotiations and detailed design phase

The Applicant is in initial negotiations with two turbine suppliers and the relevant turbine layout and design of each supplier is being factored into the technical assessments and site layout. Formal negotiations are unable to commence until more detailed on-site assessments occur and there is certainty of resource consent success. It is anticipated these formal negotiations and subsequent detailed design will take approximately six months to complete as indicated on the Timeline Chart.

Following agreement with the turbine supplier, an order will be placed, the turbines manufactured and then shipped to the Port of Auckland for delivery to the site. It is anticipated the manufacturing and delivery stage will take approximately one year.

c) Timeline for additional approvals

As set out in the Referral Application 'Other Legal Authorisations' section it is recognised there are a number of separate approvals required prior to the commencement of works on the site. The chart in Attachment G sets out the likely timeframes and timing of obtaining these approvals, which is broadly discussed below:

- Archaeological authorities will need to be obtained from Heritage New Zealand Pouhere Taonga (HNZ). It is anticipated an exploratory authority will be needed during the preparation of the resource consent application. A general authority will be required for the project works to commence on site and will be sought in early 2024.
- Civil Aviation Authority (CAA) approval is required for the installation of the turbines. To ensure this approval does not delay turbine installation it will be sought approximately six months before construction commences on site.
- If permission is required under the Wildlife Act 1953 for the relocation and management of native lizards or bats, this will be applied for approximately one year prior to works commencing on the site.
- As discussed in 5 above, ongoing engagement is occurring with Counties Energy regarding the transmission line and connection. Initial engagement has occurred with Transpower New Zealand Ltd to confirm a connection to the national grid is achievable and formal application for the connection will be made at the time resource consent is granted.
- Corridor Access Requests, vehicle entranceway applications and overweight/over dimension vehicle permits will be obtained from Waka Kotahi New Zealand Transport Agency (NZTA), Auckland Transport (AT) and WDC (as relevant) to enable the delivery of the turbine components and establish accessways from the public roads to the turbine locations. Initial approval from NZTA and WDC has been provided for overweight and over dimension vehicle access over the relevant bridges. The approvals will be applied for in the year leading up to the commencement of works on the site, or earlier.
- As discussed below, requiring authority approval will not be required from KiwiRail as bridge upgrade works are now not required.
- d) Pre-project physical construction works

As stated in the Referral Application a separate resource consent will shortly be lodged with WDC for the installation of a wind monitoring mast on the site of 612 Forestry Road. This will be installed once consent is granted and remain in place for approximately 12 months to provide wind and noise data.

There are no other pre-project physical construction works required apart from geotechnical drilling and investigation that will occur during the detailed technical assessments prior to submission of the resource consent application.

At the time of submitting the Referral Application the initial Route Feasibility Study identified a number of bridges along the proposed turbine trucking route that would need to be assessed to ensure they are of sufficient load capacity to cater for the turbine weight and size. If they were not, then upgrades to these bridges would be required. However, since lodgement of the Referral Application further assessment of the route has been undertaken and advice from NZTA, AT and WDC received on the capacity of the bridges. This has confirmed that no bridge upgrade works on the proposed route will be necessary for the project.

The construction works including the establishment of plant and laydown areas will commence on site first, which is anticipated to be in late 2024. An indicative construction timeline by the project civil engineers is provided in Attachment H.

We trust that these responses address the requests made. If you require any further clarification please do not hesitate to contact me on s 9(2)(a) or s 9(2)(a)

Sensitivity of documents

Two of the documents provided with this response contain commercially sensitive information: the Economic Impact Assessment and the letter from the financial institution referred to in paragraph 6. If any information requests are made or if information relating to the project is to be proactively released, the Applicant requests that both documents are withheld in full on the basis that:

- The EIA contains details of capital and operational expenditure that is commercially sensitive. Making that information available would unreasonably prejudice the Applicant's commercial position, particularly in relation to negotiations with suppliers of goods and services for delivering the project.
- The letter from the financial institution is similarly commercially sensitive. Making that information available would unreasonably prejudice the Applicant's and the financial institution's commercial position, including in respect of other confidential negotiations between the Applicant and other parties. Furthermore, the letter has been issued expressly on the basis that it is confidential and to be shared on a strictly need-to-know basis, due to commercial sensitivity.

Accordingly, good reasons exist for withholding both documents under section 9(2)(b)(ii) of the Official Information Act 1982, which are not outweighed by other considerations which render it desirable, in the public interest, to make that information available. The Applicant notes that a similar approach has been taken for commercially sensitive information supplied with other referral applications.

Kind Regards,

Jennifer Valentine Technical Director, Planning **4Sight Consulting Ltd**

Encl

Attachment A –	Legal Agreements with Landowners (redacted)
	Extension Agreements with Landowners
Attachment B –	Economic Impact Assessment
Attachment C –	KML File of Project Area
Attachment D –	ADP Engineering Transmission Memo
Attachment E –	Highly Interested Letter

- Attachment F Letter to Honourable Minister Parker
- Attachment G Project Timeline Chart
- Attachment H Construction Timeline Gantt Chart