

3 June 2022

National adaptation plan consultation Ministry for the Environment Wellington

By email: adaptation@mfe.govt.nz

We support the government's initiative to develop a national adaptation plan to reduce vulnerability and enhance resilience to climate change

Powerco Limited (Powerco) welcomes the opportunity to provide a submission on the Ministry for the Environment's draft National Adaptation Plan and Adapt and Thrive consultation papers.

Powerco is one of Aotearoa New Zealand's largest gas and electricity distributors, supplying around 340,000 (electricity) and 112,000 (gas) urban and rural homes and businesses in the North Island. Climate change adaptation is an integral part of our medium- and long-term strategy to ensure we have reliable and resilient networks.

Our suggestions for the draft national adaptation plan and supporting government actions are focussed around data and integration with inter-dependencies with other regulatory settings:

- Climate change data needs to be available in different formats. Organisations have different data requirements. So a prescriptive "product" to measure climate change risk is not what is required.¹ The quality and availability of geospatial data is a priority area for infrastructure network owners and operators like Powerco.
- Ensure equal and open access to climate change data to maximise its value. Having a catalogue of national climate impact information, from trusted sources with known quality, e.g. NIWA climate projections, will provide significant benefits, including supporting collaborative work across sectors, reducing data access costs, lessening the chance of conflicting information, and simplifying planning.
- Use existing data hubs rather than designing and developing a new Adaptation Information Portal. There are organisations that are good at this - for example, LINZ data

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¹ Under focus area two, the report has specific critical actions related to a single agency (NIWA) with a very prescriptive output.

service/Koordinates, ESRI Living Atlas, and Landcare. Central government should leverage the experience and expertise of these organisation instead of "reinventing the wheel".

- Improving governance, data quality, and standardisation (including local bodies through to government agencies) will improve decision-making quality and efficiency. Powerco's challenging experience determining the flooding risk of assets is an example of the value of standardised data and data creation methodologies. To complete this flooding risk puzzle requires flooding data created by different councils/organisations, which may or may not be available. We have also found that the data has been created using different methodologies, so it often does not fit well with its neighbouring piece.
- We support a mandatory risk assessment process at the local government level. Risk assessments are best approached by having consistent and repeatable processes. Applying the risk assessment process consistently at a local level will benefit companies like Powerco that have assets distributed across regions served by multiple local bodies.
- Economic regulation must enable regulated infrastructure businesses to invest in climate change adaptation. We encourage the government to work with economic and market regulators, like the Commerce Commission and Electricity Authority, to ensure government legislation allows them to make decisions that facilitate climate change adaptation.
- The New Zealand Infrastructure Commission should work with infrastructure businesses to agree on the resilience standard. As an owner of gas and electricity networks in rural and urban settings, Powerco is well-placed to assist the Infrastructure Commission's development of the resilience standard or code. It's essential that it is pragmatic, can deliver resilient network outcomes, and can be supported by the Commerce Commission's economic regulation of networks.
- Make sure government decision making supports the adaptation plan. For example, the Resource Management Act reform must enable infrastructure businesses to deliver the required level of resilience in the forms, locations and timeframes required.
- Any methodology for assessing impacts on physical assets and their services must have the capability to evaluate the change in risk over time. The draft national adaptation plan indicated the methodology "may" include approaches to understanding how risk may change over the medium to long term.² This is a "must". If not included, the plan will only provide *current* risk. Not assessing the change in risk over time will result in infrastructure owners extrapolating data, resulting in inconsistencies and variability in results.

If you have any questions about this submission, please contact Nathan Hill (<u>Nathan.Hill@powerco.co.nz</u>).

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² Draft national adaptation plan, page 66