



Otago
Regional
Council



QUEENSTOWN
LAKES DISTRICT
COUNCIL

Item 1: Energising Queenstown Submission

Purpose

To decide whether or not the Joint Committee will make a submission to the 'Energising Queenstown' consultation process.

Recommendation

That the Committee:

1. **Approves Option B** and requests that staff prepare a draft submission to the 'Energising Queenstown' consultation process, which will be endorsed by the Joint Committee before passing to the respective councils for approval.

Prepared by:

A handwritten signature in black ink, appearing to read "M. J. M. Morss", written over a faint dotted line.

Michelle Morss

General Manager Strategy and Policy

12 August 2025

Context

1. The Queenstown Lakes District is a high growth area with aspirations for a highly electrified future. This aspiration was reflected in the Otago Central Lakes (OCL) Regional Deal proposal, as part of the energy package.
2. As outlined in the proposal, OCL has a vision to be the most highly electrified, innovative place in NZ.
3. Power supply has been a persistent issue in the sub-region. Rapid growth in Wānaka, Cromwell, and Queenstown strains the system's capacity to deliver reliable, affordable electricity, posing reputational and economic risks. Secure, affordable energy is critical for economic development and regional productivity.
4. Queenstown is the largest urban centre in OCL and it is serviced by a 110kV transmission line that runs from Cromwell to the Frankton substation. This transmission line is owned by Transpower, with Aurora Energy and Powernet then distributing the supply to the local community.
5. Project 4 in the OCL Regional Deal proposal asked for support from the government for the process to develop a new transmission line, through the Regional Electricity Development Plan (REDP) process. This project also requested that the government:
 - Require Transpower and EDBs to analyze the cost burden on Otago Central Lakes households and businesses under the Transmission Pricing Methodology for each investment option.
 - Include an ambitious forecast of solar and battery uptake based upon localised trends and stimulated by the RAS launch.
 - Identify tipping points that would delay new line investments, such as the percentage of capacity served by solar/batteries at peak hours.
6. Queenstown Lakes District Council has participated in the REDP process as part of the Steering Group and has contributed its demand projections to the forecasts. Involvement in this process pre-dates the Regional Deal process and the OCL partnership.
7. The REDP will be largely focused on increasing capacity to Queenstown through development of a new line. The timing of this investment will need to take into account the uptake of local distributed generation in the area, growth and step changes in electrification. This poses a complex challenge.
8. Transpower, Aurora Energy and Powernet have opened a consultation process with the community to help determine where and when a new transmission line will be required. The process closes on 19 September 2025.
9. Full details of the consultation can be found here:

<https://www.energisingqueenstown.co.nz/>

Analysis and Advice

10. Given the immediate relevance of the consultation process to the Regional Deal, the Joint Committee could consider the preparation of a submission on its behalf.
11. It should be noted that making a submission is not contemplated in the delegations outlined in the Memorandum of Agreement, guiding the operations of this committee.
12. As such, the committee can consider whether to place a submission directly or to endorse a submission that is then adopted by the respective councils.
13. Regardless, policy officers from each council would work together to establish a shared policy position for the Joint Committee to consider at the next meeting.
14. If the committee decides to make a submission directly, it would not prevent preparation of individual submissions by each council, provided they did not contradict the aspects on which the Joint Committee has a shared position.
15. The Joint Committee can consider the following options:
16. Option A - Request that staff prepare a draft submission to the 'Energising Queenstown' consultation process, on behalf of the Joint Committee directly.

Advantages	Disadvantages
<ul style="list-style-type: none">- The Joint Committee will have the opportunity to demonstrate a shared position to Transpower, Aurora and PowerNet.- A shared position reinforces the strong collaboration within OCL.- The shared position supports the requests within the Regional Deal proposal.	<ul style="list-style-type: none">- Making submissions directly from the Joint Committee is not contemplated in the Memorandum of Agreement.- Preparation of a shared position and subsequent consideration of separate submissions will be a slightly more complex and time consuming process for officers.

17. Option B - Request that staff prepare a draft submission to the 'Energising Queenstown' consultation process, which will be endorsed by the Joint Committee before passing to the respective councils for approval.

Advantages	Disadvantages
<ul style="list-style-type: none">- The Joint Committee will play an explicit role in the process to demonstrate a shared position to Transpower, Aurora and PowerNet.- A shared position reinforces the strong collaboration within OCL.- The shared position supports the requests within the Regional Deal proposal.	<ul style="list-style-type: none">- Preparation of a shared position across the councils and respective processes will be time-consuming.

18. Option C – Remove the Joint Committee from the process of making a submission to the ‘Energising Queenstown’ consultation.

Advantages	Disadvantages
<ul style="list-style-type: none">- Less pressure on timelines for submission development due to fewer stages of review and input.	<ul style="list-style-type: none">- The Joint Committee will not have a specific voice in the submission process.

Option B is recommended because it provides clear input into the consultation process, whilst demonstrating unity to central government and clear support for the energy package within the Regional Deal. Option B does not test the scope of the Memorandum of Agreement.