

Proposed Change A3 to the Nelson Air Quality Plan - Amendments to Woodburner Provisions

1. Purpose of Report

- 1.1. To consider options and approve the notification, in January 2016, of Proposed Change A3 to the Nelson Air Quality Plan (NAQP) – amendments to woodburner provisions ('the Woodburner Plan Change' or 'PC A3') and section 32 report.

2. Executive Summary

- 2.1 The Nelson Air Quality Plan (notified in 2003) banned open fires from 2008 and woodburners from 2010. Air quality has improved markedly in Nelson over this period. Councillors sought advice on whether any relaxation of the rules was possible and noted that this matter should be handled with care.
- 2.2 A significant amount of work has been undertaken by Council throughout 2014 and 2015 to carefully consider the implications of increasing the number of woodburners across Nelson. The drivers for considering increasing woodburners were a result of a prohibitive rule in the current Plan.
- 2.3 As a result of this work, Council directed officers to undertake a discrete woodburner plan change as quickly as possible so decisions could be released before winter 2016.
- 2.4 The plan change is Council's short term response to community concern regarding the prohibition of woodburners. There will be a fuller review of the air provisions through the Nelson Plan programme. Plan Change A3 to the Nelson Air Quality Plan is an interim step to provide greater flexibility in some airsheds.
- 2.5 The plan change, as drafted, strikes a balance between providing for woodburners in two airsheds, whilst achieving good air quality and meeting Council's statutory requirements.
- 2.6 It is recommended that a plan change be notified which: (a) recognises the current policy approach of continuing on a path of improving air quality as outlined in the current Nelson Air Quality Plan; (b) provides for Ultra Low Emission Burning woodburners (ULEBs) and other technology which meet an emission limit only; and (c) focuses on a behaviour

change programme rather than phasing out old burners. The proposed plan change achieves the following:

- Removes the prohibition of ULEBs in Nelson generally and makes a specific allowance for up to 1600 ULEBs across Airsheds B2 (Stoke) and C (Brook to Atawhai) once the plan change is operative.
- Allows for additional ULEBs to be included in the future where monitoring indicates there is capacity.
- Introduces a behaviour change approach rather than requiring owners of existing approved woodburners to remove their burners.
- Allowing for ULEBs is likely to meet projected demand within Airsheds B2 and C, particularly given that their cost is projected to reduce in the short term.
- Current NAQP policies allow for new technology, such as ULEBs, that consistently achieve a lower emission rate than NES compliant burners.
- The approach allows any woodburners and other devices that achieve an emission limit rather than allowing only certain appliances.
- The approach of relying on behaviour change will result in the cleanest air and represents the least cost to society as a whole.
- The plan change required is relatively simple, and is the least likely to be subject to challenge for not meeting the purpose and principles and consultation requirements of the Resource Management Act.
- It allows for a wider review (including airshed boundaries) to occur as part of the Nelson Plan development when further information, including central government direction on the National Environmental Standard for Air Quality, is known.

3. Delegations

- 3.1 On 29 October 2015, the Planning and Regulatory Committee referred the Woodburner Plan Change provisions and notification decision to Council for consideration in December 2015.

4. Recommendation

THAT the report Proposed Change A3 to the Nelson Air Quality Plan - Amendments to Woodburner Provisions (R5193) and its attachments (A1473707, A1472304, A1472293, A1469510, A1469489, A1472174, A1469497, A1469511, A1469503) be received;

AND THAT the Woodburner Plan Change (PCA3) and section 32 report be approved for notification on 16 January 2016;

AND THAT the Mayor, Planning and Regulatory Committee Chair and Chief Executive be delegated authority to make further minor changes following the Council meeting to enable notification on 16 January 2016.

5. Background

- 5.1 The current Nelson Air Quality Plan prohibits woodburners. This prohibition was signalled in 2003 with woodburners progressively phased out from 2010.
- 5.2 In 2013 Council requested officers to examine if there was potential to review the current NAQP approach. Council has undertaken a significant amount of work over the last two years to carefully consider the potential for allowing additional woodburners in Nelson's airsheds (refer to figure 1 of Attachment 3 for a map of the airsheds).
- 5.3 Council's specific engagement on the Nelson Air Quality Plan's woodburner rules has included public meetings in March and July 2015, Iwi Working Group meetings in October and November 2015, and targeted meetings with interested parties and industry groups from April through to October 2015. This engagement is summarised in section 10 of this report and in the section 32 report (refer Attachment 3).
- 5.4 Community feedback sasked Council to consider a range of options to enable households to use woodburners in situations where they are currently prohibited, with an emphasis on delivering decisions before winter 2016.
- 5.5 These options included allowing ULEBs, emission control technology, education to reduce smoke emissions (enhanced behaviour change), enforcement of smoky fires, tradable rights to install a woodburner, and a point of sale phase out of older fires.
- 5.6 In response to community feedback the Council resolved to undertake a woodburner plan change so that decisions could be released by June 2016 (i.e. before winter). Broader air quality matters, including the

location of air shed boundaries, will be considered as part of the wider Nelson Plan review in early 2017. There have been improvements in air quality, particularly in two airsheds. In initiating the plan change, Council seeks to be prudent and to manage air quality carefully and appropriately.

- 5.7 Council considered three key options for the woodburner plan change in detail at a Council workshop on 17 November. Presentations were also provided on the technical work summarised in section 6 below. Officers have used Councillor feedback to inform the option analysis outlined in this report.
- 5.8 The draft plan change and a cost-benefit analysis of the options considered (Section 32 report) are provided, as attachments 2 and 3 to this report.
- 5.9 Consideration of the options has also been informed by the following reports:
- Urban Airshed Modelling – Dispersion of PM10 - Golders(Attachment 4)
 - Air Quality Management in Nelson – Modelling of Additional Scenarios – 2015 – Environet (Attachment 5)
 - Potential Impacts of Management Options - Heating, household and Fuel Poverty Data for Nelson – 2014 Environet (Attachment 6)
 - Assessment of Air Quality Options – Market Economics (Attachment 7)

6. Discussion

- 6.1 The proposed Plan Change A3 has involved much work.
- 6.2 Work undertaken in 2014 and 2015 includes an air emission inventory, an assessment of health effects and capacity across Nelson’s Airsheds to accommodate additional woodburners.
- 6.3 A list of reports considered at a Woodburner Working Group, Planning and Regulatory Committee and Council meetings are listed below and are available on Council’s website:
- Health and Air Pollution in Nelson – Outputs from HAPINZ and Evaluation of Impact Changes From 2001 to 2013
 - Assessment of Trends in PM10 Concentrations in Airshed A and Evaluation of Airshed Capacity
 - Nelson Air Emission Inventory – 2014
 - Nelson-Richmond Air Quality Modelling, Calpull Model.

6.4 Reports, that built on 2014 reports, were commissioned in 2015 to inform the development of the Plan Change A3. The key findings of these reports are included as Attachment 1.

6.5 Overall these 2015 reports signal that:

- Dispersion between airsheds is significantly lower than originally anticipated.
- There is currently additional capacity for woodburners in Airshed B2 (Stoke) and C (Brook/Atawhai), but none in Airshed A (Victory) and Airshed B1 (Tahunanui).
- Since the introduction of the NAQP there are fewer woodburners in Nelson and there are fewer people living in colder homes.
- Out of all the options considered, implementing an enhanced behaviour change programme would result in the greatest benefits for the least cost.

7. Options

7.1 Three principal policy options have been considered:

- Option 1 – Continue seeking to improve air quality as outlined in the current Air Plan.
- Option 2 – Maintain air quality at current levels.
- Option 3 – Achieve compliance with NES levels.

7.2 The advantages and disadvantages of each option are shown in the following table and described in section 3 of the Section 32 analysis (refer Attachment 3).

Option	Advantages	Disadvantages
Option 1	Highest air quality Favourable cost-benefit ratio Low intervention, time-efficient plan change Minimum exposure to RMA risk	Lowest burner allocation No capacity for two airsheds
Option 2	1.7x more burners than Option 1 without phase out of older woodburners	Low intervention, time-efficient plan change No capacity for burners in two

Option	Advantages	Disadvantages
	3x more burners than Option 1 with phase out	airsheds Moderate exposure to RMA risk
Option 3	Higher burner allocation Potential capacity for burners in all four airsheds – subject to phase out of burners and behaviour change.	Least favourable air quality outcome Least favourable cost-benefit ratio High intervention, time-hungry plan change Highest exposure to RMA risk

7.3 Option 1 is the preferred option for the following reasons:

- It would result in the highest air quality and represents the least cost to society as a whole.
- The plan change required is relatively simple, and best meets the consultation requirements, purpose and principles of the Resource Management Act (sustainable management of natural resources that enables people to provide for their social and economic wellbeing and their health and safety while safeguarding the life supporting capacity of air).
- A wider plan change (option 2 or 3) would pre-empt future changes to the NES and risk not meeting the consultation requirements of the RMA as the current policy approach would need to be altered which effects a wider range of activities and people than have currently been considered.
- The proposed plan change is the most cost effective option, as outlined in the section 32 report (Attachment 3) and the economic analysis (Attachment 7).

7.4 It is the most efficient, effective and appropriate response to present and anticipated future circumstances which are the tests set under the Resource Management Act, the requirements of the current National Environmental Standard for Air Quality (NES).

7.5 Option 1 would allow for an additional 1000 ULEBs (or 220 NES Compliant Burners) in Airshed B2 and 600 ULEBs (or 130 NES burners) in Airshed C with a 10% reduction in emissions from a behaviour change programme.

7.6 Two hundred additional ULEBs (bringing the total to 1200) could be provided for in Airshed A, but this would require phase out of 200 per

2004 woodburners, a 10% emission reduction as a result of behaviour change, and a 2% reduction in emissions from airshed B2 and C. This option is not considered appropriate given there is no net gain in the number of burners.

7.7 Currently there are 7770 households in Airsheds B2 and C. Option 1 would allow 1600 households to install ULEBs. A plan change to facilitate these changes would also require a behaviour change programme.

7.8 It is proposed to permit ULEBs and other technology that meet an emission limit rather than NES compliant woodburners in Airsheds B2 and C for the following reasons:

- Allowing ULEB's is more likely to cater for anticipated demand.
- Allowing new technology such as ULEBs more closely aligns with the current policy approach outlined in the Air Quality Plan.
- The cost of ULEBs is projected to decrease in the short term.
- Setting an emission limit will allow for new technology advances.
- ULEB real life emissions are more predictable than NES burners.

8. Summary of potential plan amendments

8.1 The proposed plan change (see Attachment 2) would permit 1600 ULEBs across Airshed B2 and C but none in Airsheds A and B1 as outlined in section 8.2. It would be a non-complying activity to exceed these limits where Council monitoring/modelling information does not indicate additional capacity. It would be a permitted activity to exceed these limits in the future where Council monitoring/modelling information indicates future capacity as long as this is authorised by Council. ULEBs are defined not by type but by an emission standard. This enables any fire or device, able to meet the standard, to be installed.

8.2 The plan change would need to be supported by a behaviour change and monitoring/modelling programme as outlined in Attachment 9. The proposed rules are summarised below:

Rules (by Airshed)

Airshed A + B1:

- *ULEB will be a non-complying activity. No ULEBs authorised except where monitoring and modelling identifies capacity is available to do so and a certificate is granted by Council.*

Airsheds B2 + C:

- *1000 ULEB will be permitted in B2.*
- *600 ULEB will be permitted in C.*
- *ULEBs in excess of the numbers above are authorised where monitoring and modelling identifies capacity is available to do so and a*

certificate is granted by Council.

8.3 **Definition**

Introduce a new definition that provides for ULEB appliances (including ultra low emission burners and emission control technology) that meet emission and efficiency limits.

9. **Alignment with relevant Council policy**

9.1 The draft plan change is aligned with the Nelson Regional Policy Statement and Nelson Air Quality Plan objectives which seek improvements in Nelson’s ambient air quality.

10. **Assessment of Significance against the Council’s Significance and Engagement Policy**

10.1 This matter is considered under the Resource Management Act rather than the Local Government Act, so it is not assessed under Council’s Significance and Engagement Policy.

10.2 The engagement processes required for this plan change are set out in Schedule 1 of the Resource Management Act, and are outlined below.

11. **Consultation**

11.1 There will be an opportunity to make submissions and further submissions on the proposed plan change. An independent hearing panel will consider all submissions and make decisions. An indicative timeline for this process is shown below.

Woodburner plan change timeline – from notification to decision:

Date	Event
16 January	Notification of the plan change
17 February	Submission period closes
5 March	Public notice of submissions
18 March	Further submission period closes
April/early May	Hearing (followed by decisions on submissions)
May/early June	Notification of Commissioners’ decision
June/July	Appeals

- 11.2 In addition, Clause 3 of Schedule 1 of the Resource Management Act requires the Council to consult with the following people during the preparation of the plan change:
- The Minister for the Environment
 - Those other ministers of the Crown who may be affected by the plan change, local authorities who may also be affected.
 - Tangata whenua of the area who may be so affected, through Iwi authorities.
- 11.3 The Council contacted the Ministry for the Environment, the Ministry of Health and the Ministry of Transport (and the New Zealand Transport Agency) in October 2015, and no comments have been received by these parties.
- 11.4 Discussions with Tasman District Council officers were held on 3 December. They have no position on the proposed plan change but will maintain a watching brief. Marlborough District Council has been advised of the upcoming plan change.
- 11.5 Council officers have been meeting with an Iwi Working Group throughout 2015. Air quality and the proposed Woodburner Plan Change were discussed on 5 October and 16 November 2015. Feedback from the Iwi Working Group included a preference for Option 1. They emphasised the importance of maintaining improvements in overall air quality. They also support any opportunities to work with council and other interest groups to enhance burner accessibility for people with health issues or low incomes.
- 11.6 Clause 3 of Schedule 1 of the Resource Management Act also provides for consultation with anyone else. The feedback received from engagement and used to inform the proposed plan change is outlined in the section 32 report (Attachment 3). In summary, people sought:
- More choice in future about how they heat their homes, including the ability to install woodburners
 - Recognition of new technology with lower emissions
 - Behaviour change initiatives around the use of wet wood and operation of fires to manage emissions
 - Good air quality
 - Access to woodburners for people who need them most.

12. Inclusion of Māori in the decision making process

12.1 Consultation with Iwi is outlined in section 11 of this report. No specific consultation with Māori outside that identified in section 11 has been undertaken.

13. Conclusion

13.1 The Plan Change (PCA3) is the response to Council direction to reconsider the prohibition of woodburners. The plan change, as drafted, strikes a balance between providing for woodburners, whilst achieving good air quality and meeting Council's statutory requirements.

13.2 There will be a fuller review of the air provisions as part of the Nelson Plan. Plan Change A3 to the Nelson Air Quality Plan is a sound interim step to provide greater flexibility in airshed B1 and C in terms of permitting ULEBs and altering activity status for ULEBs in airsheds A and B1.

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Attachments

- Attachment 1: A1473707 - Key Findings from 2015 Reports - Air Quality *(Circulated separately)*
- Attachment 2: A1472293 - Proposed Changes - Plan Change 3, Nelson Air Quality Plan *(Circulated separately)*
- Attachment 3: A1472304 - Section 32 Evaluation - Proposed Changes to NAQP Woodburner Provisions *(Circulated separately)*
- Attachment 4: A1469510 - Urban Airshed Modelling - Dispersion of PM10 *(Circulated separately)*
- Attachment 5: A1469489 - Air Quality Management in Nelson - Modelling of Additional Scenarios, 2015 *(Circulated separately)*
- Attachment 6: A1472174 - Potential Impacts of Management Issues - Heating, Household and Fuel Poverty Data for Nelson - 2014 *(Circulated separately)*
- Attachment 7: A1469497 - Assessment of Air Quality Options *(Circulated separately)*
- Attachment 8: A1469511 - Summary of Additional Scenarios Report *(Circulated separately)*
- Attachment 9: A1469503 - Draft Behaviour Change and Monitoring-Modelling Programme *(Circulated separately)*

