

### 3. INTRODUCTION

#### 3.1 PUKE KAPO HAU - MAHINERANGI WIND FARM STAGE 2

Tararua Wind Power Limited (“**TWP**”), a fully owned subsidiary of Mercury NZ Limited, is intending to progress the construction and operation of Stage 2 of the Mahinerangi Wind Farm (“**MWF**”). The project is to be known as Puke Kapo Hau (and is herein referred to as either “**the project**” or “**Puke Kapo Hau**”).

The project is a Schedule 2 Listed Project under the Fast-track Approvals Act 2024 (“**FTAA**”).

The project is located on private farmland, and land owned by Landcorp Farming Limited (Pamu Farms), on the eastern foothills of the Lammermoor Ranges. The project site is approximately 50 km west of Dunedin and approximately 5 km north of Lake Mahinerangi (refer to Figure 3.1 below).

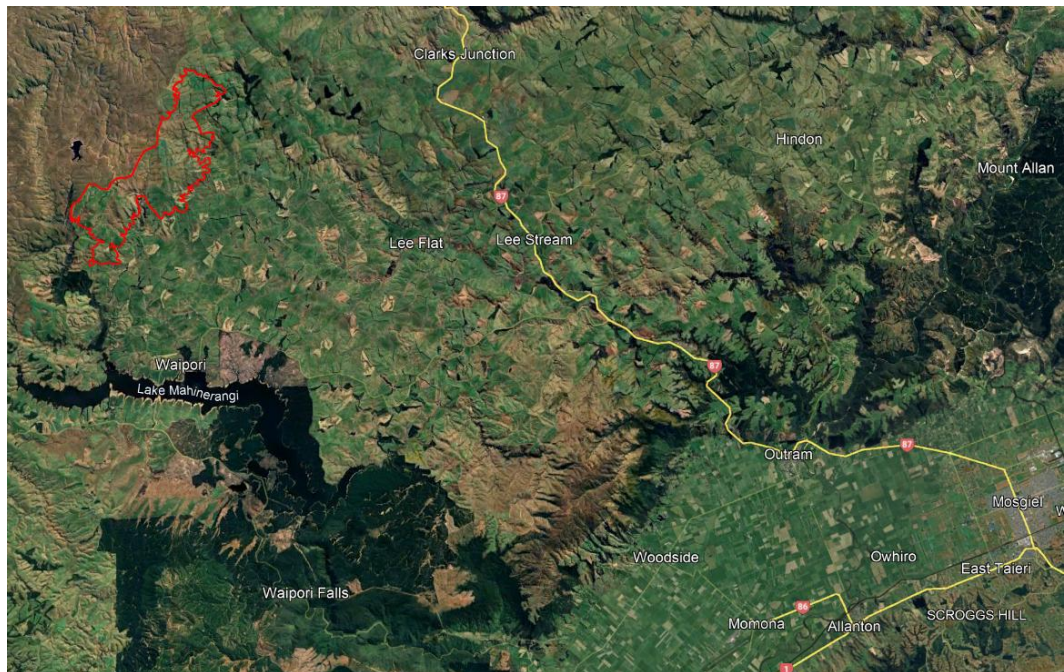


Figure 3.1: Overview of Project Site Location

Puke Kapo Hau is to be located wholly within the jurisdiction of the Clutha District Council (“**CDC**”) and the Otago Regional Council (“**ORC**”). The northern periphery of the project site also shares a boundary with the Dunedin City Council (“**DCC**”).

TWP holds an existing land use consent<sup>1</sup> for the MWF from the CDC that was confirmed by the Environment Court in 2009.<sup>2</sup> The existing consent conditions provide for up to 100 wind turbines with a maximum tip height of 145 m, and an overall maximum installed generation capacity of 200 MW.<sup>3</sup> The consent was given effect to by the construction of Stage 1 of the MWF in 2011 - which comprised the establishment of twelve 3 MW wind turbines.

TWP now seeks to vary the conditions of the existing land use consent to enable the second stage of the project to be completed. Key changes to the land use consent include:

- > A reduction in wind turbine numbers (44 wind turbines across 54 possible locations - down from 88 possible locations);
- > An increase in the maximum wind turbine blade tip height (up to 165 m - an increase in height of 20 m); and
- > The removal of the condition limiting the installed electricity generation capacity of the wind farm to 200 MW.

The primary purpose of changing the conditions of the land use consent is to enable the use of larger and more efficient wind turbines that have become available since the original consent was granted. Given the increase in the size of modern wind turbine technology, and the fact that smaller turbines are no longer readily available in the market, the change in conditions is material to the delivery of Puke Kapo Hau.

In addition to the variation to the existing land use consent, TWP is also seeking a new land use consent for the construction and use of a new 110 kV transmission line (and associated infrastructure including a substation and access tracks) to connect to the National Grid, a Battery Energy Storage System (“**BESS**”), and a new operations and maintenance facility (“**O&M Facility**”) for the wind farm. Twenty-five pole structures of up to 45 m in height above ground level are required to support the transmission line and its connection points.

Given the expiry of the regional resource consents confirmed by the Environment Court in 2011, a new suite of regional resource consents is also sought by TWP for the construction, operation and maintenance of Puke Kapo Hau (including the transmission line and BESS).

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<sup>1</sup> RM 1409.

<sup>2</sup> *Upland Landscape Protection Society Incorporated v Clutha District Council, Otago Regional Council and Trustpower*, Decisions No C 85/2008 [Interim Decision] and No. C140/2008.

<sup>3</sup> 200 MW limit was proffered by Trustpower (the original consent holder) because of National Grid constraints at the time rather than to manage environmental effects. The installed generation limit (set out in district land use consent condition 11), has the practical effect of limiting the number of wind turbines depending on the generation capacity of the model used.

In accordance with Schedules 7 and 8 of the FTAA, TWP is also seeking approvals relating to the Wildlife Act 1953 (“**Wildlife Act**”) and the Heritage New Zealand Pouhere Taonga Act 2014 (“**Heritage Act**”). It is noted that no approval under Schedule 9 relating to complex freshwater activities is required.

The project site is shown in Figure 3.2 below.

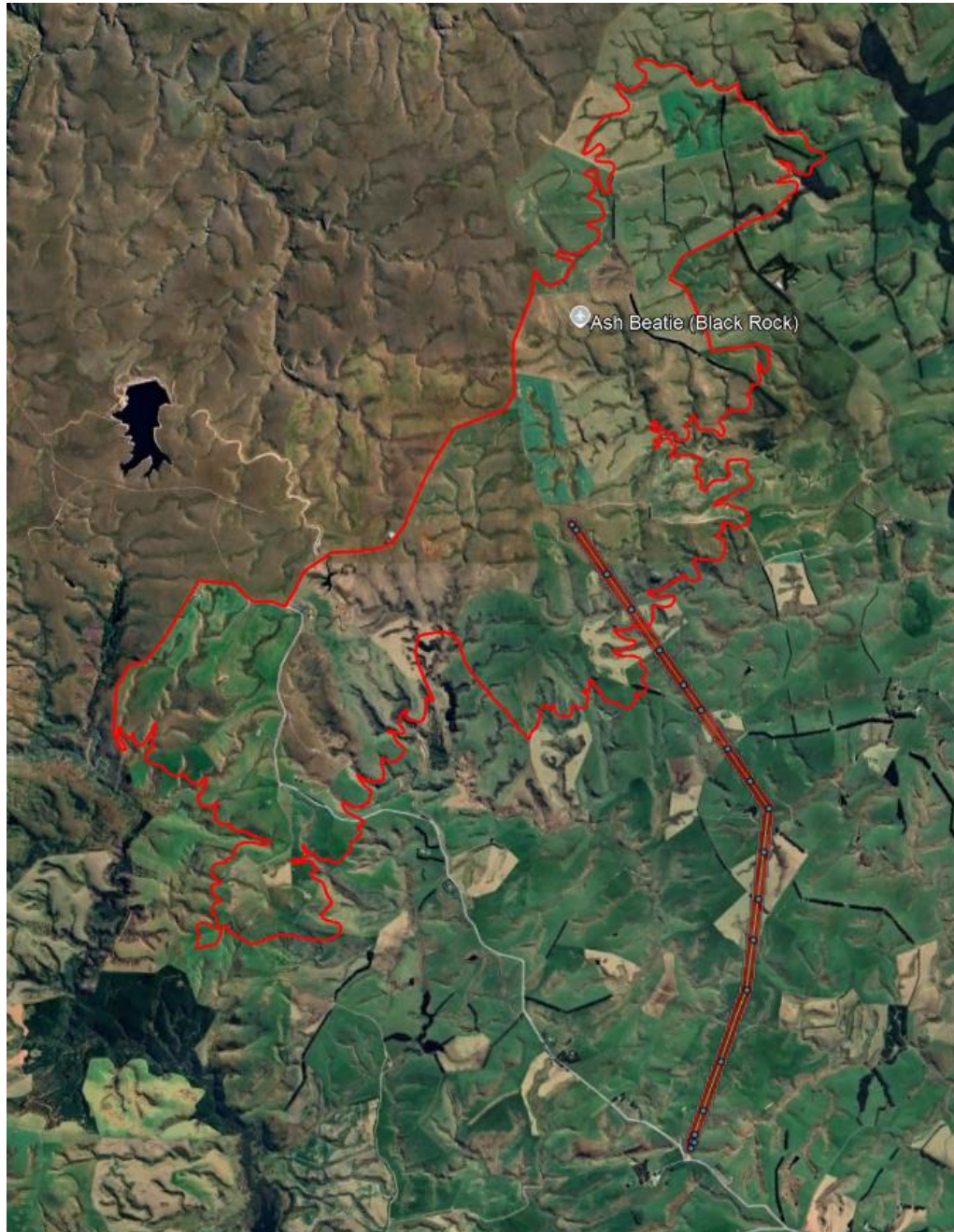


Figure 3.2: Project Site



Throughout the preparation of this substantive application, TWP has engaged a wide range of technical experts to assist with the design of Puke Kapo Hau, as well as the identification and assessment of actual and potential environmental effects. This input has been integral to ensuring that the layout and infrastructure design are informed by site-specific environmental values and constraints.

As far as practicable, environmental effects have been avoided or minimised through an iterative design process. This process has involved detailed mapping and site investigations to identify sensitive features and areas requiring protection, followed by refinement of the wind farm layout and infrastructure alignment to respond to these values. High value areas, such as at the Thomas Block, that were consented as part of the original resource consents have been excluded from this project.

To support this substantive application, a comprehensive package of environmental conditions, management and monitoring plans, and ecological compensation measures has been prepared. These documents are provided in Parts C and E of this substantive application.

## **3.2 TARARUA WIND POWER LIMITED**

### **3.2.1 Overview**

TWP is a New Zealand Limited Company what is wholly owned by Mercury Wind Limited and is ultimately part of Mercury NZ Limited (“**Mercury**”).

Mercury entered into a Scheme Implementation Agreement acquiring Tilt Renewables Limited’s New Zealand assets in 2021 - which included the MWF.

For the purposes of section 42 of the FTAA, TWP is the authorised person for this listed project.

As the parent company, Mercury is one of New Zealand’s largest electricity generators and retailers, providing energy services to homes, businesses and industrial consumers throughout New Zealand. 100% of the electricity generated by Mercury is from renewable electricity sources – covering hydro, geothermal and wind generation.

Mercury’s Waikato Hydro Scheme, constructed between 1929 and 1971, is made up of eight dams, nine power stations and the Taupō Control Gates.

### **3.2.2 Development Programme**

Over the last 20 years, Mercury has invested significantly in geothermal power development and now owns or operates five geothermal power stations in the Taupō Volcanic Zone.

In relation to wind generation, Mercury is the largest owner and operator of wind farms across New Zealand. Its portfolio of wind farms includes the Waipipi, Turitea, Tararua, Mahinerangi and Kaiwera Downs Wind Farms.

Mercury is also currently constructing Stage 2 of the Kaiwera Downs Wind Farm near Gore in Southland, and the Kaiwaikawe Wind Farm near Dargaville in Northland.

### **3.2.3 Compliance and Enforcement Track Record**

In accordance with section 13(4)(x) of the Act, TWP is required to provide a summary of compliance or enforcement actions (if any), and the outcome of those actions, taken against the applicant under a specified Act.

There has been no compliance or enforcement actions taken against TWP.

## **3.3 PURPOSE OF THE FAST-TRACK APPROVALS ACT 2024**

### **3.3.1 Overview**

The purpose of the FTAA is to:

*“facilitate the delivery of infrastructure and development projects with significant regional or national benefits”.*

Puke Kapo Hau demonstrably achieves the purpose of the FTAA by delivering significant benefits to the Clutha District, the Otago Region and New Zealand more broadly. In this regard, Puke Kapo Hau will provide significant economic benefits by:

- > Injecting over \$220 million of expenditure over the construction period into the New Zealand economy, plus another \$22.5 million for the BESS construction;
- > Providing approximately 200 full-time equivalent jobs (“FTE”) during peak construction;
- > Contributing approximately 549 GWh of electricity per annum and providing for improved electricity diversity and security of supply;
- > Contributing to the decarbonisation of the New Zealand economy by displacing over 554,000 tCO<sub>2</sub>-e annually;<sup>4</sup> and
- > Aligning with Government policy towards meeting national and international climate change obligations.

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<sup>4</sup> If generated from coal or 279,000 tCO<sub>2</sub>-e if displacing gas fired generation.

The economic benefits of Puke Kapo Hau are assessed in detail in the Economic Assessment prepared by the New Zealand Institute of Economic Research (“**NZIER**”) (2025), which is provided in Part B to this application and discussed further in Section A.07 (Assessment of Environmental Effects).

The FTAA is also designed to provide a “one-stop-shop” approvals process for applicants. This is primarily to minimise delays and costs often experienced by large complex projects requiring sequential approvals under different statutes. As noted above, the approvals sought relate to resource consents (including a change or cancellation of conditions of consent), wildlife approvals and archaeological authorities.

### **3.3.2 Eligibility of this Project under the FTAA**

Section 5 of the FTAA addresses ineligible activities which cannot be authorised under the FTAA. In this respect, Puke Kapo Hau:

- > Is not located on identified Māori land;
- > Is not located in a customary marine title area;
- > Is not located in a protected customary rights area;
- > Is not located on Māori customary land or land set apart as a Māori reservation;
- > Is not restricted by section 61(1A) of the Crown Minerals Act 1991, nor is it within an area for which a permit cannot be granted under that Act;
- > Is not located on land held, managed and administered under the Conservation Act 1987; and
- > Is not located within a national reserve, or land held under the Reserves Act 1977.

The project is, therefore, eligible for authorisation under the FTAA.

## **3.4 LAND OWNERSHIP AND PARTICIPATION**

### **3.4.1 Landowners and Occupiers of Puke Kapo Hau and the Transmission Line Corridor**

Puke Kapo Hau (including the transmission line corridor) is made up of land owned by five different parties, as detailed in Table 1 and illustrated in Figure 3.3 below. It is noted that there are no dwellings located within the project site or transmission line corridor.

**Table 3.1: Landowner Schedule**

| Landowners                             | Legal description  |
|--|--|
| [REDACTED]                             | Sections 16-18 SO 21165 and Section 19 SO 21164, formally known as Sections 16-19, Block IV Hedgehope Survey District in 667530. |
| [REDACTED]                             | Sections 1 and 4 Survey Office Plan 23490 in OT13D/952.  |
| [REDACTED]<br>[REDACTED]               | Part Run 186B in OT14C/1133  |
| [REDACTED]<br>[REDACTED]<br>[REDACTED] | Part Section 5, Block X Lee Stream Survey District in OT14C/331, and Section 3, Block X Lee Stream Survey District in OT12C/797  |

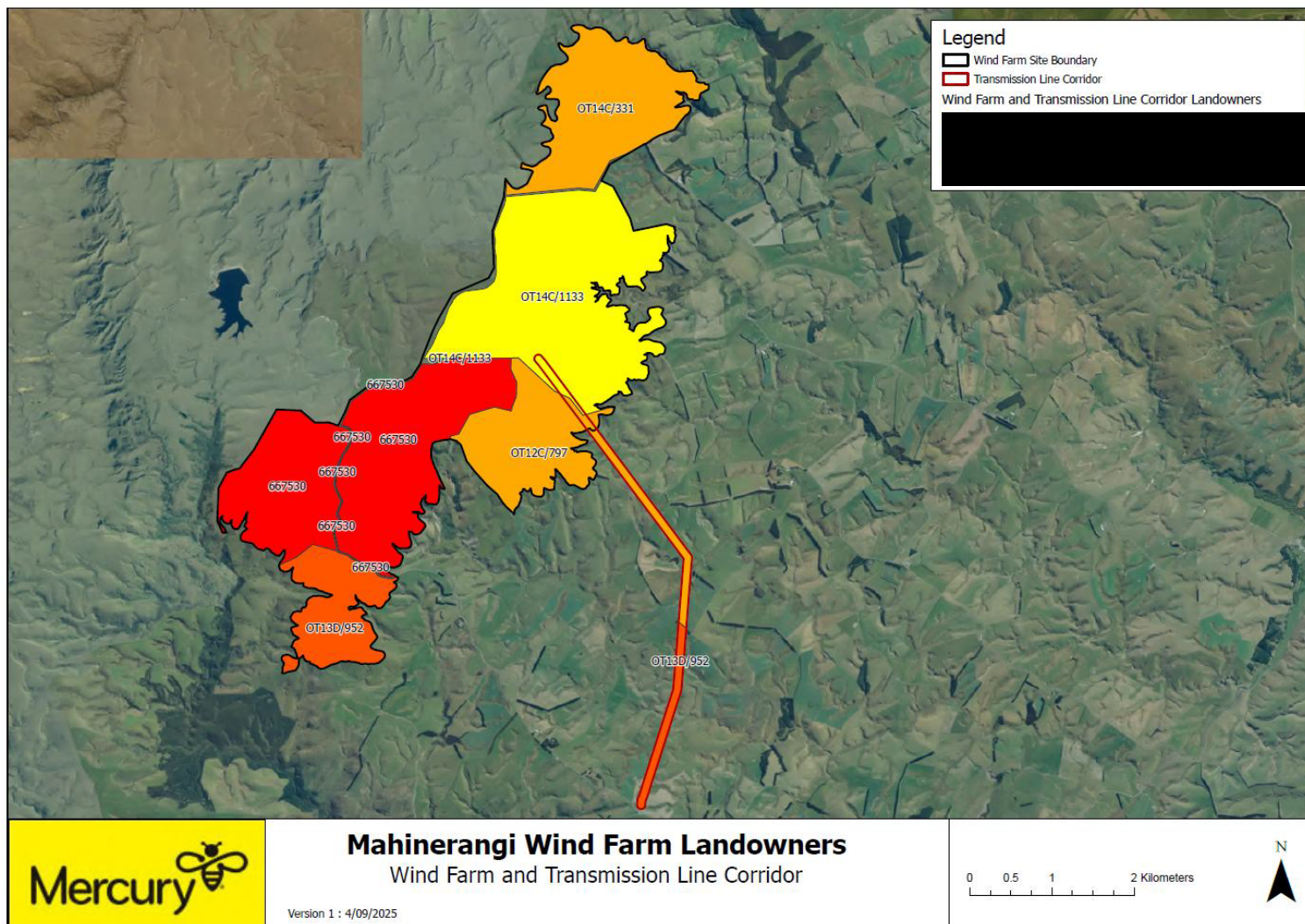


Figure 3.3: Land ownership



TWP holds enduring agreements with each of the landowners for the construction and operation of Puke Kapo Hau (including the transmission line). Consultation and engagement with these landowners is documented in Section A.10 (Consultation and Engagement) of this substantive application.

Records of Title are provided in **Part H**.

### 3.5 STRUCTURE OF THE SUBSTANTIVE APPLICATION

This substantive application has been prepared to describe the activities proposed, provide an assessment of environmental effects and address other relevant information as required under the FTAA.

Specifically:

- > **Sections A.00 and A.01** provide a cover page and table of contents;
- > **Section A.02** provides a list of acronyms and a glossary;
- > **Section A.03** introduces the project and TWP, and sets out the structure of this substantive application;
- > **Section A.04** provides a description of the existing environmental and consenting background;
- > **Section A.05** provides a description of the project, project shaping and staging and timing of construction activities;
- > **Section A.06** describes the approvals needed and sought under the FTAA;
- > **Section A.07** provides an assessment of the approvals relating to the Resource Management Act 1991 (“**RMA**”). It also includes a summary of the response to the effects (e.g. design, layout, conditions, management plans and monitoring);
- > **Section A.08** provide flow diagrams and a summary of the management plans that apply to the project;
- > **Section A.09** provides a statutory assessment of the relevant RMA planning documents;
- > **Section A.10** summarises consultation undertaken by TWP and the outcomes of this consultation; and
- > **Section A.11** provides an assessment of the approvals relating to the Heritage Act. This includes an assessment of the application against the criteria contained in clause 4 of the 8<sup>th</sup> Schedule and a statutory assessment associated with the general archaeological authority.

- > **Section A.12** provides an assessment of the approvals relating to the Wildlife Act. This includes provision of information required under clause 2, an assessment of criteria in clause 5 to the 7<sup>th</sup> Schedule, and a statutory assessment associated with the capture, attachment of identification leg bands and GPS transmitters, and handling of carcasses for falcon; the collection of the carcass of any native bird with a conservation status of threatened or at-risk, including falcon and the handling, salvage, relocation and incidental killing of lizards.
- > **Section A.13** sets out key conclusions relevant to the consideration of this substantive application.