BEFORE THE HEARINGS PANEL

UNDER	The Resource Management Act 1991
AND	
IN THE MATTER	of Hearing of Submissions and Further Submissions on the Proposed Porirua District Plan - Hearing Stream 4: Infrastructure

STATEMENT OF EVIDENCE OF GARY ALAN SCHOLFIELD ON BEHALF OF POWERCO LIMITED

Dated 21 January 2022

INTRODUCTION

[1] My full name is Gary Alan Scholfield.

[2] I am employed as Environmental Planner by Powerco Limited (**Powerco**) and have worked in this role since January 2020.

Qualifications and Experience

[3] I hold a Bachelor of Resource and Environmental Planning Degree from Massey University (1999). I have been engaged in the field of resource and environmental management for over 22 years however I wish to note that this evidence is not given as expert evidence, but rather in my capacity as an employee of Powerco. Mr Chris Horne will present expert planning evidence in connection with Powerco's submissions.

[4] In my current role I hold primary responsibility for managing submissions on District and Regional plan changes, bylaws and third-party resource consent applications across the Powerco network footprint[1]. I have also assisted with a number of resource consent applications and Notices of Requirement to designate Powerco substations and line routes.

[5] Between October 2010 and April 2017, I worked for Powerco in roles where I held responsibility for securing resource management approvals and property rights for network development and renewal projects. Having worked for Powerco for a number of years, I have a very good working knowledge of the Company's operations, assets and strategic direction, including the gas distribution networks located in Porirua City.

[6] I had direct involvement with the preparation of Powerco's submissions and further submissions on the Proposed Porirua District Plan (**PDP**).

[7] I am authorised to present this evidence on behalf of Powerco.

[1] The Powerco footprint includes 6 regional councils and 29 territorial authorities.

STRUCTURE OF EVIDENCE

[8] The purpose of my evidence is to:

(a) Provide an overview of Powerco and its networks within Porirua City.

(b) Explain gas customer connections.

(c) Provide some examples of existing assets that Powerco operates within Significant Natural Areas.

POWERCO'S BUSINESS AND DISTRIBUTION NETWORKS

Overview of Powerco

[9] Powerco is a New Zealand based energy company which distributes both electricity and natural gas. Powerco was formed following the 1999 electricity industry reforms when it decided to become a "network business" (or lines company). During this time, it sold its generation and retail businesses, and grew its distribution operations.

[10] The Powerco electricity networks can be found in the Coromandel, Bay of Plenty, South Waikato, Taranaki, Wanganui, Manawatu and the Wairarapa. It has gas networks in Taranaki, Manawatu, Hawkes Bay and Wellington.

[11] Our networks deliver electricity and gas around the North Island from the national electricity transmission network owned by Transpower and the natural gas transmission system owned by First Gas Limited.

[12] Powerco keeps the lights on and gas flowing to around 1.1 million customers, across 452,000 homes, businesses and organisations. Our networks cover more than 30,000km and we support the

economy by supplying a safe and reliable supply of energy to some of New Zealand's biggest industries.

The New Zealand Natural Gas System

[13] The natural gas system in New Zealand is an interconnected system that comprises several distinct activities. While the upstream aspects of the system, namely production and transmission seem to be understood at a high level, the understanding and importance of distribution networks is often left wanting. Figure 1 below contains a simplified diagram of the natural gas system in New Zealand.

Figure 1 - The New Zealand Natural Gas System

Supply of Natural Gas to Porirua

[14] When looking at the supply of natural gas to Porirua, various on and offshore production plants in Taranaki produce gas that is processed and injected into the Transmission network owned by First Gas. The Transmission network operates at a high pressure and transports gas to a number of main centres across the North Island, including Porirua.

[15] Powerco takes supply from the transmission network at 'delivery points' which are generally located on the periphery of main cities. Porirua City is served by two primary delivery points which are located at Pauatahanui and Waitangirua. The Powerco networks then transport that gas (dropping pressures along the way) to each customer within Porirua.

[16] It is therefore evident that Powerco's networks are critical to the supply of natural gas to Porirua. This criticality is reflected in the fact that Powerco assets are classified as a "Lifeline Utility" under the Civil Defence Emergency Management Act 2002.

[17] Furthermore, our assets are also explicitly recognised in the Wellington Regional Policy Statement as 'Regionally Significant Infrastructure' which includes pipelines for the distribution of natural gas.

CUSTOMER CONNECTIONS

[18] Customer connections are an essential part of our network that provide an individual supply of natural gas to homes, businesses and industries for uses such as hot water, cooking, heating and process heat. A customer connection usually comprises an underground pipe that connects to a gas main located in the road in front of the property.

[19] This underground pipe will extend up to the building that is being supplied with natural gas, at which point an above ground pipe (or riser) will be installed. This riser will have various fixtures and fittings attached such as pipe supports, shut-off valve, pressure regulator and a meter before pipework extends into the building to connect to various appliances. A cover is typically installed over these fixtures and fittings where they are located on residential and small commercial installations.

[20] The location of the fixtures and fittings associated a customer connection is determined under the requirements of Powerco's Gas Operations Standard (an internal standard). Factors such as the distance to openings and potential sources of ignition along with safety, reliability and operational efficiency will be considered when positioning such equipment. Generally speaking, Powerco seeks to have the equipment located no more than 3m from the front face of residential buildings.

[21] One important aspect to note that is that Powerco provides customer connections to buildings where requested by a customer. As such, this may mean that our networks need to pass through areas or be attached to buildings that have historical and / or cultural values. It is vital that an appropriate consenting pathway is provided for such installations.

[22] A project recently undertaken in Wellington City sought to increase the pressure across the CBD network to remove limitations and inefficiencies of existing network, improve reliability and cater for load growth. This required all affected customer connections to be upgraded (typically new risers and relocated regulators) to enable operation at new pressure, including several installations located on listed heritage items.

[23] As a result of the rules in the Wellington District Plan, a number of resource consents had to be sought to allow these minor changes on listed heritage items. While consents were granted, I question whether a blanket requirement for upgrades on heritage items to require resource consent is effective or efficient. I note that the majority of consent conditions associated with the Wellington upgrade were 'standard'. While a few consents had a requirement for the pipework to be colour matched to the building (which could easily be a permitted activity standard), I do not feel that having to go through the resource consent process led to better heritage outcomes.

ASSETS IN SIGNIFICANT NATURAL AREAS

[24] Much like heritage items and areas, Powerco has existing assets that pass through areas that are identified as Significant Natural Areas (**SNAs**) in the PDP. Two examples are provided in Attachment A which include extracts from Powerco's GIS system along with the corresponding extract from the PDP Maps.

[25] As often happens with infrastructure, the Schedule of SNAs contained in Schedule 7 does not acknowledge this existing infrastructure. In some respects, I think this demonstrates that

infrastructure can be located in such environments without causing adverse effects – or that such areas are at least capable of regenerating following construction activities.

[26] As Powerco has existing assets, including strategic assets, located within SNAs, it is essential that an appropriate consenting pathway is provided for operation, maintenance and upgrade of existing assets within SNAs.

[27] For new assets we would generally seek to avoid such SNAs wherever possible when planning out a new route or customer connection. However, it may be impossible to avoid such areas depending on where our existing network is located and where the new network needs to get to. As such, an appropriate policy and rule framework needs to be established to ensure such proposals can be considered on their merits.

CONCLUSION

[28] For the reasons outlined above, it is clear that the Powerco networks located within Porirua are regionally significant. The requests Powerco has made via its submissions and further submissions are entirely reasonable to ensure continuity of gas supply to Porirua City.

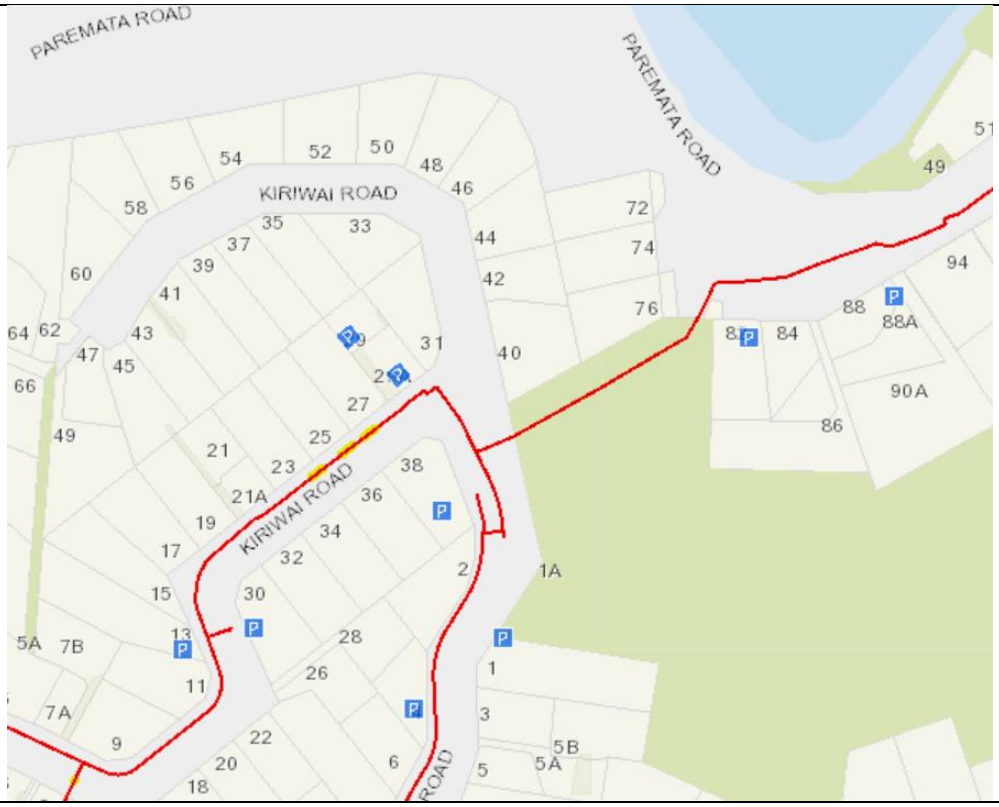
[29] The development of appropriate provisions will ensure the ongoing operation, maintenance and upgrading of the local gas distribution networks. This will have positive benefits to residents, businesses and essential services in Porirua City.

Gary Alan Scholfield
21 January 2022

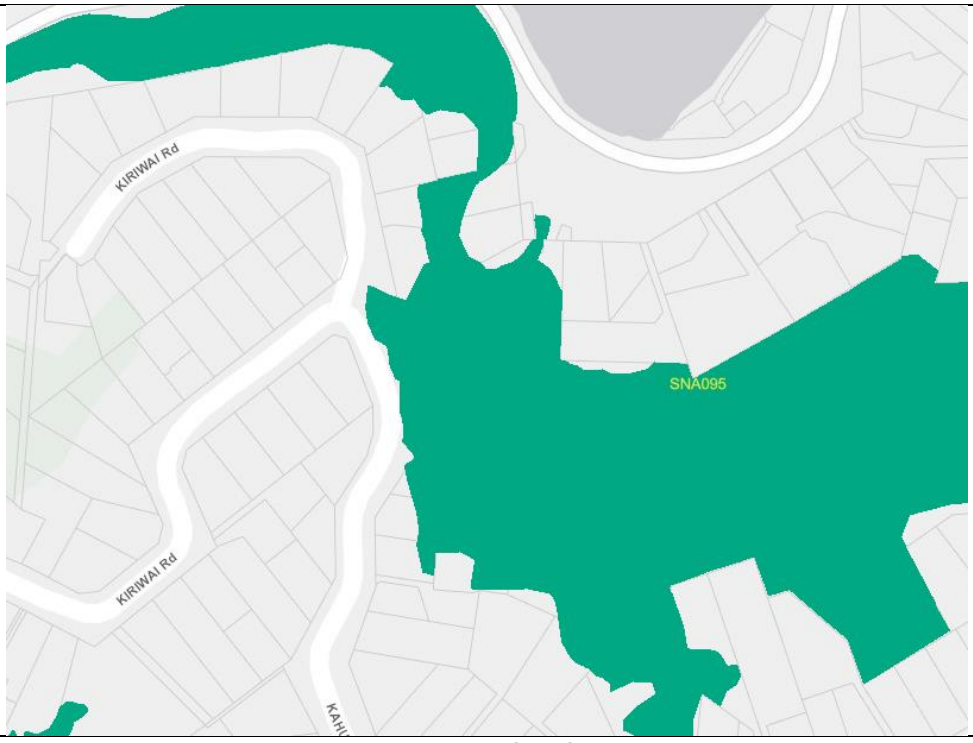
Attachment A

Examples of Powerco Assets in Significant Natural Areas

Example One – Kiriwai Road to Paremata Road

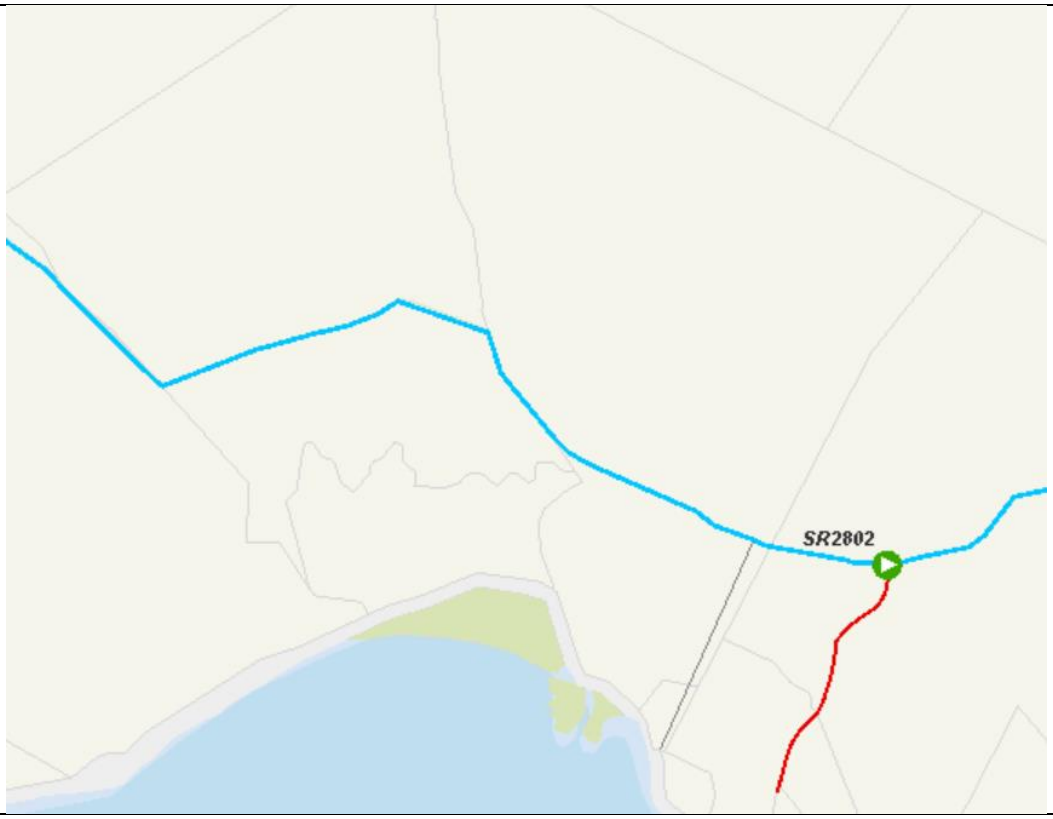


Powerco GIS – red line is a 100NB LMP (25-210 kPa) gas main

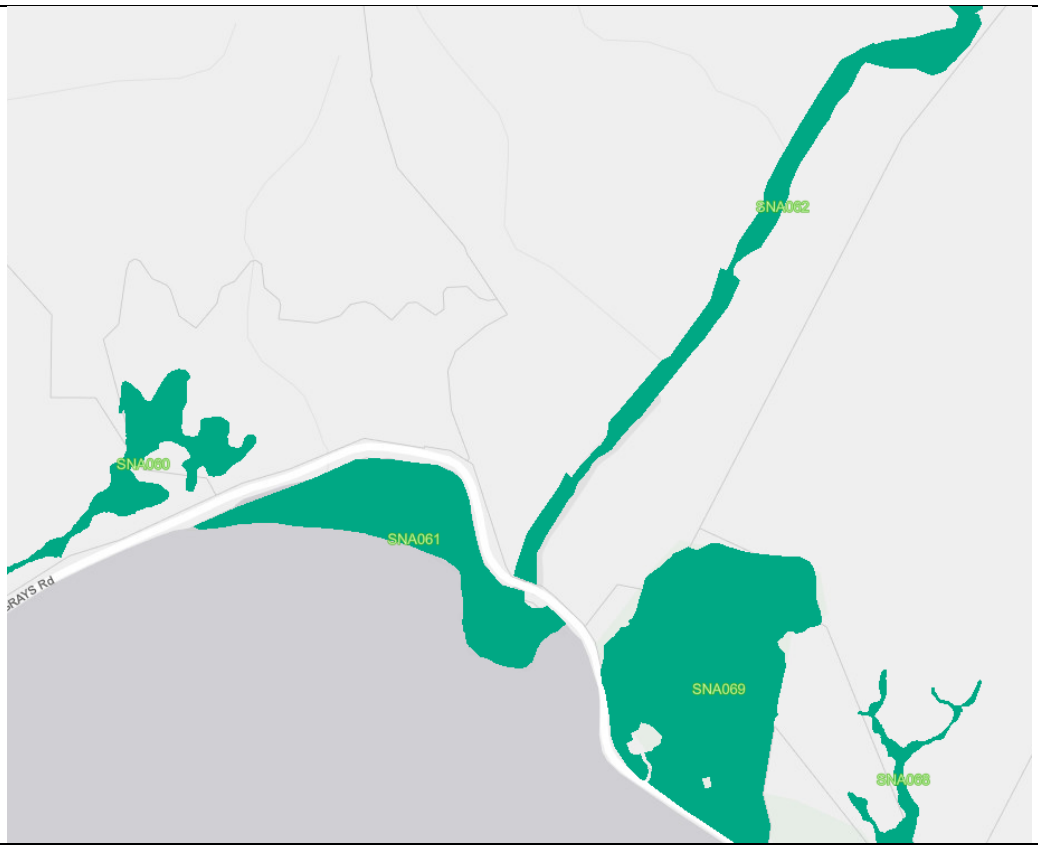


PCC PDP Maps – Showing SNA095

Example Two – Grays Road



Powerco GIS –	Blue line is a 50NB LIP (700-1200kPa) gas main – strategic line Red Line is a 15NB LMP (25-210 kPa) gas main



PCC PDP Maps –	Showing SNA062 (applies to blue line above) Showing SNA069 (red line runs down the edge)