CENTRAL HAWKE'S BAY DISTRICT COUNCIL

Section 32 Evaluation Report - Renewable Energy

Central Hawke's Bay District Council



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Executive summary

This report provides a summary evaluation under section 32 of the Resource Management Act 1991 (RMA) for proposed amendments to the renewable energy chapter of the Central Hawkes Bay District Plan – Operative in Part (2024).

The purpose of the renewable energy chapter is to support and encourage the sustainable use and development of renewable energy resources within the district. We are required to have this chapter under the National Planning Standards and are guided in its contents by the National Policy Statement for Renewable Electricity Generation 2011 (amended 2025) hereafter referred to as the NPS-REG.

The current renewable energy chapter was drafted in 2018 on the best available information at the time. It has since come to light that the provisions in relation to small scale solar are unduly restrictive with small scale renewable energy being defined as having a capacity of no greater than 20kW. The impact of this definition, in combination with the rule framework, is that any renewable energy proposal over 20kW requires a resource consent as a discretionary activity.

Not long after the rules took legal effect in May 2023, it became apparent that this part of the chapter was overly restrictive for business owners wanting to install solar panels to power their business operations. These types of solar panel installations are generally between 10 – 150kW and are typically mounted on a roof (but can also be freestanding). They are gaining popularity across business, farming, marae and education sectors as they can reduce energy costs for power users that use most of their energy during the day when the sun is shining.

We are proposing minor amendments to the renewable energy chapter to permit small scale renewable energy projects where the primary purpose is to provide electricity for on-site use at an individual site level, without the need for a resource consent.

We're also proposing to introduce clearer parameters for community scale solar, that is those projects with the primary purpose of supplying electricity to a particular community. These projects will still require a resource consent but with limited matters that can be considered in making a decision on the consent. This clearer pathway for this type of renewable energy project recognises the limited nature of our electricity distribution network to reach rural communities where community scale solar projects may be a viable option.

This plan change is a discreet change directed at small and community scale renewable energy projects only. Large scale solar farms that feed directly into the national or local grid continue to require resource consent under the District Plan as a discretionary activity. This proposed plan change will not affect how those proposals are managed.

The plan change is guided by the recently amended NPS-REG. Although District Plans are not required to be updated to give effect to the 2025 amendments until the new resource management system is in place, Central Hawke's Bay District Council has been given a

ministerial exemption for this plan change as it seeks to correct an unintended consequence of a recent full plan review.

The local context and proposed changes

Given the district's rural character and consistently high sunshine hours, the area is well positioned to support renewable energy initiatives of varying scales. Isolated communities, which are costly to service through conventional electricity networks, present a strong case for community-scale solar generation to improve resilience and reduce infrastructure network costs.

There has been a recent rise in adoption of on-farm solar installations to power agricultural operations such as sheds and irrigation systems, reflecting a growing trend toward decentralized energy solutions. Policy settings must anticipate ongoing technological advancements to ensure regulatory frameworks remain fit for purpose.

The renewable energy chapter includes objectives which seek to enable renewable energy resources within the District as follows:

> RE-O1 Enable and encourage the sustainable use and development of renewable energy resources within the Central Hawke's Bay District.
>
> RE-O2 Enable renewable electricity generation activities while avoiding, mitigating or offsetting adverse effects.

To deliver on these objectives we are proposing to amend the definition of small scale solar so that it encompasses all renewable energy generation where the primary purpose is to provide electricity for use on an individual site.

The existing definition of small-scale renewable electricity is as follows:

> *Small scale renewable electricity generation*
> *small scale and community scale renewable electricity generation at a capacity of no greater than 20 kW for the purpose of using or generating electricity on a particular site, or supplying an immediate community, or connecting into the distribution network, and includes generation using solar, wind, hydro and biomass energy resource.*

The proposed new definition of small scale renewable electricity generation will align with the definition in the NPS-REG (2011 as amended in 2025) as follows:

> *Small-scale Renewable Electricity Generation*
> *means REG where the primary purpose is to provide electricity for on-site use at an individual site, or to a telecommunications facility.*

We are also proposing to introduce a new definition of community scale renewable energy generation, also aligning with the recently amended NPS-REG (as amended 2025).

> *Community Scale REG*
> *Means REG with the primary purpose of supplying electricity to a community.*

A summary of the proposed amendments is as follows:

Objectives

- No changes to the objectives are proposed

Policies

- An amendment to policy RE-P4 to capture the change in rules to enable small and community scale solar in appropriate scales and locations as follows:

> *RE-P4*
> *To provide for small-scale and community scale renewable electricity generation activities where they are in a form, location and scale that manages adverse effects.*

Definitions

- An update to the definition of small scale solar to align with the definition provided in the NPS-REG.
- The introduction of a new definition for community scale solar

Rules

- No changes to the rule for small scale solar – the change to the definition means the rule will apply more broadly
- A new rule for community scale solar with restricted discretionary status
- No changes to any other rules of the chapter

The statutory and policy context

The RMA sets out in section 31 the functions of territorial authorities. The key function for the District Council is the integrated management of the use, development, or protection of land and associated natural and physical resources of the district. 'Natural and physical resources' includes all parts of the natural environment, including air, water, soil, and ecosystems (natural resources).

Section 5 sets out the purpose of the RMA, which is to promote sustainable management of natural and physical resources and this is explained more in section 5(2). In the 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 wellbeing, 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.

Sections 6 and 7 of the Act set out matters of national importance and other matters which the Council is required to recognise and provide for, or have particular regard to, when preparing a Plan Change. Section 8 requires Council to take into account the principles of the Treaty of Waitangi.

Section 75(3) of the Resource Management Act directs that district plans must give effect to any relevant National Policy Statements (NPSs) and National Environmental Standards (NESs), and to the Regional Policy Statement (RPS).

All of the above matters are relevant when considering the Proposal and are assessed in the following sections.

National Direction

This plan change proposal is guided primarily by the National Policy Statement for Renewable Electricity Generation (NPS REG) that came into effect in 2011 with recent amendments in December 2025. The recent amendments to the NPS-REG seek to reduce unnecessary barriers to obtaining resource consent for the development of small and community-scale renewable electricity generation projects.

While District Plans are not required to be updated to give effect to the recent amendments, Council have been given an exemption to undertake this plan change as it meets the criteria in section 80W (2)(b)(d)(h) to rectify unintended consequences of a recent full plan review. It will also improve how we manage climate change by reducing regulatory barriers to the uptake of small scale solar.

The single objective of the NPS REG is as follows:

2.1 Objective

The objective of this national policy statement is to:

a. ensure the national, regional and local benefits of REG are provided for;
b. enable REG capacity and output to significantly increase;
c. enable REG to support the social, economic and cultural wellbeing of people and communities, and for their health and safety;
d. enable REG to provide greater security of electricity supply and resilience to supply disruptions to all people and communities;

e. enable REG to support achieving New Zealand's emission reduction target and implementation of the emissions reduction plan under the Climate Change Response Act 2002; and
f. ensure REG is developed and operated in a safe, efficient and effective manner while managing the adverse effects from or on REG activities.

The specific NPS-REG policies that give direction in relation to decision making on District Plans are summarised as follows:

Policy A	There must be regard for the national as well and regional and local benefits of REG activities with an extensive list of benefits noted within the policy
Policy B	Decision makers must be enabling of cumulative gains in REG capacity and output at all scales while avoiding any overall losses within a district
Policy C	Decision makers must recognise and provide for the operational and functional need to have REG in particular locations and suitable environments
Policy E	Decision makers must take into account engagement with tangata whenua and provide opportunities for tangata whenua involvement where REG assets and activities may affect a site of significance or issue of cultural significance to Maori.
Policy F	To be enabling of REG assets and activities in all locations and environments

The proposed amendments to the renewable energy chapter align with the clear direction in the above objective and policies. Lower order instruments under this national direction instrument need to be enabling of REG capacity at all scales while avoiding overall losses. Removing the requirement to obtain a resource consent for most proposals over 20kw will lessen the financial barriers to installation when projects are to power an individual site. Providing clearer parameters for community scale solar should lead to a reduction in consenting costs. Greater uptake from the removal or reduction of consenting costs will enable our districts REG output to increase, support the economic well being of our communities and lead to a greater security of supply.

The Regional Policy Statement

Under Section 75(3)(c) of the RMA, the District Plan must give effect to the Regional Policy Statement (RPS). The Hawke's Bay Regional Policy Statement (RPS) is contained within the Regional Resource Management Plan. The following RPS provisions are particularly relevant to this topic.

OJB1	To achieve the integrated sustainable management of the natural and physical resources of the Hawke's Bay region, while recognising the importance of resource use activity in Hawke's Bay, and its contribution to the development and prosperity of the region.
OBJ3	To avoid the imposition of unnecessary costs of regulation on resource users and other people.

OBJ 32	The ongoing operation, maintenance and development of physical infrastructure that supports the economic, social and/or cultural wellbeing of the region's people and communities and provides for their health and safety.
OBJ 33	Recognition that some infrastructure which is regionally significant has specific locational requirements.
OBJ 33A	Adverse effects on existing physical infrastructure arising from the location and proximity of sensitive land use activities are avoided or mitigated.
OBJ 33B	Adverse effects on existing landuse activities arising from the development of physical infrastructure are avoided or mitigated in a manner consistent with Objectives 16, 17, 18, 32 and 33.

The proposed amendments will ensure sustainable management of the district while recognising an important resource use in the form of renewable energy and its contribution to prosperity and development. The proposal delivers on OBJ 3 to avoid unnecessary costs of regulation on resource users. Hawke's Bays high sunshine hours is a regionally significant resource that can be specifically harnessed without adverse effects on other sensitive land uses because of the rural nature of our district. Applying standards in relation to setbacks from neighbours, heights, noise and lighting ensures adverse effects on existing landuses are mitigated.

Other relevant policy documents

New Zealand Energy Efficiency and Conservation Strategy

The New Zealand Energy Efficiency and Conservation Strategy (NZEECS) 2017–2022, titled *Unlocking our energy productivity and renewable potentia*l, is the current guiding document for promoting energy efficiency and renewable energy under the Energy Efficiency and Conservation Act 2000. It focuses on three priority areas—transport, process heat, and electricity with the objective to create a low-emissions economy. While covering 2017–2022, it remains in force until replaced. In relation to electricity, the strategy promotes smart, renewable energy use to boost productivity. The strategy aims to increase renewable electricity generation to 90% by 2025 and supports wider goals of a 100% renewable grid, with over 95% projected by 2030.

Approach to Evaluation

The District Plan review and the renewable energy chapter

The CHB District Plan was declared 'operative in part' on 14 November 2024 following a full review that began in 2018. The Renewable Energy chapter is fully operative. A draft plan was consulted on in 2018, followed by a Proposed District Plan (PDP) that was notified for submissions in May 2021.

Following the two-year statutory timeframe, the decisions on submissions were notified in May 2023. Following this, 16 appeals were received that then went through the Environment Court appeal process. With only one appeal remaining, the plan was declared operative in part in November 2024.

The previous 2003 District Plan did not contain any provisions in relation to renewable energy and the current chapter was introduced via the recent full review of the District Plan. The s32 report covered both network utilities and renewable energy and stated the following:

> *The provisions of the RE – Renewable Energy chapter are based primarily on the provisions of Chapter 23.1 Renewable Energy of the Hastings District Plan. This is because adopting the neighbouring District Council's District Plan approach would achieve consistency between the Central Hawke's Bay and Hastings Districts, and the Hastings District Plan has been reviewed since the NPSREG came into effect and is recognised as current good practice.*

There were eight submissions and three further submissions on the Renewable Energy chapter when it was notified in 2021. The s42A report noted that of the 32 individual submission points, 16 were in support of the chapter as drafted. There was a request to include a specific rule for 'community scale solar' however this submission point was later withdrawn by the submitter and the reporting planner was unsure of the demand, nature and scale for this type of proposal would be in Central Hawkes Bay over the 10 year life of the district plan. At this point also, the NPS-REG contained a combined definition for small and community scale REG which the District Plan adopted, without amendments and on the assumption that small scale (and therefore community scale) proposals should have a permitted threshold of 20kW.

Comparison with other District Plans

In assessing the appropriateness of amendments to the renewable energy chapter we have reviewed the renewable energy chapters of the Wairarapa and Hastings District Plans. These District Plans were chosen based on their similar rural nature and high sunshine hours. Wairarapa have very recently undergone a full plan review.

District Plan	Summary of provisions	Comparison
Hastings District Plan	• Permits domestic scale REG activities including: a) Solar panels attached to dwellings, commercial and industrial buildings, b) A single wind turbine per site, c) A single electric vehicle charging point per site, and d) Electric vehicle charging points provided in public road reserve	The HDC rules have no restrictions on the size of solar panels attached to buildings. They do require resource consent for free standing solar or what is not considered listed as 'domestic scale' as a discretionary activity. We consider free standing solar should not face additional regulation if its to power an individual site. Solar panels are not

	• Domestic scale REG activities not meeting the height, noise standards etc requires consent as a restricted discretionary activity • The construction and commissioning of new Renewable Electricity Generation Activities or any work associated with the operation, maintenance or upgrading of any lawfully established Renewable Electricity Generation Activity not covered by Rule RE2, including (but not limited to): a) Wind turbines, windmills, wind power generators b) Solar Power (excluding panels on dwellings) c) Hydroelectric power d) Geothermal, biomass, biogas	always practical to install on a rooftop and many farm solar proposals require ground mounting. The HDC provisions were developed in 2012, prior to updated definitions for small scale solar and more enabling directive polices in the NPS-REG. We do not consider the need to permit activities associated with electric vehicles as they are not currently regulated in our district plan.
Wairapapa Combined District Plan – Decisions Version (October 2025).	• Contains separates provisions for wind and solar • Permits all solar for use solely on the site on which it is generated. This is both ground mounted, or on roofs. No restriction on area. Must meet height, setbacks, light and noise of underlying zone • Controlled activity for community scale solar, standards include max area of 1ha, 6m above ground, setbacks same as underlying zone	We have adopted the same approach as Wairarapa with some small variations. In order to keep the amendments as simple as possible we have not separated out wind from solar REG. The existing limit of one wind turbine per site in RE-R1 controls the more impactful visual effects of wind turbines. RE-R2 is for community scale solar proposals only. Any large scale wind proposals that would feed into the national grid would require consent under RE-R5 as a discretionary activity. We have proposed restricted discretionary consent for community scale solar as opposed to controlled status but with no limits on area. This is considered an appropriate method for managing adverse effects because of the ability to decline a restricted discretionary consent it the effects of the proposal are not able to be managed appropriately.

Consultation

Council have been approached by a number of residents wanting to install solar panels in excess of a 20kW output, to power business operations on their property. There has been frustration expressed at the additional financial burden of needing to apply for resource consent and how this does not align with other Council priorities in relation to economic development and environmental sustainability.

The proposed amendments to the renewable energy chapter have been discussed with Centralines and the Sustainable Energy Association of New Zealand (SEANZ) as key organisations with industry and local knowledge on REG projects and proposals. Both organisations expressed strong support for the changes as proposed. Centralines are keen to see more REG within the district, particularly those with battery storage that can result in a reduction on network pressures at peak times.

SEANZ is national organisation that represents a broad spectrum of industries involved in distributed energy resources or onsite generation and storage assets, predominately UV solar and batteries. Solar panels are the predominate form of REG across the country based on an increasing affordability of panels and batteries and the ability to provide energy solutions at all scales. SEANZ have an understanding of land use planning rules in relation to solar panels and consider they should be treated like all other structures.

SEANZ considers that rooftop installations should be exempt from resource consent providing they sit within 500mm above the existing roofline. This standard currently exists in the RE chapter. Panels need to be tilted when installed on flat roofs and if sitting higher than 500mm above the roof then normal height in relation to boundary standards should apply.

For ground mounted panels, SEANZ considers they should be treated as structures so subject to normal yard, height and site coverage rules. SEANZ provided advice on typical areas that solar panels occupy based on varying levels of output e.g. Commercial buildings would generally operate a 50 – 100kw system taking up 200 – 400 m² in area. A farm generating solar for its own use would typically require a 150 - 200kw system.

Consultation with mana whenua has occurred through iwi authorities, as discussed below.

Section 32 Evaluation

The overarching purpose of Section 32 of the RMA is to ensure that any proposed District Plan provisions are robust, evidence based and are the best way to achieve the purpose of the Act. Section 32 evaluations effectively 'tell the story' of what is proposed and the reasoning behind it. The evaluation also provides a record for future reference of the process, including the methods, technical studies, and consultation that underpin it, including the assumptions and risks.

Are the objectives the most appropriate way to achieve the RMA?

An evaluation report is required to examine the extent to which the objectives of the proposal are the most appropriate way to achieve the purpose of the RMA (s32(1)(a)). The plan change does not amend or introduce new objectives, but the overarching objective of the proposal is:

> "Amend the provisions so they give better effect to the existing objectives for Renewable Energy which are to enable and encourage the sustainable use and development of renewable energy resources within the Central Hawke's Bay District and to enable renewable electricity generation activities while avoiding, mitigating or offsetting adverse effects".

In undertaking this assessment, we have considered whether that objective or the status quo is the most appropriate way to achieve the purpose of the RMA, as follows:

High level objective approach	Appropriateness in achieving the purpose of the RMA
Status Quo – Do not amend the provisions of the District Plan in relation to REG.	This approach is considered overly restrictive and does not give as full effect as possible to RMA national direction on renewable energy that directs District Plans to be enabling of cumulative increases in REG capacity at all scales, including small and community scale REG (Policy B). In requiring resource consent for proposals that can meet the definition of small scale in the NPS (powering an individual site) the current provisions are considered to impose unreasonable restrictions that do not fully achieve the objectives of the NPS-REG that seek in increase REG output and capacity, support the social, economic and cultural wellbeing of people and communities and enable REG to support achieving NZ's emission reduction targets.
Amend the provisions so they give better effect to the existing objectives for Renewable Energy which are to **enable and encourage** the sustainable use and development of renewable energy resources within the Central Hawke's Bay District and to **enable renewable electricity generation activities while avoiding, mitigating or offsetting adverse effects**.	While there are no changes proposed of the objectives of the RE chapter, the proposal has an overall, high-level objective to wind back provisions that have, albeit unintentionally, created financial roadblocks to being enabling of small scale REG and a certain extent community scale REG. The proposed new rule framework updates the definition of small scale REG to proposals designed to power individual sites and permits this activity,

	providing adherence to standards for setbacks, height, light and noise in accordance with commonly adopted management of effects under the RMA. A restricted discretionary activity status for community scale REG is conditional on being located outside of areas of outstanding landscape values and not within 20m of heritage items or sites of significance to Māori. Matters of discretion when considering these proposals require consideration of noise and amenity effects on neighbours and effects on heritage and cultural values if within close proximity. The proposed changes do not result in any changes to the development of large scale REG proposals that require resource consent on a discretionary basis allowing the opportunity for a broad range of adverse effects to be assessed commensurate with the size of an REG proposal and mitigated or offset in accordance with sustainable management under the RMA

Are the provisions the most appropriate way to achieve the objectives?

This second step under s32 requires an assessment of whether the provisions (policies and rules) in the proposal are the most appropriate way in which to achieve the objectives (s32(1)(b). This is done by:

- identifying other reasonable options for achieving the same objectives
- assessing the efficiency and effectiveness (costs and benefits in terms of environmental, economic, social and cultural effects) of the provisions in achieving the objectives
- summarising the reasons for deciding on the provisions

The evaluation report must 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 (s32(1)(c)).

As this is a Plan Change to amend an existing proposal it is regarded as an 'amending proposal' under Section 32(3) of the RMA. As an amending proposal, this part of the assessment is required to examine the appropriateness of the provisions to achieve:

(a) The provisions and objectives of the amending Proposal; and
(b) The objectives of the existing proposal to the extent that those objectives are relevant to the objectives of the amending proposal and would remain if the amending proposal were to take effect (s 32(3)).

Reasonable and practicable options

The practicable options identified above to achieve the objective of the plan change and existing objectives of the renewable energy chapter are:

a) Option 1: new management approach targeted at small and community scale renewable energy proposals

b) Option 2: status quo: all renewable energy activities with a power output of over 20kW require a resource consent

Another option was considered and discarded. This was to create a separate rule framework for solar energy proposals only. The option was to permit all proposals of any size mounted on a roof and freestanding up to 200kw. Community scale solar would be defined as 200kw – 1mW. While this tiered approached aligned with how SEANZ defined projects of differing scales it would be introducing a level of complexity that wouldn't align with the definition of small scale in the recently updated NPS-REG. It would also not align with other District Plan approaches.

The efficiency and effectiveness of these options for District Plan provisions in achieving the objectives of the plan change and the existing objectives of the District Plan is set out in the following tables below.

Advice from Iwi

Section 32(4A) of the RMA requires evaluation reports prepared in relation to a proposed plan to include a summary of:

- All advice received from iwi authorities concerning the proposal; and
- 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 Ngāti Kahungunu Taiao Unit or Tamatea Pokai Whenua regarding this topic and the proposed provisions evaluated within this report. However, while no specific advice has been received, consultation discussions indicated support for the amendments to the renewable energy chapter.

Evaluation Tables of proposed provisions.

Objectives	• The proposal has a high-level objective to wind back provisions that have, albeit unintentionally, created financial roadblocks to being enabling of small scale REG and a certain extent community scale REG. • SSB-O1 – Promote sustainable subdivisions and buildings within the district • RE-O1 Enable and encourage the sustainable use and development of renewable energy resources within the Central Hawke's Bay District. • RE-O2 Enable renewable electricity generation activities while avoiding, mitigating or offsetting adverse effects.	
Option 1: amended definitions, amended policy RE-P6 and new rule for community scale solar	Effectiveness and Efficiency	
	Benefits	Costs
Amend the definition of small scale solar to: *means REG where the primary purpose is to provide electricity for on-site use at an individual site, or to a telecommunications facility.* Introduce a new definition for community scale solar: *Means REG with the primary purpose of supplying electricity to a community.* *Update policy RE-P6 to: To provide for small-scale and community scale renewable electricity*	Environmental: There is potential for greater reduction in carbon emissions under the proposed changes as the rules will be more enabling of solar uptake. This has a flow-on effect of reducing reliance on non renewable forms of energy which in turn supports a reduction in climate change related impacts on the environment. As noted in the environmental costs there is a trade-off between national level benefits and localised costs; and the environmental impacts of manufacturing solar panels. However, we may consider this cost to be marginal given the positive flow-on effects to the environment (e.g. improved air quality and biodiversity outcomes) and the impacts over a longer period of time. The proposed amendments should result in an increase in the number of REG sites, and a greater diversity in their locations. Greater resilience can be achieved, especially in the event of a natural hazard event or other interruption in generation or transmission. Locating generation closer to demand allows local supply to be maintained in the event of disruption elsewhere in the network, particularly for remote communities.	Environmental: The environmental effects of this new approach are most likely to be felt at a local scale due primarily to the visual effects of the solar arrays. The permitted threshold for solar energy (wind is limited to one turbine per site) is increased under the proposed changes. We understand that the current technology of solar panels take up an area of 4.3m² per kW output. So a freestanding system of say 150kW will take up an area of 645m² (not including any spaces between panels and any other associated equipment). Height and height in relation to boundary controls that apply to free-standing solar panels limit those effects. For a commercial roof top system with an output of 80kW, an array would be around 344m². Obviously visual effects are less when solar panels are installed on a roof and this is generally the best place for an installation. While solar does not produce emissions in their operation, the manufacturing of solar panels is an energy intensive process. The 'embodied emissions' can take several years to offset[1]. However, this may be a short-term trade-off for a longer-term gain and should be

[1] EECA: https://www.eeca.govt.nz/insights/energy-in-new-zealand/renewable-energy/solar/. Accessed 18 November 2025.

generation activities <u>where they are in a form, location and scale that manages adverse effects</u>. No changes to the rule for small scale solar but the change to the definition has the effect of permitting renewable energy generation activities when the primary purpose is to power an individual site A new rule for community scale solar with restricted discretionary status		considered as part of a fuller understanding of the environmental impacts of encouraging the uptake of solar. Other possible impacts due to the potential increase of solar arrays may be from leaching of chemicals into waterways or risk of fire from the panels or batteries used to store power. However, we understand that these risks are not typically present unless a solar panel or battery is damaged.
	Economic: More permissive renewable energy provisions could support greater uptake of onsite solar in our district. This will support the solar industry in general as well as provide businesses with more options to lower operating costs. The proposed changes would create more consistency with the Hastings District where all solar panels attached to buildings are a permitted activity. This may support businesses to operate across the region more effectively. Energy Efficiency and Conservation Authority (EECA) reports[2] that the costs of solar panels are decreasing which is making commercial solar activities more economically viable.	Economic: While reducing consenting costs for commercial scale REG, the changes will not make any difference to consenting costs for large or utility scale solar initiatives. These proposals will still require consent as a discretionary activity under RE-R5 which covers all REG proposals not otherwise provided for.
	Social: The potential for greater uptake of REG has flow-on effects for local communities. For example, communities may experience better health and wellbeing from a more secure and affordable electricity supply (less reliant on national grid) and potentially better air quality at a national level as there is a move away from energy generation from fossil fuels. As discussed above, the potential for greater uptake of solar may also have a flow-on effect for employment opportunities and can improve resilience in the event of electricity disruptions.	Social: The more enabling provisions that are proposed may impact neighbouring properties, who will be most impacted by the visual and noise effects of solar activities, and will have less opportunity to participate in consenting decisions and potential conditions on the consent.
	Cultural:	Cultural:

[2] Ibid.

	Indirect cultural benefits may also be experienced through the positive effects on air quality from increased renewable electricity generation, as identified above.	Direct cultural costs associated with the provisions relate to those generated if a renewable electricity generation activity is located within, or otherwise adversely affects, a site, resource or area with cultural values. As above, most renewable electricity generation activities of considerable size require a consent process which provides for a case-by-case assessment of effects on cultural values. There is also specific provision to locate community scale solar proposals 20m away from Heritage items or Sites of Significance to Māori (SASM) in order to maintain restricted discretionary status. Effects on cultural values is a matter of discretion if REG is located within a site containing Heritage items and/or SASM.
Effectiveness and efficiency in achieving the purpose of the proposal and existing relevant objectives of the District Plan		
The proposed provisions are considered likely to be highly effective in achieving the objectives as they directly address the resource management issues and the outcomes sought through the objectives. The provisions give effect to the RPS and the NPS-REG, and recognise and provide for the environmental, social, economic and cultural benefits of renewable electricity generation activities, while ensuring their appropriate management including minimising their adverse effects. The proposed provisions have significant benefits, particularly indirect environmental, social and economic benefits, while having acceptable environmental, economic, social and cultural costs, noting these are controlled by standards and conditions which seek to avoid or minimise external adverse effects. As such, the proposed provisions are considered to be efficient in achieving the objectives for renewable electivity generation activities		
Risk of acting or not acting		
It is considered that there is certain and sufficient information on which to base the proposed policies and methods as: • There is clear national policy on the benefits and importance of renewable electricity generation for achieving national goals, • There is clear national direction through the NPS-REG which must be given effect to, • The RPS also includes clear objectives and policies which must be given effect to through the CHB District Plan		

Relevant Objectives	• The proposal has a high-level objective to wind back provisions that have, albeit unintentionally, created financial roadblocks to being enabling of small scale REG and a certain extent community scale REG • SSB-O1 – Promote sustainable subdivisions and buildings within the district • RE-O1 Enable and encourage the sustainable use and development of renewable energy resources within the Central Hawke's Bay District. • RE-O2 Enable renewable electricity generation activities while avoiding, mitigating or offsetting adverse effects.	
Option 2: status quo	Effectiveness and Efficiency	
	Benefits	Costs
All renewable energy activities with a power output of over 20kW require a resource consent.	Environmental: The current settings mean that any solar activity that has a power output over 20kW requires a resource consent. This step provides greater opportunity to manage the visual and noise effects on a case-by-case basis at the district level. Consenting allows for a detailed assessment of the effects on the environment of any proposal. Consents to be declined if the effects are not acceptable and effects can be mitigated through the imposition of conditions on consents.	Environmental: As a resource consent is required at a relatively low threshold, anything over 20kW, and due to the costs and time involved in the consenting process this can act as a barrier to uptake of solar activities. While the visual and noise effects of solar activities may be better managed under the current settings at a district level, it may have a negative environmental effect nationally. Around 80 percent of Aotearoa New Zealand's electricity is generated from renewable sources, largely from hydro. The remaining 20 percent comes from non-renewable or fossil fuel sources such as coal, oil, and natural gases[3]. Despite the high generation of renewable electricity, fossil fuels are often still relied on during peak times (mornings, evenings, and winter)[4]. Fossil fuels add to Aotearoa New Zealand's carbon dioxide emissions which has a big effect on climate warming impacting our biodiversity and increasing fire risk and pollution[5].
	Economic: A 20kW limit for permitted solar activities is likely to be suitable for most residential dwellings. We understand the average residential rooftop array is 7kW. Affordability of these systems may still be a consideration for the	Economic: We understand from our community that resource consent costs associated with small and community scale solar activities can make projects of this size unviable. Anecdotal evidence suggests our local

[3] Ministry of Business, Innovation, and Employment. 2025. *Energy in New Zealand*: https://www.mbie.govt.nz/assets/energy_in_new_zealand_2025.pdf
[4] https://www.genless.govt.nz/about-energy/the-electricity-grid/
[5] Ministry for the Environment. 2023. *Our atmosphere and climate*: https://environment.govt.nz/assets/publications/Environmental-Reporting/Our-atmosphere-and-climate-2023.pdf

	community (with installation of a 4kW system being estimated to cost around $10,000)[6]. There are potentially indirect economic benefits to other land uses (namely primary production) through limiting the ability for new REG activities to be established, other than those of a very small scale.	businesses have fewer options to reduce their electricity costs, which can be high for manufacturing for example. This may impact the profitability of businesses that choose to be located in Central Hawke's Bay and could drive businesses out of the district. This could be exacerbated by the uncertainty and often time intensive process of applying for a resource consent. At a national level, the effects of severe weather events – like Cyclone Gabrielle that affected the Hawke's Bay region including Waipawa and Waipukurau – are another climate change impact. These weather events can come at huge cost, Treasury has estimated the damage of Cyclone Gabrielle and the 2023 Auckland floods to total between $9-$14.5 billion[7].
	Social: As described above, the lower threshold for requiring resource consent means that the visual and noise effects may be better managed and tailored to site specific requirements. This means that the effects on neighbouring properties or communities may be more likely to be minimised. The direct social benefits of the existing provisions relate to the consenting process required all REG over 20kW. The resource consent process can allow for public participation when effects on neighbours are deemed more than minor. The Council has the ability to identify any affected persons and decide on whether to notify the application. For applications that have more than minor adverse effects on the environment, public notification allows the wider community to understand the proposal and make submissions on the application. The resource consent process also allows for any proposal to be declined if the effects are not acceptable. Although in practice, most adverse effects are managed through conditions of consent.	Social: The current settings are likely limiting the development of more resilient communities, which is of particular concern and interest in Central Hawke's Bay following the effects of Cyclone Gabrielle. The flow-on effects of the current regime is that fewer people, communities or organisations will decide to develop renewable electricity generation activities which also goes against the well-recognised societal shift towards greener living.

[6] https://www.genless.govt.nz/for-everyone/at-home/explore-solar-energy/rooftop-solar/
[7] Ibid.

	Cultural: Under the current rules solar activities over 20kW would be discretionary activities. At a local level, this may provide iwi and hapū greater opportunity to participate in decisions that affect the mauri or wellbeing of the land and taonga species (although, note that not all resource consent applications are publicly or limited notified). The cultural benefits of the existing provisions reflect the social benefits as set out above. The actual and potential cultural effects of proposals requiring resource consent would be taken into account when deciding to notify, impose conditions, or grant or decline consent.	Cultural: The 20kW limit may also impact iwi and hapū who may be looking at solar opportunities to ensure their marae and communities are more resilient in severe weather events and provide access to more affordable power. As also described above more generally, the current rules may affect economic opportunities for Māori owned and operated solar businesses and other types of businesses. As noted in the environmental costs, climate change threatens the loss of culturally significant land and taonga species[8]. The current rules do also provide for consideration of the potential effects on cultural values and sites of significance
Effectiveness and efficiency in achieving the purpose of the proposal and existing relevant objectives of the District Plan		
Effectiveness of the status quo in delivering the objectives The current renewable energy settings are ineffective in achieving the purpose of this proposal and not as effective as Option 1 in meeting the existing objectives of the District Plan. The generalised approach of the 20kW limit for permitted renewable energy activities is unduly restrictive on solar given its visual and noise effects are often minor at a small or community scale. We understand from the Central Hawke's Bay community that the low threshold for requiring a resource consent is prohibitive due to the cost, uncertainty, and time involved. A resource consent can be a barrier to businesses and communities who are weighing up the upfront costs of installing solar arrays with the long-term savings they may gain. Efficiency of the status quo in delivering the objectives The status quo is unlikely to achieve the objectives at the lowest cost to the Central Hawke's Bay community or highest net benefit. This is because the rules are overly restrictive for solar activities given their relatively minor environmental, economic, social, and cultural costs. Ultimately, the current rules make it more costly to reduce Aotearoa New Zealand's carbon emissions, which has a much greater and wider reaching impact than the localised visual and noise effects of solar activities in the district.		
Risk of acting or not acting		
The risk of not acting, i.e. maintaining the status quo, appears to be greater than acting. From a national level lens, Central Hawke's Bay is not well aligned with Government direction to encourage and enable renewable energy generation. While the new District Plan has only been in place a short time (November 2024) there appears to be already a number of concerns raised from the Central Hawke's Bay community and from the Council's own monitoring and evaluation.		

[8] Ibid.

Overall evaluation
This option is not recommended based on the assessment above.