



Submission in Respect of a Resource Consent Application under section 96 of the Resource Management Act 1991

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Date Received:
Submission No:
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Person or Organisation making Submission

Full Name: **Major Electricity Users' Group**

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Resource Consent Application

Applicant Name: Genesis Power Limited T/A Genesis Energy

ARC Consents: Stormwater (34450 & 34451), Earthworks (35542), Works in a Watercourse (34447), Water Take (32077), Industrial Trade Process (34687 & 34448), Discharge Other (34448), Wastewater Discharge (34417, 35616 & 35617), & Discharge to Air (34213), Divert/Discharge Groundwater (35637)

File References: 19989, 19986, 19987, 19988, 18850, 19878 & 20556

RDC Consents: Land Use Consent for Air Discharge (53883), Land Use Consent (53884)

Closing Date for Receipt of Submission: 16 May 2008

Submissions to the ARC consents must be received by the ARC no later than 4.00 pm on the closing date.
Submissions to the RDC consents must be received by the RDC no later than 4.00 pm on the closing date.

Submission

I/we support / am/are neutral / oppose the application(s) (Please ✓) Support Neutral Oppose

I/we wish to be heard in respect of our submission (Please ✓) Yes No

Please state reasons for submission on page 2

Signature

Name **RALPH VICTOR MATTHES**
(In block letters) person authorised to sign on behalf of submitter

Signature

Position **EXECUTIVE DIRECTOR** _____ Date **16 May 2008** _____
(Where applicable, eg. Manager)

Note

- You are required to send a copy of this submission to the applicant as soon as is reasonably practicable;
- It is very helpful if we know the location of your property in relation to the site of the application. If possible, please attach a copy of a locality/street map or a sketch map showing the location of your property. If the application relates to taking water or discharging wastewater and you are a water user, also indicate the source of your supply on the map - include any nearby streams, bores or dams and indicate road names and property boundaries/owners.
- This form may be used, but its use is not essential.

Please state:

- The decision you would like the Council to make
- Your reasons for making this submission
- Any conditions you would like to see attached to the consent if it is granted

The Major Electricity Users' Group (MEUG) comprises 20 of NZ's largest and medium sized companies with an interest in robust policy decision making to facilitate efficient use and pricing of electricity. A full list of MEUG members can be found at <http://www.meug.co.nz/Site/about/memberlist.aspx>. Collectively members of MEUG consume approximately 29% of total power used in NZ.

MEUG support Genesis Powers' proposed Combined Cycle Gas Turbine (CCGT) power station at Rodney because:

- (1) Both the commercial and household sectors of the NZ economy rely on reliable and competitively sourced and delivered electricity. As the economy and population grows, more power stations and transmission lines will be needed. Some of the increased demand for power will be met by local generation and more efficient use of power by consumers as machinery and appliance technology improves. There will also be new demands for electricity such as for electric vehicles. For all possible scenarios, new large power stations such as the CCGT for Rodney will be needed and will be desirable because they have significant economies of scale.
- (2) While a gas fired CCGT plant at Rodney will make a significant contribution to the whole economy, it will also be very important for improving security of supply to Auckland and regions north of Auckland. Security of supply to Auckland is relatively fragile compared to other equivalent sized cities overseas. Upgrades to the Otahuhu substation and planned new transmission lines through the Waikato will help, but those are prone to delays in being implemented mainly because new transmission lines have material effects on the environment and communities compared to CCGT plant. Transmission lines are more reliable than individual power stations; but when they do fail the effects can be very large. On the other hand the market is better at managing for the greater frequency of power stations having unplanned outages and the impact is much lower. The best solution for improving security of supply for Auckland and areas north of Auckland is to have a mix of transmission and generation solutions. A new (or preferably several) CCGT power stations in the Auckland region coupled with appropriately sized new transmission upgrades would definitely improve security of supply. This improvement for security of supply to Auckland and north of Auckland is a very important benefit accruing to the Rodney power station proposal.
- (3) MEUG has no expertise or knowledge on any local effects on the environment and needed mitigation by Genesis Power. Therefore we have no comment on those matters apart from making the observation that the CCGT proposal would have a much lower impact on the natural environment than a wind farm sited anywhere in NZ with equivalent annual power output; mainly because of the large visual amenity disbenefits associated with wind farms.
- (4) MEUG is aware of and is participating in the broader policy debate on climate change. While climate change effects are not a factor to be considered as part of these consent applications, MEUG notes the following for information. A new CCGT power station in Auckland will reduce coal burning at Huntly power station because the new plant will be offered in at base-load (ie 100% to get the best thermal conversion efficiency) leaving the Huntly coal fired units to be swing suppliers in the market rather than base-load. This change will reduce New Zealand's CO2 emissions compared to the case where the Rodney plant is not built.

In conclusion MEUG recommends the ARC grant the consents requested by Genesis Power for a CCGT power station at Rodney subject to appropriate conditions being set to mitigate local effects

Please continue on separate page if required