



environmental challenge

NZWEA Conference 2010

Acquiring and Consenting Transmission Lines

Laurence Sherriff & Allan Burdett

31st March 2010

Structure of Presentation

- Scope of the paper
- Typical issues, problems and risks faced by a transmission line project for a wind farm
- Suggestions on how to prevent or manage these issues, problems and risks

Scope of Presentation

- High voltage transmission lines
- Green field projects
- Outside the wind farm study area
- From the perspective of a lines company

Typical Issues, Problems & Risks

- Lines negatively impacting on property values more so than before
- Rise in the argument for rentals and reviews by landowners
- Landowner negotiations taking much longer than expected
- Rogue valuers and lawyers turning up on the scene and stirring up groups of landowners

Typical Issues, Problems & Risks

- Compensation payments exceeding budgets
- Misunderstandings around the use of the Public Works Act and the Electricity Act
- Prolonged RMA processes, NIMBY and negative publicity

Typical Issues, Problems & Risks

- Public relations profiles for generators and lines companies associated with a line project, is subject to greater risk
- Lines projects are holding up wind farm projects, resulting in down time and lost income

Management Suggestions

- Prevention and management of the typical issues, risks and problems can be grouped under the following headings:
 - Project planning
 - Strategic planning
 - Route planning
 - Negotiations
 - Consultation
 - Consenting
 - Communications, and
 - Inter-sequencing of the wind farm and lines project programmes

Management Suggestions

Project Planning

- Get your basics right – create realistic budgets, timelines and teams.
- Large lines projects are extremely complex

Management Suggestions

Project Planning

- Weave the route planning, negotiation, consultation, consenting and communications workstreams into a logical sequence

Management Suggestions

Project Planning

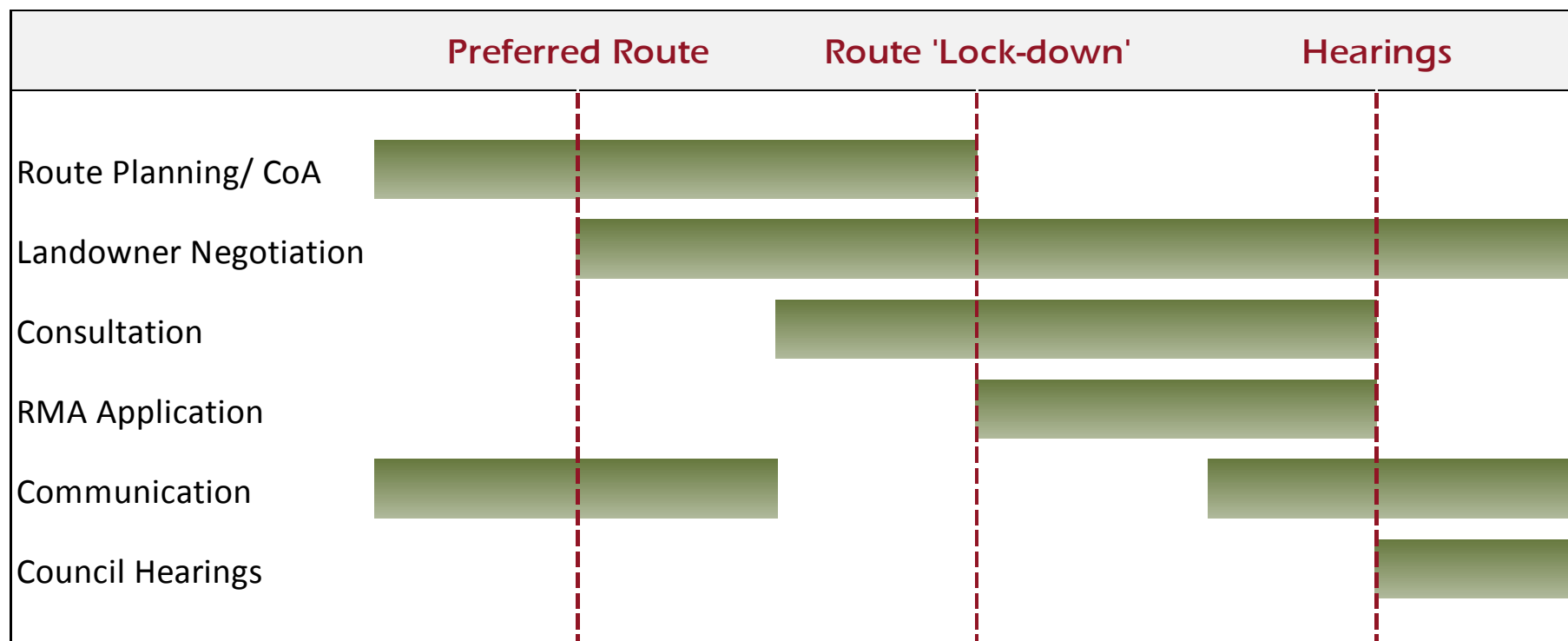


Figure 1 - Weaving the various workstreams into a logical sequence

Management Suggestions

Strategic Planning

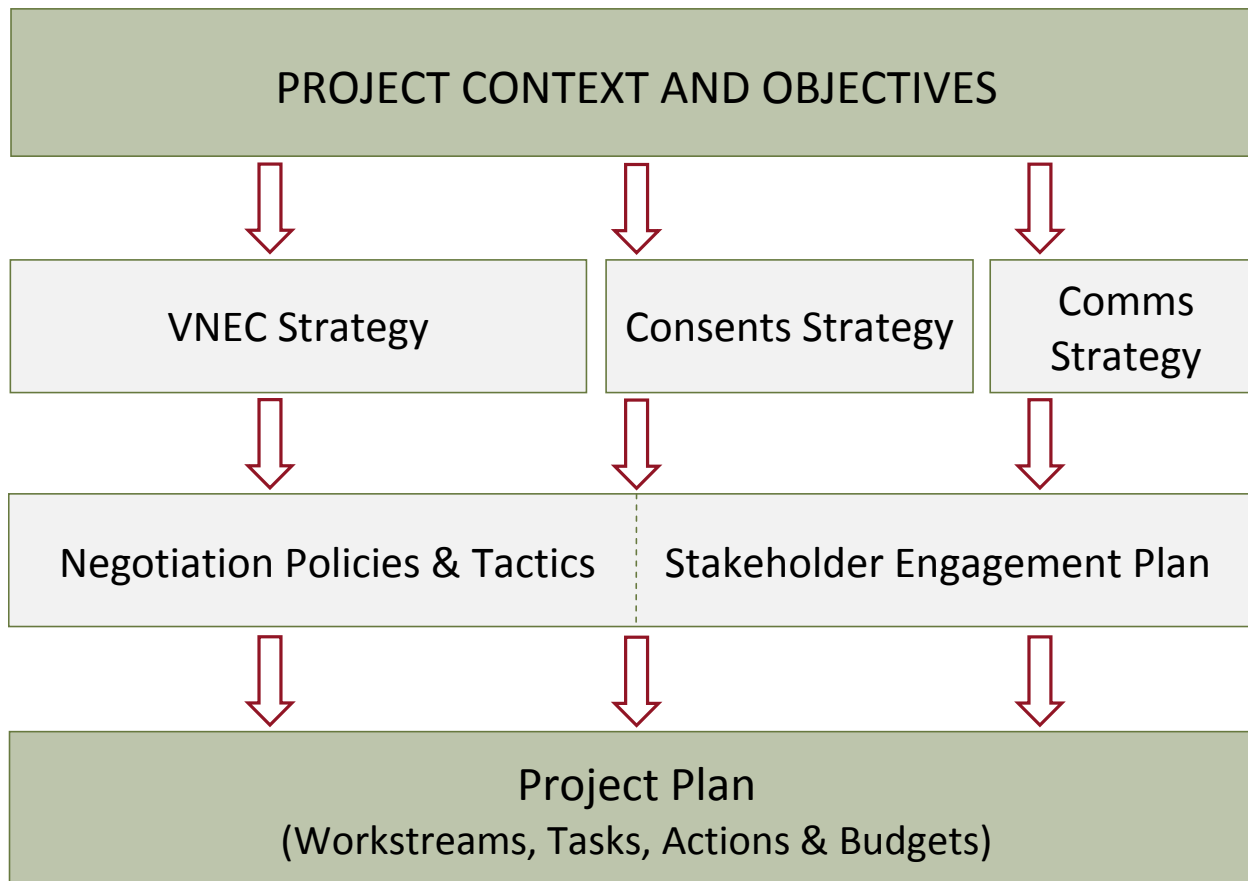
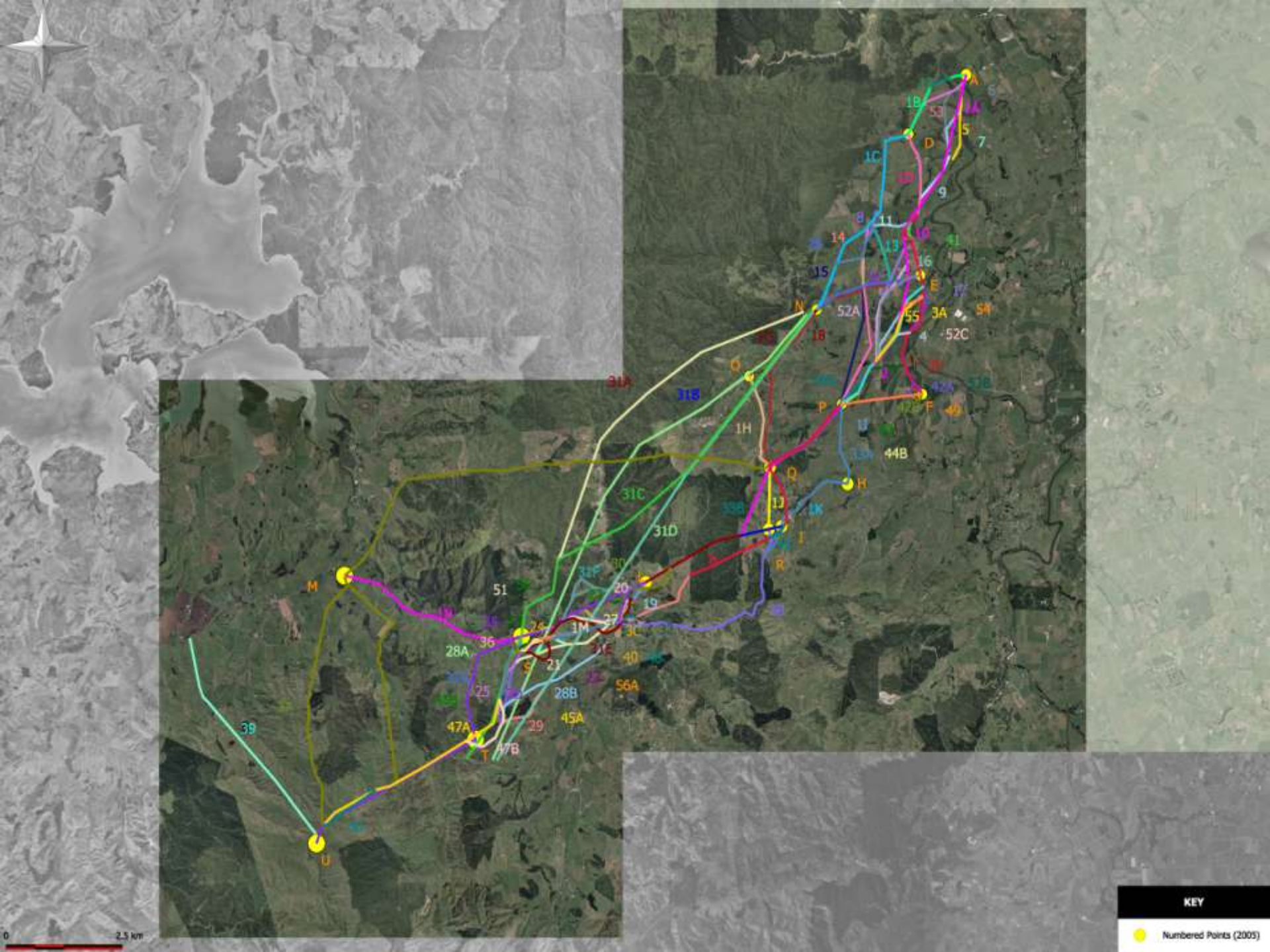


Figure 2 – Flow of the strategic planning framework

Management Suggestions

Route Planning

- Route planning involves considering alternative routes, sites, designs and methods, and making decisions in terms of financial, legal and public relations factors
- It aims to increase the probability of finding a way through
- It should also help to create flexibility and provide fall-back positions
- Required by the RMA and Public Works Act, but is still best practice





Management Suggestions

Route Planning

- Plan using *route sections* as the planning unit and avoid using *corridors* or *areas* unless you are faced with uncertainty
- Map out as many feasible alternative routes, termination points, junctions and interconnections as possible from a pure engineering, technical and commercial perspective – create choices
- Overlay any legal, environmental, technical constraints
- Park, deviate, eliminate or create route sections and start to form entire routes

Management Suggestions

Route Planning

- Rank the routes in terms of the constraints
- Park the lower ranking routes
- Overlay designs on the top tanking routes
- Evaluate the routes and designs in detail
- Identify your preferred transmission route

Management Suggestions

Negotiations

- Negotiations start after the preferred transmission route is identified
- Begin negotiating with 'keystone landowners' first
- 'Brick wall' landowners may force you back into the route planning mode
- Break down the per landowner negotiation process for monitoring and management

Management Suggestions

Negotiations

- The status of landowners should be regularly reported
- Develop pre-planned management responses to deal with landowner negotiation issues
- Employ specialist negotiators who have electricity industry experience
- Negotiate and seek approvals from statutory authorities

Management Suggestions

Consultation

- Consultation should begin after landowner negotiations have begun
- Lead with the political, technical and legal consultation first
- Consult with key stakeholders
- Consult with interest groups and the wider public

Management Suggestions

Consultation

- Consultation provides valuable information on the route location
- Complete as much consultation as possible before the route is 'locked down'
- Consultation is no longer mandatory under the RMA, but still required under other statutes (eg. HPAAct)

Management Suggestions

RMA Consenting

- The RMA is a major challenge for lines projects
- Obtain access to the requiring authority powers under the RMA for designations and compulsory acquisition under the Public Works Act
- Start the consenting phase start well into negotiations and only after the route has been 'locked down'
- Choose the right processing path (ie. two tier system, direct referral, EPA application, call-in by the minister or call by the applicant or council)

Management Suggestions

Communications

- As a rule, let the wind farm receive the publicity
- Target the communications for the line at the affected individuals
- The communications strategy for the line should focus on supporting the negotiations and consultation
- Ready yourself to respond to leaks, announcements and opinions that emerge in the news
- Plan the communications strategy for the line in unison with the communications strategy for wind farm

Management Suggestions

Inter-sequencing

- Plan the generation and line projects on a single timeline
- Consider the implications of any decisions on the 'other project'
- Bring forward line negotiations and delay the wind farm consent application if the line carries the greatest risks