Manawatu District Council
[via email]

Attention: Hearings Commissioners C/- Allie Dunn

1 December 2016

Dear Hearings Commissioners

Letter to Hearings Commissioners (Manawatu District Plan Change 55) on behalf of First Gas Ltd: Submitter Number 20 // Further Submitter Number 11

First Gas Ltd¹ (‘First Gas’) lodged a submission on proposed Plan Change 55 – District Wide Rules (‘PC55’) to the Manawatu District Plan. First Gas has reviewed the recommendations in the Section 42A Officer Report as they relate to First Gas’ submissions, and has opted not to attend the public hearings commencing 5 December 2016.

The purpose of this letter is to relay to the Hearings Commissioners some residual concerns with the Section 42A Report recommendations as they relate to First Gas’ submissions, and note its support for other recommendations. First Gas respectfully requests that these comments, and subsequent relief sought as outlined below, be considered by the Hearings Commissioner’s in their decision-making process on PC55.

In broad terms, First Gas’s submission and further submission sought to provide a land use management platform within the District Plan to:

- enable the operation, maintenance, replacement, upgrade, development and / or removal of its regionally (and nationally) significant assets and operations; and
- protect its’ regionally (and nationally) significant assets and operations from others’ land use activities.

1 Section 42A Report Recommendations - Supported

A number of submission and further points made by First Gas have been recommended to be accepted or accepted in-part in the Section 42A Report. These recommendations include the following:

- Retaining the definitions of ‘earthworks’ (to exclude trenching and back-filling), ‘regionally significant infrastructure’ and ‘minor upgrading’ (definitions);
- Providing for ‘replacement’ activities in the rule and policy framework (Policy 1.1);
- Recognising the benefits provided by network utilities beyond the district and their constraints in terms of locational, technical and operation requirements in the introductory text (3A.1), policy framework (Policy 1.4) and Assessment Criteria (3A.4.3a vii);
- Recognising the need to protect the operation, maintenance, replacement and upgrading of existing network utilities, including infrastructure of regional and national importance, and the planned development of new network utilities from the potential adverse effects of subdivision, use, development and land use activities (Objective 2 and Policy 2.3);

¹ Formerly Vector Gas Ltd
Rewording of Objective 3 related to protecting historic heritage and landscape values, as opposed to a blanket restriction on development (i.e. enables ‘appropriate’ development);

- Referring to no ‘practicable’ alternative locations where effects may be generated in sensitive areas (Policy 3.2);
- Not requiring vegetation replacement as a permitted activity standard where it may adversely impact on network utilities (Rule 3A.4.2j);
- Including new provisions to reflect that earthworks can compromise the safe, efficient and effective functioning of network utilities (Issue 3D.2, Objective 3 and Policy 3.2); and
- Including a new statement to the effect that the owner of the high pressure pipeline network should be advised of the intention to carry out works within 20m of the gas transmission pipeline.

First Gas respectfully requests that these recommendations be accepted for the reasons provided in the Section 42A Report.

2 Section 42A Report Recommendations – Amendments Sought

2.1 Stand-alone framework for network utilities

First Gas lodged submission points\(^2\) seeking the provision of rules for network utilities in the district-wide chapter, as opposed to the zone based rules also applying.

The Section 42A Report\(^3\) recommends that the submission points be rejected as the intention of PPC55 was for the relevant provisions in the zone rules to also apply. The Section 42A Officer Report explains that in the event that the zone rules were more restrictive, then those provisions were intended to apply. Further, the Officer Report comments that to enable a standalone network utilities chapter, additional matters would need to be included into the provisions of Chapter 3A, and that this is considered to be beyond the scope of the current plan change as notified.

In response to submission S3/007, the Officer Report recommends the insertion of text that clarifies that the zone rules do apply in addition to the network utility rules.

First Gas is of the opinion that the objective, policy and rule framework provided in Chapter 3A is appropriate to manage network utility activities from a land use perspective on a district-wide basis and should be a stand-alone chapter. Unless specifically referenced in Chapter 3A, the zone based rules should not apply to network utility activities in addition to the Chapter 3A rules. Chapter 3A as proposed (and recommended in the Section 42A Report) provides an adequate enabling and protective objective and policy framework, supported by a prescriptive rule framework.

Higher order planning documents require that regard should be had to the benefits of infrastructure of regional and national importance (and network utilities in this capacity) by recognising and providing for such infrastructure\(^4\). Those higher order documents broadly recognise that such infrastructure will generate

\(^2\) S20/005 (Introduction) and S20/018 (Rules)

\(^3\) Appendix 1, page 14 and 40.

\(^4\) RPS One Plan Objective 1, Policy 3-3
adverse effects, but that they also provide benefits to the district, region and beyond (of nationally important such as the gas transmission network). In this context, a stand-alone chapter to manage network utilities is considered appropriate to establish a baseline of effects which are deemed acceptable across the district, and also provide an easy point of reference for network utility operators.

In reviewing the permitted activity standards (3A.4.2), these are considered to adequately address effects generated by network utilities. It is noted these include:

- height, bulk and location restrictions in different zones (a–f, i);
- restrictions in respect of location around the National Grid Yard (g);
- compliance with industry guidelines and standards (h and k);
- for underground utilities, reinstatement of ground surfaces (j);
- restrictions for works associated with any network utility in sensitive areas scheduled in Appendix 1 – wetlands, river and lakes and their margins, indigenous areas, outstanding natural landscapes and trees and sites with heritage values (l);
- lighting effects (m);
- reflection effects (n);
- noise standards of the respective zones the activity is located in (p); and
- vibration effects (q).

First Gas considers permitted activity framework listed above is adequate to manage network utilities across the district. It also considers the relief sought is within scope of PC55.

**First Gas requests**: the text under 3A.4 Rules be amended as follows:

“The provisions in this chapter need to be read in conjunction with the District Plan Maps and relevant appendices, but supersede the zone provisions. The zone provisions shall only apply if specifically stated within this chapter.” (or words to this effect)

Rules in this chapter apply District-wide and the chapter needs to be read in conjunction with the District Plan maps, relevant appendices and provisions of the applicable zone.

### 2.2 Permitted activity rule for gas transmission activities up to 2000kPa

First Gas lodged a submission⁵ seeking an amendment to permitted activity rule 3A.4.1(f) to enable pipes and ancillary equipment for the transmission of natural or manufactured gas (as well as distribution) as a permitted activity up to 2000kPa.

The Section 42A Report⁶ recommends that the submission point be rejected on the basis that referring only to distribution is consistent with all neighbouring districts thereby providing consistency for plan users and utility operators.

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⁵ S20/020
⁶ Appendix 1, page 43
From an effects perspective, construction related activities for either a transmission or distribution pipeline are the same. It is the gauge pressure which is the key determinant from a risk perspective and First Gas effectively manages this risk. The design, operation and maintenance of First Gas’ high pressure gas transmission network adheres to AS2885: Pipelines – Gas and Liquid Petroleum which incorporates aspects of safety to be considered throughout the life of pipelines. First Gas operates its gas transmission network in strict adherence to these industry standards, and is required to comply with its technical requirements.

In addition to these industry-wide standards, First Gas also have a number of in-house developed safety procedures that are applied to complete work that is commensurate with AS2885: Pipelines – Gas and Liquid Petroleum as well as the New Zealand Health and Safety in Employment (Pipelines) Regulations 1999. The 1999 Regulations require all pipelines to be operated with a current ‘Certificate of Fitness’ issued by an independent Certifying Authority (currently Lloyds Register). Any changes to First Gas’ gas transmission network are required to be notified to Ministry of Business, Innovation & Employment under the requirements of the existing gas transmission pipeline authorisation.

Adherence to AS:2885 Pipelines – Gas and Liquid Petroleum and the New Zealand Health and Safety in Employment (Pipelines) Regulations 1999 ensures that First Gas’ activities will be undertaken safely. The safety of its employees’, contractors and the general public is of paramount importance to First Gas.

**First Gas requests**: that new and major upgrades of transmission pipelines and ancillary equipment should be provided for as a permitted activity up to 2,000kPa:

- Amend 3A.4.1f: Pipes for the distribution and (but not transmission) of natural or manufactured gas and liquid petroleum at a gauge pressure not exceeding 2000kPa including any necessary ancillary equipment such as household connections and compressor stations.

3 Closing Remarks

First Gas wishes to thank the Hearings Commissioners for reviewing this letter and considering content in relation to decisions to be made on PC55. First Gas is happy to provide clarity on any of the issues raised above, should there be a need.

Yours sincerely

[Signature]

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