

TO The West Coast Regional Council
AND Buller District Council
IN THE MATTER of the Resource Management Act 1991
AND
IN THE MATTER of resource consent applications by Hydro
Developments Limited for the Stockton Plateau
Hydro Project

SUBMISSION BY MERIDIAN ENERGY LIMITED

1. **Introduction**

- 1.1 This is a submission by Meridian Energy Limited (Meridian) to both the West Coast Regional Council and the Buller District Council. The submission relates to the suite of resource consent applications by Hydro Developments Limited (HDL) for the Stockton Plateau Hydro Project (SHP).
- 1.2 The SHP is a hydro generation project involving the damming of tributaries of the Ngakawau River. It involves a series of dams and tunnels with the eventual discharge through an ocean outfall.
- 1.3 This submission relates to the entire project. Meridian wishes to be heard in support of its submission.

2. **About Meridian**

- 2.1 Meridian is a State-Owned Enterprise and is New Zealand's largest electricity generator. Its hydro generation and storage capacity accounts for approximately 30%¹ of New Zealand's electricity generating capacity and 76%² of New Zealand's hydro storage capacity. Meridian is committed to sustainability and generating electricity from renewable energy sources.
- 2.2 Meridian was formed on 1 April 1999, as a result of the split of ECNZ, and acquired the assets associated with the Waitaki Power Scheme, the Manapouri Power Scheme and the Brooklyn wind turbine. As part of its ongoing operations Meridian is continually investigating and pursuing options for new renewable generation capacity and is investigating a number of sites that have potential for wind and hydro development. This means Meridian is experienced in assessing and constructing renewable energy projects. Meridian is nearing completion of Project West Wind near Wellington, a wind farm proposal comprising 66 turbines of 2.5MW each and Meridian has recently been granted water permits by Environment Canterbury for its North Bank Tunnel Project on the lower Waitaki River.

¹ Ministry of Economic Development (2008). Energy Data File June 2008.

² Concept Consulting (2007). Annual Security and Reserve Energy Needs Assessment - October 2007 : prepared for the Electricity Commission

2.3 Meridian is familiar with energy generation issues on the West Coast and upper South Island through its own hydro development called the Mokihinui Hydro Proposal (MHP). The majority of evidence for the MHP has been presented and the resource consent hearing is nearing completion. The MHP involves the damming of the Mokihinui River and the creation of a 14 km ribbon lake approximately 3 kms upstream of Seddonville. The MHP will be between 80 to 100 MW and generate between 360 to 410 GWh per annum.

3. **Summary of Submission**

3.1 Meridian endorses the need for a secure and reliable supply of renewable energy on the West Coast and upper South Island and is supportive of hydro development. Meridian's support is at a principled level in terms of the benefits of the SHP as a form of renewable energy and its contribution to West Coast energy supply.

3.2 Meridian is not in a position to unequivocally support the SHP for the following reasons:

- a. Based on the information presented in the Assessment of Environmental Effects (AEE), Meridian is not in a position to form a view on environmental effects.
- b. Meridian has reservations over the claimed generation capacity of the SHP.
- c. Meridian submits that consideration of potential for cumulative effects may be relevant and that later-in-time applications should consider cumulative effects arising as a result of earlier-in-time applications.

4. **Benefits of Renewable Energy on the West Coast**

4.1 As discussed above Meridian is committed to generating electricity from renewable energy sources such as hydro and endorses the benefits of renewable energy generation. The provision of renewable energy is consistent with Government policy such as the New Zealand Energy Efficiency and Conservation Strategy and the New Zealand Energy Strategy. Furthermore sections 7(i) and (j) of the Resource Management Act 1991 specifically recognise that "particular regard" shall be had to the effects of climate change and the benefits of renewable energy.

4.2 Meridian is also supportive of increased electricity generation on the West Coast. Presently the West Coast relies on energy generated in the Waitaki Valley. This results in transmission losses and with the current transmission lines there are problems with security of supply. Lack of a reliable supply is a major issue facing

businesses and industry on the West Coast and can be a deterrent for others considering relocating there. Meridian also agrees with HDL's comments about the lack of other renewable energy options for generating electricity on the West Coast. Meridian has undertaken its own extensive investigations which have shown other renewable energy options such as wind, solar and wave energy to be unviable on the West Coast at this stage. An independent report prepared by the Energy Efficiency Conservation Authority (EECA) endorses this.

5. Generation Capacity

5.1 In the AEE HDL claims the SHP will have a generation capacity of 240 GWh per year. There is no evidence to support this figure and Meridian expresses its reservations over these claims.

6. Cumulative Effects

6.1 Meridian submits that HDL's application should consider the potential effects of its proposal which are cumulative upon effects of an earlier-in-time proposal. HDL should assess whether there will be any cumulative landscape, traffic or transmission effects of earlier-in-time proposals.

7. Activity status

7.1 The AEE recognises that some of the consents required from the Buller District Council will be non-complying activities. However in considering the test for non-complying activities under section 104D the AEE does not consider whether the consents should be bundled so that all consents are non-complying activities. This also means that Meridian cannot ascertain whether the SHP has been assessed against relevant objectives and policies.

Dated this 30th day of January 2009



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