

27 April 2018

Submission on the Proposed Taranaki Regional Coastal Plan
Taranaki Regional Council

PEPANZ Submission: Proposed Regional Coastal Plan for Taranaki

This document constitutes the Petroleum Exploration and Production Association of New Zealand's (PEPANZ) submission in respect of the Proposed Regional Coastal Plan, which was released by the Taranaki Regional Council in February 2018. PEPANZ represents private sector companies holding petroleum exploration and mining permits, service companies and individuals working in the industry.

Overarching comments

Introduction

PEPANZ welcomes the opportunity to provide a submission on the Proposed Coastal Plan. We appreciate the iterative process taken by the Regional Council leading up to this formal notification, which has meant the notified version of the plan is good shape overall. PEPANZ has provided comment on several occasions, first in November 2016.

This submission generally supports the plan, but recommends changes to:

1. align decommissioning policy with the International Maritime Organisation's guidelines on decommissioning and the direction the Central Government is moving in;
2. permit air discharges with negligible effects before the discretionary classification is triggered; and
3. use clearer wording in relation to effects on natural character
4. the definition of Regionally Important Infrastructure to include storage facilities.

We also recommend that noise limits are not changed in the absence of a proven problem with the status quo; and

These points are outlined fully in the attached table.

PEPANZ supports all other petroleum-related provisions in the Proposed Plan that are not explicitly mentioned in the attached table.

Table 1: Submission on the Proposed Coastal Plan

SECTION	SUMMARY OF SECTION	INITIAL POSITION	SUBMISSION POINTS WITH RATIONALE
Policy 3: Precautionary Approach	Adopt a precautionary approach, which may include using an adaptive management approach, where the effects of any activity on the coastal environment are uncertain, unknown, or little understood, but potentially significantly adverse.	Support	Focussing the precautionary approach on “potentially significantly adverse” effects adds a materiality concept which is useful, to only drive caution when it is necessary based on likely risk.
Policy 6: Activities important to the well-being of people and communities	Recognise and provide for new and existing infrastructure of regional importance or of significance to the social, economic and cultural well-being of people and communities in Taranaki, subject to appropriate management of adverse environmental effects.	Support	It is appropriate that ‘Activities important to the well-being of people and communities’ are recognised and provided for, and that oil and gas is included. Oil and gas provides energy security to the country and contributes 40% of Taranaki’s GDP, giving Taranaki the highest regional GDP per capita in New Zealand. The sector is highly productive and well-paid. It also makes significant regional contributions through social investment.
Policy 9: Natural character and natural features and landscapes	The section outlines the ways in which adverse effects on natural character and features are avoided, remedied or mitigated.	Support with amendment	Acknowledging that some of the language is used in the NZCPS, we submit that it would be more appropriate to use clear and objective language such as avoid, preserve, protect, enhance, restore, rather than subjective language such as "sympathetic". As currently drafted, the Policy is worded in the negative and positive. It would be better to have this worded so that it refers to positive actions such as maintain, minimise etc.

			<p>We suggest replacing certain phrases with more direct language, as follows:</p> <ol style="list-style-type: none"> 1. <i>is of an appropriate form, scale and design to be sympathetic <u>minimise effects on the character, visual amenity and quality of</u> to the existing landforms, features and vegetation (excluding high visibility markers required for safety or conservation purposes);</i> 2. <i>contributes to the enhancement <u>ment</u> or restoration of natural character;</i> 3. <i>is compatible with the existing level of modification to the environment, including by having particular regard to Policy 1;</i> 4. <i>is appropriate for the context of the area within the surrounding landscape, its representativeness and ability to accommodate change;</i> 5. <i>is of an appropriate form, scale and design to be sympathetic <u>minimise effects on the character, visual amenity and quality of</u> to the existing landforms, features and vegetation (excluding high visibility markers required for safety or conservation purposes).</i>
<p>Policy 38: Removal of coastal structures</p>	<p>Decommissioning and removal of any new structure will be planned for as part of the initial design and installation.</p> <p>Structures will be removed from the coastal marine area at the expiry of their authorisations or at the end of their useful lives, unless one or more of the following applies:</p> <ol style="list-style-type: none"> a) removal of the structure would cause greater adverse effects on the 	<p>Support with amendment</p>	<p>POINT 1.</p> <p>We support what we understand to be the intent of the policy. However, the text “structures will be removed... unless one or more of the following applies” is ambiguous. The current wording could be read as if the Regional Council <i>imposes</i> a requirement to leave it there if an item in the list is triggered. We presume, however, that the policy is meant to allow the operator to <i>apply</i> to leave structures or parts of structure in place if one of the items in the list can be met.</p> <p>The text could be amended to say something to the effect of “Structures will be removed. Applications to abandon material <i>in situ</i> or elsewhere in the coastal marine area can be made if one or more of the following applies.”</p> <p>We support the activity classification in Rule 46, which specifies that structure or demolition are discretionary.</p> <p>---</p>

	<p>environment than leaving it in place;</p> <p>b) the structure is an integral part of an historic heritage site or landscape;</p> <p>c) or the structure, or part of the structure, has reuse value that is considered appropriate in accordance with Policy 5.</p>		<p>POINT 2.</p> <p>We suggest that, in line with a comparative assessment, that further factors can be considered when making applications to leave materials <i>in situ</i>. This would also be consistent with the direction of Central Government’s proposed policy for structures in the exclusive economic zone. This is in line with the International Maritime Organisation’s 1989 guidelines¹ and include consideration of costs, technical feasibility and health and safety risks. We recommend the following considerations also be added to the Coastal Plan for consideration (from the IMO guidelines):</p> <p><i>“The decision to allow an offshore installation, structure, or parts thereof, to remain on the sea-bed should be based, in particular, on a case-by-case evaluation, by the coastal State with jurisdiction over the installation or structure, of the following matters:</i></p> <p><i>.1 any potential effect on the safety of surface or subsurface navigation, or of other uses of the sea;</i></p> <p><i>.2 the rate of deterioration of the material and its present and possible future effect on the marine environment:</i></p> <p><i>.3 the potential effect on the marine environment, including living resources;</i></p> <p><i>.4 the risk that the material will shift from its position at some future time;</i></p> <p><i>.5 the costs, technical feasibility, and risks of injury to personnel associated with removal of the installation or structure, and</i></p> <p><i>.6 the determination of a new use or other reasonable Justification for allowing the installation or structure or parts thereof to remain on the sea-bed.”</i></p> <p>POINT 3.</p> <p>It is unclear what the expectation will be with respect to planning for decommissioning and removal. It is recommended that this be clarified to allow for a description of general principles and options for decommissioning and removal of new structures. This will provide clarity to officials and operators that</p>
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¹ <https://cil.nus.edu.sg/wp-content/uploads/formidable/18/1989-Guidelines-and-Standards-for-the-Removal-of-Offshore-Installations-and-Structures-on-the-Continental-Shelf-and-in-the-Exclusive-Economic-Zone.pdf>

			a detailed decommissioning plan is not required at the time of applications for new structures.
Policy 32: Placement of structures	“where appropriate, should be made of, or finished with, materials that are visually and aesthetically compatible with the adjoining coast.”	Oppose	<p>Subjective policies like this are inherently difficult and “Aesthetic compatibility” may be difficult to measure. We appreciate that this is driven by policy directives in the New Zealand Coastal Policy Statement, but consider the Plan should be more specific.</p> <p>We suggest that it is more appropriate to use clear objective language. Our suggested wording to remove the subject elements is "<i>where appropriate, should be made of, or finished with, materials that are visually and aesthetically compatible with minimise effects on the character and visual amenity of the adjoining coast.</i>"</p>
Policy 42: Discharge of the foreshore and seabed	“Activities that cause disturbance of the foreshore or seabed will: Avoid significant adverse effects caused by the release of contaminants”	Support	We are comfortable with this policy, providing that Council has considered he routine discharge that affect the seabed (e.g. discharge of drill cuttings) are considered less than significant.
Rule 12 Seismic Surveying and Bathymetric Testing	Seismic surveys are permitted if the testing complies with the 2013 Code of Conduct	Support	This is appropriate, and operators comply with this under the EEZ Act’s Permitted Activity Regulations 2013. This promotes consistent policy across the territorial sea and exclusive economic zone.
Rule 17 Other discharges to air not provided for in Rules 15 and 16	Air discharges now all discretionary	Oppose	<p>We support treating flaring as a discretionary activity, but we request that Rule 17 is amended to permit discharges to air that have less than minor effects, before the discretionary classification applies. This is to enable the discharge of miscellaneous emissions without requiring consent.</p> <p>One option could be to include a permitted activity Rule for the flaring and venting of gas beyond a certain distance from the coast if the discharge is minor and temporary. The rationale for this exclusion is that the effects associated with offshore gas flaring and venting are negligible given the proximity to potentially affected parties and the dilution of the discharge in the air.</p>

			<p>Additionally, it may be appropriate to permit miscellaneous and minor emissions from tank vents or discharges from engines. A solution could be a permitted activity for emissions below a specified threshold. This would reduce the regulatory burden on the Regional Council in relation to processing consents for air discharges with negligible effects.</p> <p>Also of note is that the definition of “industrial trade premises” is vague and could include many things. One interpretation could even stretch as far as to include vessels, as they are typically “used for industrial or trade purposes. This may be farfetched, but it highlights the need to clarify this Rule and definition.</p> <p>To support the preference for a permitted standard, we draw attention to the drafting in Rule 66 of the current Wellington Regional Coastal Plan and the useful condition it employs:</p> <p><i>“The venting of draignage systems, not including the venting of trade wastes or sewage conveyance systems, is a Permitted Activity provided that the discharge complies with the conditions specified below.</i></p> <p>Conditions</p> <p><i>(1) The discharge shall not result in odour, gas, vapour or aerosols which are noxious, dangerous, offensive or objectionable to other users of the coastal marine area or adjoining land users as a result of its frequency, intensity or duration.”</i></p>
Rule 26 and 27 Exploration or appraisal well drilling		Support with Amendment	<p>We support these rules and activity classifications, but suggest the following amendments:</p> <ul style="list-style-type: none"> • To include the wording after point (a), Rule 26 “<u>.....unless the Applicant can show to the satisfaction of Council that drilling within these parameters would avoid any potential cumulative effects.</u>” • to align language in point (b) in Rule 26 by inserting “temporary exclusive” before “occupation of space in the common marine and

			coastal area". This would align with the use of "temporary exclusive" in Rule 27.
General Standards, Section 8.6(d)	This has changed the noise limits under (d) 10pm to 7am is now 40 dB LAeq, previously this would have been 45 dBA L10.	Neutral	We are unaware of issues with the current limit of 45 dBA that warrants the proposed stricter condition.
Definition of Regionally important infrastructure	"Regionally important infrastructure means infrastructure of regional and/or national importance and is: facilities and arterial pipelines for the supply or distribution of minerals including oil and gas and their derivatives"	Support with amendment	We recommend that 'storage' is included in the definition to cover storage tanks, i.e. amend to "supply, <u>storage</u> , or distribution"

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