

Our Reference: A1120289

Otago Regional Council Submission
to the
NZ Productivity Commission
on the
Low emissions economy Draft report April 2018

This is a submission to the NZ Productivity Commission on the Low-emissions Economy Draft report April 2018

The Otago Regional Council wishes to be heard in support of this submission if the opportunity arises.

Signature of submitter (or person authorised to sign on behalf of submitter):



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1. Executive Summary

- 1.1 As with other areas of New Zealand, Otago faces challenges with air quality in some of its communities, largely due to emissions from home heating.
- 1.2 Otago Regional Council (ORC) recognises it has a role in contributing to the national target objective of New Zealand achieving net-zero emissions by 2050.
- 1.3 ORC considers that the way in which we achieve lower emissions should be done in a way that has a positive effect on the economy and our communities' well-being.
- 1.4 Otago agrees with the three main drivers identified in the draft report:
 - Increase electricity use over fossil fuels
 - Afforestation
 - Reduce emissions from agriculture
- 1.5 ORC supports managing to have horticultural land uses near settlements as another way to contribute to a reduction in emissions.
- 1.6 Improvements in connectivity planning for larger developments, as well as improving electric driven car technologies, may also have a significant role to play in emissions reduction.
- 1.7 Otago's proposed Regional Policy Statement has a number of objectives and policies which support these drivers to a low emissions economy.

2. Replacement of fossil fuels with electricity

- 2.1 For Otago, an issue with the use of fossil fuels relates to home heating, particularly in urban areas that are cold, experience temperature inversions and have poor winter air quality. This problem is exacerbated by high levels of population growth and/or older housing stock with poor insulation. Some of these areas have high population growth, or are surrounded by food producing areas where pruned or diseased trees are burnt, all of which exacerbate existing problems.
- 2.2 ORC has been involved in initiatives to improve heating technologies and insulations of homes. Over the past ten years or so, monitoring has shown these initiatives had initial benefits in some air zones which breached national air quality standards, but uptake in recent years has dropped. It is important that funding continues to be made available for owners of older housing stock to better insulate and heat their homes.

- 2.3 New developments offer the opportunity to ensure the cleanest heating technologies are implemented, or even to ban some forms of solid fuel heating (e.g. heaters using coal). However, many developments are developer led, meaning they have no long-term vision for the impact of services such as fuel supply for heating. ORC has found that developers still want to retain household solid fuel heating systems, instead of low emission options, including community heating schemes.
- 2.4 ORC supports creating opportunities to convert from fossil fuel home-based heating systems to other heating technologies such as geothermal solutions or technologies that can be deployed at a communal level. Such technologies are well established internationally but have had a slower uptake in New Zealand.

3. Reductions in emission intensity in agriculture and horticulture

- 3.1 As well as initiatives being taken by government to reduce emissions from agriculture, ORC agrees that management of horticulture activities can also play a role in emission reduction.
- 3.2 The Otago region is an important producer of food, including of such fruits as cherries and grapes. Sometimes, there is a tension between where we source our food from, and the pressure to accommodate population growth. There is concern about the increasing costs of transport, as well as a growing public interest in food supply chains and having locally grown food available.
- 3.3 ORC agrees that there is an opportunity to achieve a better balance between where food is grown and population growth areas. Enabling horticultural activities close to areas of settlement, including high growth areas, can contribute to reducing domestic 'food miles' and provide for greater food supply chain resiliency.

4. Afforestation

- 4.1 ORC is supportive of afforestation as a technique to respond to New Zealand's responsibilities in responding to climate change. However, it is important to ensure that unintended consequences are identified and minimised in the decision-making process.
- 4.2 Otago has a number of dry, 'water short' catchments where there is not enough water available to meet demand. Landholders and communities are required to manage their activities, including water use, in recognition of limited water availability. This may mean rationing of water takes during extended dry periods.

- 4.3 Large forestry plantings can have significant impacts on water short catchments and water bodies, particularly as the plantations begin to mature and during harvest. Mature trees require significant quantities of water to survive and grow, and this water may not be available to water takers lower down in the catchment. Plantation forestry should only occur where this impact can be avoided or minimised.
- 4.4 Further, in Otago some areas of land suited to plantation forestry include catchments that support threatened indigenous fish species. The National Environmental Standard for Plantation Forestry should ensure that forestry activities are located away from such sensitive water bodies providing indigenous fish habitat.

5. Transport

- 5.1 Otago shares a Regional Land Transport Plan (RLTP) with Southland. The current plan is being reviewed and is expected to be adopted by both regions' Regional Transport Committees by the end of June 2018.
- 5.2 The RLTP addresses objectives and policies to better provide for non-motorised modes of transports (such as walking, cycling) and connections within and between large residential developments.
- 5.3 Well designed and connected developments can help reduce demand on emission from fuel powered transport as well encouraging other options to private car use.
- 5.4 Fully electric powered cars are taking increasing share of the private motorcar market, particularly as battery technology is making this option more attractive to motorists.
- 5.5 ORC supports actions which enable the uptake of low energy emission vehicle technologies by the public. Such infrastructure (including public charging stations) must be well planned and provided in a timely way as more people buy such vehicles.

End.