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26 November 2021

Emissions Reduction Plan consultation
Ministry for the Environment
PO Box 10362
Wellington 6143

Dear Sir/Madam

Submission on the “Te hau mārohi ki anamata | Transitioning to a low-emissions and climate-resilient future: Have your say and shape the emissions reduction plan”

Thank you for the opportunity to make a submission on the proposed Emissions Reduction Plan Discussion Document, and consultation.

Please find the West Coast Regional Council’s (WCRC) submission attached.

We welcome the opportunity to respond to this consultation.

Due to the breadth of the 114 questions asked in the discussion document, we have sought to provide answers to a selection and focus on our main points.

WCRC highlight the importance of finding the right balance in the emissions reduction plan by ensuring that there is no further decline in economic, social or cultural wellbeing on the West Coast. We want the plan to set out a clear strategy linked to outcomes, and joined up thinking, that shows results based on the evidence.

These views are consistent with the Council’s submission on “Phasing out fossil fuels in process heat” in May 2021, which is appended for ease of reference (Appendix 2).

The Tai Poutini West Coast 2050 Strategy, Draft 11 November 2021 (for Economic Development) forms part of the WCRC submission as Appendix 3.

Our submission starts with answering Question 1, which asks about strategic direction and what principles to apply. Our recommendation is to apply a “first principles” (Kaupapa) approach to developing a national emissions reduction plan (Part I).

A “first principles” approach means that all resulting policies, rules and “ways of doing” are underpinned by a critical foundation. In turn, this foundational framework should inform decision making and help resolve conflicting positions, such as those about speeding through reforms versus engaging with local iwi and hapū; or reducing coal use but keeping jobs; or reducing emissions in the absence of having a roadmap and the necessary investment required to adapt, which would pose a major risk to the nation.

We are also grateful for the opportunity to provide guidance as to content, substance and process for shaping a national emissions reduction plan as it would apply to our region. In this regard, it is necessary to deliver joined-up thinking across every part of society and to advance social, economic, environmental, and cultural well-being (Part II).

This Council agrees that a coherent, consistent and logical approach is required to reducing emissions if the wellbeing of our natural environment is to be at the heart of government.

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We would be grateful for acknowledgement of receipt of our submission.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'H Mabin', with a long horizontal flourish extending to the right.

Heather Mabin
Acting Chief Executive Officer

Summary List of Recommendations

1. A national emissions reduction plan must evidence a coherent, easy to understand, “whole of government” approach, that is globally and nationally consistent and also consistent with the mandate of local government, which is to:
 - “a) enable democratic local decision-making and action by, and on behalf of, West Coast communities; and
 - b) promote the social, economic, environmental, and cultural well-being of communities on the West Coast in the present and for the future”.¹
2. That the emissions reduction plan be developed on a “first principles” approach and be based on the five “first principles” of equity, solidarity, precaution, sustainability and ‘good neighbourliness’.
3. Tackle the biggest opportunities to reduce net CO₂ and methane emissions first, and do this through a just transition and due process incorporated within a strategic economic plan, rather than ad hoc rules in plans, and which integrates National Mitigation and National Adaptation plans supported by appropriate provisions for “climate finance”.
4. That greater provision is made in the emissions reduction plan for increasing the natural removal of emissions via sinks, as part of achieving the net-zero goal.
5. Drop the “gross net”, sometimes referred to simply as the “gross”, approach to target setting; and develop consistent accounting and statistical practices.
6. The emissions reduction plan must:
 - a) account for trade effects such as transportation, carbon tax and rebates;
 - b) provide for the impact of supply chains and value chain emissions on priority sectors; and
 - c) in factoring in offshore costs of trade effects, to account for New Zealand’s rigorous ecological monitoring regime, which includes restoration, water quality, health and safety and afforestation as part of its work programme.
7. The WCRC requests that the Government, through the emissions reduction plan, provides for:
 - a) Economic strategy development for the West Coast;
 - b) Research and development for innovative business models and ‘sandboxing’ in low risk areas, subject to local government approval;
 - c) A climate change levy or tariff, so that larger emitters such as international shipping and aviation industry, for example, pay for extensive reforestation across the DOC estate, or peatland and wetland restoration;
 - d) A benefit or incentive for landowners, including private landowners, to maintain wetlands and forests, including pre-1990 forests; and for retaining native forest on private land, which could be used to offset farm emissions.

¹ Local Government Act 2002, version as at 13 July 2021, “Section 10 Purpose of local government. (1) The purpose of local government is—
(a) to enable democratic local decision-making and action by, and on behalf of, communities; and
(b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.”

8. The emission reduction plan should provide for incentives, subsidies, compensation or credits for where net zero emissions can be achieved on a regional basis.

Introduction

The West Coast Regional Council (WCRC or the Council) agrees with the intent to respond to climate change as it is a requirement from government that we take action on climate change; and welcomes the opportunity to engage meaningfully in this process of framing a national emissions reduction plan.

The real issue is how to be legally consistent while ensuring the current levels of social, economic, environmental, and cultural well-being of our local communities is maintained and enhanced in the future.

About the Submitter

The West Coast region covers a vast area: it extends from Kahurangi Point in the north and as far south as Awarua Point, a distance of 600 kilometres. The distance is the equivalent from Wellington to Auckland (see map in Appendix 1).

It is also a region of minimal industrial greenhouse gas (GHG) emitters. It has a low population and is predominantly rural. 84% of land area is in the Conservation Estate.

WCRC works closely with the regions' three territorial authorities (these being Buller District Council, Grey District Council and Westland District Council). Outside of the main towns of Westport, Greymouth, Reefton and Hokitika, the region's population is spread across smaller settlements and rural communities. It is important that climate-change decisions also consider their respective social, economic, and cultural well-being.

Poutini Ngāi Tahu are the tangata whenua of Te Tai o Poutini (the West Coast). And our Mana Whakahono ā Rohe (Resource Management Act - Iwi Participation Arrangement) captures the intent of the Council and Poutini Ngāi Tahu to progress our relationship in accordance with the Treaty of Waitangi partnership between iwi and the Crown.

The WCRC supports a first principles (Kaupapa) approach

WCRC recognises the importance of the issues at hand. We support a Kaupapa (first principles) approach.

Key Issues Raised by this Submission

1. What does a national emissions reduction plan mean for the West Coast in terms of its mandate to enable democratic local decision-making and action by, and on behalf of, West Coast communities; and to promote the social, economic, environmental, and cultural well-being of West Coast communities on the West Coast in the present and for the future?

WCRC suggests that the National Emissions Reduction Plan be legally consistent within the framework of the Local Government Act 2002 and with emission commitments made by New Zealand. In other words, a coherent whole of government approach is required: what we say in one forum must be the same in others.

For example, to report on emission targets for “net zero” in New Zealand but “gross zero” targets at the United Nations (Glasgow) is confusing to many and, without pathways to accomplish these commitments, sets an expectation far from reality. To make commitments in Glasgow without local consultation and without integration into the Discussion Document nationally also leads to gaps. The proposed National Emissions Reduction Plan needs attention in this regard.

Another example of this misalignment is that the Climate Change Response Act 2002 and local infrastructure and investment planning. The Climate Change Response Act 2002 (as amended 2019) requires the Minister responsible for the Act’s administration, currently the Minister of Climate Change, to prepare and make publicly available a plan setting out the policies and strategies for meeting its next emissions budget (2022-2025). The Climate Change Commission must advise the Minister on the direction of the policy required in the emissions reduction plan for that emissions budget period.

The Climate Change Response Act 2002 (as amended 2019) emission reduction targets are established to 2050; and infrastructure planning and investment provisions for flood protection, roading and other assets must be made over a long planning period if asset management and provision for the well-being of present and future generations is to be a factor. WCRC is mandated to promote social, economic, environmental, and cultural well-being of West Coast communities on the West Coast in the present and for the future.

Further, climate action is not only about emissions reduction, it is also about mitigation (reduction and recovery, such as, offsets); adaptation; and climate finance. And the way we go about achieving these pathways must be equitable.

All these commitments are crucial to resource management. It is also imperative that there is consistency with the proposed Natural and Built Environments Act (NBA), which also intends to progress the achievement of emissions reduction goals under the Climate Change Response Act. For example, the alarming recent recommendation by Parliament to remove “offsets” from the definition of mitigation would be proposing to remove half of New Zealand’s potential to reduce emissions.²

A coherent “whole of government” approach will require legislative consistency.

² Report of the Environment Committee on the Inquiry on the Natural and Built Environments Bill: Parliamentary Paper released in November 2021, Fifty-third Parliament, Presented to the House of Representatives; at page 58.

Consistent accounting and statistical practices are also required. The choices we make about how to reduce emissions, and reach “net” zero will affect our ability, and actions, to adapt to the impacts of climate change. As we have said in our earlier submissions, it is imperative that local communities thrive and to thrive they need support, and a just transition, to adapt to a climate resilient and low emissions New Zealand.

In addition, the Climate Change Response Act 2002 legislates “adequate consultation”. “In preparing a national emissions reduction plan, and supporting policies and strategies for an emissions budget period, the Minister must [by law]:

- a) consider the advice received from the Commission for meeting emissions budgets; and
- b) ensure adequate consultation, including with sector representatives, affected communities, and iwi and Māori, and undertake further consultation as the Minister considers necessary.”³

By extension, local West Coast communities are affected communities and should have the opportunity to participate meaningfully in this fundamental government decision, which will affect them. It is our submission that to be meaningful to the West Coast Region, the result of this consultation must evidence “no further harm” to current levels of environmental, economic, social and cultural well-being.

Adequate time must be provided for Council to engage with its Treaty partners and iwi under its Mana Whakahono ā Rohe Partnership Protocol; “net” jobs must be ring-fenced; and for every emission reduction that impacts local business there must be an “offsetting” business opportunity within the region if decisions are to be made “in the light of different national circumstances”.

Further, it is our submission that a reasonable and interested member of the public must be able to know, by reading the emissions reduction plan, how Central Government intends to meet the emissions budget by the required timelines; and what that means for them. People need to be able to plan ahead.

Being fair is consistent with being equitable, and is consistent with the Supreme Court of Ireland’s judgment last year, which is heralded as a landmark decision on framing emissions reduction plans that stem from international obligations, and national legislation, such as our own Climate Change Response Act 2002 (as amended).⁴ This Supreme Court Judgement could also provide useful guidance for the Ministry for the Environment (MfE) and local decision makers.

A fundamental question arises as to whether the National Mitigation Plan meets the specificity requirements of the RMA 1991 amended 2020, and as such, is justiciable. The plan, in our view, must involve public participation and transparency and be written in such a way that a reasonable and interested person can make a determination as to how it will impact them.

For example, the impact of emissions reduction on the West Coast will be dependent not only on whether net zero emissions are achieved in time; but also the way in which the pattern of emission reduction takes place in the intervening years. The reason why planning ahead for community well-being is relevant is so that people, the communities they live in, and our region can thrive and prosper.

³ Section 5ZI, Minister to prepare and make emissions reduction plan publicly available, Climate Change Response Act 2002

⁴ Friends of the Irish Environment -v- The Government of Ireland & Ors; https://www.courts.ie/view/judgments/681b8633-3f57-41b5-9362-8cbc8e7d9215/981c098a-462b-4a9a-9941-5d601903c9af/2020_IESC_49.pdf/pdf ; last viewed 17 November 2021.

New Zealand's Climate Change Response Act 2002 (as amended) requires the "emissions budget period" to mean a 5-year period, except for the first 4-year period in the years 2022 to 2025].⁵ We agree with the discussion document insofar that "These budgets must put us on a path to meeting the targets; and the reductions required must also be technologically achievable, economically viable and socially acceptable"; and, in our view, evidence must be tabled that the implications for the West Coast are "economically viable and socially acceptable", not only over the first 4-year period but long term and for future generations. For that is what "inter-generational equity" is all about.

In May 2021, the Climate Change Commission delivered its advice to the Government outlining how New Zealand can reach its 2030 and 2050 emissions reduction targets under the Climate Change Response Act 2002 (as amended). Work is still required to demonstrate that the proposed pathways are "economically viable and socially acceptable" to New Zealand in general, and to the West Coast in particular. Time is short.

By virtue of the Climate Change Response Act 2002 (as amended), the Minister must make the emissions reduction plan publicly available at least 12 months before the commencement of the budget period, so before May 2022.

The Climate Change Response Act 2002 (as amended) requires "the emissions budget" to mean "the quantity of emissions that will be permitted in each emissions budget period as a net amount of carbon dioxide equivalent".⁶

In this regard, the contribution of the West Coast region to GHG emissions must be assessed on the evidence rather than on proxy statistics that are difficult to fathom and give new definitions for emissions intensity in GDP terms rather than emissions. Decision makers in local government, and interested members of the public, must be able to know by reading the emissions reduction plan, how Central Government intends to meet the emissions budget by the required timelines; and what that means for them.

Another inconsistency that makes it difficult for an interested member of the public to understand the issues relates to accounting practices. Not all members of the public know the difference between gross and net accounting practices.

Our Government's recent declaration for a revised "gross" target at the Glasgow United Nations Framework Convention on Climate Change (UNFCCC) Conference of the Parties needs to be harmonised into "net" terms so that meaningful decisions can be made in terms of "net" emission reductions.

The inconsistency is clear by reference to New Zealand's first Nationally Determined Contribution (NDC), which proposed to increase emissions rather than reduce them; and hence the need for revision. Reporting "bigger" gross numbers for emissions reduction as "net" figures may look good but it obscures the reality and can be misleading.

⁵ Section 4(1) Interpretation, Climate Change Response Act 2002. "emissions budget period means a 5-year period, except for the first 4-year period in the years 2022 to 2025, as specified in section 5X(3)".

⁶ Section 4(1) Interpretation, Climate Change Response Act 2002.

While the world rallies around “net zero”, questions remain here on the West Coast about scope, transparency and accountability for new ambitious declarations for “gross zero”. And, in addition, there is a need for some sort of balancing, offsetting removals, such as, sinks.⁷

Recommendation 1

A national emissions reduction plan must evidence a coherent, easy to understand, “whole of government” approach, that is globally and nationally consistent and also consistent with the mandate of local government, which is to:

- “a) enable democratic local decision-making and action by, and on behalf of, West Coast communities; and
- b) promote the social, economic, environmental, and cultural well-being of communities on the West Coast in the present and for the future”.⁸

We agree with the government’s new line of questioning, which is to explore what principles should inform government strategy and policy. And in response to “what level of ambition would you like to see Government adopt, as we consider the Commission’s proposal for a renewable energy target?”, we suggest that a strategy must go beyond being aspirational to achieving tangible results and outcomes.

In response, it is our view that a “first principles” approach must inform underlining strategy and policies. Principles are a way of behaving that are defined and “given effect” (implemented, monitored, evaluated and so on). See the Randerson Report on “giving effect”.⁹

New Zealand signed the United Nations Framework Convention on Climate Change (UNFCCC) of 1992 in 1992 and ratified the UNFCCC in 1993. (Twenty-eight years ago, there was huge momentum to respond to climate change). Yet, throughout the passage of the Climate Change Response Act 2002, and the Climate Change Response (Zero Carbon) Amendment Bill of 2019, bringing New Zealand into consistency with its commitments, there has been little support for robust and direct application of a fundamental first principles approach within primary legislation, policy or strategies. To do so now, is the right approach but care must be taken to ensure there are not errors in judgment.

According to the Report of the Environment Committee on the Inquiry on the Natural and Built Environments Bill: Parliamentary Paper released in November 2021, “climate change, water quality, and housing, were not necessarily front-of-mind [in New Zealand] in 1991.”¹⁰

And then the Government curtailed climate change action even further in 2005,¹¹ confining councils to consider only the GHG emission reducing effects of renewable energy proposals. For all GHG emissions themselves, the effects on climate change were to be disregarded when

⁷ UN Climate Change Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC), UNFCCC COP 26, in Glasgow on 31 October – 12 November 2021

⁸ Local Government Act 2002, version as at 13 July 2021, “Section 10 Purpose of local government. (1) The purpose of local government is—
(a) to enable democratic local decision-making and action by, and on behalf of, communities; and
(b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.”

⁹ New Directions For Resource Management In New Zealand. A Report of the Resource Management Review Panel. Hon Tony Randerson QC Chair, Resource Management Review Panel 30 June 2020.

¹⁰ Report of the Environment Committee on the Inquiry on the Natural and Built Environments Bill: Parliamentary Paper released in November 2021, Fifty-third Parliament, Presented to the House of Representatives; at page 58.

¹¹ RMA 1991, sections 70A, 104E and 104F.

preparing planning documents and processing resource consents. Supreme Court authority held that this also extended to activities like mining coal.¹²

It won't be until 31 December this year that these restrictions under the RMA will be repealed (barring an Order in Council to the contrary).¹³

While responding to climate change may be increasingly front-of mind in New Zealand, our submission is that for the national emissions reduction plan to be effective it must recognise that principles will drive environmental strategies, policies, rules, outcomes and enhancement; and, in turn, meet agreed emissions targets.

As shown within MfE's discussion document, and illustrated below, framing a "first principles" approach is a challenging endeavour; but while being "30 years" behind, there are a number of tools and instruments at our disposal.

For example, the strength of the UNFCCC lies in its binding obligations on public authorities to give effect to the cross-cutting first principles of equity (fairness); solidarity (kotahitanga); precaution; sustainability; and good neighbourliness (whanaungatanga or relationships through shared experiences and working together, which provides people with a sense of belonging).

Similarly, in answer to the question what would be the five (or how many number) of first principles that would govern the emissions reduction plan, WCRC suggests the five "first principles" of equity, solidarity, precaution, sustainability and 'good neighbourliness', which already govern New Zealand's strategy and policies for climate change are relevant.

This Council submits that each first principle (principles deduced to their highest level within the scope of a particular framework) needs to be defined and "given effect" for each emissions budget period, i.e., for at least 2022-2025, and for each budget period through to 2050.

Conversely, MfE's discussion document refers to five principles seemingly plucked from the air to inform a national emissions reduction plan; but these principles are not "first principles", they are not set within the context of New Zealand's commitments under the UNFCCC or those declared under the Paris agreement (of the UNFCCC) or those more recently declared in Glasgow; they have no normative specificity, i.e., they are neither defined as "norms" nor do they have context for "giving effect".

This Council therefore questions their validity and does not agree with them as "first principles" for a national emissions reduction plan.

In part answer to question 1 put forward in MfE's discussion document, below are the five "first principles" put forward by MfE and some of the reasons why WCRC has concerns about them. The five proposed principles are:

1. "A fair, equitable and inclusive transition";
2. "An evidence-based approach drawing on the IPCC [Intergovernmental Panel on Climate Change (IPCC)], science and mātauranga Māori";
3. "Environmental and social benefits beyond emissions reductions";
4. "Upholding Te Tiriti o Waitangi"; and

¹² West Coast ENT Inc v Buller Coal Limited [2013] NZSC 87.

¹³ Resource Management Amendment Act 2020, by virtue of sections 35 and 36 of the Resource Management Amendment Act 2020, sections 70A, 104E and 104F RMA will be repealed on 31 December 2021.

5. “A clear, ambitious and affordable path”.¹⁴

WCRC agrees with all these norms, methods, approaches, constitutional obligations and project ideals; but we do not agree that they are all “first principles”.

To explain further:

- WCRC agrees with having a fair, equitable and inclusive transition; but “transition” is part of a relevant principle of equity, which in WCRC’s view also needs to provide for “common but differentiated responsibilities” to alleviate the disproportionate burden placed on the West Coast and future generations on the West Coast, amongst other. As evidenced above, this is already a commitment entered into by New Zealand.
- An evidence-based approach drawing on the IPCC, science and mātauranga Māori is a method. In our view, there should be a “legal” standard of proof for evidential standards. Instead, we encourage logical explanations to be derived from the facts, which may, depending on the context, require drawing on scientific experts and witnesses in the IPCC, other scientific fields, and mātauranga Māori.
- Environmental and social benefits beyond emissions reductions do not consider net benefits and omit the other two fundamental well-beings obligated for local government governance, economic and cultural.
- Upholding Te Tiriti o Waitangi is a treaty obligation, i.e., it is on a “higher” level and it should not, in WCRC’s view, be construed to be on the same level as mitigation norms within a national emissions reduction plan. WCRC has consulted with its partners under its Mana Whakahono ā Rohe partnership protocol.
 - Further, WCRC understands that the principles of the Treaty are widely seen by Poutini Ngāi Tahu to be of constitutional value and thereby should sit at the forefront of any national emissions reduction plan.
 - To be clear, it is WCRC’s view that the National Emissions Reduction Plan should make explicit provision for a greater recognition of te ao Māori, including mātauranga Māori, and giving “effect to” the principles of Te Tiriti o Waitangi without giving a pre-emptive or priority right for Māori to the allocation of resources.
- Several examples may be given as to why “A clear, ambitious and affordable path” is not a “first principle” of climate change mitigation.
 - Cost efficiency may not lead to adequate provision for future generations, i.e., it could undermine inter-generational equity, which is a cornerstone of climate law.
 - Why will efficiency determinations exceed effectiveness?
 - What does affordability mean? Affordable to who?
 - Shutting down West Coast industry and making West Coasters buy imported coal may be more affordable for consumers but, WCRC consider this action breaches the fundamental investment principle and duty to act in “good faith”.
 - If not coal, then where is the clear energy strategy for affordable renewable energy? The position needs to be clear, open, and honest.
 - This is another reason why incorporating “trade effects” into the national emissions reduction plan, as mentioned below, is so important to the fundamental principle of equity.

¹⁴ Ministry for the Environment. 2021. Te hau mārohi ki anamata | Transitioning to a low-emissions and climate-resilient future: Have your say and shape the emissions reduction plan. Wellington: Ministry for the Environment; page 20.

- Central Government should be accountable to its declared commitment to reduce “net emissions” whether produced domestically (by a local coal producer) or internationally.
- WCRC also call for ‘strict liability’ for creating “market distortion” and “unfair trade practices” by “dumping” coal on the New Zealand market.
- WCRC question the cost of imported coal that may not account for ‘supply-chain’ emissions, such as, emissions from shipping.
- WCRC also consider the potential for abuse of a dominant position by carving out a “niche” for Huntly and not for the West Coast, or for steel at Glenbrook or cement at Golden Bay.

WCRC submit that “import substitution” is not a valid model. Instead, New Zealand need to do some serious work on renewables. As to renewable energy and other sources of energy generated in New Zealand, water is precious, hydro lake storage is getting shallower and natural gas reserves are reducing.

In this regard, the West Coast provides a unique environment for ring-fencing, ‘sand-boxing’ - playing with new business or regulatory models and making them work before rolling them out nationally, and testing.

While New Zealand’s Climate Change Response Act 2002 requires particular short term intermediate targets for achieving the next emissions budget, up to 2025, on a rights basis (those of social, economic, environmental, and cultural well-being) WCRC submit that it is imperative that a compliant national emissions reduction plan is sufficiently specific as to policies and strategies over the whole period to at least 2050. Infrastructure investment, and asset management, for example, often extends beyond the 4-year horizon.

In answer to MfE’s call for additional input to consultation question 1 (what 5 principles should inform government strategy and policies?), WCRC submit that the emissions reduction plan be developed on a “first principles” approach and be based on the five “first principles” of equity, solidarity, precaution, sustainability and ‘good neighbourliness’ for the reasons given above.

To explain the link between principles, strategies, and policies, examples of derivative strategies and policies are set out below for each “first principle”.

1. Equity

In terms of equity (ngākau matatika), a just and fair transition is required for key West Coast sectors. There must also be consideration of loss and damage, compensation to local industry, an appropriate insurance pool, and building disaster risk resilience, especially in the likelihood of unprecedented more frequent and more intense flooding incidents.

In terms of a just procedure:

- A binding obligation on public authorities would ensure proper access to climate change information in language local communities understand but such obligations also have to be balanced by appropriate resourcing and funding (there is a cost and questions as to who pays);
- Public participation in decision making procedures, which requires that citizens be allowed to participate meaningfully in government decisions that affect them; and
- Effective access to justice, (for example, a local panel including iwi representation, funding for those who can’t afford it) supported by a compliance mechanism (for example, tag on to consents processing for monitoring and evaluation), and a work programme to support the implementation of these obligations.

Given the importance of heeding the UNFCCC's guidance and resulting advice from the Climate Change Commission, we suggest a focus on the priorities" *"...increase the number of electric vehicles on our roads, increase our total renewable energy, improve farm practices and plant more native trees to provide a long-term carbon sink."*¹⁵

Our submission is that sinks should be incorporated into a national emissions "mitigation" plan so that both emissions "reduction" and "recovery" are provided for.

2. Solidarity

A solidarity (kotahitanga) principle for working with our Treaty Partners and honouring our Mana Whakahono ā Rohe Partnership Protocol.

For example, everyone needs to play a role and we need to bring along our partners, schools, youth, industry, faith-based groups, NGOs. We welcome more robust reporting and advocacy around reducing individual carbon footprints too so individuals, communities and businesses can make more climate friendly choices.

3. Precaution

Taking precautionary measures entails anticipating, preventing or minimising the causes of climate change (as defined by the UNFCCC) and mitigating its adverse effects. Taking a precautionary approach entails, amongst other, managing risk and audit. This Council acknowledges that the adverse impacts of climate change can cause harm and therefore precaution needs to be taken by managing risk appropriately. Risk management includes both mitigation (reduction and recovery) and adaptation. It makes sense to "offset" emissions reduction and the subsequent business and societal changes required against what is required in terms of adaptation.

This is what is meant by a National Mitigation and National Adaptation Plan being on the same level. Further, it would make sense to link up the two main mitigation plans (emissions reduction and emissions recovery) with the adaptation planning process.

In our view, provisions must be made well into the extended horizon for the consequential impacts on social, economic and cultural well-being. For example, if climate is threatening fisheries or paua catch in one particular area, then some other form of kaimoana or industry may be required for that local community.

4. Sustainability

Potential strategies and policies derived from the sustainability principle may cover how New Zealand will make its contribution to achieving the Sustainable Development Goals (SDGs); new financial models for emissions reduction accounting, such as economic value rather than profit accounting (in this regard, treatment of risk and Internal Rate of Return (IRR) will be different); and ensuring self-sufficiency in renewables, including hydro electricity back up.

Consistent with sustainable management, and an equitable, inclusive, and well-planned climate transition, energy sources such as cheap biomass, affordable hydro-electric power generation and potentially using degraded areas of the DOC estate for energy farms, should be developed on the West Coast as a matter of priority. Note that on the West Coast, many of the waterways suitable for hydro electricity generation, including micro and small-scale schemes, are within public conservation land. This creates regulatory hurdles and makes self-sufficient renewable energy aspirations extremely difficult to meet. The Government needs to address this to enable generation schemes with small footprints to be established within public conservation where they

¹⁵ He Pou a Rangī; Climate Change Commission: 2021 Draft Advice for Consultation; 31 January 2021; page 11.

meet environmental outcomes. The West Coast is in a good climatic position for hydro electricity generation given the high rainfall and lack of drought conditions.

5. Good neighbourliness

WCRC strongly support collaboration and cooperation in getting this right; and the “no harm” principle. For example, whanaungatanga (or relationships through shared experiences and working together, which provides people with a sense of belonging) is an example of the “good neighbourliness” principle.

Recommendation 2

That the emissions reduction plan be developed on a “first principles” approach and be based on the five “first principles” of equity, solidarity, precaution, sustainability and ‘good neighbourliness’.

First principles inform underlying principles, strategies, policies and rules.

The Precautionary Principle informs mitigation in terms of managing risk and, rather than tackle the low hanging fruit [the most vulnerable], which make little contribution to New Zealand’s overall emissions target we suggest to focus on the priority areas.

For example, the EcoPond system project initiated by Ravensdown and Lincoln University is taking methane out of effluent ponds at a very cost effective rate.¹⁶

Recommendation 3

Tackle the biggest opportunities to reduce net CO₂ and methane emissions first, and do this through a just transition and due process incorporated within a strategic economic plan, rather than ad hoc rules in plans, and which integrates National Mitigation and National Adaptation plans supported by appropriate provisions for “climate finance”.

This is also an opportunity for the West Coast to tackle diesel emissions and focus on ‘heavy transportation’; and ensure that the West Coast is not left behind in the national supply chain for hydrogen.

Other Considerations from WCRC

The following are other relevant matters WCRC wishes to raise that are important for the West Coast region and its local communities.

“Offsetting” emissions

As to the emissions reduction plan, the Council considers that greater provision should be made for increasing the natural removal of emissions, as part of achieving the net-zero goal.

WCRC wish to highlight the inconsistency with how emission levels are measured. Net zero greenhouse gas emissions is not, in this Council’s view, the condition in which metric-weighted anthropogenic greenhouse gas (GHG) emissions are balanced by metric-weighted anthropogenic GHG removals over a specified period. It does not matter if a tree is anthropogenic, man-made in a test tube, or planted as a seedling, as long as it still retains the capacity to remove GHG from the atmosphere, then it should be considered a “sink” for GHG removal.

By extension, net zero CO₂ emissions is the level of emissions whereby carbon dioxide (CO₂) emissions are balanced by CO₂ removals (reduction and recovery) over a specified period; and

¹⁶ Ref: <https://www.ravensdown.co.nz/expertise/ecopond-farm-dairy-effluent-fde-system>; last viewed 22 November 2021.

thereby credits should be justified in the ETS not only for planting new trees but for maintaining the existing ones, such as those in parts of the West Coast conservation estate pre-1990.

We refer MfE to the legal definition of greenhouse gases in the UNFCCC, which explains that "Greenhouse gases means those gaseous constituents of the atmosphere, both natural and anthropogenic, that absorb and re-emit infrared radiation".

Furthermore, stabilisation of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system should be achieved within a time-frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner.

Finding the right balance between economic development on the West Coast and emissions reduction is therefore imperative.

To elaborate, "net zero" refers to achieving a balance between the amount of greenhouse gas emissions produced and the amount removed from the atmosphere. A direct reduction in emissions, and "capture" or "recovery" of emissions work in tandem to reduce existing emissions and to actively remove greenhouse gases. Reduction, for instance, is about decreasing greenhouse gas (GHG) emissions. Recovery, for example, "sinks" is about capturing and storing (sequestering) greenhouse gases like 'carbon dioxide', in another form.

Emission sinks can include forests, wetlands, and oceans; and, for example, could include Ōkārito Lagoon and Karamea/Otumahana Estuary. And opportunities exist for soil carbon, marine carbon (seaweed sequestration) and mineralization of carbon.

So, in other words, reduction and 'offsets' are akin to two sides of the same coin. If cumulative CO₂ emissions increase, then the proportion of emissions taken up by planting trees, restoring wetlands or the ocean cleanup will decrease. When the amount of carbon emissions produced are cancelled out by the amount removed, New Zealand will be a net-zero emitter of carbon. And the lower the emissions, the easier this becomes.

In our view, the national Emissions Reduction Plan should provide for both reduction and recovery, notably by using natural "sinks". At this stage, out of the 130 page document and 114 questions, there is no survey of "natural" sinks or effective use of stewardship land. Fifty percent (50%) of the potential to mitigate, and achieve "net zero" is therefore omitted; this is a grave concern for this Council. In light of the RMA amendment Act 2020, these provisions should also be reflected through into the NBA, for example, by providing for "offsets". Stewardship land tenure, and the option of forest sinks on Stewardship land, is further investigated.

Clearly this is not to say that emissions do not need to be reduced now. But care has to be taken, as always, with transparency, finance, and accountability. Sinks (one form of removal) may appear more expensive than accelerated reduction if costs are discounted over the intervening periods rather than making determinations based on "economic value", which would not consider pre-1990 forests as a "sunk cost" and unable to make a contribution towards emissions removal and the ETS.

Given from the end of 2020, that New Zealand is no longer committed to commitments it made under the Kyoto Agreement (Kyoto Protocol), funding pre-1990 forestry should be recognised and contribute to the national emissions budget by binding its NDC (Nationally Determined Contribution) under the Paris Agreement.

A robust emissions reduction plan will need to be consistent with New Zealand’s net zero targets, which have been embedded in law and will ideally separate reductions and recovery so that checks and balances can be kept on transparency and accountability.

This would also be consistent with the Climate Change Response Act 2002 (as amended), which makes it mandatory for the emissions reduction plan to include sector-specific policies to reduce emissions and increase removals.¹⁷

Mitigation is not only about not polluting the air we breathe, it is also about clearing the air, for example through sinks and carbon capture.

Recommendation 4

That greater provision is made in the emissions reduction plan for increasing the natural removal of emissions via sinks, as part of achieving the net-zero goal.

Consistent accounting and statistical practices

While New Zealand has enshrined its “net zero” emissions by 2050 goal in law, strategies and policies are yet to demonstrate how that ambition will be met.¹⁸

New Zealand is increasingly relying on the mitigation potential of the land use and forestry sector to meet its target rather than focusing efforts on reducing emissions from high emitting sectors, such as transport.

Forestry and other land-use emissions are included in New Zealand’s national greenhouse gas inventory under the land use, land use change and forestry (LULUCF) category.

Recommendation 5

Drop the “gross net”, sometimes referred to simply as the “gross”, approach to target setting; and develop consistent accounting and statistical practices.

¹⁷ Section 5ZG of the Climate Change Response Act 2002 (as amended) provides the requirement for an emissions reduction plan
The plan must include—
(a) sector-specific policies to reduce emissions and increase removals; and
(b) a multi-sector strategy to meet emissions budgets and improve the ability of those sectors to adapt to the effects of climate change; and
(c) a strategy to mitigate the impacts that reducing emissions and increasing removals will have on employees and employers, regions, iwi and Māori, and wider communities, including the funding for any mitigation action; and
(d) any other policies or strategies that the Minister considers necessary.

¹⁸ Section 5Q, Target for 2050, Climate Change Response Act 2002 (as amended 2019): “(1) The target for emissions reduction (the 2050 target) requires that—
(a) net accounting emissions of greenhouse gases in a calendar year, other than biogenic methane, are zero by the calendar year beginning on 1 January 2050 and for each subsequent calendar year; and
(b) emissions of biogenic methane in a calendar year—
(i) are 10% less than 2017 emissions by the calendar year beginning on 1 January 2030; and
(ii) are 24% to 47% less than 2017 emissions by the calendar year beginning on 1 January 2050 and for each subsequent calendar year.
(2) The 2050 target will be met if emissions reductions meet or exceed those required by the target.
(3) In this section, 2017 emissions means the emissions of biogenic methane for the calendar year beginning on 1 January 2017.”

Carbon emitted elsewhere in the production of imported goods must be a factor

From a West Coast perspective, the emissions reduction plan must account for trade effects such as transportation and carbon tax. Shipping coal into New Zealand, and ETS rebates, for instance, must be factored into the Climate Change Commission's calculations.

As an experienced trading nation, and as border controls for Covid demonstrate, it is very doable to have strict targets on emissions embedded in imported goods. Further, it is not 'just' if a domestic grower in Karamea has to pay carbon tax but an airline freighting food out of the country does not have to pay. This penalises small to medium enterprises (SMEs) and the domestic market.

Another important issue concerns timing. To be accountable and avoid market distortions, international shipping and aviation emissions must be included in the first emissions budget. As this engagement and consultation shows, the time is opportune to do this while the Emissions Reduction Plan is being scoped out for development before May next year.

If not, the emissions reduction plan will be incorporating unfair trade distortion, which has negative effects on domestic producers.

One way of addressing this issue is for the Emissions Reduction Plan to provide for the impact of supply chains and value chain emissions on priority sectors. For example, to make a fair comparison as to the cost of domestic coal on the West Coast, aviation and shipping costs to bring imported coal to New Zealand must be considered.

A similar logic applies to the import of cars, fossil fuels, energy, trucks, steel and iron imports and the raw materials for steel and cement imports, which rely on international shipping and aviation.

If there is no coalition of the willing to tackle climate change, and no further appetite for another amendment to the Climate Change Response Act 2002 (as amended), then it is suggested that these issues be considered in the review of inclusion of emissions from international shipping and aviation.¹⁹

Recommendation 6

The emissions reduction plan must:

- a) account for trade effects such as transportation, carbon tax and rebates;
- b) provide for the impact of supply chains and value chain emissions on priority sectors; and
- c) in factoring in offshore costs of trade effects, to account for New Zealand's rigorous ecological monitoring regime, which includes restoration, water quality, health and safety and afforestation as part of its work programme.

New business models for the circular economy and regulatory "sandboxing"

WCRC supports the Government's aspiration to move toward a circular economy and include natural resources, climate change, waste and water in the aspiration. It's all very well having aspiration, but if a strategy doesn't go anywhere it falls apart.

¹⁹ Section 5R, Climate Change Response Act 2002 (as amended), "Review of inclusion of emissions from international shipping and aviation in 2050 target. The Commission must, no later than 31 December 2024, provide written advice to the Minister on whether the 2050 target should be amended to include emissions from international shipping and aviation (and, if so, how the target should be amended)."

Government was expecting new green technology, solar, wind and tidal power to step in spontaneously. Without sound business cases that is not going to happen.

Supporting a circular economy is consistent with the fundamental principle of sustainability but it is not going to happen spontaneously. Further, as economies around the world centre on sustainable products and achieve climate neutrality targets, it is likely that new labelling, packaging, construction and building obligations will also be placed on local firms and companies if they are to compete. A circular economy commercial and action plan should also ensure less waste.

WCRC also support encouraging new business models as required to meet mitigation targets. Airline and shipping companies mentioned above, for instance, could pay for extensive reforestation across the DOC estate or peatland and wetland restoration. This initiative could also relate to the Emissions Trading Scheme (ETS).

Further, the way wetlands and forests are treated in terms of finance in the discussion document, if using “economic value” then there should be a benefit procured for maintaining them, including pre-1990 forests. In brief, this would entail managing the value chains, supply chains and trade effects of climate change.

Another innovation from the West Coast, and again not put forward in the discussion document, concerns regulatory ‘sandboxing’, a word used to denote testing, a sort of pilot project, making sure things are safe before rolling them out to a broader community.

As part of a just transition, the West Coast could be home to pioneering businesses, sustainability in energy provision, and new commercial endeavors, such as being a leader in new technologies and green innovation – hydro-electricity generation, carbon accounting and fintech – a sort of ‘Silicon valley’ of stewardship land for New Zealand for climate mitigation, and providing a hub for regulatory sandboxing as the West Coast make progress to achieve our net zero emissions commitment. Further, UNFCCC NDC commitments will not be made without anthropogenic carbon capture, such as, marine and geo sequestration, or some innovative and new technology.

Government support is required to implement the economic development strategy for the West Coast to support just transition. For example, South Island dairy factories currently need coal to operate. There are five main factories (2 in Canterbury, 2 in Nelson and 1 on the West Coast). A big chunk of dairy product manufacturing in the South Island is reliant on up to 1 Million tons of coal. If production ceases on the West Coast, there will be a serious impact on the West Coast economy.

In turn, strategic economic development should lead to net job creation, climate resilience through new technological development and more funding for new and innovative conservation technologies that will support a transition from fossil fuels.

Recommendation 7

The WCRC requests that the Government, through the emissions reduction plan, provides for:

- a) Economic strategy development for the West Coast;
- b) Research and development for innovative business models and ‘sandboxing’ in low risk areas, subject to local government approval;
- c) A climate change levy or tariff, so that larger emitters such as international shipping and aviation industry, for example, pay for extensive reforestation across the DOC estate, or peatland and wetland restoration;
- d) A benefit or incentive for landowners, including private landowners, to maintain wetlands and forests, including pre-1990 forests; and for retaining native forest on private land, which could be used to offset farm emissions.

Regional neutrality & Net Zero on a regional basis

Regional neutrality, whereby net zero emissions are to be achieved on a regional basis, is another consideration that could benefit the West Coast region and show that the West Coast plays its part.

This is consistent with the national emissions reduction plan reflecting equity and the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.

In terms of regional GHG emissions, Auckland and Canterbury are by far the higher emitters of kilotonnes CO₂-e; and the priority should be to target emissions reduction in intensified urban centres.

Further, over 90% of New Zealand's household emissions come from transport (heating and cooling contribute 7%); and it would be interesting to see the regional statistics on these numbers, which are likely to be higher in the Auckland region rather than the West Coast; and more intense (in terms of process heat) at Huntly rather than on the West Coast.

Further, certain industries on the West Coast like Westland Milk, Hospitals and our Schools should be considered "essential industry" and some leeway, or even, subsidy given for a "just transition" consistent with our Paris commitments, "to reflect equity and the principle of common but differentiated responsibilities and respective capabilities".

The question here hinges on whether regional neutrality is a net benefit for us, which in turn hinges on proper data and consistent and coherent statistical analysis.

Thinking about support for the West Coast which could encourage regional uptake of net carbon initiatives, funding for existing forest cover could encourage regional initiatives and job creation around existing forestry, and other initiatives in:

- biodiversity and pest management (plant and animal pest control);
- education opportunities;
- regenerative and restoration ecology and biological science; and
- regenerative and restoration landscape creation.

Recommendation 8

The emission reduction plan should provide for incentives, subsidies, compensation or credits for where net zero emissions can be achieved on a regional basis.

This ends our submission.

Appendix 1

Map of New Zealand to highlight 600km length of West Coast Region compared to distance between Auckland and Wellington



Appendix 2

West Coast Regional Council Submission on “Phasing out fossil fuels in process heat: national direction on industrial greenhouse gas emissions” Consultation Document



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19 May 2021

Cassidy McLean-House,
Ministry for the Environment,
PO Box 10362,
Wellington 6143

Dear Madam,

Submission on the “Phasing out fossil fuels in process heat: national direction on industrial greenhouse gas emissions” Consultation Document

Thank you for the opportunity to make a submission on the “Phasing out fossil fuels in process heat: national direction on industrial greenhouse gas emissions” Consultation Document.

Please find the West Coast Regional Council’s submission attached. This Council has several concerns about the Consultation Document and requests changes.

Our contact details for service are:

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West Coast Regional Council
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Greymouth 7840

Phone: 021 190 6676
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We would be grateful for acknowledgement of receipt of our submission.

Yours faithfully

Hadley Mills
Planning, Science and Innovation Manager

West Coast Regional Council Submission on Phasing Out Fossil Fuels in Process Heat

Introduction

The West Coast Regional Council (WCRC or Council) agrees with the intent to respond to climate change; but has several concerns about the approach proposed in the Consultation Document.

The real issue is how to supply the West Coast with affordable electricity.

Our key concerns with respect to the Consultation Document are as follows:

1. Inconsistency with the advice of He Pou a Rangi (the Climate Change Commission), by failing to recognise regional price and distribution disparities, and by failing to provide for a just transition and due process;
2. Some proposals go beyond the remit of legislative consistency;
3. Failure to consider the impacts on social, economic, and cultural well-being of local communities; and
4. Unrealistically tight timeframes leading to by-passing critical decision-making processes, such as social and economic impact analysis and integrated management.

About the Submitter

The West Coast region covers a vast area: it extends from Kahurangi Point in the north and as far south as Awarua Point, a distance of 600 kilometres. It is also a region of minimal industrial greenhouse gas (GHG) emitters. It has a low population and is predominantly rural. 84% of land area is in the Conservation Estate.

The Regional Council also works closely with the regions' three territorial authorities (these being Buller District Council, Grey District Council and Westland District Council). Outside of the main towns of Westport, Greymouth and Hokitika, the region's population is spread across smaller settlements and rural communities. It is important that resource decisions also consider their respective social, economic, and cultural interests.

Poutini Ngāi Tahu are the tangata whenua of Te Tai o Poutini (the West Coast). And our Mana Whakahono ā Rohe (Resource Management Act - Iwi Participation Arrangement) captures the intent of the Council and Poutini Ngāi Tahu to progress their relationship in accordance with the Treaty of Waitangi partnership between iwi and the Crown.

The WCRC supports an extensive just transition

The Council recognises the importance of the issues at hand. We have several concerns, and changes are required if the purpose and principles of the RMA, and RMA Reforms, are to be achieved.

Key Issues Raised by this Submission

1. Just transition and Due Process

We are concerned about inconsistencies between the Consultation Document and advice given by the Climate Change Commission in January 2021. According to the Climate Change Commission, “Priority areas for action include increasing the number of electric vehicles on our roads, increasing our total renewable energy, improving farm practices and planting more native trees to provide a long term carbon sink...”²⁰

Whereas the Consultation Document takes as its starting point that “one of the biggest opportunities to reduce CO₂ emissions in Aotearoa is through the decarbonisation of process heat”. The position stated in the Consultation Document thereby contradicts the position of the Climate Change Commission.

Further, the Consultation Document gives no consideration to ‘priority areas for action’, such as, reducing the largest sources of CO₂ emissions; or halting imports of products produced by process heat. (As to the largest emissions sources, New Zealand claims that more than 70% of GHG emissions come from other sectors: 47.8% are reported to come from agriculture, and 21.1% from transport).²¹ Hence, the Climate Change Commission’s focus on these areas as “priority areas for action”.

8.1% of New Zealand’s GHG emissions are reported to come from manufacturing industries and construction, of which coal-fired boilers are but a part.²² The actual numbers related to process heat have not been disclosed and New Zealand’s estimate of mitigation impact in 2020 (kt CO₂ eq) were “not estimated” in its 2020 international reporting.²³ Similarly, in its Consultation Document, the Ministry for the Environment (MfE) provides that “process heat currently contributes about 8% of New Zealand’s total greenhouse gas emissions,” and process heat “includes combustion of fuels such as coal and gas for electricity generation and industrial heat; fugitive emissions, for example, from gas production and geothermal fields; and industrial processes”. But then the Consultation Document alludes to excluding 39 percent of process heat requirements covered by high temperature plants (>300°C) and proposes to target “48 percent of total heat process emissions covered by low and medium temperature plants”. By taking its GHG emission reductions target from 8% to 3.8%, the GHG emission reduction target is in effect halved.

This analysis supports our point that disproportionately targeting coal-fired boilers right now does not therefore present a “significant” national opportunity for GHG emission reductions.

Consistent with direction taken by the Climate Change Commission, analysis may also be done with respect to emissions budgets.

²⁰ He Pou a Rangī; Climate Change Commission: 2021 Draft Advice for Consultation; 31 January 2021; page 11.

²¹ GHG emission data: New Zealand’s 2020 annual submission, version 1 to the UNFCCC, FCCC/TRR.4/NZL.

²² Ibid.

²³ Ibid.

With respect to GHG emission budgets, the MfE states in its Consultation Document that “the Ministry for the Environment’s preliminary modelling suggests that the emissions of industries covered by the proposals will reduce by 2.1 to 2.7 mega tonnes (MT) CO₂-e by 2037, with emissions reductions attributable to the proposal estimated to be between 0.5 and 0.8 MT [500-800 kt CO₂-eq], and the NZ ETS driving 0.3 to 0.4MT (assuming \$35/t)” [underlining for emphasis]. Whereas, last year (2020) New Zealand reported its most recent Total GHG emissions (kt CO₂-eq), those for 2018 excluding LULUCF, as 78,862.29 (kt CO₂-eq).²⁴ This represents a 0.634% GHG emissions reduction target.

This analysis reinforces our point that disproportionately targeting coal-fired boilers right now does not present a “significant” national opportunity for GHG emission reductions.

Further, using vast resources at national, regional, and local levels to chase a 0.634% GHG emissions reduction target that will have a disproportionate effect on the West Coast, on the basis that it is the “priority national target” must surely be questioned.

As the Climate Change Commission advised in January 2021, “The speed of this transition needs to be steady – fast enough to make a difference and build momentum but considered, with room to support people through the change. An equitable transition means making sure the benefits of climate action are shared across society, and that the costs of the climate transition do not fall unfairly on certain groups or people.”²⁵

How this proposal to phase out fossil fuels in process heat relates to us is that we would have to decarbonise industry, schools, hospitals, and our recreation centres. In our view, such a response is disproportionate. It also fails to tackle the real issue. The real issue is how to supply New Zealand, including the West Coast, with affordable electricity.

Electricity costs are already disproportionately high on the West Coast and in the absence of any evidence of a ‘just transition’ this proposal will simply increase disparities. The Climate Change Commission reports that, “Household’s electricity bills vary from region to region, and even within regions. Different areas already face varying electricity prices. This reflects the cost of not only generating electricity, but also of transmitting and distributing it. Communities further away from where electricity is generated often pay higher electricity prices. For example, electricity pricing surveys show that households in Kerikeri and the West Coast pay more for electricity than the national average. There can be as much as a 50% variation between regions. Average household electricity demand varies across Aotearoa and depends on climatic conditions, personal choice about heating levels for example, and whether the household uses gas, electricity, or wood to heat their homes. For example, the average household electricity consumption is twice as much in Queenstown as in Westport.”²⁶

An extensive transition period is required if there is to be a just transition to renewable energy on the West Coast. Out of 20 air discharge permits reviewed for boilers or incinerators on the West Coast, expiry dates run from 2022 to 2056 (14 have an expiry date of 2030 or later). These consent holders have a “legitimate expectation” that they will be able to continue to operate under the terms of their consent for the next 10-30 years without altering their operating procedures or changing technology or fuels.

²⁴ GHG emission data: New Zealand’s 2020 annual submission, version 1 to the UNFCCC, FCCC/TRR.4/NZL; page 6.

²⁵ He Pou a Rangī; Climate Change Commission: 2021 Draft Advice for Consultation; 31 January 2021; page 11.

²⁶ He Pou a Rangī; Climate Change Commission: 2021 Draft Advice for Consultation; 31 January 2021; page 82-83.

The Consultation Document also states that “coal generation at the Huntly power station” will be “excluded from the current scope of national direction”. If proceeding, the West Coast requests a similar carve out consistent with fair and due process.

Another issue to think about in this regard is regional neutrality whereby the national mitigation plan, which would inform a NPS, which would in turn inform a NES, considers GHG emissions vis a vis sinks, such as those for LULUCF (Land Use Change and Forestry). Integrating wetland sinks into the ETS is also important.

Taking all the above into consideration, the WCRC’s preferred option is for a National Mitigation Plan on the same level as a National Adaptation Plan with supporting guidelines on giving effect to the RMA Amendment 2020; that commitments made to an extensive transition period where livelihoods and well-being are at stake are honoured; and that support is provided for consequential impacts on social, economic, and cultural well-being.

Recommendation 1

Tackle the biggest opportunities to reduce CO₂ emissions and do this through a just transition and due process incorporated within an integrated National Mitigation and National Adaptation plan.

Recommendation 2

Consistent with sustainable management, and an equitable, inclusive, and well-planned climate transition, is that energy sources, such as cheap biomass, affordable hydro-electric power generation and potentially using degraded areas of the DOC estate for energy farms, should be developed on the West Coast as a matter of priority.

2. Legislative Consistency (Kaupapa, 1st principles, policies and measures govern rules – not the other way around)

It would seem to the logical planner that a comprehensive plan for electricity supply, including national mitigation and adaptation plans, and PaM (Policies and Measures) are required before even thinking about a NPS and NES.

In our view, this approach would be consistent with the planning hierarchy set out by the Supreme Court in *King Salmon*.

How, for instance, does this entire consultation fit with the proposed public consultation on a “whole Emissions Reduction Plan (ERP)” scheduled for late 2021? Shouldn’t putting a line under coal fired boilers also be part of a “whole ERP”?

Moreover, there is already a NES for Air Quality (NESAQ) which sets standards for different types of contaminants discharged to air, and needs to be implemented anyway. The NESAQ is being amended to restrict the use of coal in domestic home heating burners. Consent staff refer to the NESAQ when processing a consent for a discharge to air. To be consistent with the RMA as amended in 2020, it would make sense for Councils to consider discharges to air of GHG emissions and climate change mitigation in planning and consenting decisions.

The WCRC was advised by MfE on 6 May 2021 that the Ministry is working on updating the NESAQ and has no target release date as yet as it is waiting for international guidelines. Similarly, we consider it premature to be drafting a NES for emissions to air for process heat.

Alternatively, and as an interim measure, MfE could help in the administration of the RMA Amendment 2020 by providing supporting guidelines that give effect to this “conditional”, i.e., non-mandatory, requirement. Suggesting objectives and policies to guide decision making would be a useful first step.

In this way, the Governments’ undertaking of a comprehensive review of the resource management system will provide opportunities for reducing emissions in an integrated way consistent with National Adaptation Planning.

Recommendation 3

Correct the Consultation Document to ensure policy and legislative consistency.

3. Need to see policy around social, economic, and cultural impact

The policy objectives of our proposal to support social, economic, and cultural impacts are consistent with the purpose of the RMA, which goes beyond the truncated definition in the Consultation Document to incorporate Part 2 of the RMA in its entirety. Section 5 of the RMA, for instance, is misquoted in the Consultation Document. Section 5 of the RMA provides:

“ 5 Purpose

- (1) *The purpose of this Act is to promote the sustainable management of natural and physical resources.*
- (2) *In this Act, sustainable management means managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic, and cultural well-being and for their health and safety while—*
 - (a) *sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and*
 - (b) *safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and*
 - (c) *avoiding, remedying, or mitigating any adverse effects of activities on the environment.”*

In the view of the WCRC therefore, any policy shift must provide mechanisms for people and communities to provide for their social, economic, and cultural well-being and for their health and safety.

There is a need to see policy around social and economic impact before options can be properly evaluated; and alternative options must be found.

This option supports the development of non-statutory guidance on how to assess resource consent and plan change applications involving direct and indirect GHG emissions under the RMA in due consideration of a just transition. Guidance on the ‘best practicable’ option in consideration of a holistic view of Part 2 of the RMA (until the RMA is reformed) would be helpful.

Recommendation 4

Provide policy around social, economic, and cultural impacts and social, economic, and cultural support mechanisms.

4. Grave concern about the tight turnaround

MfE has said it intends to implement decisions on regulating process heat by the end of the year; and that a NES would take immediate effect.

Added to this is the extensive and disparate environmental reform process going on in parallel, i.e., a new NPS for freshwater management; an imminent NPS for indigenous biodiversity; three waters reforms; a new NES for Drinking Water; local government reform; RMA reform; a Select Committee inquiry on an exposure draft of the NBA (Natural & Built Environments Act), public consultation on the Managed Retreat and Climate Change Adaptation Bill (at the end of 2021); public consultation on a “whole Emissions Reduction Plan (ERP)” in late 2021, and so on.

In our experience, this amount of national policy change is impossible to keep abreast of and integrate, particularly for a small planning team (from a capability and capacity point of view). It also appears that there simply are not enough appropriately qualified policy planners in New Zealand to implement the above-mentioned changes in a quality manner.

The WCRC urges a far more considered approach that incorporates a fair and just transition; and considers and supports social, economic, and cultural well-being.

Recommendation 5

Develop an integrated framework for environmental policy and law and set realistic timeframes by which to achieve it.

Summary List of Recommendations

1. Provide for an extensive just transition.
2. Consistent with sustainable management, and an equitable, inclusive, and well-planned climate transition, is that energy sources, such as cheap biomass, affordable hydro-electric power generation and potentially using degraded areas of the DOC estate for energy farms, should be developed on the West Coast as a matter of priority.
3. Correct the Consultation Document to ensure policy and legislative consistency.
4. Leave no one behind. Provide policy around social, economic, and cultural impacts and social, economic, and cultural support mechanisms.
5. Develop an integrated framework for environmental policy and law and set realistic timeframes by which to achieve it. Akin to the Climate Change Commission, and ascertaining a hierarchy of legal obligations, we recommend a first principles (kaupapa) approach centred on developing and balancing national mitigation and national adaptation plans and policy before moving to a rules-based regulatory system.

This ends our submission.

Appendix 3

Tai Poutini West Coast 2050 Strategy, Draft 11 November 2021 (for Economic Development.)

Please see appended document.