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Committee Policy, Finance and Strategy  
Author M D Kennedy, Project Manager, Renewable Energy

## **Renewable Energy Initiatives and the Wellington Regional Water Board Act 1972**

### **1. Purpose**

To obtain Greater Wellington Regional Council (GWRC) agreement to the drafting of a Bill to change the Wellington Regional Water Board Act 1972 for the singular and specific purpose of enabling the possible development of renewable energy generation within GWRC water collection areas.

### **2. Background**

The Policy, Finance and Strategy Committee considered Report 03.11 on renewable energy initiatives in March 2003. Progress is being made on the Belmont Regional Park wind farm feasibility study and discussions are continuing with a number of interest groups. The Landcare Committee has approved the erection of wind recording equipment and quotations have been received for the equipment.

It was mentioned in Report 03.11 that some elevated sites in GWRC's exotic forest areas may be suitable for wind farms and these would be investigated in due course. Investigations have started into land that comes under the Wellington Regional Water Board Act 1972 (WRWB Act) and a land use issue has arisen that does not apply to any potential wind farms in the Council's regional parks.

### **3. Water Supply and Forest Land Use**

GWRC holds nearly 40,000 hectares of land under the auspices of the WRWB Act. This land can be classified for operational purposes into three main groups:

- Existing water catchments
- Future water collection areas, with some parts planted in exotic trees
- Exotic forestry that is not part of any future water collection area.

Recreational activities take place to varying degrees in all three areas.

Exotic forests in the Wairarapa are not included. From a WRWB Act point of view there are just two land classifications - water collection areas and forestry areas.

At present the trees that form the Council's exotic forests (excluding the Wairarapa) are grown on forestry land or future water collection land. There is no exotic forestry in the existing water supply catchment areas.

Under the WRWB Act, different activities are allowed in forest areas compared to water collection areas. Activities in water collection areas are much more restrictive. Section 52 of the WRWB Act allows for the granting of permits for temporary occupation in any water collection or forestry area. While "temporary" is not defined, it would be difficult to construe that a wind turbine erected for an expected life of 20-25 years could be considered temporary. More permanent activities are currently allowed only in forestry areas.

When the WRWB Act was drafted over 30 years ago, there was no water treatment as we know it today - only the addition of chlorine. Hence, effectively precluding commercial or industrial activities in the catchments was very appropriate. Though provision was made in section 30 of the WRWB Act for surplus water to be sold for "motive power", there is no provision for hydro generation other than by the administrator of the WRWB Act. A couple of small sites for hydro generation using a run of river approach exist within the water catchments but are not currently viewed as being economic. At present, an electricity generator would be precluded from constructing these.

A detailed legal analysis of the status of GWRC landholdings that may be suitable for sustainable energy development is contained in **Attachment 1**. It concludes that it is not possible to grant easements over land set aside for water supply purposes. With wind generation costing in the order of \$1.6 million a megawatt of installed capacity, a generator is likely to require some security for its resource. One of the usual ways of achieving this on another person's land is by way of an easement.

For GWRC forestry areas an easement can be granted at present but some possible issues under section 40 of the Public Works Act are alluded to in the legal analysis.

An area in the Puketiro forest that adjoins the Battle Hill Regional Park appears to be very promising for wind generation with the order of 25 MW available. The area though is currently classified for water supply purposes. All up, it is expected that Council land which comes under the WRWBA will have the potential for at least 100 MW of wind generation. GWRC needs to protect its position with respect to sustainable energy generation in both water collection and forestry land.

It is concluded that changes should be sought to the WRWB Act to allow for sustainable energy development. Such changes though would not override any of the provisions in the Resource Management Act.

#### 4. **Changing the WRWB Act**

An initial appraisal by GWRC's solicitors suggests that the best way to proceed is by changing the WRWB Act to contain many of the provisions in the Reserves Act 1977 and the Electricity Act 1992. Specifically this would then allow for electricity generation and directly associated activities. It could preclude activities on water catchment land that are not part of any electricity development. Thermal generation could also be precluded.

**Attachment 2** is a set of notes prepared by the Office of the Clerk of the House of Representatives that gives a summary of the procedures for changing an Act of Parliament that is specific to a local issue. The time required to change an Act (or introduce a new Act) can vary considerably but it is unlikely to be less than six months, unless the Government deems the issue to be particularly urgent. A realistic timeframe is possibly 12 months or more.

#### 5. **Communication**

If GWRC decided to proceed, it would be appropriate to issue a media statement.

#### 6. **Consultation**

There are extensive consultation provisions in the Act amendment procedure and it would normally be expected that the Select Committee of Parliament considering the Bill would call for submissions.

No consultation has been carried out to date.

#### 7. **Recommendations**

*That the Committee recommend to Council that it:*

1. *receive the report.*
2. *note the contents of the report.*
3. *approve the drafting of a Bill that would allow for sustainable energy development on Greater Wellington Regional Council land that is designated for water catchment or forestry purposes under the Wellington Regional Water Board Act 1972.*
4. *direct that, once a Bill is drafted, it be referred to the Committee for further consideration together with an update on the potential 'WRBA' land sites.*

Report prepared by:

Report endorsed by:

Report endorsed by:

**M D Kennedy**  
Project Manager  
Renewable Energy

**David Benham**  
Divisional Manager  
Utility Services

**Geoff Dick**  
Acting Divisional Manager  
Landcare

Report approved by:

**Howard Stone**  
General Manager

**Attachment 1:** Oakley Moran letter

**Attachment 2:** Promoting a local Bill, Office of the Clerk of the House of Representatives