

27 February 2013

Local Government and Environment Committee  
Parliament Buildings  
WELLINGTON 6011

Dear Sir/Madam

## Submission on the Resource Management Reform Bill

---

This submission on the *Resource Management Reform Bill* ("the Bill") is from the Petroleum Exploration and Production Association of New Zealand ("PEPANZ"). PEPANZ represents private sector companies holding petroleum exploration and mining permits, service companies and individuals working in the industry. PEPANZ members account for more than 95% of New Zealand's hydrocarbon production.

PEPANZ's focus in policy matters is ensuring New Zealand has a high-quality and stable regulatory environment to attract and retain quality investment in petroleum exploration and production.

We wish to appear before the committee to speak to our submission. I can be contacted at 04 472 1994 and [david.robinson@pepanz.com](mailto:david.robinson@pepanz.com).

### Submission

PEPANZ welcomes the opportunity to comment on the Bill and this submission addresses the following matters:

- Making the direct referral process clearer (clauses 13 and 33)
- A streamlined consenting process for 'medium sized projects' (clauses 13 and 33)
- Changes to the way local authorities assess the merits of proposed policy statements and plans (clause 69)
- Revised information requirements for applications for resource consents – new Schedule 4

### ***Making the direct referral process clearer***

We note the 2009 amendments to the RMA introduced a process for referring resource consent applications directly to the Environment Court. The Bill proposes a number of improvements and clarifications to this process and enables regulations to set an investment threshold above which councils cannot refuse a request for direct referral to the Environment Court. Experience with the RMA suggests that some types of projects lend themselves naturally to proceeding directly to the Environment Court, i.e., those where decisions would be appealed by either side.

PEPANZ supports the proposed amendments to sections 87E and 165ZFE to require councils to grant requests to refer applications for resource consent directly to the Environment Court if the value of the investment involved is likely to meet a threshold prescribed in regulations. We would welcome consultation taking place on the threshold to be prescribed in regulations.

### ***A streamlined consenting process for 'medium sized projects'***

The Bill provides for the streamlining of notified resource consent applications and introduces a six-month consent timeframe for “medium-sized projects” (consent applications that are notified or limited notified). This is given effect to through a range of changes to process provisions in the RMA. Under the proposed timeframes, publicly notified resource consent applications would be decided within six months of lodgement and limited notified applications would be decided within approximately four and a half months. Expeditious processing of resource consent applications and clear timeframes for processes are important to support investment in all sectors, including the upstream petroleum sector. PEPANZ accordingly supports these proposed changes to the RMA.

### ***Changes to the way local authorities assess the merits of proposed policy statements and plans***

The Bill proposes changes to sections 32 and 32AA of the RMA, which govern the matters that must be evaluated when assessing the merits of a proposed plan or policy statement. We note the new section 32 would clarify and expands on the matters that must be considered, with a particular emphasis on anticipated economic effects and opportunity costs. Section 32AA sets out the requirements for undertaking and publishing further evaluations.

PEPANZ supports changes that would improve the quality of section 32 reports and the rigour of analysis undertaken. We support the changes proposed in the Bill.

We recognise the capacity, capability and resourcing issues facing councils in relation to carrying out section 32 analysis and note the successful implementation of the proposed changes will rely on appropriate resourcing being employed.

### ***Revised information requirements to accompany applications for resource consents – new Schedule 4***

The Bill proposes a new Schedule 4 to the RMA. This has been reframed to include all information required in an application for resource consent. PEPANZ generally supports the revised requirements in Schedule 4 though notes that being able to prove in advance that performance standards (where specified) will be met, thus making a particular activity permitted, may be difficult. We note such matters are usually appropriately treated as compliance issues stemming from management of other related resource consents.

We note also that whilst the matters listed would naturally form part of more substantial consent applications care has to be taken to avoid imposing additional costs on individuals and smaller companies in the context of modest proposals. For example, requiring an applicant for a controlled consent to provide an assessment of an activity against the relevant provisions of the Regional Policy Statement, the Regional Plan, National Policy Statements, national Environmental Standards and various regulations would be unnecessary. We suggest consideration is given to providing a clearer outline of what is required by way of information for different types of consents.

Yours sincerely

David Robinson  
Chief Executive