



meridian

3 October 2016

Better Urban Planning Inquiry
New Zealand Productivity Commission
Wellington

By email to: info@productivity.govt.nz

Dear Sir/Madam

Submission - Better Urban Planning Draft Report

Thank you for the opportunity to provide feedback on the Better Urban Planning Draft Report.

Meridian Energy is a listed company that generates and sells electricity. Meridian generates electricity in New Zealand from two large hydroelectric schemes in the South Island (Waitaki and Manapouri hydroelectric schemes) and five windfarms (White Hill - Southland, West Wind - Greater Wellington, Mill Creek - Greater Wellington, Te Apiti - Manawatu, and Te Uku - Waikato).

Meridian makes the following main points:

- The draft report relies heavily on drawing a distinction between natural and built elements. This distinction however is limited to the natural and built elements of the urban setting. It ignores the natural and physical resources outside of the urban environment.
 - Taking electricity generation as an example it is a very significant user/provider of physical (built) resources and a very significant user of natural resources. The same point can be made for primary production and to a lesser degree tourism that occurs outside the urban setting. All of these activities are necessary to New Zealand's wellbeing and are regulated by the same legislation that the report reviews.
 - The consequences of the recommendation to separate the regulation/planning of the built and natural environment has not been articulated sufficiently for the urban setting purpose to allow for comment on the potential impacts. No consideration seems to be given to how this distinction (or a suitable modified version of the Resource Management Act) would apply outside of urban settings.
- Capacity, culture within council planning teams, governance arrangements and incentives of councils are issues that have a material impact on the quality, efficiency and effectiveness of planning process and of planning regulation. It is submitted that addressing these issues is likely to have significant potential for improvement of outcomes.
 - This should not be limited to urban councils and issues only.
 - It should be undertaken whether or not a legislative split between built and natural elements occurs.
- Greater prioritisation regarding land use and infrastructure is important and this is identified as a priority area for change in the report in the "*What changes are needed?*" section. The response however under "*A future planning framework*" is prioritisation for the natural environment. The response does not follow logically from the issue.

- Moreover the extensive set of matters that the Resource Management Act focuses on in sections 6 & 7 are dominated by natural protection matters, whereas there is very little in the way of built/infrastructure and development interests in those sections. A re-set of the current s 6 & 7 priorities is more relevant than a new subordinate document (GPS) that could be expected to simply re-states the current imbalance of values if there is no re-set.
- It is submitted that inclusion of infrastructure and development matters in s 6 of the Resource Management Act is necessary, whether other reforms are implemented or not.
- Prioritisation has been possible for some time via National Policy Statements under the Resource Management Act. This was also recommended to the Ministry for the Environment by the Technical Advisory Group on Infrastructure and Urban issues. It would be useful for the report to consider why those proposals have not been taken up and whether the current recommendation is superior and has a better chance of implementation.

Yours sincerely



Hamish Cuthbert
Sustainability & Environment Manager