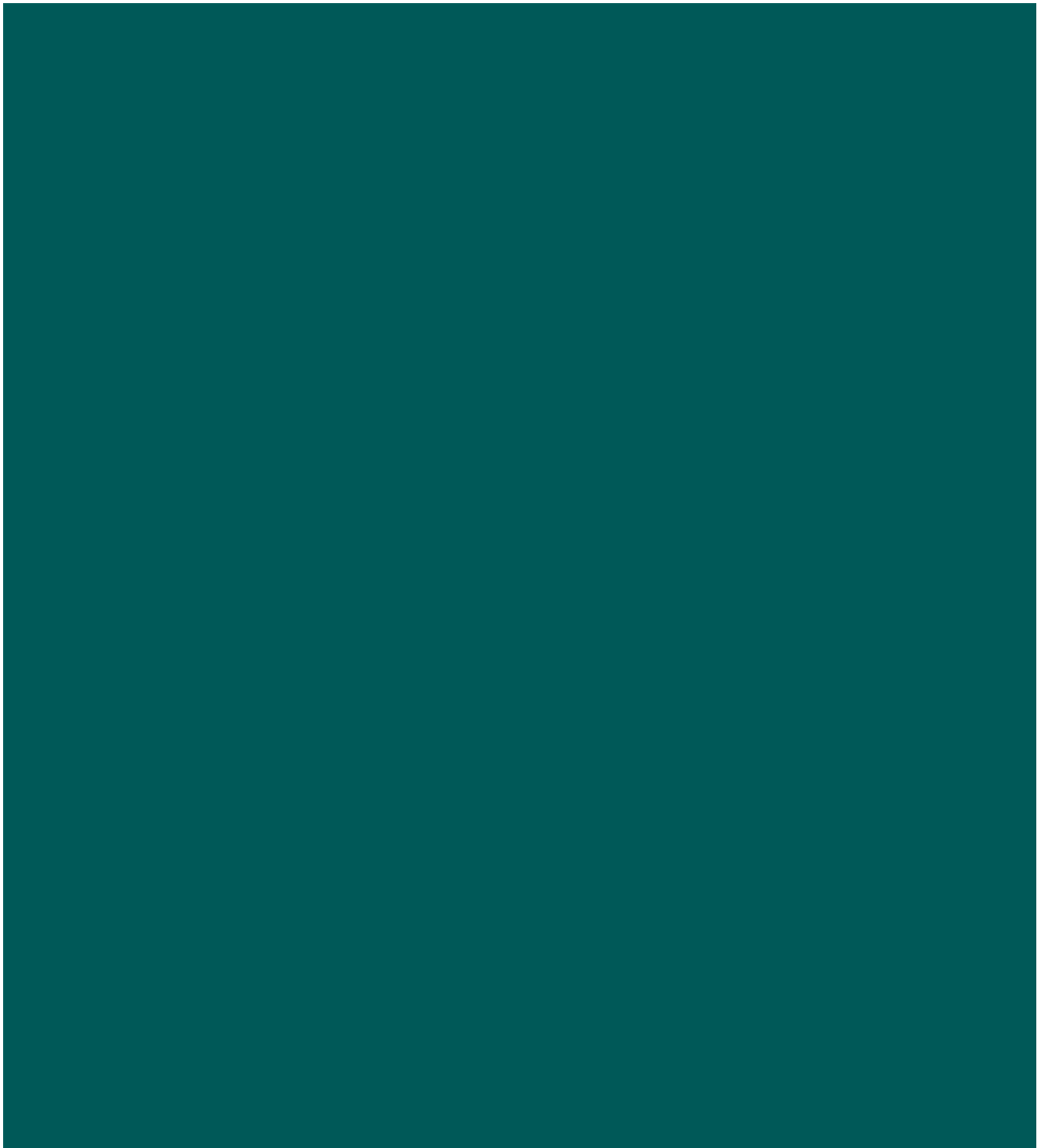


South Taranaki District Council

Section 32 Evaluation Report: PPC2

Plan Change 2: Amendments to South Taranaki District Plan Maps

22 May 2023



CONTENTS

Abbreviations	1
1.0 Introduction	2
1.1 Purpose of Report	2
1.2 Overview and Purpose of Proposed Plan Change	2
1.3 Scope of Proposed Plan Change	4
1.4 Approach to Section 32 Evaluation	4
2.0 About the Proposed Plan Change	7
2.1 Development of Proposed Plan Change	7
2.2 Objective of Proposed Plan Change	7
2.3 Provisions of Proposed Plan Change	7
2.4 Reasons for Provisions of Proposed Plan Change	9
2.5 Methodology for Petroleum Activity Risk Contours	12
3.0 Statutory and Policy Context	15
3.1 Resource Management Act 1991	15
3.2 National Policy Statements	18
3.3 National Environmental Standards	19
3.4 National Planning Standards	19
3.5 Regional Policy Statement for Taranaki 2010	19
3.6 Regional Plans	20
3.7 Te Uru Taiao o Ngāruahine	20
3.8 South Taranaki District Plan	21
4.0 Consultation	27
4.1 Consultation with Affected Landowners	27
4.2 Community Advisory Group (CAG)	27
4.3 South Taranaki District Council	27
4.4 Te Korowai o Ngāruahine Trust	28
4.5 Taranaki Energy Watch	29
4.6 Federated Farmers	30
4.7 Advice received from Iwi Authorities	30
5.0 Evaluation of Provisions	31
5.1 Reasonably Practicable Options	31

5.2	Evaluation of Reasonably Practicable Options	33
5.3	Reasons for Preferred Option (PPC2)	37
6.0	Evaluation of Efficiency and Effectiveness	38
6.1	Evaluation of Benefits and Costs of Options	38
6.2	Overall Evaluation of Appropriateness	43
6.3	Risk of acting or not acting	43
7.0	Conclusion	44

Appendices

Appendix 1: Private Plan Change Application

Appendix 2: Section 32 RMA

Abbreviations

Abbreviation	Full text
CAG	Community Advisory Group
CNG	Compressed Natural Gas
District Plan	South Taranaki District Plan
GFA	Gross Floor Area
KGTP	Kapuni Gas Treatment Plant
KPS	Kapuni Production Station
LPG	Liquefied Petroleum Gas
PARC	Petroleum Activity Risk Contours
PFAA	Petroleum Flare Alert Area
PPC	Proposed Plan Change
QRA	Quantitative Risk Assessment
RMA	Resource Management Act 1991
RPS	Regional Policy Statement for Taranaki
STDC	South Taranaki District Council
STOS	Shell Todd Oil Services
TEW	Taranaki Energy Watch
TKoNT	Te Korowai o Ngāruahine Trust
Todd	Todd Energy Limited
TRC	Taranaki Regional Council

1.0 Introduction

1.1 Purpose of Report

The purpose of this report is to fulfil the obligations of South Taranaki District Council (Council) under section 32 of the Resource Management Act 1991 (RMA), with respect to undertaking a Plan Change to the South Taranaki District Plan 2021 (District Plan). This report should be read together with the text and planning maps of the District Plan itself and the proposed plan change application (Proposed Plan Change 2, PPC2).

For any Plan Change to a District Plan, the Council is required under section 32 of the RMA to carry out an evaluation of whether objectives of a proposal are the most appropriate way to achieve the purpose of the RMA (i.e., the sustainable management of natural and physical resources).

A section 32 evaluation must also examine whether the provisions in the proposal are the most appropriate way to achieve the objectives by identifying other reasonably practicable options for achieving the objectives and assessing the efficiency and effectiveness of the provisions in considering whether they are the most appropriate means of achieving these objectives.

The evaluation must consider the benefits and costs associated with the provisions in the proposal and also the risk of acting or not acting if there is uncertain or insufficient information on the subject matter.

1.2 Overview and Purpose of Proposed Plan Change

The South Taranaki District Plan became fully operative on 22 January 2021, and contains objectives, policies, rules and maps for managing activities and development within the South Taranaki District.

This includes the management of the offsite risk to human health and the environment from additions and alterations to existing petroleum exploration and petroleum production activities and sensitive activities, as well as risks from new sensitive

activities locating close to existing petroleum exploration and petroleum production activities.¹

The District Plan uses mapped Petroleum Activity Risk Contours (PARCs) as a tool to manage these risks, with associated objectives, policies and rules. PARCs are site-specific hypothetical, quantified risk contours and are defined in Section 1 of the District Plan as:

‘PETROLEUM ACTIVITY RISK CONTOUR (for petroleum exploration and petroleum production provisions): means 1×10^{-6} individual fatality risk contour shown on the Planning Maps.’

Where well-sites, petroleum production stations or gas treatment plants do not have a PARC shown on the Planning Maps, the District Plan applies generic fatality consequence setback distances.

Todd Energy Ltd (Todd) owns and operates the Kapuni Production Station, the Kapuni Gas Treatment Plant and 10 well-sites and associated infrastructure as part of its Kapuni Natural Gas Field operations in South Taranaki. The only Todd site in the District that currently has a PARC shown on the Planning Maps is the Kapuni Production Station.

The District Plan also uses Petroleum Flare Alert Areas (PFAAs) as an alert layer in the Planning Maps to identify any sites where there is potential for flaring of natural gas. Section 2 of the District Plan describes the PFAA Planning Map layer as non-regulatory on account of the probability of an acute health effect occurring being low and as no District Plan rules are triggered by it.

All Todd sites in the District where there is potential for flaring of natural gas already have PFAAs shown on the Planning Maps, with the exception of the Kapuni J Well site. Two of Todd’s well-sites (KA 3/3A and KA 9/16) have mapped PFAAs but risk generating activities are no longer occurring, nor intended/consented to occur at these sites.

¹ ‘Sensitive activity’ is defined in the South Taranaki District Plan as ‘*RESIDENTIAL ACTIVITIES, VISITOR ACCOMMODATION, COMMUNITY ACTIVITIES (including Marae), OPEN SPACE, CAMPING GROUNDS/MOTOR CAMPS, EDUCATION FACILITIES, PAKAINGA DEVELOPMENT, HOUSING FOR THE ELDERLY, RESIDENTIAL CARE FACILITIES, CHILDCARE FACILITIES, cafés, restaurants, and hospitals. For activities in the NATIONAL GRID YARD, OPEN SPACE is excluded from the definition of SENSITIVE ACTIVITY.*’ The terms in capital letters indicate that the term is also defined in the South Taranaki District Plan.

Proposed Plan Change (PPC2) seeks to amend the District Plan Planning Maps to introduce nine new PARCs and one new PFAA and delete two PFAAs. To effect this change, the proposal amends the existing Rural and Special planning maps of the District Plan (Rural Map 08, Rural Map 09 and Special Map 03) and adds three new Special maps (Special Map 03A, Special Map 03B and Special Map 03C). Consequential changes are also proposed to those existing maps and the Special Map Sheet Index.

1.3 Scope of Proposed Plan Change

PPC2 proposes to amend the Planning Maps of the District Plan to accurately identify offsite risk for Todd sites within the Kapuni natural gas field in South Taranaki. Specifically, PPC2 seeks to introduce new Petroleum Activity Risk Contours (PARCs) at nine Kapuni sites, add a Petroleum Flare Alert Area (PFAA) for the Kapuni J Wellsite and remove the existing PFAAs for KA 3/3A and KA 9/16 well-sites.

The plan change does not propose to introduce any new objectives, policies or rules, or amend any existing ones, and no consequential amendments to the objectives, policies or rules are required as a result of the proposed changes. Therefore, this evaluation report relates only to the proposed amendments to the District Plan Planning Maps.

1.4 Approach to Section 32 Evaluation

The purpose of this section is to set out the approach taken in this evaluation report to meet the requirements of section 32 of the RMA. In summary, section 32(1)(b) of the RMA requires that an evaluation report examines whether the proposed provisions (i.e., the amendments to the District Plan Planning Maps) in PPC2 are the most appropriate way of achieving the objectives of the proposal.

Section 32(6) defines “objectives” as:

- for a proposal that contains or states objectives, those objectives; and
- for all other proposals, the purpose of the proposal.

Section 32(3) states that where a proposal will amend a plan (an amending proposal) the examination required must relate to:

- the provisions and objectives of the amending proposal; and

- the objectives of the existing proposal (District Plan objectives) to the extent those objectives are relevant and would remain if the amended proposal were to take effect.

PPC2 does not propose to amend any District Plan objectives, and so the objectives will still remain if the amended proposal were to take effect. The evaluation under section 32(1)(b) therefore relates to the relevant objectives of the District Plan and the purpose of the proposal.

The section 32 evaluation does not include full details of the technical assessments undertaken that support PPC2. The technical reports and other information relied on is contained in Appendix 1.

1.4.1 Approach to Efficiency and Effectiveness Assessment

Section 32(1)(c) of the RMA requires that the section 32 evaluation report examine whether the provisions in the proposal are the most appropriate way to achieve the objectives by assessing the efficiency and effectiveness of the provisions in achieving the objectives.

The evaluation must also take into account:

- The benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions; and
- The risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.

The terms 'efficiency' and 'effectiveness' are not defined in the RMA. For the purposes of this evaluation, 'efficiency' is broadly interpreted to mean the provisions that will achieve the objectives of PPC2 at the lowest overall cost to the community.

'Effectiveness' is interpreted as how successfully the provisions will achieve the objectives of the proposal and the objectives of the District Plan.

While all of the District Plan objectives must be considered, some are more relevant than others for evaluation of the proposed provisions. For assessment purposes, both efficiency and effectiveness are therefore assessed against the relevant District Plan objectives and the objectives of PPC2.

The efficiency and effectiveness assessment must also identify and assess the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including expected changes to economic growth and employment opportunities (section 32(2)(a)). This assessment is provided in Section 7.0 of this report.

Section 32(2)(b) requires that, where practicable, the benefits and costs of a proposal are to be quantified. It is noted that social, cultural and environmental effects are often intangible and difficult to monetize. Quantification of the benefits and costs associated with PPC2 is considered neither practicable nor readily available, and so the qualitative assessment has been relied upon to inform understanding of the potential changes.

Section 32 does not explicitly require the effectiveness or efficiency (including the costs and benefits) of the alternative reasonably practicable options for achieving the objectives to be assessed. This report does identify and describe all reasonably practical options (i.e., (1) status quo, (2) the proposal notified in a later plan change, and (3) PPC2); however, as Option 2 proposes the same provisions as PPC2, this report essentially provides a comparative assessment between the status quo and PPC2.

1.4.2 Scale and Significance

Section 32(1)(b)(ii) of the RMA requires that the section 32 evaluation report contains a level of detail that corresponds to the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the proposal. The level of detail contained in the evaluation section of this report (refer Section 7.0) reflects the scale and significance of the changes proposed, and includes an evaluation of the environmental, economic, social, and cultural costs and benefits anticipated from the implementation of the proposal, in comparison to the status quo provisions. This provides a measure of the level of change expected from their implementation.

The full text of section 32 is appended to this report as Appendix 2.

2.0 About the Proposed Plan Change

2.1 Development of Proposed Plan Change

Todd Energy Limited (Todd) requested this proposed plan change in accordance with Clause 21 of the First Schedule of the RMA. The development of PPC2 has been carried out by Todd over a number of months during 2022 and 2023.

Todd state that the driver for the plan change resulted primarily from neighbouring landowner feedback on the uncertainty of what the generic fatality consequence distances in the District Plan represent, especially health and safety uncertainties, and the additional and disproportionate conservative encumbrances they placed on neighbouring land including the associated loss of property rights and perceived loss in property value.

Todd state that PPC2 is not being driven by a change or intended change in activity at the Todd sites.

Appendix 1 includes a plan showing the location of all Todd sites subject to PPC2. Further details on the Todd sites relevant to this proposed plan change is provided in Appendix 1, Section 2.3 of the Private Plan Change Application.

2.2 Objective of Proposed Plan Change

The objective of PPC2 is to accurately identify offsite risk for each of the Todd Energy Limited (Todd) sites within the Kapuni natural gas field in South Taranaki to ensure regulation of the use and development rights of neighbouring landowners and management of the risk is proportionate to the quantified risk.

2.3 Provisions of Proposed Plan Change

PPC2 seeks to achieve the objective of the plan change through changes to the planning maps of the District Plan. No changes to any other District Plan provisions are required or proposed and no consequential amendments result from the proposed changes to the planning maps.

In summary, the proposed amendments to the planning maps of the District Plan are:

- Add nine Petroleum Activity Risk Contours (PARCs), being one at each of the following sites: KA 8/12/15/18; KA 4/14; KA 1/7/19/20; KA 5/10; KA 13; KA 2; KA 6/11/17; Kapuni J; and Kapuni Gas Treatment Plant.
- Add one Petroleum Flare Alert Area (PFAA) for the Kapuni J Wellsite;
- Delete the PFAAs for the KA 3/3A and KA 9/16 sites.

The proposed amendments are to the existing Rural and Special planning maps and the addition of three new Special planning maps, as set out in Table 1 below.

Table 1: Proposed District Plan Map Changes

Maps	Proposed Changes
<p>Rural Map 08 (Existing Map)</p> <p><i>Map currently shows PFAAs for KA 8/12/18. There are no other Todd sites within the map area.</i></p>	<p>Removal of PFAAs from the map.</p> <p>Removal of PFAA and PARC from the map key.</p>
<p>Rural Map 09 (Existing Map)</p> <p><i>Map currently shows PFAAs for all Todd sites within the map area. NB: These sites are as per Special Map 03 plus KA 4/14 and KA 3/3A. Map also currently shows PARC for Kapuni Production Station.</i></p>	<p>Removal of all PFAAs and the Kapuni Production Station PARC from the map.</p> <p>Removal of PFAA and PARC from the map key.</p> <p>Addition of text [<u>underlined</u>] to the text box: 'Refer Special Map 03 <u>and 03A</u>'.</p>
<p>Special Map 03 (Existing Map)</p> <p><i>Map currently shows PFAAs for all Todd sites within the map area. NB: These sites are KA 1/7/19/20, Kapuni Production Station, Kapuni Gas Treatment Plant, KA 5/10, KA 13, KA 2, KA 6/11/17 and KA 9/16. Map also currently shows PARC for Kapuni Production Station.</i></p>	<p>Removal of PARC for Kapuni Production Station.</p> <p><i>NB: The Kapuni Production Station already has a PARC mapped in the District Plan. The PARC is proposed to be mapped on new Special Map 03A.</i></p> <p>Addition of PFAA's for Kapuni J Wellsite and KA 4/14 Wellsite.</p> <p><i>NB: The KA 4/14 Wellsite already has a PFAA mapped in the District Plan and the change only results due to a scale change to the map. Kapuni J Wellsite was constructed after the District Plan became operative and so is not currently in the planning maps.</i></p> <p>Removal of PFAA for KA 9/16.</p> <p>Removal of PARC from the map key.</p> <p>Change of map scale from 1:20,000 to 1:24,000.</p> <p>Change of title from 'Kapuni Production Station' to</p>

Maps	Proposed Changes
	'Kapuni'. Addition of '03B & 03C' to the index map in bottom right corner.
New Special Map 03A (Proposed Map)	New map showing PARCs for all Todd sites within map area. <i>NB: These sites are Kapuni J, KA 4/14, KA 1/7/19/20, Kapuni Production Station, Kapuni Gas Treatment Plant, KA 5/10, KA 13, KA 2, and KA 6/11/17. No PARC is proposed for KA 9/16.</i>
New Special Map 03B (Proposed Map)	New map showing PARC's for KA 8/12/15/18 Wellsite.
New Special Map 03C (Proposed Map)	New map showing PFAAs for KA 8/12/15/18 Wellsite.
Special Map Sheet Index (Existing Index)	Amendment to Map Sheet Index to add new Special Maps 03A, 03B and 03C.

The proposed amendments to the Rural and Special planning maps and the proposed new Special planning maps are provided in Appendix 1.

2.4 Reasons for Provisions of Proposed Plan Change

2.4.1 Petroleum Activity Risk Contours

Todd owns and operates the Kapuni Production Station, the Kapuni Gas Treatment Plant and ten well-sites and associated infrastructure as part of its Kapuni Natural Gas Field operations in South Taranaki. All well-sites are located in the Rural Zone under the District Plan. The Kapuni Production Station and the Kapuni Gas Treatment Plant are located in the Rural Industrial Zone. The only Todd site in the district that currently has a PARC mapped in the District Plan is the Kapuni Production Station as shown on Rural Map 09 and Special Map 03.²

² The Quantitative Risk Assessment for the Kapuni Production Station PARC was accepted through the Environment Court appeal process on the District Plan and has been included in the operative version in Special Map 03.

The District Plan manages the offsite risks to human health and the environment from additions and alterations to existing petroleum exploration and petroleum production activities, as well as risks from new sensitive activities locating close to existing petroleum exploration and petroleum production activities. The District Plan uses PARCs as a tool to manage these risks, with associated objectives, policies and rules.

Where a well-site or petroleum production station/gas treatment plant does not have a PARC shown on the Planning Maps, the District Plan applies a generic fatality consequence setback distance of 250 m and 650 m respectively for new dwelling units, home occupations and other sensitive activities. Any additions or alterations of habitable rooms to an existing sensitive activity must also comply with these generic fatality consequence setback distances.³ The use and development rights of neighbouring landowners within the generic fatality consequence setback distances are therefore affected by the current District Plan provisions.

Todd carried out mapping exercises to compare the generic fatality consequence distances and the 1×10^{-6} Location Specific Risk Contours for each site. The conclusion of the mapping exercise was that the generic fatality consequence distances currently impact 21 landowners and around 280 hectares of land, including seven dwellings, whereas the mapping of the PARCs proposed under PPC2 would reduce the impact to six landowners, 10 hectares of land and one dwelling.

PPC2 proposes the addition of nine new Petroleum Activity Risk Contours (PARC) contours in the District Plan maps would provide site-specific hypothetical, quantified risk contours for Todd's well-sites and for the Kapuni Gas Treatment Plant. These PARC contours would replace the current generic separation distances used to manage the risk to sensitive activities in the Rural Zone of 250 m from a well-site and 650 m from a petroleum production station/gas treatment plant. These generic fatality consequence distances are conservative, un-risked distances considered by the Environment Court as an appropriate approach to managing risk as a proxy for risk identification in the absence of precautionary 1×10^{-6} Quantitative Risk Assessment

³ In accordance with Section 3: Rural Zone Rule 3.1.4(m) of the South Taranaki District Plan, any additions or alterations of habitable rooms up to 20% of Gross Floor Area to an existing sensitive activity must comply with the generic fatality consequence setback distances otherwise the activity is assessed as a discretionary activity. In accordance with Section 3: Rural Zone Rule 3.1.5(f) of the South Taranaki District Plan, any additions or alterations of habitable rooms 20 percent or greater of Gross Floor Area to an existing sensitive activity within the generic fatality consequence setback distances are assessed as a non-complying activity.

contours (refer to Section 2.5 for PARC methodology). The contours will remove unnecessary regulation on the use and development rights of neighbouring landowners posed by the generic fatality consequence distances.

Policy 2.9.23 of the District Plan relating to Petroleum Exploration and Production activities provides direct rationale for PPC2:

Policy 2.9.23: Identify and keep up-to-date on the Planning Maps the Petroleum Activity Risk Contours related to existing petroleum exploration and petroleum production activities using a level of risk threshold of 1×10^{-6} (risk contour).

The District Plan provides further rationale in the Methods of Implementation section of Section 2.9 Hazardous Substances and Contaminated Land:

Regularly share changes to risk assessment information and risk contours between operators and the Council, and undertake plan changes to keep the Petroleum Activity Risk Contour shown on the Planning Maps up to date.

2.4.2 Petroleum Flare Alert Areas

The District Plan uses Petroleum Flare Alert Areas (PFAA) as a non-regulatory alert layer in the Planning Maps to identify any sites where there is potential for flaring of natural gas. There are no objectives, policies or rules in the District Plan that refer to Petroleum Flare Alert Areas. Identification of PFAAs on the Planning Maps is just one of many methods to implement the objectives and policies in the District Plan.

The District Plan describes the PFAA as follows:

The Planning Maps contain an alert layer that is subject to the potential presence of contaminants from abnormal flare operation at a petroleum facility, which has the potential to cause acute health effects. As the probability of an acute health effect occurring is low, this alert layer (the Petroleum Flare Alert Area) is non-regulatory and no District Plan rules are triggered by it. This alert layer is measured 70m from flares at well-sites and 300m from flares at production stations...⁴

⁴ Section 12: Hazardous Substances Rules South Taranaki District Plan

PPC2 proposes to add the PFAA for the Kapuni J Wellsite to the Planning Maps as this site did not exist at the time the District Plan was made operative.

The proposed deletion of the PFAAs for the KA 3/3A and KA 9/16 sites is to recognise that these sites no longer undertake any hydrocarbon related activities, including flaring. KA 3/3A has a dormant well with no hydrocarbons or active production infrastructure and no plans (or consents) for any further activity at that site, including any flaring. KA 9/16 has two wells that are abandoned to around 2 km above the production sections. They have been recompleted as produced water injectors only. There is no hydrocarbon production infrastructure onsite. There are no consents for the drilling of any further hydrocarbon producing wells. There are no future plans for any hydrocarbon drilling from this site, including any flaring.

The proposed deletion of the two PFAAs from the Planning Maps is broadly supported by Policy 2.9.24 which directs that mapped PARCs are kept up to date. It follows that the alert layer PFAAs should also be kept up to date:

Policy 2.9.24: That Petroleum Activity Risk Contours will be uplifted from the Planning Maps in whole or in part and for separation distances to no longer apply where:

(a) there are no risk generating activities being undertaken; or

(b) the level of risk reduces significantly and extant consents or rules do not enable risk generating activities to establish or intensify in the future.

2.5 Methodology for Petroleum Activity Risk Contours

PARC is defined in the District Plan as:

PETROLEUM ACTIVITY RISK CONTOUR (for petroleum exploration and petroleum production provisions): means the 1×10^{-6} individual fatality risk contour shown on the Planning Maps.

The Quantitative Risk Assessment (QRA) methodology for defining the extent of PARCs in the District Plan Planning Maps was developed through an Environment Court appeal process on the District Plan between 2016 – 2020 and is set out in an

Environment Court Minute⁵. The QRA methodology requires the application of the precautionary approach for identifying hypothetical 1×10^{-6} fatality risk contours. The development of this methodology led to the inclusion of the Kapuni Production Station PARC in the operative District Plan (District Plan Special Map 03).

All proposed new PARCs have been quantified through quantitative risk assessments prepared by risk engineers. Independent risk engineers on behalf of Council have then peer reviewed these assessments and provided Suitability Review reports confirming that a precautionary approach has been applied and that the 1×10^{-6} fatality risk contours presented in the QRAs are suitable for use in the District Plan Planning Maps. The one exception regarding Council peer review is for the Kapuni-J Wellsite as discussed below.

The QRA methodology defined by the Environment Court has largely been used in PPC2 to define the extent of the nine proposed PARCs. The one exception is for the Kapuni-J Wellsite. The consent application for the Kapuni J Wellsite (RML19069) was lodged prior to the Environment Court Minute and included a QRA with 1×10^{-6} fatality risk contour prepared by Worley and an independent peer review by Environmental Risk Solutions.⁶ A variation to the Kapuni J Wellsite resource consent (RML22076) was lodged after the Environment Court Minute and updated the 1×10^{-6} fatality risk contour. The consent application included a QRA prepared by Worley that concluded the 1×10^{-6} fatality risk contour lies within the legal boundary of the land owned by Todd⁷. This QRA has not had a QRA Suitability Review by an independent peer reviewer to determine if the approach taken for the Kapuni-J Wellsite 1×10^{-6} fatality risk contour was consistent with the QRA methodology defined by the Environment Court.

In summary:

- Worley New Zealand Ltd (Worley) provided a QRA for the Kapuni Wellsites and a QRA for the Kapuni Gas Treatment Plant (both dated July 2022), and an addendum to the Kapuni Wellsites QRA (dated November 2022);

⁵ The Quantitative Risk Assessment methodology is defined by the Environment Court via Court Minute, 'Timeframes For Providing Fatality Risk Contours (18 September 2019)'.

⁶ Resource Consent RML19069 was granted in December 2019. A minor variation (RML19069.1) was granted in January 2020. A further variation (RML22076) was granted in January 2022.

⁷ Refer to Appendix L of the Private Plan Change Application (Appendix 1).

- AECOM provided an independent peer review of Worley's QRAs for Kapuni Wellsites and Kapuni Gas Treatment Plant, and provided a Suitability Review report for each confirming that the 1×10^{-6} fatality risk contours provided in the QRAs are suitable to be used in the District Plan; and
- Worley provided an updated QRA for the Kapuni-J Wellsite (dated November 2022) as part of a consent application to vary the existing consent. Environmental Risk Solutions provided an independent peer review of the original consent application for this site but not for the variation.

The risk engineer reports by Worley, AECOM and Environmental Risk Solutions are provided in Appendix 1.

3.0 Statutory and Policy Context

PPC2 is a plan change to the District Plan prepared by South Taranaki District Council under the RMA. The RMA creates a hierarchy of planning instruments (including national, regional and local level instruments) and directs the manner in which the provisions within these instruments must be considered in preparation of a plan change.

This section summarises the relevant statutory requirements and planning instruments to help set the planning context for PPC2.

3.1 Resource Management Act 1991

3.1.1 The Purpose and Principles (Part 2 RMA)

Section 32 (1)(a) of the RMA requires an examination of the extent to which the objectives of the proposal being evaluated are the most appropriate way to achieve the purpose of the Act. This requires consideration of sections 5 to 8 of the RMA.

Section 5 – Purpose of the Act

The purpose of the RMA is set out in Part 2, Section 5 of the RMA:

- (1) *The purpose of this Act is to promote the sustainable management of natural and physical resources.*
- (2) *In this Act, sustainable management means managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic, and cultural well-being and for their health and safety while—*
 - (a) *sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and*
 - (b) *safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and*
 - (c) *avoiding, remedying, or mitigating any adverse effects of activities on the environment.*

PPC2 will provide more accurate delineation of off-site risk posed by existing petroleum exploration and petroleum production activities, which will provide more certainty, and better enable people and communities to provide for their health and safety.

The RMA identifies a number of matters that are of special significance for resource management, which are set out in sections 6, 7 and 8 of the RMA. These principles give further elaboration to the section 5 purpose of sustainable management by stating particular obligations for those administering the RMA.

Section 6 – Matters of national importance

Section 6 of the RMA requires all persons exercising functions and powers under the RMA to recognise and provide for specified matters of national importance. There are no section 6 matters of relevance to PPC2.

Section 7 – Other matters

Section 7 of the RMA sets out other matters that all persons exercising functions and powers under the RMA, in relation to managing the use, development, and protection of natural and physical resources, are directed to have particular regard to. The section 7 matters of relevance to PPC2 and an assessment of the objectives of the proposal against these matters is as follows:

(a) kaitiakitanga:

Todd undertook consultation with Te Korowai o Ngāruahine Trust and the mana whenua hapū as part of the development of PPC2 which enabled the exercise of kaitiakitanga and the expression of views of tangata whenua. This consultation is detailed in section 5.4 of the Private Plan Change Application (Appendix 1).

(b) the efficient use and development of natural and physical resources:

Ensuring that the most up to date and accurate risk information for Todd sites is included in the District Plan via the planning maps will provide for the efficient use and development of the Todd sites as well as the neighbouring landowners properties through the removal of unnecessary constraints on the use and development of adjoining land resulting from the current generic fatality consequence distances in the District Plan.

Section 8 – Matters of national importance

Section 8 of the RMA requires that persons exercising functions and powers under it shall take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi).

In this regard, Todd has consulted Tangata Whenua during the development of PPC2, as set out in Table 5.3 of the Private Plan Change Application (Appendix 1).

Accordingly, it is considered the principles of the treaty have been taken into account.

3.1.2 Section 31 of the RMA

Section 31 of the Act outlines the function of territorial authorities under the Act. Of relevance is section 31(1)(a):

(1) Every territorial authority shall have the following functions for the purpose of giving effect to this Act in its district:

(a) the establishment, implementation, and review of objectives, policies, and methods to achieve integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the district.

It is considered that PPC2 assists the Council to carry out its functions as set out in section 31 of the RMA. The plan change is implementing policies and methods in the District Plan in relation to the off-site risk posed by petroleum exploration and production activities. This will achieve integrated management of the use, development and protection of land and the associated natural and physical resources.

3.1.3 District Plans (Section 72 to 75 of the RMA)

Section 72 of the RMA sets out the purpose of District Plans, being to assist territorial authorities to carry out its functions in order to achieve the purpose of the RMA.

Sections 73 to 75 set out a number of technical and procedural matters that must be followed in the preparation and change of a district plan. Of most relevant to PPC2 are the following:

- Any change to a district plan must be carried out in the manner set out in Schedule 1 (section 73(1A)).

- Any person may request a territorial authority to change a district plan, and the plan may be changed in the manner set out in Part 2 or 5 of Schedule 1 (section 73(2)).
- The Council must change a district plan in accordance with its functions under section 31, the provisions of Part 2, its obligation to prepare an evaluation report in accordance with section 32, and its obligation to have particular regard to an evaluation report in accordance with section 32 (section 74(1)).
- Any change to a district plan must be in accordance with any national policy statement, national planning standard and any regulations (section 74(1)(ea) and (f)).
- When changing a district plan, the Council must have regard to any management plans and strategies prepared under other Acts, and take into account any relevant planning document recognised by an iwi authority, to the extent that their content has a bearing on the resource management issues of the district (section 74(2)(b)(i) and (2A)).
- When changing a district plan, the Council must not have regard to trade competition or the effects of trade competition (section 74(3)).
- A district plan must give effect to any national policy statement, national planning standard and regional policy statement (section 75(3)).

In regard to the first bullet point, Todd have requested changes to the District Plan in accordance with Clause 21 of Schedule 1 of the RMA, and in the form required under Clause 22.

The relevant policy instruments that PPC2 must observe or give effect to are discussed in the following sections.

3.2 National Policy Statements

National policy statements are instruments issued under section 52(2) of the RMA and state objectives and policies for matters of national significance. The District Plan is

required to give effect to any national policy statement. There are no national policy statements of relevance to the proposed plan change.

3.3 National Environmental Standards

Section 43B of the RMA sets out the relationship between national environmental standards and a rule in a district plan. There are no National Environmental Standards of relevance to PPC2 and PPC2 does not propose any amendments to the wording of rules in the District Plan.

3.4 National Planning Standards

Under section 75(3)(ba) of the RMA, a district plan must give effect to a national planning standard. The first set of national planning standards were gazetted on 5 April 2019, and aim to provide national consistency for the structure, form, definitions and electronic accessibility of RMA plans and policy statements to make them more efficient and easier to prepare and use. Relevantly, the national planning standards include form standards for district plan mapping.

PPC2 does not give effect to the national planning standards, as the Implementation Standard of the national planning standards specifies that South Taranaki District Council has up to seven years after its gazettal date to implement the standards. Instead, the proposed amendments to the Planning Maps align with the current map formatting in the District Plan. At the relevant point in time, when the Council does update its Planning Maps to the required format, the amendments proposed by this plan change will not limit that ability and can be carried across to the new map format.

3.5 Regional Policy Statement for Taranaki 2010

Under section 75(3) of the RMA, a district plan must give effect to any regional policy statement. The Regional Policy Statement for Taranaki 2010 (RPS) provides an overview of the region's resource management issues and sets out high-level policy for the management of natural and physical resources in the Taranaki Region.

Part B of the RPS contains the significant resource management issues relating to the Taranaki Region, and Part C sets out the resource management issues of significance

to iwi authorities. The RPS objectives and policies of particular relevance to PPC2 include:

- Section 13 (Minerals): MIN OBJECTIVE 1 seeks to provide for use and development of the region's mineral resources while avoiding, remedying or mitigating any adverse effects on the environment. This includes petroleum minerals such as oil, gas and condensate. MIN Policy 1 recognises and provides for mineral development, and MIN Policy 2 provides direction for managing the effects of incompatible activities on mineral resources.
- Section 14 (Energy): ENE OBJECTIVE 1 and ENE OBJECTIVE 3 seek to promote and increase efficiency in the exploration, development, production, transmission and distribution of energy. ENE Policy 2 sets out matters that particular regard must be had in the promotion of efficiency.
- Section 5 (Land and soil): HZC OBJECTIVE 1 seeks to avoid, remedy, or mitigate adverse environmental effects arising from the storage, use, transportation and disposal of hazardous substances. HZC Policy 2 requires adverse effects arising from the storage, use and transportation of hazardous substances to be reduced to the lowest practicable level.

As PPC2 does not seek to amend the existing objective, policy and rule framework of the District Plan, and as the proposed amendments to the Planning Maps to introduce PARCs for the identified Todd sites implement an existing method the District Plan, the proposal is considered be consistent with the RPS.

3.6 Regional Plans

Under section 75(4) of the RMA, a district plan must not be inconsistent with a regional plan for any matter specified in section 30(1). There are no section 30(1) matters relevant to PPC2.

3.7 Te Uru Taiao o Ngāruahine

Under section 74(2A) of the RMA a territorial authority, when changing a district plan, must take into account any relevant planning document recognised by an iwi authority and lodged with the territorial authority.

The Todd sites which are the subject of this proposed plan change are within the rohe of Ngāti Manuhiakai and Ngāti Tu hapū. Te Korowai o Ngāruahine Trust (TKoNT) is the post settlement governance entity established in 2013 and is the representative body for Ngāruahine iwi.

Te Uru Taiao o Ngāruahine is the kaitiaki plan of Ngāruahine iwi. The purpose of the plan is to describe Ngāruahine's relationship with the natural environment; identify environmental issues as well as objectives, policies and methods to achieve the sustainable and culturally appropriate management of resources. The plan also outlines Ngāruahine's expectations for consultation and engagement.

Resource management issues of significance to Ngāruahine are identified in the Taiao chapter of the plan. The identified issues in the plan that are relevant to PPC2 are outlined in the Papatūānuku chapter where it is identified that the use of hazardous substances and mineral and hydrocarbon exploration and extraction are issues that have actual and potential impacts on the cultural and kinship values or interests of Ngāruahine.

The only policy that appears to be of direct relevance to PPC2 is Policy 1.1, which encourages land users and consent authorities to engage with TKoNT to understand the impacts on the mauri of Papatūānuku for the use of hazardous substances.

Todd undertook engagement with TKoNT, Ngāti Manuhiakai and Ngāti Tu from June to December 2022 during the development of PPC2 as set out in Section 5.4 of the Private Plan Change Application (Appendix 1).

3.8 South Taranaki District Plan

The District Plan became fully operative on 22 January 2021.

In respect of the use, storage, handling and disposal of hazardous substances, the District Plan seeks to regulate offsite risk associated with Significant Hazardous Facilities. Significant Hazardous Facilities include petroleum exploration and production activities. Relevant to PPC2, the District Plan provides definitions for 'Petroleum Activity Risk Contour' 'Petroleum Activity Risk Area', 'Petroleum Exploration' and 'Petroleum Production'. For all on-site management of risk associated with Significant Hazardous Facilities and all other activities (i.e., not significant

hazardous facilities) which use, store, handle or dispose of hazardous substances, the District Plan relies upon the Hazardous Substances and New Organisms Act 1996 and the Health and Safety at Work Act 2015 and their associated regulations.

3.8.1 Relevant Objectives and Policies

The objectives and policies in the District Plan of relevance to PPC2 are identified as follows, noting that most of Todd's Kapuni sites are located in the Rural Zone under the District Plan, aside from the Kapuni Gas Treatment Plant and Kapuni Production Station which are located in the Rural Industrial Zone:

Section 2.1: Rural Zone

Objective 2.1.4 To enable the efficient and effective functioning of farming and rural based activities, and ensure that activities are not inhibited by adverse effects of new incompatible land uses.

Policy 2.1.9 Ensure that new land use activities are of a nature, scale, intensity and location consistent with maintaining the character and amenity of the rural environment, and avoids or mitigates potential reverse sensitivity effects.

Policy 2.1.15 Manage potential reverse sensitivity conflict between farming, other rural activities and sensitive activities through appropriate separation distances or other measures, while giving priority to existing lawfully established activities.

Section 2.6: Rural Industrial Zone

Objective 2.6.3 To provide for the efficient and effective operation and development of existing large-scale manufacturing and processing activities and sites in rural areas while ensuring their adverse effects on the environment are avoided, remedied or mitigated recognising their rural location.

Objective 2.6.4 To enable the efficient and effective functioning of existing large-scale manufacturing and processing activities and ensure that these activities are not constrained by adverse effects of new incompatible subdivision, land use and development in the Rural Zone.

Policy 2.6.6 Manage the adverse effects of land use activities and development on each site in the Rural Industrial Zone using Concept Plans which indicate the overall development envelope for that site.

Section 2.7: Tāngata Whenua

Objective 2.7.9 To provide Tāngata Whenua with opportunities to participate in resource management processes and decision-making.

Objective 2.7.10 To have particular regard to the concept of Kaitiakitanga as defined by Tāngata Whenua of the District in respect of the management of natural and physical resources.

Policy 2.7.12 To actively engage with Tāngata Whenua when addressing matters of concern to Iwi and hapū, including recognition of the relationship of Tāngata Whenua and their culture and traditions with land, water, sites and areas of cultural and spiritual significance, wāhi tapu and other taonga.

Section 2.9: Hazardous Substances and Contaminated Land

Objective 2.9.4 Recognise the important benefits associated with the use, storage, disposal and transportation of hazardous substances whilst also ensuring that risks to the environment and human health are minimised to acceptable levels.

Objective 2.9.6 Recognise the important benefits associated with the use, storage, disposal and transportation of hazardous substances associated with petroleum exploration and petroleum production activities whilst also ensuring that risks to the environment and human health are: (j) Avoided where the risks are unacceptable; and (k) Minimised for lesser risks as low as reasonably practicable (ALARP).

Objective 2.9.7 Sensitive activities are located where they: (l) Avoid areas exposed to an unacceptable level of risk from existing petroleum exploration and petroleum production activities; and (m) Do not compromise existing petroleum exploration and petroleum production activities due to reverse sensitivity effects and /or incompatibility.

Policy 2.9.8 Ensure significant hazardous facilities are located, designed, constructed and managed to minimise risk to the extent practicable and avoid Unacceptable Risk to the environment and human health.

Policy 2.9.12 Manage potential reverse sensitivity conflicts between existing lawfully established significant hazardous facilities and new sensitive activities through subdivision and land use activity controls and other appropriate measures.

Policy 2.9.15 Ensure petroleum exploration and petroleum production activities are located, designed, constructed and managed to avoid Unacceptable Risk and minimise lesser risks as low as reasonably practicable (ALARP) to the environment and human health.

Policy 2.9.17 Require new petroleum exploration and petroleum production activities to internalise the Unacceptable Risk within the site of the activity unless, where the Unacceptable Risk extends outside the site of the activity, a mechanism avoids the Unacceptable Risk to sensitive activities.

Policy 2.9.18 Ensure additions and alterations to existing petroleum exploration and petroleum production activities do not expose existing sensitive activities to Unacceptable Risk.

Policy 2.9.19 Encourage additions and alterations to existing petroleum exploration and petroleum production activities to internalise the Unacceptable Risk within: (a) the site of the existing petroleum activity; or (b) land owned by the operator; or (c) land where the operator has an enforceable interest (including lease, covenant or legal contract).

Policy 2.9.20 Manage additions and alterations to existing petroleum exploration and petroleum production activities where: (a) the Unacceptable Risk extends outside the existing Petroleum Activity Risk Contour, or (b) there is no Petroleum Activity Risk Contour; to avoid Unacceptable Risk to sensitive activities and minimise the lesser risks as low as reasonably practicable (ALARP).

Policy 2.9.21 Manage additions and alterations to existing petroleum exploration and petroleum production activities where there are existing sensitive activities within the existing Petroleum Activity Risk Contour to ensure: (a) the Unacceptable Risk to the existing sensitive activity is avoided; or (b) where the Unacceptable Risk cannot be avoided, risk to the existing sensitive activity is not increased and is minimised to as low as reasonably practicable (ALARP).

Policy 2.9.23 Identify and keep up-to-date on the Planning Maps the Petroleum Activity Risk Contours related to existing petroleum exploration and petroleum production activities using a level of risk threshold of 1×10^{-6} (risk contour).

Policy 2.9.24 That Petroleum Activity Risk Contours will be uplifted from the Planning Maps in whole or in part and for separation distances to no longer apply where: (a) there are no risk generating activities being undertaken; or (b) the level of risk reduces significantly and extant consents or rules do not enable risk generating activities to establish or intensify in the future.

Policy 2.9.25 Avoid new sensitive activities locating in areas which are exposed to Unacceptable Risks from existing petroleum exploration and petroleum production activities.

Policy 2.9.26 Where there is no Petroleum Activity Risk Contour, manage the location of new sensitive activities near existing petroleum exploration and petroleum production activities by applying separation distances based on generic fatality consequence distances for petroleum exploration and petroleum production activities.

3.8.2 District Plan Assessment

PPC2 does not propose to introduce any new objectives and policies or change any of the existing objectives and policies outlined above. No consequential amendments are required to any objectives, policies or rules as a result of the proposed changes to the Planning Maps.

The plan change will assist to implement the existing objectives, policies and rule framework using methods of implementation that are already encouraged and supported by the District Plan. In particular, Policy 2.9.23 relating to Petroleum Exploration and Production activities directs Petroleum Activity Risk Contours to be kept up-to-date on the Planning Maps.

Todd has actively engaged with Tangata Whenua as part of the development of PPC2, consistent with Policy 2.7.12. The Schedule 1 RMA process will allow for further opportunities for the exercise of kaitiakitanga.

For the above reasons, the objective of PPC2 is considered to be consistent with the relevant objectives and policies of the District Plan.

4.0 Consultation

4.1 Consultation with Affected Landowners

Todd undertook consultation with landowners and stakeholders neighbouring the Todd Kapuni sites who are currently impacted by the generic fatality consequence distances in the District Plan and who are considered to be affected by PPC2 (refer Section 2.4.1, 21 neighbouring landowners were identified as affected). Notably this included a letter to landowners in November 2021 advising of their intention to apply for a private plan change to replace the generic fatality consequence distances with quantified Petroleum Activity Risk Contours, and individual meetings with landowners in late 2022 to discuss the implications of proposed map changes. The landowner feedback was generally supportive, with the vast majority of the neighbouring landowners identified as affected providing signed letters of support. These 20 letters are attached to the Private Plan Change Application (Appendix 1).

4.2 Community Advisory Group (CAG)

Community Advisory Group (CAG) meetings are held by Todd on a quarterly basis at the Kapuni Hall. There are 15 local neighbours and landowners invited to the meetings along with a representative from the Okaiawa Volunteer Fire Brigade. CAG meetings where PPC2 was discussed were held in October 2020, March and June 2021, and April, June and September 2022. Points of discussion included general updates on the private plan change process, the impacts of the District Plan generic fatality consequence distances and of the proposed map changes, and the QRA processes.

Todd have advised that the CAG forum is supportive of the proposed plan change. CAG meetings have a formal structure with a chairperson and minutes are taken and recorded.

4.3 South Taranaki District Council

Engagement between Todd and the Council Planning Team has been ongoing since late 2020 for the development of the proposed plan change. This includes providing guidance and feedback to Todd on the QRA methodology and peer review

requirements, the overall proposed plan change process, potentially affected parties and draft changes sought to the District Plan maps.

4.4 Te Korowai o Ngāruahine Trust

Te Korowai o Ngāruahine Trust (TKoNT) are the post settlement governance entity for Ngāruahine Iwi. A summary of consultation between Todd and the iwi and hapū is set out in Table 2 below.

Table 2: Summary of Consultation with Iwi and Hapū

Meeting Date	Material Covered	Feedback
14 June 2022	<p>Emailed a presentation of Kapuni consenting and updates for Tangata Whenua inviting a kanohi ki te kanohi hui to:</p> <ul style="list-style-type: none"> - Ngāti Manuhiakai - Ngāti Tu - Te Korowai o Ngāruahine <p>One slide was provided on the Plan Change</p>	Ngāti Manuhiakai and TKONT would like to hold a Hui
27 June 2022	Hui with TKoNT to go through presentation above and introduce the Plan Change	When will this be resolved?
19 July 2022	<p>Zoom Hui with Ngāti Manuhiakai</p> <p>Introducing the Plan Change</p>	<p>What do the farmers think?</p> <p>How will this implicate the neighbours or farm owners?</p>
06 September 2022	<p>Zoom Hui with Ngāti Manuhiakai</p> <p>General catch up (Plan Change a line item)</p>	No comment

29 September 2022	Hui with Ngāti Tu Introducing the Plan Change	The affected landowners will be glad once this is completed
11 November 2022	Zoom Hui with Ngāti Manuhiakai General catch up (Plan Change a line item)	No comment or feedback required
9 December 2022	Kanohi ki te Kanohi Hui with TKoNT Todd advised they have been working with affected landowners and have approximately 20 signatures to support the Plan Change.	No comment or feedback required
15 December 2022	Kanohi ki te kanohi Hui with Ngāti Tu Todd advised they have been working with affected landowners and have approximately 20 signatures to support the Plan Change.	No comment or feedback required

In summary, it is understood that no concerns were raised during tangata whenua engagement and that tangata whenua considered that the outcomes sought by the proposed plan change would benefit the local community. Tangata whenua sought process updates and advised they will maintain a watching brief as the plan change application progresses.

4.5 Taranaki Energy Watch

A meeting was held between Taranaki Energy Watch (TEW) and Todd on 2 February 2021 to discuss the proposed plan change and the potential peer review of the QRAs by TEW independent risk expert. It is understood that TEW was in agreement with the approach being taken by Todd of AECOM peer reviewing the QRAs. TEW suggested their independent risk expert could provide further review of the final QRAs and

Suitability Reports, and reiterated the principles that their risk expert would expect based on the Environment Court hearing process.

A follow up meeting was held with TEW on 3 November 2022 to provide an update on the QRA and peer review process and timing for lodgement of the private plan change application. Todd agreed to share copies of the QRAs and Suitability Reports with TEW once all documentation was finalised; however, it is understood that this did not occur.

4.6 Federated Farmers

An audio-visual meeting was held with Federated Farmers on 20 January 2023. Additional information was provided to Federated Farmers and an email of support was provided on 23 February 2023 (refer Appendix 1).

4.7 Advice received from Iwi Authorities

S32(4A) of the RMA requires evaluation reports prepared in relation to a proposed plan change to include a summary of:

- All advice received from iwi authorities concerning the proposal; and
- A summary of the response to that advice, including any proposed provisions intended to give effect to the advice.

Under Clause 4A of Schedule 1 of the RMA local authorities are also required to:

- Provide a copy of any draft policy statement or plan to any iwi authority previously consulted under clause 3 of Schedule 1 prior to notification;
- Allow adequate time and opportunity for those iwi authorities to consider the draft and to supply advice; and
- Have particular regard to any advice received before notifying the plan.

No specific advice has been received from TKoNT regarding the proposed amendments to the Planning Maps evaluated within this report, other than wishing to be kept informed of progress which Todd has agreed to.

5.0 Evaluation of Provisions

5.1 Reasonably Practicable Options

Under s32(1)(b)(i) of the RMA, reasonably practicable options to achieve the objectives of this proposal must be identified and examined.

Three reasonably practicable options were identified:

- **Option 1 - Status quo / No changes**

No changes to the District Plan Planning Maps.

- **Option 2 – Make changes to Planning Maps at a later date**

Amend the District Plan Planning Maps as per Option 3 at the next District Plan Review Process

- **Option 3 – Make changes to Planning Maps in PPC2X**

Amend the District Plan Planning Maps to introduce PARCs and add/remove PFAAs

5.1.1 Option 1 – Status quo / No Changes

The option to “do nothing” is to make no changes to the planning maps which would retain the existing generic fatality consequence distances of 250 m for Todd well-sites and 650 m for petroleum production stations and gas treatment plants.⁸ This option does not resolve the issue of the generic fatality consequence distances being overly conservative and resulting in unnecessary regulation and encumbrance on areas of neighbouring land. In particular, Policy 2.9.23 directs that the PARCs are identified and kept up to date in the Planning Maps.

Taking into account the peer reviewed QRA work that has been undertaken for the Todd sites, this option is not appropriate because it is clear that introducing PARCs for Todd’s sites is a more effective and efficient planning approach, which has a strong level of support from the affected landowners. This option does not achieve the objective of the PPC.

⁸ Noting that the Kapuni Production Station already has a PARC mapped in the District Plan.

Additionally, not adding a PFAA for the Kapuni J Wellsite would provide the impression that flaring does not occur at this site when in fact the site is consented for flaring and flaring will occur.

Leaving PFAAs on the planning maps for KA 3/3A and KA 9/16 would indicate to users of the District Plan and surrounding landowners that there is the possibility of flaring at these sites when this is no longer the case. It is important that planning maps provide accurate and up to date information as far as possible in order to provide certainty for the community.

5.1.2 Option 2 – Make Changes to Planning Maps at a later date

This option would involve retaining the generic fatality consequence distances for the Todd facilities and waiting until the next full review of the District Plan to incorporate the 1×10^{-6} (risk contours) and update the PFAAs.

Councils are required to review the District Plan every ten years⁹ and as the District Plan became fully operative on 22 January 2021, this review would be required to occur in approximately 2031. Therefore, the issues identified in PPC2 would continue to remain for a significant period of time.

5.1.3 Option 3 – Make Changes to Planning Maps in PPC2

This option would introduce PARCs to the Planning Maps for the identified Todd sites based on QRAs that have been through a robust independent peer review process aligned with the Environment Court appeal decisions and update the PFAAs.

Introducing PARCs will benefit adjacent landowners in terms of removing unnecessary planning regulation on their land. Introducing PARCs will also more accurately identify and communicate risk, and provide for better management of risk, for each of the Todd sites. This option requires no changes to the existing objective, policy and rule framework so the intent and integrity of the District Plan in relation to the management of risk, and reverse sensitivity matters related to petroleum exploration and production activities, remains unchanged.

⁹ In accordance with Section 79(1) of the RMA

5.2 Evaluation of Reasonably Practicable Options

Section 32(1)(b) requires an evaluation of whether the proposed provisions are the most appropriate way to achieve the objectives by identifying other reasonably practicable options, assessing the efficiency and effectiveness of the provisions in achieving the objectives, and summarising the reasons for deciding on the provisions.

In order to determine whether the options are reasonably practicable, a comparative analysis was undertaken on their appropriateness. Appropriateness has a number of dimensions, namely reasonableness, achievability, relevancy and usefulness:

- Reasonableness (i.e., What is the extent of the regulatory impact imposed on individuals, businesses or the wider community? Is it consistent with identified tangata whenua and community outcomes?)
- Achievability (i.e., Can the outcome be achieved with the functions, powers and policy tools and resources available, or likely to be available, to the Council?)
- Relevance (i.e., Is it related to addressing resource management issues and will it achieve the purpose of the RMA?)
- Usefulness (i.e., What would happen without it? Will it guide decision-making?)

Refer to Table 3 below for a summary of the analysis undertaken to assess whether the options are reasonably practicable.

Table 3: Summary of analysis of options

	Option 1: Status quo / No changes	Option 2: Make changes to Planning Maps at a later date (in next District Plan Review Process)	Option 3: Make changes to Planning Maps in PPC2
Appropriateness	The option is not considered to be appropriate as it will not resolve the issues identified and achieve the objective of the PPC.	The option is not considered to be appropriate given the time until the next full District Plan review process.	The option is considered to be appropriate given the District Plan provides for and encourages the mapping of PARCs and PFAAs in the District Plan, the QRA process that Todd has undertaken to delineate the PARCs in accordance with Policy 2.9.23 and the Environment Court Minute, and the level of landowner support for the option.
Reasonableness	The option is not considered to be reasonable given that quantified risk contour	While the option would address the issues identified and achieve the objective of the PPC, it would	The option is reasonable as the approach is recognised and provided for in the District Plan

	information is available (peer reviewed in almost all cases) and given the District Plan directs the mapping of PARCs in the District Plan (Policy 2.9.23).	not do so in a reasonable timeframe.	and can be achieved in a reasonable timeframe
Achievability	The option is simple to achieve as the approach is already in place and requires no further action.	The option would be relatively simple to achieve as the proposed changes could be incorporated into the next District Plan as part of a full review process.	The option requires a plan change process. However, the changes to the District Plan are simple and do not change any of the objectives or policies, or provisions other than the identified Planning Maps. The changes do not impact on the integrity or the general approach outlined in the District Plan and so can be easily achieved.
Relevance	The option is considered to have a low level of relevance as it does not resolve the issues identified or achieve the objective of the	The option is considered to have a low level of relevance as the issues identified will remain for the period of time until the next full review process for the District	The option is of high relevance as it will resolve the identified issues in a timely manner.

	PPC.	Plan.	
Usefulness	The option does not resolve the issues or achieve the objective of the PPC and therefore is not useful.	While the option will resolve the issues identified, it will not do so in a timely manner.	The option is useful as it resolves the issue identified and can be achieved in a relatively straight forward and timely manner.

5.3 Reasons for Preferred Option (PPC2)

The evaluation of the three options in Table 3: Summary of analysis of options, shows that a proposed plan change to the Planning Maps of the District Plan (Option 3: PPC2) is the most appropriate way of achieving the objectives of the proposal as it addresses the identified issues in comparison to the 'do nothing' option (Option 1) and in a timelier manner than delayed plan change option (Option 2). Option 3 is considered to be consistent with the direction provided in the District Plan to identify and keep up to date in the Planning Maps the PARCs and the areas subject to the potential presence of contaminants from abnormal flare operations (PFAAs) for Todd's Kapuni sites.

None of the options propose changes to the existing objectives, policies, and rule framework in the District Plan, other than changes to the Planning Maps.

6.0 Evaluation of Efficiency and Effectiveness

6.1 Evaluation of Benefits and Costs of Options

Table 4 below identifies and assesses the benefits and costs of the environmental, economic, social and cultural effects that are anticipated from the implementation of the changes proposed under Option 3 (i.e., PPC2).

Table 4: Summary of analysis of options

	Option 1: Status quo / No changes	Option 2: Make changes to Planning Maps at a later date (in next District Plan Review Process)	Option 3: Make changes to Planning Maps in PPC2
Benefits	<p>Environmental No benefits identified.</p> <p>Economic The benefit of no financial costs associated with a plan change.</p> <p>Social No benefits identified.</p> <p>Cultural No benefits identified.</p>	<p>Environmental Option 2 manages risk based on quantified precautionary risk information. The option provides for better management of reverse sensitivity effects and land use planning compatibility (Refer Policies 2.9.1, 2.1.15 and 2.9.12 of the District Plan). However, due to the method for implementing the option (in the next District Plan Review), the benefits would only occur in the medium term.</p> <p>Economic Landowners affected by the PPC will have enhanced permitted development rights and will benefit economically from having more flexibility to use and development their</p>	<p>Environmental Option 3 manages risk based on quantified risk information. The option provides for better management of reverse sensitivity effects and land use planning compatibility.</p> <p>Economic The PPC has been requested by Todd and as such the Council and the community has not borne the costs associated with its development to date. Landowners affected by the PPC will have enhanced permitted development rights and will benefit economically from having more flexibility to use and development their land. This means reduced economic costs associated with consenting</p>

		<p>land.</p> <p>Todd will have more certainty for undertaking alterations and additions to their existing facilities</p> <p>However, due to the method for implementing the option the benefits would only occur in the medium term</p> <p>Social</p> <p>The quantified risk contours provide greater certainty to neighbouring landowners of the risk presented by Todd facilities. However, due to the method for implementing the option the benefits would only occur in the medium term</p> <p>Cultural</p> <p>No benefits identified</p>	<p>requirements.</p> <p>Todd will have more certainty for undertaking alterations and additions to their existing facilities.</p> <p>Social</p> <p>The quantified risk contours provide greater certainty to neighbouring landowners of the potential risk presented by Todd facilities.</p> <p>Cultural</p> <p>No benefits identified</p>
Costs	<p>Environmental</p> <p>A less scientific and reliable approach. Reverse sensitivity and land use planning are not optimally managed</p> <p>Economic</p> <p>Neighbouring landowners' property</p>	<p>Environmental</p> <p>Reverse sensitivity and land use planning are not optimally managed until such time as the District Plan review process is undertaken</p> <p>Economic</p>	<p>Environmental</p> <p>No costs identified</p> <p>Economic</p> <p>Costs to Todd for development of the private plan change and costs to any submitters and to the Council in</p>

	<p>rights remain disproportionately encumbered by provisions in the District Plan</p> <p>Social</p> <p>Neighbouring landowners remain uncertain about what the generic consequence fatality distances represent in terms of risk</p> <p>Cultural</p> <p>No costs identified</p>	<p>Neighbouring landowners' property rights remain disproportionately encumbered by provisions in the District Plan until such time as the District Plan review process is undertaken. Costs to Council through District Plan review process</p> <p>Social</p> <p>Remaining uncertainty for landowners about what the generic consequence fatality distances represent in terms of risk until such time as the District Plan review process is undertaken</p> <p>Cultural</p> <p>No costs identified</p>	<p>respect to their involvement</p> <p>Social</p> <p>None identified</p> <p>Cultural</p> <p>No costs identified</p>
<p>Opportunities for economic growth and employment to be provided or reduced</p>	<p>The generic and conservative nature of the consequence distances results in large encumbrances on neighbouring land resulting in loss of property rights and perceived loss in property value. This option has an adverse impact on neighbouring landowners' opportunities for economic growth and employment</p>	<p>The quantified risk contours associated with this option result in enhanced development rights for neighbouring landowners which in turn result in enhanced opportunities for economic growth and employment. However, these opportunities would only occur in the medium term once a full District Plan review occurs.</p>	<p>The quantified risk contours associated with this option result in enhanced development rights for neighbouring landowners which in turn could result in enhanced opportunities for economic growth and employment. These opportunities would occur in the short term on approval of the proposed plan change.</p>

<p>Efficiency and effectiveness of achieving objectives of proposal</p>	<p>The option does not address the issues identified by the PPC and does not achieve the objective</p>	<p>The option addresses the issues identified by the PPC and achieves the objective but does not do so in a timely manner</p>	<p>Option 3 is considered to be an efficient method of achieving the objectives of the proposal as well as the relevant objectives of the District Plan. This option would provide quantified risk contours in the Planning Maps to replace the generic fatality risk consequence distances and would update the PARCs. It would also achieve the objectives in a timely manner with the least drawbacks and the most benefits.</p>
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6.2 Overall Evaluation of Appropriateness

The cost-benefit and effectiveness and efficiency assessments have shown that overall, the proposed amendments in PPC2 are more efficient than the status quo or delayed amendments, and are more effective at achieving the objectives of the District Plan.

6.3 Risk of acting or not acting

Section 32(2)(c) of the RMA requires this evaluation to assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.

There is considered to be sufficient information about the proposed PARCs and PFAA included in PPC2 for the plan change to proceed. The provisions of this PPC (i.e. the proposed PARCs and PFAA) are primarily based on independently peer reviewed QRA prepared by experts in accordance with the District Plan and the agreed approach in the Environment Court. The information to support the PPC is detailed, certain and robust and there is considered to be a low risk in acting on the PPC.

Alternatively, the risk of not acting is that the affected landowners remain uncertain of what generic fatality consequence distances represent and the additional and disproportionate encumbrances placed on their land, including the associated loss of property rights and perceived loss in property value, remain.

7.0 Conclusion

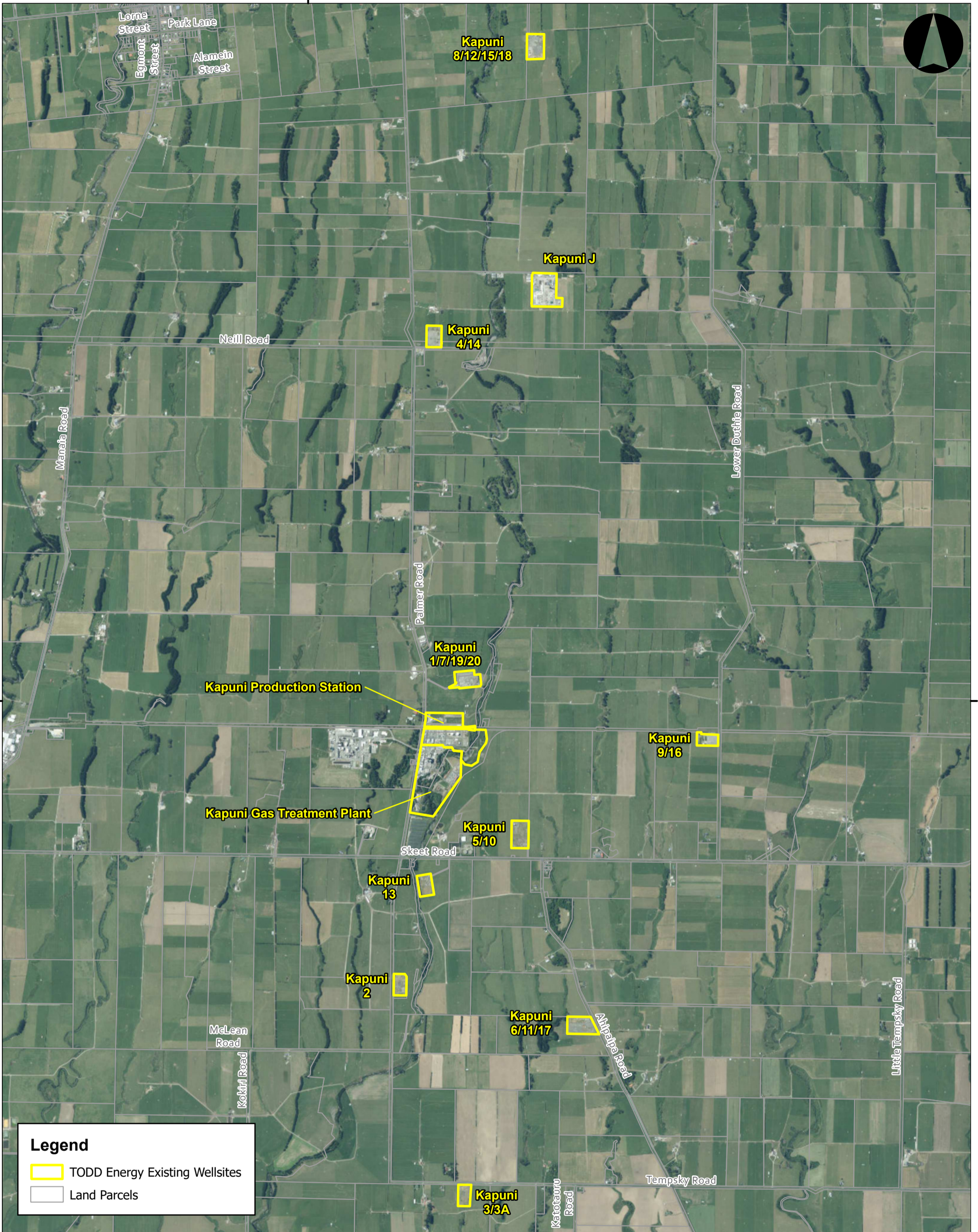
This evaluation has been undertaken in accordance with section 32 of the RMA in order to identify the need, benefits and costs and the appropriateness of the proposal having regard to its effectiveness and efficiency relative to other means in achieving the purpose of the RMA. The evaluation demonstrates that PPC2 is the most appropriate option as:

- The proposed plan change is entirely consistent with the objectives and policies of the District Plan and all other relevant statutory documents. Mapping 1x10⁻⁶ risk contours in the District Plan as PARCs is supported by the objectives and policies and overall risk management approach of the District Plan which has been shaped by the decisions of the Environment Court.
- The proposed plan change does not change the existing 1x10⁻⁶ risk contours for any of the Todd facilities, or activities undertaken at those facilities, so will not result in any actual or potential adverse effects on the environment over and above those that might already exist. The QRAs undertaken have been through a thorough development process and have been independently peer reviewed.
- The proposed plan change will result in positive effects on the environment, namely more accurate identification of and communication risk in the Planning Maps to inform land use planning, and a significant reduction in the impact of the provisions of the District Plan on the use and development rights of the owners of land adjoining or adjacent to Todd sites, resulting in regulation that is more proportionate to the site-specific risk.
- The vast majority of affected neighbouring landowners and other stakeholders support the proposed plan change;

In summary, PPC2 is considered the most appropriate as it addresses the issues identified and achieves the objective of the proposed plan change. The proposed plan change (Option 3) has been assessed to provide the most benefits and the least overall costs and is the most efficient and effective option to achieve the proposed plan change objective.

Appendix 1: Private Plan Change Application

1,700,000



5,630,000

5,630,000

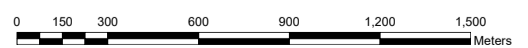
1,700,000

GENERAL NOTES
 1. Coordinates are in terms of New Zealand Transverse Mercator

DISCLAIMER
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TITLE				
KAPUNI FIELD WELLSITE OVERVIEW PLAN				
NO	DATE	BY	CHKD.	REVISIONS
3	13.02.23	GS	GJ	Pipelines and Permits removed
2	30.03.21	CG	GJ	Kap J and associated pipelines added
1	13.12.18	TM	GJ	KPS boundaries amended

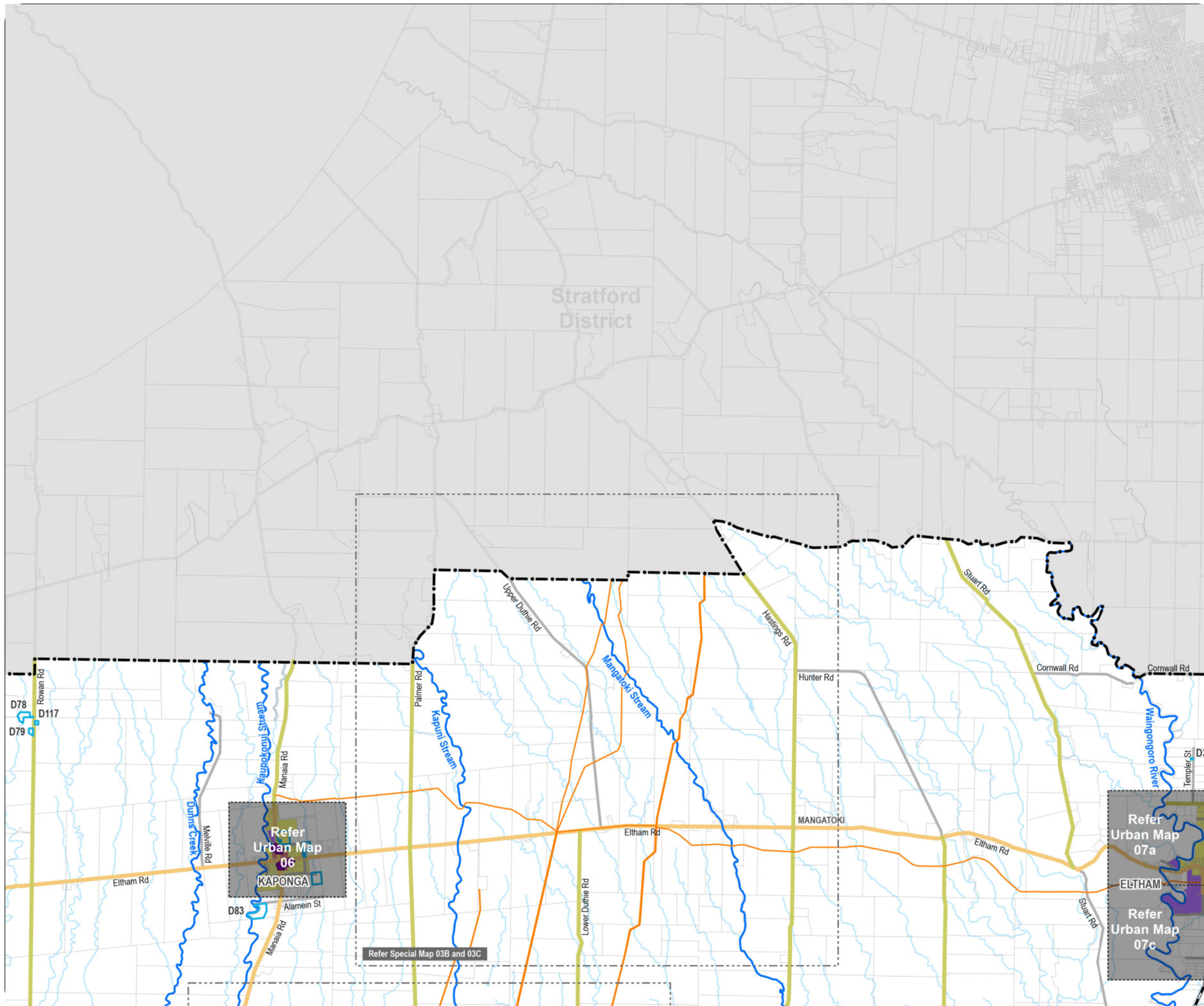
DRAWN	T. STANDEN	20.06.18
CHECKED	G. JOHNSTON	20.06.18
PROJECT No	17439	
LOCATION	KAPUNI	
SCALE	1:25,000	
ORIGINAL SIZE	A3	



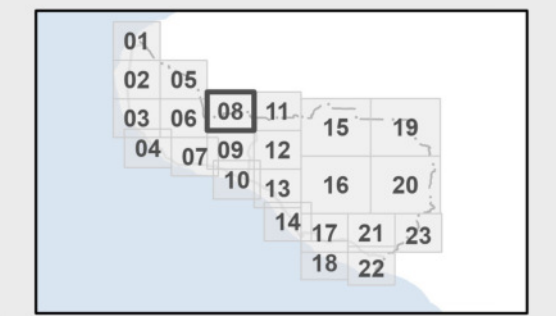
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BTWCOMPANY
 SURVEYING | ENGINEERING | PLANNING & ENVIRONMENT

DRAWING No	17439-127-GIS	SHEET	1	REVISION	3
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- Residential Zone
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- Commercial Zone - Hawera Town Centre
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- River/Lake
- Territorial Authority Boundary
- Urban Map Sheet Boundary
- Special Map Sheet Boundary

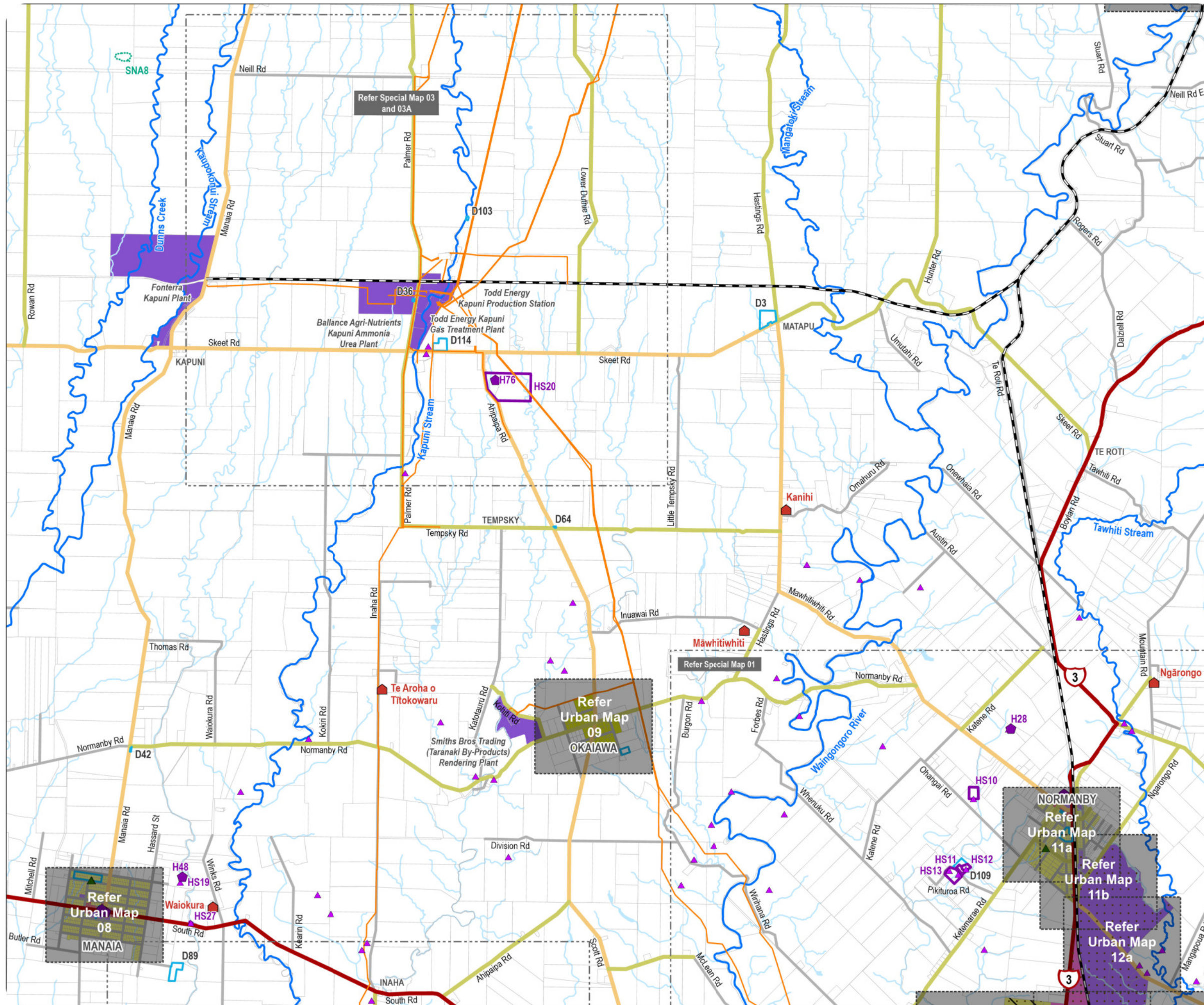


21 February 2023

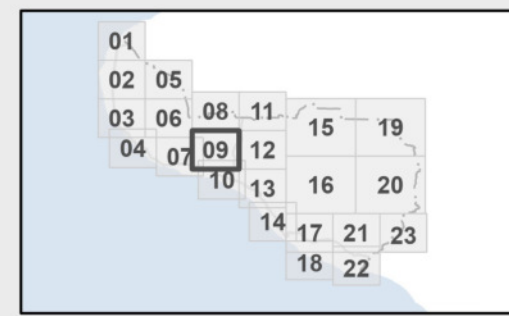


PROPOSED DISTRICT PLAN





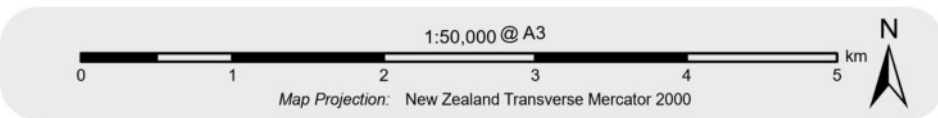
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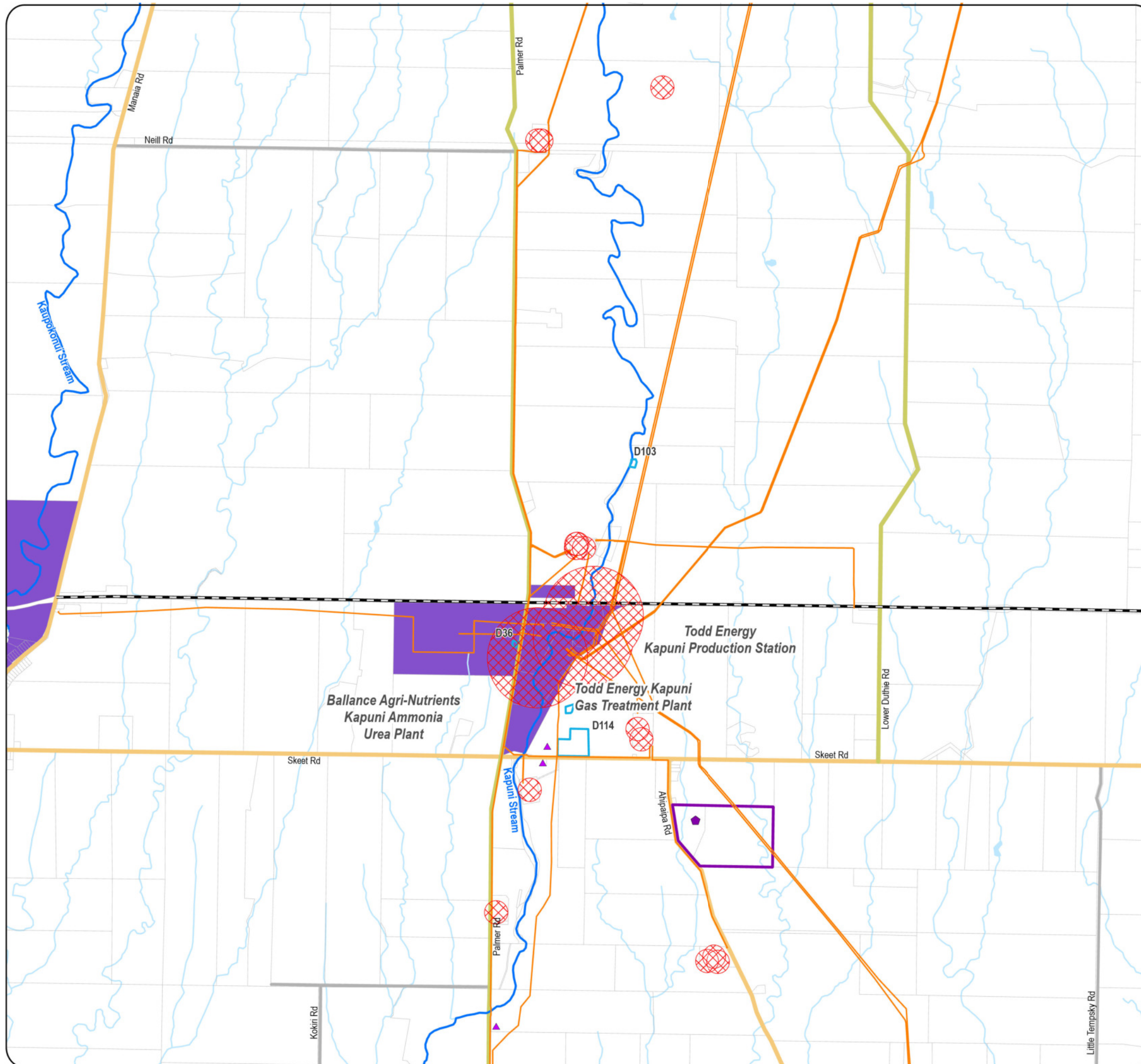


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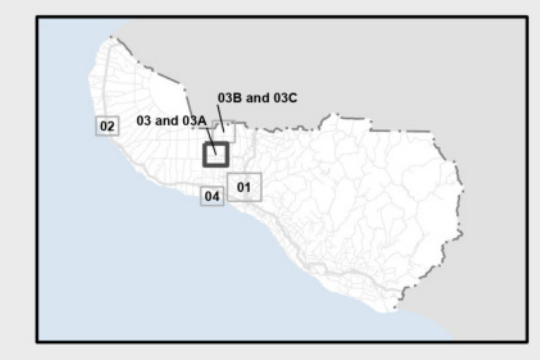


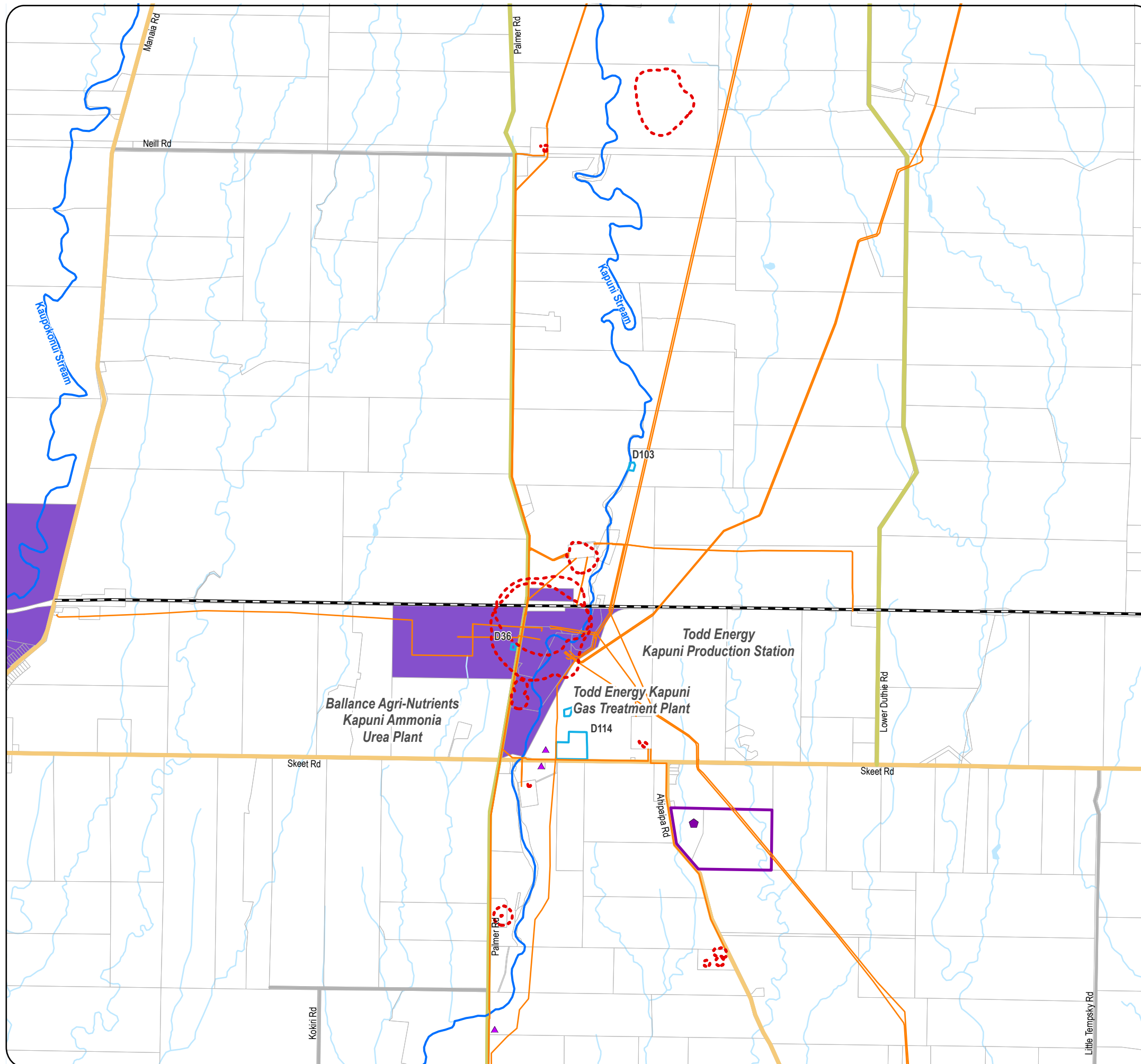
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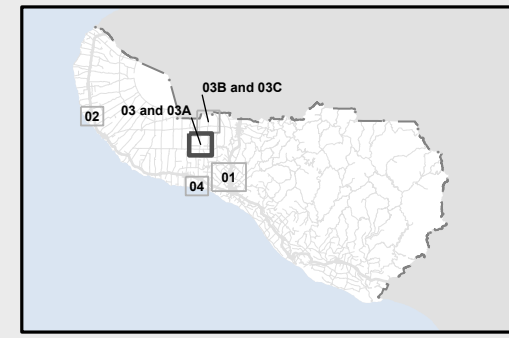


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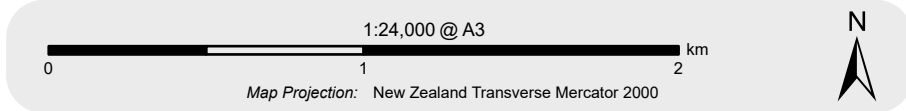


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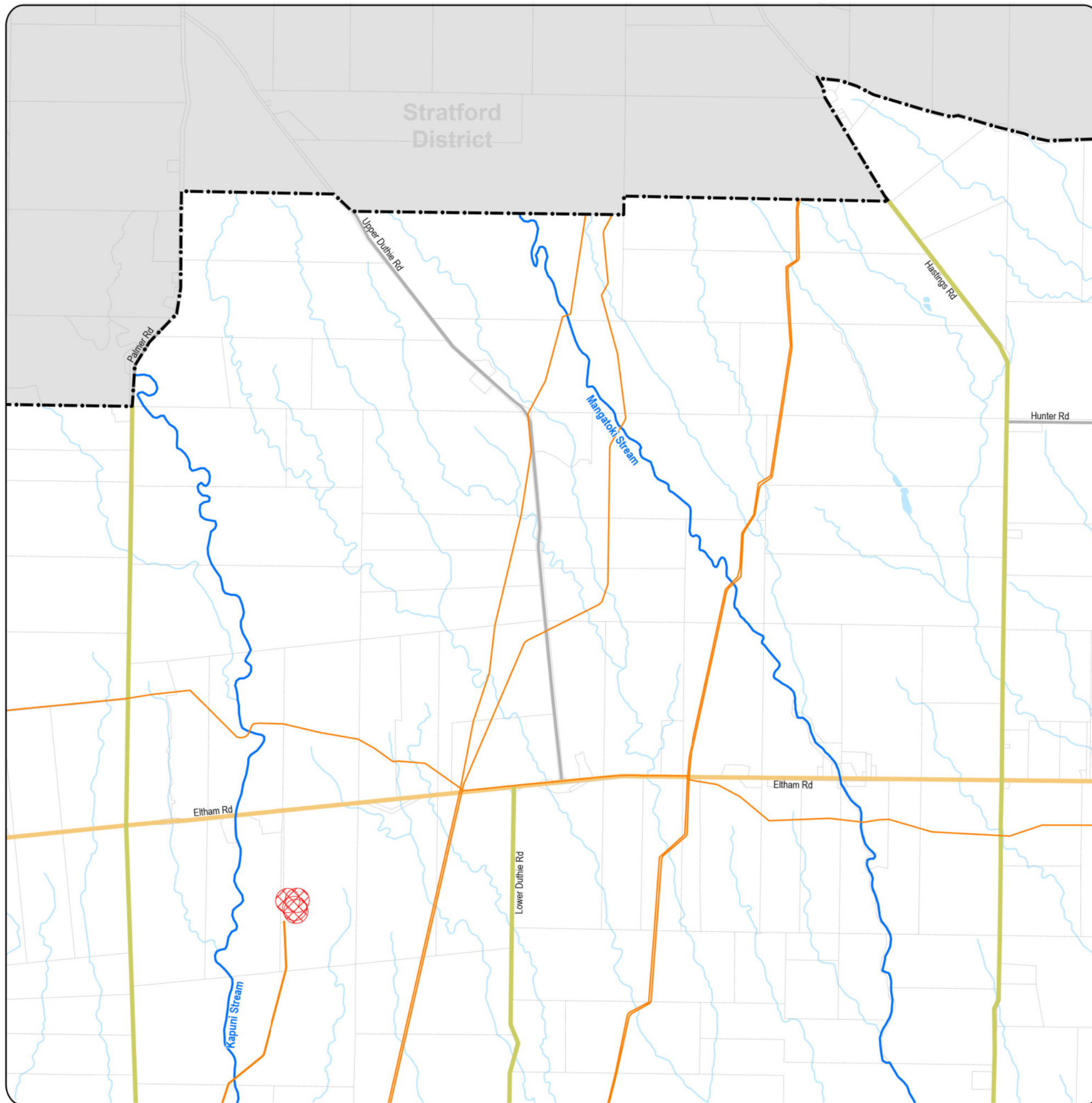


South Taranaki
District Council

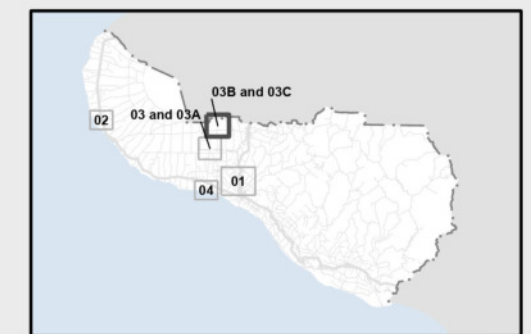
PROPOSED
DISTRICT PLAN



KAPUNI
SPECIAL MAP 03A



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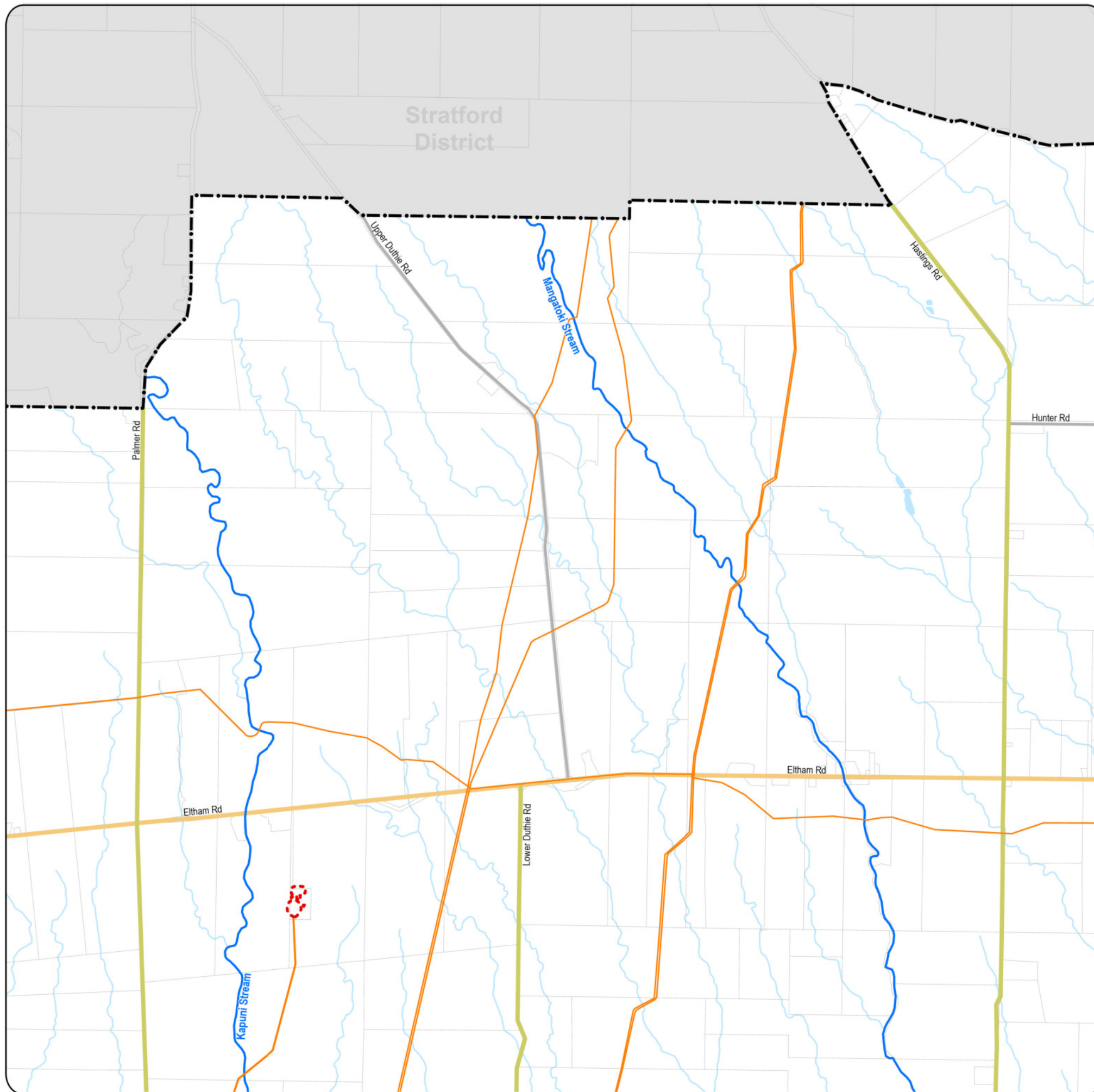
7 March 2023



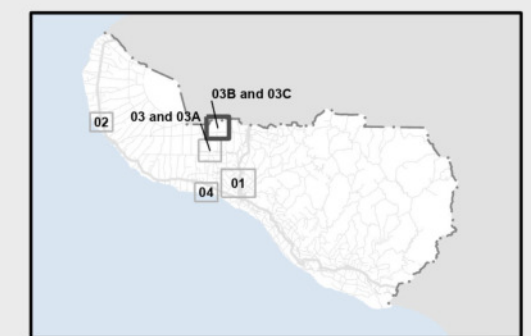
PROPOSED
DISTRICT PLAN



KA8/12/15/18 WELLSITE
SPECIAL MAP 03B



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7 March 2023

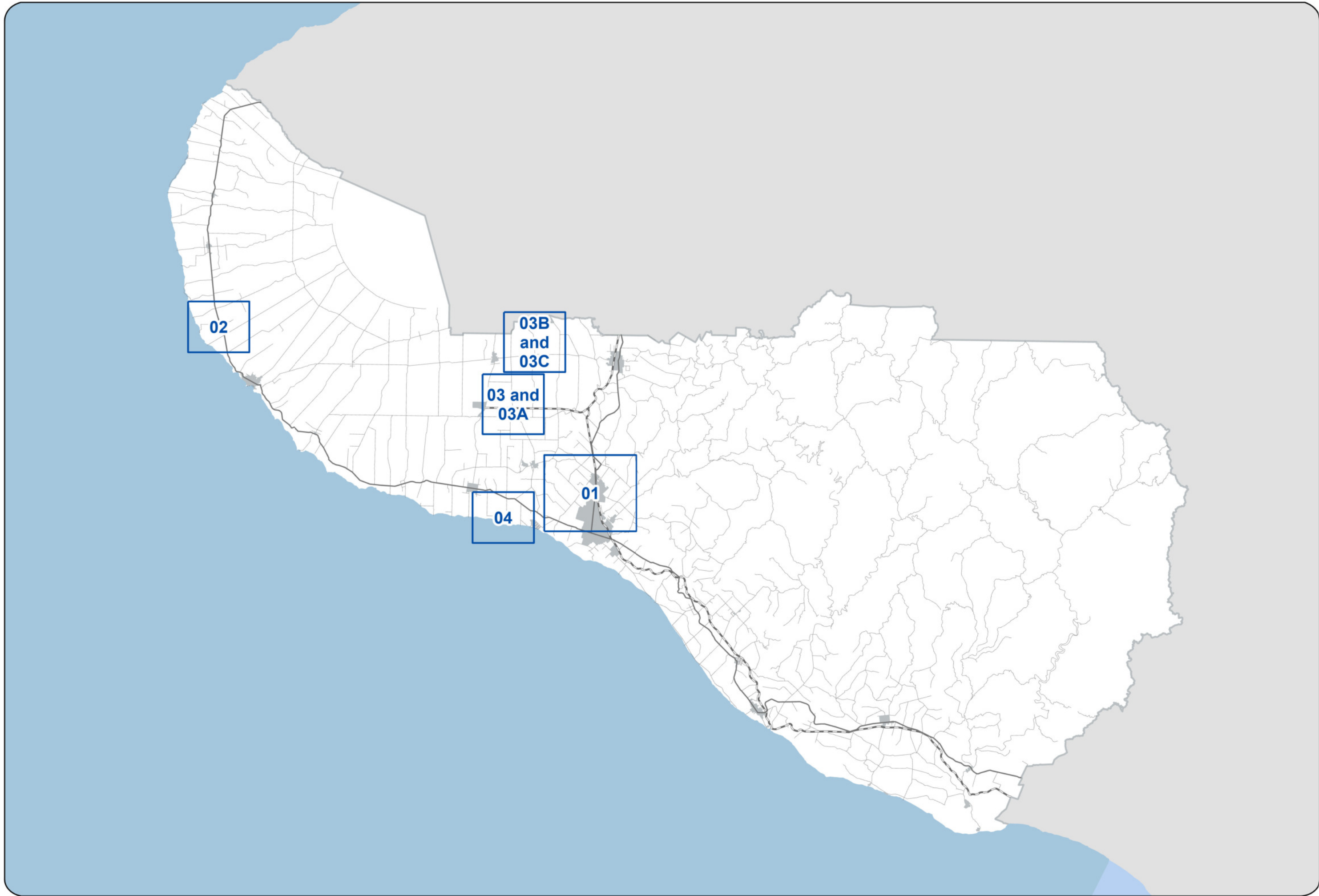


PROPOSED DISTRICT PLAN



KA8/12/15/18 WELLSITE

SPECIAL MAP
03C



7 March 2023



South Taranaki
District Council

PROPOSED
DISTRICT PLAN



SPECIAL
MAP SHEET INDEX

Appendix 2: Section 32 RMA

Full text of Section 32 of the Resource Management Act 1991

South Taranaki District Council is required to examine the provisions of the Plan Change in accordance with the requirements of section 32 of the RMA.

Section 32 states:

- (1) An evaluation report required under this Act must—*
 - (a) examine the extent to which the objectives of the proposal being evaluated are the most appropriate way to achieve the purpose of this Act; and*
 - (b) examine whether the provisions in the proposal are the most appropriate way to achieve the objectives by—*
 - (i) identifying other reasonably practicable options for achieving the objectives; and*
 - (ii) assessing the efficiency and effectiveness of the provisions in achieving the objectives; and*
 - (iii) summarising the reasons for deciding on the provisions; and*
 - (c) contain a level of detail that corresponds to the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the proposal.*
- (2) An assessment under subsection (1)(b)(ii) must—*
 - (a) identify and assess the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including the opportunities for—*
 - (i) economic growth that are anticipated to be provided or reduced; and*
 - (ii) employment that are anticipated to be provided or reduced; and*
 - (b) if practicable, quantify the benefits and costs referred to in paragraph (a); and*
 - (c) assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.*
- (3) If the proposal (an amending proposal) will amend a standard, statement, national planning standard, regulation, plan, or change that is already proposed or that already exists (an existing proposal), the examination under subsection (1)(b) must relate to—*
 - (a) the provisions and objectives of the amending proposal; and*

