

## Comments

### LTP 2021-31

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<b>First name</b>	Shelby
<b>Surname</b>	Macfarlane-Hill
<b>Email address</b>	
<b>Are you submitting on behalf of an organisation?</b>	Yes, I'm submitting on behalf of an organisation
<b>Which organisation are you submitting on behalf of?</b>	Trustpower
<b>Are you willing to tell us more about yourself?</b>	No
<b>Which age category are you in?</b>	-
<b>Do you have any further comments on the activities proposed in specific portfolio/s (please select all those you wish to comment on):</b>	
<b>Where do you live in Canterbury? Select your district below:</b>	-
<b>Would you like to see us investing in the following initiatives in your area? Kaikoura</b>	
<b>Would you like to see us investing in the following initiatives in your area? Hurunui</b>	

**Would you like to see us investing in the following initiatives in your area? Waimakariri**

**Would you like to see us investing in the following initiatives in your area? Christchurch**

**Would you like to see us investing in the following initiatives in your area? Selwyn**

**Would you like to see us investing in the following initiatives in your area? Ashburton**

**Would you like to see us investing in the following initiatives in your area? Mackenzie**

**Would you like to see us investing in the following initiatives in your area? Timaru**

**Would you like to see us investing in the following initiatives in your area? Waimate**

**Would you like to see us investing in the following initiatives in your area? Waitaki**

**Do you wish to speak to your submission?** Yes

*We may use your phone number to contact you to arrange attendance at a hearing. This information will be kept private.*

**Phone number**

**How did you find out about giving feedback?**

**From:**  
**To:**  
**Subject:** LTP Submission  
**Date:** Saturday, 10 April 2021 5:13:36 pm  
**Attachments:** [Trustpower Submission to ECAN 2021-31 LTP.pdf](#)

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Good afternoon,

Please find attached to this email Trustpowers submission the Long Term Plan 2021-31.

Thanks,

**Shelby Macfarlane-Hill**

Environmental Advisor - Policy

**Trustpower**

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## SUBMISSION BY TRUSTPOWER TO ENVIRONMENT CANTERBURY

### DRAFT LONG-TERM PLAN 2021-31

1. Trustpower Limited (**Trustpower**) thanks Environment Canterbury (**Council**) for the opportunity to make a submission on its proposed Long Term Plan 2021-31 (**LTP**).

#### Introduction and overview of Trustpower's interests

2. In the Canterbury Region, Trustpower owns and operates the Coleridge Hydro-Electric Power Scheme (**Coleridge HEPS**) within the Selwyn District, which has a generation capacity of 40MW, as well as the Montalto and Highbank Power Stations in the Ashburton District, which have a joint generation capacity of 28 MW. The Montalto and Highbank Power Stations also form part of the water conveyance infrastructure that comprises the Rangitata Diversion Race.
3. Changes to rates can affect the economic viability of Trustpower's generation assets, and even incrementally, have the potential to undermine the sustainability of its operations.
4. Trustpower supports the overall direction of the LTP, but wishes to make the following specific submission.

#### Scope of submission

5. Trustpower considers that the General Rate increase in the Selwyn and Ashburton Districts is too high. The overall increase for both districts is 28%, with Trustpower's rates increasing from 24% to a 42% for its individual land parcels from the previous financial year.
6. Trustpower seeks that Council reconsider increasing the General Rate by such a high percentage due to the impact it can have on high capital value assets and infrastructure which serve the community and the national targets in reducing New Zealand's impact on climate change.
7. Trustpower also considers that Council have increased other targeted rates by a substantial amount without providing adequate justification.

#### Submission

8. For the Selwyn District, Council have set the General Rate differential at 0.0003765 under the current Annual Plan 2020/21 which is proposed to increase to 0.0004818 under the LTP. This amounts to a 28% increase to the General Rate. The figures in the Ashburton district are similar with an increase from 0.0003681 under the current Annual Plan 2020/21 to 0.0004710 under the LTP. Presumably, smaller increases to other (largely targeted) rates offsets this increase for most ratepayers.



9. However, as the General Rate is based on capital value, high capital value properties will be subject to a significant percentage increase to their rates whereas the rates for properties with low capital values will only increase by a minor percentage, and in some cases may decrease. This is demonstrated by the proposed rate increases to Trustpower's properties; the two properties with lower capital value (24260-03100 and 24260-05006) increase by a much smaller overall amount than the property with a high capital value of \$33,500,000<sup>1</sup> (24260-05000). With one lot increasing by \$600, and the other by \$3,500.
10. Trustpower acknowledges that the rates are largely contributing to four out of the five portfolios the Council is responsible for, being water and land, biodiversity and biosecurity, climate change and community resilience, and regional and strategic leadership.
11. Trustpower supports the use of targeted rates and grants, rather than the General Rate to support the majority of the air quality, transport, and urban development portfolio, given that the main focus for this work is concentrated to small areas throughout the region.
12. As stated in the consultation document and the Council's rates tool, the water and land portfolio is almost exclusively funded by General Rates, with \$34,188,800 – 94% of the portfolio's total funding – going towards this work package. The water and land work package in particular is one that will not ease in intensity in the immediate future. Therefore Trustpower questions whether it will be possible for the Council to commit to their financial strategy and reduce the rates increase over the coming three years without requiring another spike. Trustpower also queries whether Targeted Rates or Other Revenue would be able to supplement this work package rather than relying almost entirely on the General Rate.
13. Assuming that national direction requires more stringent monitoring of the natural environment and stricter application of regulatory processes, does this make the self-imposed 5% rates increase limit arbitrary if the Council will continue to spike the General Rate in response to such changes?
14. Trustpower also notes the increase in the Selwyn-Waihora Regional Environmental Infrastructure Rate from 0.0000012 under the current Annual Plan 2021/21 to 0.0000274 under the proposed LTP. This is a significant increase of over 2000%, with minimal explanation as to why. The targeted Hinds Regional Environmental Infrastructure Rate is only given context once in the Supplementary Information document with a sentence referring to the Managed Aquifer Recharge Scheme. The targeted Selwyn-Waihora Regional Environmental Infrastructure Rate is not referred to at all, outside of the detailed rates information.

### **Relief sought**

15. Trustpower seeks that Council review the General Rate increase and address, as part of that review, the points raised in this submission. Trustpower considers this will avoid excessive and disproportionate rate increases being levied against Trustpower and other properties with high

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<sup>1</sup> This property houses the Coleridge Hydro Electric Power Station

capital value. Specifically, Trustpower seeks that Council reduce the increase to the General Rate so that properties with high capital value are not subject to excessive rate increases.

16. Trustpower also seeks justification from the Council as to why the Selwyn-Waihora Regional Environmental Infrastructure Rate has had an unexplained 2000% increase.
17. As an alternative to the above, Trustpower seeks any other relief which would achieve the same or similar outcome.

**General**

18. Trustpower wishes to be heard in support of its submission.

**Signature:**

Trustpower Limited

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Shelby Mactarlane-Hill  
Environmental Advisor – Policy

**Date:** 10 April 2021

**Address for service:**

Trustpower Limited

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Telephone:

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