



Strategy and Policy Committee Informal Workshop Pack

DATE: TUESDAY 15 JUNE 2021

COMMENCING AT TIME: 9.30 AM

VENUE: Council Chambers, Ground Floor, Regional
House, 1 Elizabeth Street, Tauranga

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The table below sets out the general subject of each paper to be considered while the public is excluded from the proceedings of this workshop, the reason for excluding the public, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for excluding the public:

Item No.	Subject of each paper to be considered	Reason for excluding the public in relation to each paper	Grounds under Section 48(1) for excluding the public	When the paper can be released into the public
3	PRESENTATION: Whakatāne River Climate Change Resilience Plan Process	Withholding the information is necessary to protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of the person who supplied or who is the subject of the information.	48(1)(a)(i) Section 7 (2)(b)(ii).	On the Chief Executive's approval.

Public Excluded Workshop

3	PRESENTATION: Whakatāne River Climate Change Resilience Plan Process	
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Informal Workshop Paper



To: Strategy and Policy Committee Workshop

15 June 2021

From: Freya Camburn, Senior Policy Analyst and Penny Doorman,
Programme Leader - Geothermal

Namouta Poutasi, General Manager, Strategy & Science
Julie Bevan, Policy & Planning Manager

Geothermal Programme Update

1. Purpose

To provide a programme update and outline the key drivers for progressing with the geothermal plan change process as currently scheduled.

2. Guidance Sought from Councillors

Direction on the preferred timing for progression of the geothermal plan change process.

3. Discussion

3.1 Background

The geothermal resource is managed under the Resource Management Act 1991 (RMA). The RMA gives regional councils the role of managing the taking, use, damming and diversion of geothermal water, discharges of geothermal water and gas, and the taking or use of geothermal energy.

The Regional Policy Statement (RPS) provides overall direction for geothermal management including sustainable management and the categorisation of geothermal systems from Development (e.g. Kawerau) to Protected (e.g. Waimangu).

RPS policies are given effect to through regional plans, including the Rotorua Geothermal Regional Plan and the Regional Natural Resources Plan. Regional plans set the rules for use of the geothermal resource. They include objectives, policies, rules on activities, allocation of resource use within limits, and things that must be considered in resource consent applications.

Council has previously endorsed a process for the review of the geothermal provisions of both the Rotorua Geothermal Regional Plan and the Regional Natural Resources Plan which will eventually be combined under one geothermal chapter of

the Regional Natural Resources Plan, currently scheduled to be completed towards the end of 2022.

The Tauranga System Management Plan and regional plan change provisions for Tauranga geothermal will be progressed through the Essential Freshwater Policy Programme to ensure an integrated approach to management of warm and cold freshwater. This was approved in principle by Strategy and Policy Committee on 6 August 2019.

3.2 Programme Update

Early in the regional plan review process staff identified areas of uncertainty where Council needed to do more work prior to progressing with any plan change.

Council has been gathering this supporting information for some time and a significant amount of work has now been completed or is being progressed through ongoing work programmes, setting the plan review process up with a strong foundation.

The following are some of the key milestones to support the plan change, further details of which are included in **attachment 1**.

- Rotorua reservoir model has been reviewed and updated with current data, with scenarios underway.
- Long term trends analysis in the Rotorua system reservoir conditions completed.
- Geothermal State of the Environment Monitoring Programme reviewed and a draft monitoring strategy in development.
- An Issues and Options Document and Science Summary developed for Rotorua.
- Extensive tangata whenua engagement undertaken in Rotorua including 9 hui and additional targeted hui with iwi authorities and the establishment of the Ahi Kaa Roa tangata whenua working group which has been meeting regularly for over two years.
- Rotorua community and stakeholder engagement initiated with a series of community workshops, hui and open days held and additional meetings with stakeholder and interest groups attended on request.
- Surface feature monitoring programme extended outside of the Rotorua system.
- Rest of region science summary, issues, objectives and policy approach drafted.
- Mātauranga Māori based technical report on Rotorua geothermal health completed.
- Wildlands Ltd and GNS Science desktop criteria assessment of Significant Geothermal Features completed.
- Identification of likely values and objectives for warm water to support engagement in the freshwater programme underway.
- Kawerau System Management Plan completed and review commencing.
- Operational improvements made for well safety, well maintenance, actual use monitoring and efficiency of geothermal allocation for consenting.

3.3 Drivers for the Geothermal Plan Change

In February of this year, Government confirmed its intention to reform the Resource Management system and replace the Resource Management Act with three new Acts, the Natural and Built Environments Act, Strategic Planning Act and Climate Change Adaptation Act.

Although reform is pending, management of the geothermal resource and its use will remain a requirement irrespective of the legislative framework wrapped around this. Use of geothermal resources is becoming increasingly appealing to many as a renewable energy source, particularly with the current focus on climate change and with the current central government focus on freshwater there is a risk that geothermal management could initially be put to the side. Having a robust management framework in place to sustainably manage the geothermal resource in this intervening reform period will be important, as the values, issues, science and communities of interest for most geothermal resources are quite specific and complex.

While this may mean modification to the policy framework could be required in the future, it is likely that any framework developed for geothermal would be able to be easily adapted to meet RM reform requirements.

Some of the key drivers for progressing with the geothermal plan change process as currently scheduled are outlined below.

3.3.1 Legislative requirements

The Resource Management Act 1991 *Section 79 Review of policy statements and plans* states:

(1) A local authority must commence a review of a provision of any of the following documents it has, if the provision has not been a subject of a proposed policy statement or plan, a review, or a change by the local authority during the previous 10 years:

(a) a regional policy statement:

(b) a regional plan:

(c) a district plan.

The Rotorua Regional Geothermal Plan became Operative in 1999, so is now over 20 years old. Although more recently developed, the Regional Natural Resources Plan became operative in 2008 and is similarly beyond the 10 year review cycle specified in the Resource Management Act.

In addition to RMA review requirements, the geothermal plan change is being progressed to give effect to the Bay of Plenty Regional Policy Statement. The Regional Natural Resources Plan needs to be reviewed to include specific policy and rules to achieve this.

The geothermal provisions of the Bay of Plenty Regional Policy Statement (RPS) became operative in October 2013, and plan changes were to have taken place by 2015 (Method 2 of the RPS). In 2015 the Regional Direction and Delivery Committee approved longer timeframes for the plan change to build knowledge about the systems, work that has now progressed.

In particular the RPS requires the development of System Management Plans for certain systems, development systems or any other system with allocation over 1000 tonnes per day of geothermal water. This currently includes for Rotorua, Kawerau and Tauranga.

3.3.2 Sustainable management of the resource

A key driver for the plan change is improved integrated and sustainable management of the resource. The Rotorua geothermal system is unique and vulnerable and while the Rotorua Geothermal Regional Plan has been successful in retaining the systems equilibrium, it is now outdated. It does not reflect drafting best practice and while the plan's overall objectives are clear, it is lengthy and repetitive and is difficult for Consents Officers to use. In some cases policies are ambiguous (eg. requirements for reinjection) and do not provide sufficient guidance, potentially leading to inconsistency.

Our understanding of the resource has improved and some of the provisions in the plan are now outdated and do not provide adequately for the sustainable management of the system. This includes allocation limits and provisions for the 1.5km mass abstraction exclusion zone. The plan also does not provide adequately for Mātauranga Māori, or for Māori customary uses (beyond what is provided for in the RMA).

The Natural Resource Plan provisions apply to all other geothermal systems. While these are less outdated than those for Rotorua, they still need review to include rules on System Management Plans, clearer guidance on allocation limits, protection of significant natural features, requirements for reporting, more guidance for development in Conditional Development Systems and provisions that embed Mātauranga Māori into management and decision making (as outlined in 3.3.1 above),

The plan review will also provide greater certainty to resource users, ensuring a greater level of protection where necessary, while enabling development where appropriate. Delaying the review potentially risks the sustainable management of the resource, particularly in Rotorua which is under increased pressure for development.

3.3.3 Relationships with Māori

The geothermal plan change has important implications for Māori, both as iwi, developers of the geothermal resource and as kaitiaki. Māori have a strong interest in geothermal and its management and have expressed their desire to see meaningful change for their communities as a result of the plan change process.

The initial focus on Rotorua geothermal system has meant that Māori engagement is well progressed. There has been significant commitment of time and energy from tangata whenua into the plan change process to date with good working relationships built as a result. There are clear expectations that the review is imminent and will include new provisions for Mātauranga Māori, and allocation that provides for increased use by Māori while protecting taonga.

A delay in progressing with this work programme risks damaging this relationship and may be viewed negatively by tangata whenua who have expressed some scepticism at Council's genuineness to bring about change.

It is acknowledged that Māori have previously raised concerns about any plan reviews progressing before ownership of the resource has been determined. This remains a risk regardless of RM reforms.

3.3.4 Reputational risks – industry and stakeholders

There is a long held view by some industry groups and stakeholders in Rotorua that Council is intentionally locking up the geothermal resource. Although inaccurate, with the reality being that it is more often financial and technical constraints limiting

development, the misconception has remained. As the geothermal plan change process has been widely engaged on and communicated, deferring the process now does risk exacerbating this perception. Additionally, with the impact of COVID on Rotorua's tourism industry, any restriction (real or not) on the city's economic prospects are likely to be poorly received. Should the geothermal plan change process be deferred a comprehensive communications strategy will need to be developed and carefully implemented.

4. Next Steps

If Council continues with plan change process within planned timeframes as shown in **Figure 1** below, next steps are:

- Commencement of engagement for other geothermal systems, this will include engagement with ahū whenua trusts in particular, and iwi authorities.
- Drafting the SMP for Rotorua and draft plan provisions for all systems. These documents will be presented to the Strategy and Policy Committee for their approval at the end of 2021.

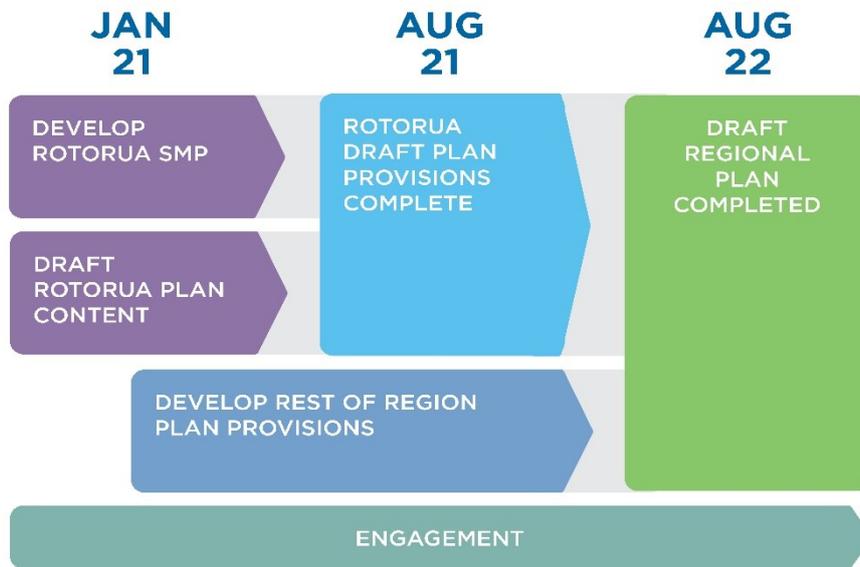


Figure 1: Broad process for regional plan review

The draft plan is currently scheduled to be completed towards the end of 2022. Resource Management reform timeframes are also currently scheduled for completion at the end of 2022.

Should Council's preference be to defer the formal plan change process to align with RM reform, next steps for the programme will focus on progressing supporting workstreams such as the development of system management plans for Rotorua and Tauranga and a review of the Kawerau System Management Plan.

Attachments

Attachment 1 - Geothermal Programme Update [↓](#)

Geothermal Programme Update - June 2021

The following overview provides a high level update of recent milestones in the geothermal programme.

Review of the Rotorua reservoir model

The BOPRC owned Rotorua reservoir model has been reviewed by GNS Science who have updated it with recent production and injection data. A further review of the updated model will be carried out by an independent contractor, following which, scenarios will be run to test allocation limits and reservoir pressures.

The reservoir model will be fundamental to inform the Rotorua System Management Plan and a future work focus will be uncertainty analysis where we can assess the level of confidence to be given the model.

Rotorua reservoir trends analysis

An assessment of long term trends in the Rotorua system reservoir conditions (pressure, temperature and chemistry) and surface feature behaviour is another substantial body of work now completed.

This included re-affirming the minimum geothermal aquifer level (MGAWL) limits for the reservoir. Understanding these trends is essential to understand the effect of use on the system and has implications for allocation limits set in the plan.

State of the Environment monitoring strategy

Staff are re-evaluating the geothermal monitoring programme to support geothermal policy development and implementation and long term State of the Environment Monitoring Programme SOE reporting. A draft monitoring strategy is to be produced which will consider SOE monitoring (monitoring wells, heat flow and surface features etc), and also support and provide guidance for monitoring requirements for resource consents and compliance (chemistry, down hole testing, calorimeter, actual use measurements etc).

Surface feature monitoring and reporting

GNS Science has commenced monitoring of surface features on Paehinahina Mourea block. Initial work will characterise physical and geochemical parameters and then routine monitoring will be undertaken. Council is now seeking to secure approval from Tikitere Trust and the Ngāti Rangiteore Koromatua Council to extend this monitoring programme.

A Science Snap Shot of all geothermal systems is being developed by GNS. A draft report was received in March. A report bringing together this information alongside identification of key issues, high level objectives and broad policy approaches is being drafted for approval by council prior to being used in the next phase of community engagement where the focus will be other geothermal systems in the region rather than the Rotorua system.

Mātauranga Māori based technical report

The Rotorua Ahi Kā Roa Working Group, with tangata whenua representatives from Ōhinemutu, Ngāpuna, Kuirau/Tarewa and Whakarewarewa, was established to ensure

the voice of these communities is heard through the plan change process. This roopu has been meeting regularly since 2019 providing input into the plan review process including the development of the issues and options discussion document for the Rotorua geothermal system.

Most recently members of the Ahi Kā Roopu have been working on the development of a mātauranga-based technical report which was circulated to their communities for feedback in December 2020. The Roopu have indicated they have sufficient feedback to now finalise the report and will present it to the Strategy and Policy Committee and Komiti Māori in the coming months.

Significant geothermal Features identification

Wildlands Ltd and GNS Science have completed desktop criteria assessment processes to identify geothermal surface features of significance. The consolidated list of features will be mapped and landowner contacts identified. Landowner consultation will be coordinated with release of the draft planning provisions and some field work may be necessary to confirm significance where this is requested by the landowner.

Improving efficiency of allocation

Two cross council internal workshops seeking solutions for improved efficiency of allocation and use of the geothermal resource has been held. Focus areas included technological efficiency in the production and distribution, behavioural issues and the need for further educational material to support consents, the development of a heat allocation tool for consenting and policy tools to reflect hierarchy of uses based on their productive efficiency (e.g. power plants, shared schemes, and individual users). Outputs from this work will be fed into system management plans and the wider plan review.

Principles for well safety

Guiding principles for dealing with well abandonment through consent conditions have been prepared and consent conditions are being drafted by Council's legal team for review. A draft Operational Agreement on well maintenance between Bay of Plenty Regional Council, Rotorua Lakes Council and WorkSafe has been prepared for consideration and signing by all parties.

Kawerau System Management Plan

The Kawerau System Management Plan (SMP) was approved by Council on 20 February 2018 and is an operational document provided to give guidance to the administration of resource consents on the system.

There is a need to review the Kawerau SMP to reflect current best practice on the system. The main consent holders have been advised of this need and staff will be seeking to commence the review process in the next few months.

Tauranga geothermal freshwater integration

Tauranga System Management Plan and regional plan change provisions are being progressed through the Essential Freshwater Policy Programme to ensure an integrated approach to management of warm and cold freshwater. This was approved in principle by Strategy and Policy Committee on 6 August 2019.

Item 1, Attachment 1

Details of how geothermal is to be integrated into the freshwater workstream is yet to be agreed in detail but staff are currently identifying likely values and objectives for warm water to support engagement.

Informal Workshop Paper



To: Strategy and Policy Committee Workshop
15 June 2021

From: James Low, Team Leader Policy (Freshwater)
Namouta Poutasi, General Manager, Strategy & Science

UPDATE: Essential Freshwater Policy Programme

1. Purpose

To update the committee on progress towards implementing requirements of the NPSFM 2020. In particular, to give an insight to some of the work in progress support future decision-making.

2. Guidance Sought from Councillors

Staff are presenting this material to help Councillors to build understanding of the programme and relevant knowledge base for future decision-making. Feedback is sought on whether this type of presentation assures Councillors that appropriate and timely progress is being made to support future decision making. We welcome all comments and thoughts that you have.

3. Programme Overview

Staff will provide an overview of how the multiple work streams within the programme are tracking at the workshop. Table 1 provides some highlights. An asterisk (*) indicates topics that will be discussed in more detail at the workshop, and some further explanation is provided in sections 3.1-3.3 below.

Table 1: Council's Essential Freshwater Policy Programme implementation progress

Key workstreams	Progress Highlights
RNRP design and integration	Draft RPS and RNRP structure presented to 4 May 2021 Strategy and Policy Committee meeting.
Kaupapa Maori	<p>*Establishing Nga Kaitohutohu (RMA focussed region-wide Māori technical advisory group) now. Seeking a first meeting in June.</p> <p>LTP decisions have set additional budgets. Staff are now considering how this could be best assigned across the region.</p> <p>Discussions with iwi and hapū continue.</p>
RPS and RNRP chapter reviews	Working draft chapter reviews were provided by consultants for staff review. These are now being finalised for discussion with this Committee and then advisory groups.
National Objectives Framework: vision, values and outcomes	<p>*Values maps and questions will be launched on Participate Bay of Plenty in July. This will help to inform setting visions and environmental outcomes for FMUs.</p> <p>*Outstanding water bodies – method of identifying outstanding and significant landscape and ecological values are well advanced.</p>
Water Quality	<p>Published technical report on River Water Quality state and trends in the Bay of Plenty: 2020 update. Lake and ground water quality updates will follow. These provide technical basis for setting Target Attribute States.</p> <p>An Expert Panel is being established to advise on water quality outcomes of different management options.</p>
Surface water quantity	<p>*Accounting tool completed and to be made public shortly.</p> <p>*Technical report on Minimum flows for ecological health complete. Methodology for take and minimum flow limit setting options established.</p>
Groundwater	<p>Published technical report on Hydrogeological units for the Bay of Plenty 2021, providing a foundation for groundwater quantity allocation. Model development continues.</p> <p>Policy options for Tauranga Geothermal System will be integrated with groundwater quantity management in Tauranga Moana FMU.</p>
Communications and Engagement	<p>TLA Forum meeting held in April.</p> <p>*Rural and Environmental Sector Organisation Forum will hold first meeting 8 June 2021.</p> <p>Some advice provided at Wai-Kokopu (Waihi estuary catchment) workshop with farm advisors</p>

3.1 **Preparing surface water quantity take limit and minimum flow options**

A technical report setting out appropriate minimum flows for ecological values is now complete. Staff are now considering these flows, current and future water use, cultural, recreational and other values, in order to recommend minimum flow and take limit options. We will briefly share how we have reached this point, concepts behind the approach and how these may be presented for community discussion.

3.2 **Visions, values and community engagement**

We have previously advised that online tools will be used to engage with the wider community to help progress identification of values, and development of vision and outcomes for FMUs. We will showcase our draft engagement pages on “Participate Bay of Plenty”. Discussions with iwi and hapū about values and vision is also being planned.

3.3 **What is an “Outstanding” Water Body?**

The significant values of “Outstanding” water bodies will receive a high level of protection in the regional plan. Staff are considering approaches and options for identifying significant and outstanding ecological and landscape values at the moment. Ngā Kaitohutohu will consider appropriateness and potential approaches for outstanding and significant cultural values.

We will briefly show the GIS tool developed used to provide layers of information that will inform identification of outstanding “landscape” characteristics, and some of the complexities behind this seemingly straightforward task.

4. **Next Steps**

Values maps and questions will be shared publicly in July via our web site. We will be seeking site-specific feedback via Participate Bay of Plenty.

With input from Ngā Kaituhutohu, and ongoing engagement with tangata whenua tentative FMU-level “Visions” and environmental outcomes will be prepared for public feedback in early 2022.

Science team will deliver reports on current state, baseline state and trends for water quality in lake and rivers. Based on this, draft measurable targets that align with FMU vision, values and outcomes can be developed in 2022.