



JOINT SUBMISSION OF ELECTRICITY SECTOR ENVIRONMENT GROUP

Introduction

1. This submission is made by New Zealand's principal electricity generators¹ collectively referred to as the Electricity Sector Environment Group (**ESEG**), to the Fast-track Approvals Bill (**the Bill**).
2. ESEG supports legislation providing for a comprehensive and efficient process to enable the approval of infrastructure projects with significant regional or national benefits.
3. As it stands, the Resource Management Act is too slow, too complex and too uncertain. It sustains neither environment nor economy. It presents an insurmountable barrier to New Zealand meeting its decarbonisation and electrification targets, including to double the supply of affordable clean energy as proposed under the Government's *Electrify NZ* policy.
4. The overriding purpose of this submission from the ESEG is to ensure that the Fast-track Approvals legislation operates to its intended effect and purpose as a key step towards broader system reform, so that the pace and scale of investment needed in renewable electricity generation (**REG**) projects to deliver on *Electrify NZ*, can actually be made.
5. It is vital that a timely, robust and effective process is established with urgency to assess and approve both new REG activities; and the very extensive amount of existing REG that must be re-consented and upgraded or repowered just to 'stand still'

¹ Meridian Energy, Mercury NZ, Contact Energy, Manawa Energy and Genesis Energy, together with the NZ Wind Energy Association.

in terms of New Zealand's electricity generation capacity, and maintain the current platform for further electrification of the economy.

6. Attached to this submission is a table setting out the detailed submission points and specific amendments to the Bill which ESEG considers are needed with this principal objective firmly in mind.
7. By way of summary, the specific amendments to the Bill detailed in the attached table are needed in order:
 - (a) To orient the purpose of the Fast-track Approvals Act (**FTAA**) more towards establishing an efficient and complete (umbrella or 'one stop') decision-making process that approves beneficial projects, than on the speed of the process *per se*.
 - (b) To ensure that, in addition to new REG activities, projects involving the continued operation (i.e. reconsenting), upgrading or repowering of existing REG assets (by way of changes to conditions of existing consents) can qualify as "eligible", given the critical need to secure the existing baseline of REG capacity for New Zealand to meet the *Electrify NZ* electrification targets.
 - (c) To ensure that the agencies and institutions responsible for administration and decision making under the FTAA are sufficiently skilled, experienced and resourced, to provide the capacity needed for the process to be efficient and indeed "fast".
 - (d) To ensure that decisions made to approve projects with significant regional or national benefits are not just timely, but robust, and safe from the prospect of successful legal challenge.
 - (e) To that end, to recommend that decisions on whether to approve or decline approvals for eligible projects are made by the independent expert panels, rather than by the joint Ministers (as proposed under the Bill as currently drafted);
 - (f) To ensure expert panels have the skills and experience needed to deal with the complex legal and factual issues likely to be presented by applications for approvals across the range of statutes covered by the FTAA.
 - (g) To provide greater certainty as to the range and nature of projects qualifying as "eligible" to enter the process and be referred to an expert panel, and make the criteria for deciding whether to refer an eligible activity to an expert panel more certain, targeted and consistent with the Act's purpose.

- (h) To rationalise the substantive tests needing to be applied and the processes needing to be followed in making decisions for the range of approvals across the Act, including across and within all relevant schedules.
 - (i) To simplify and rationalise the procedural steps from the point of entry to the fast-track process, by reducing the extent of discretion involved and focus the information required and generated at each stage of the process. Similarly, through proposing that the EPA rather than Government Ministries be responsible for all stages of application processing and administration.
 - (j) To increase or make more flexible the timeframes for processing and determination of an application sufficiently to ensure that good and robust outcomes are delivered, while still maintaining an efficient (and fast) approval process.
 - (k) To delete provisions carried over from the Covid Recovery Fast-track consenting process that were appropriate to the “shovel ready” objective of the time; particularly the two year limitation for implementation of projects. On its own, this provision would undermine the utility of the FTAA process as an option for consenting and approval of REG projects. A two-year lapsing date is unworkable in light of equipment procurement timeframes, and the need for detailed design and funding at the scale required for such investments.
 - (l) Conversely, a minimum 35-year duration of consent for REG activities should be required by the Act, given the intergenerational scale such investments represent.
 - (m) To otherwise ensure that drafting of the FTAA enables the statute to operate to its intended effect and purpose, through a range of proposed amendments to specific definitions and machinery provisions.
8. Subject to these changes being made, the FTAA is supported by the ESEG, with the regionally and national significant benefits of REG thereby better able to be secured and enabled under the legislation, specifically in mind.
9. ESEG trusts that this submission will be of assistance to the Select Committee and officials in examining and considering the drafting of the Bill, particularly in light of the overriding objective of the legislation as recorded at the outset of this joint submission.