

## STAFF REPORT

**TO:** Environment & Planning Committee

**FROM:** Mary-Anne Baker, Policy Planner

**REFERENCE:** C301

**SUBJECT:** **NES (AIR QUALITY) REVIEW; REPORT - REP10/07/09** - Report prepared for meeting of 1 July 2010

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### 1. INTRODUCTION

National regulations to manage air pollution arising from small particulate matter (PM<sub>10</sub>) were introduced in 2004. The Council subsequently varied the TRMP to introduce a range of measures designed to reach the standard of 50ug/m<sup>3</sup> for PM<sub>10</sub> in January 2007.

In spite of perceptions that TDC was “laid back” about improving air quality, the effort involved in implementing the range of regulatory, education and advocacy provisions adopted by Council has been shown to be successful in reducing the number of exceedances of the standard by about half. (refer to Trevor James’ report EP10/07/08.)

#### 1.2 Review of National Standards

The government commenced a review of the standards in 2009 and has just released a discussion document on proposed amendments to the NES(Air Quality). The review was targeted at three specific aspects of the regulations:

- (i) the number of permitted exceedances currently set at one,
- (ii) the restrictions imposed on industry,
- (iii) the timeline of 2013 for compliance.

The proposed amendments to the NES the government is now seeking feedback on include:

- (i) The number of permitted exceedances to increase to three (from one) and exceptional events such as bush fires etc are excluded
- (ii) The restrictions on granting of consents to discharge PM<sub>10</sub> *to be removed*
- (iii) Mandatory reporting of PM<sub>10</sub> monitoring data

- (iv) Greater use of ministerial powers (eg section 27)
- (v) An air compliance strategy to be prepared
- (vi) Mandatory offsets for new industry in breaching air sheds.

### **1.3 Effects of Amendments on Tasman District Council**

#### **1.3.1 Number of Exceedances and Exceptional Events**

The Council submitted at the beginning of the review that since the air quality standards are aimed at protecting public health and that there is no “safe” level of PM<sub>10</sub>, an exceedance of one per year is more appropriate than three.

A change to three exceedances is proposed to ensure consistency with international standards and also in response to other submitters. The proposed change reduces the regulatory pressure to meet the air quality standard slightly.

There is also an obvious logic to excluding exceptional events as Council would have no means of managing such events anyway.

#### **Recommended Submission:**

- (i) That Council does not support the change to the number of exceedances from one to three and
- (ii) That Council supports excluding exceptional events.

#### **1.3.2 Removal of Restrictions on Resource Consents**

The Council has previously supported the removal of this restriction. Richmond has minimal industry (which includes schools and hospitals) and restrictions on industry sources of PM<sub>10</sub> are considered inequitable when the main cause of the problem is solid fuel burners.

#### **Recommended Submission:**

That Council supports the proposed removal of restrictions on resource consents.

#### **1.3.3 Mandatory Reporting**

The Council already reports air quality monitoring data in real time. It also reports exceedances of the standards by public notices as already required by the NES. The proposed amendments will have very little impact on current practice.

#### **Recommended Submission:**

None

### **1.3.4 Ministerial Powers and Compliance Strategy**

The Minister will exercise powers and proposes under section 27 to require information to be supplied by councils to show how NES provisions are being met.

The Minister also intends to prepare an air quality compliance strategy by 2013 to outline the complete suite of options the Minister may take when councils fail to take action to address non-compliance and air sheds continue to breach the standard.

The Council has already adopted air quality management provisions and is achieving some success. There is little in these proposals, as yet, that may affect the Council.

#### **Recommended Submission:**

None

### **1.3.5 Mandatory Offsets**

Any new PM<sub>10</sub> discharger into a breaching air shed would be required to somehow offset the proposed new emissions. For example, by upgrading open fires or non-compliant wood burners. The objective is “to do no more harm”. An offset would stop pollution getting any worse. It is not required to improve air quality.

The alternative proposal is for no off-sets to be required and the consent to be considered on its merits, including effects on PM<sub>10</sub>.

The NES previously used industry mainly as a lever for ensuring adequate air management provisions were adopted by Councils.

The new proposal allows new industry to commence, but (to use a water allocation analogy) does not use industry to claw back the “over-allocation” of PM<sub>10</sub> discharges to an already breaching air shed. In the water analogy, no new consents would be issued to take water however, in this air quality issue, the new sources of PM<sub>10</sub> are matched by a reduction in existing PM<sub>10</sub> so the net result is the same (poor) air quality.

The alternative proposal of not requiring any off sets would worsen an already bad air quality problem.

#### **Recommended Submission:**

That Council supports the need for mandatory offsets for any new discharge of PM<sub>10</sub> into a breaching airshed after 2018.

### **1.3.6 Target for Compliance**

The proposal suggests a new target of 2018 for compliance with the air quality standards. There is plenty of evidence showing the links between poor air quality and adverse effects on health. The costs of pushing the time for compliance out to 2018 are in terms of adverse effects on people’s health, especially the very young and old and people with already poor respiratory or cardio-vascular health.

However, while the benefits of good air quality are obvious, the costs of replacing old model wood burners and open fires falls unevenly across the Richmond population. There is a variable ability of people to pay for upgrades to their home heating system. An air quality plan that allows people time to plan for upgrades, and also provides subsidies and incentives to both encourage and enable people to upgrade is likely to have less financial impact on individuals and less compliance costs associated with it than one that relies more on regulation.

As already noted in report EP10/07/08, the modelling and predictions done by Council as part of its air quality monitoring and investigation work leading to the air quality plan provisions in 2007 indicated that the 2013 target might possibly be met. It was (and still is) an optimistic plan and assumes a high level of voluntary action. (The number of wood burners and open fires requiring upgrades or replacements is higher than the number that would be upgraded only through the plan rules.)

The longer timeframe proposed allows the Council and its community to take into account natural attrition and the on-going, although diminishing, effects of its house sales rule. Note too that the state of the economy has an effect on the numbers of houses sold with current trends being for lower rates of sale. A longer timeframe also gives more time for Council's education and advocacy initiatives to take effect.

One of the biggest barriers to change is costs of upgrades. The Council has previously indicated concerns about using ratepayer funds to provide subsidies for households, but is very supportive of government initiatives (such as the substantial clean heat subsidy currently available) to address the social impacts implicit in the costs of upgrading home heating systems.

The Council has just adopted a further financial assistance programme, Warm Tasman, to help ratepayers' access to government subsidies by supplying the balance money through a targeted voluntary rate.

Because one of the biggest barriers to improving air quality is cost, the Council could suggest to government that it targets money available through the Clean Heat, Warm Homes programme more specifically to breaching air sheds. This enables two health issues to be dealt with at once, namely cold poorly insulated homes causing poor health and poor air quality also causing adverse health effects. A targeted approach to funding may also see a greater subsidy made available for replacement of wood burners and open fires (the current subsidy is \$500).

**Recommended Submission:**

- (i) That Council support the change to the target date of 2018 for compliance with the air quality standards.
- (ii) That Council suggest government funding for Clean Heat Warm Homes projects are targeted for breaching air sheds and that additional funding be made available for replacement of non-compliant solid fuel burners.

### **1.3.7 Education Initiatives**

The technical advisory group considering the review recommended greater focus on education by the Ministry. It has not been adopted as the Ministry has no funding allocated for this and it was felt the government is not likely to fund greater effort in this area. Further education and advocacy effort will be required by this council to continue influencing people's decisions to upgrade home heating. This education effort would be reinforced and given weight if there was central government support. It also provides another avenue for people to hear the messages about air quality.

#### **Recommended Submission:**

That the government adopt targeted education and advocacy programmes to reinforce messages about air quality and the need for more sustainable decisions about home heating.

## **2. PLAN PROVISIONS**

The Council had previously indicated an intention to review the success of its air quality provisions in 2010, following trend analysis and further monitoring.

While the trend analysis is encouraging so far, it is not certain that the trend will continue without additional effort. The likelihood that improvements to date are as a result of the "easy" gains is very high. This includes some glasshouse boilers that have stopped operations, people who would have changed anyway and those who were very concerned about their own impact on air quality and could afford to change. Surveys have shown people strongly support initiatives that encouraged better operation of existing wood burners (such as the Good wood Scheme and the Good Practice guidance material) over regulation requiring replacement of wood burners. The recent survey of Richmond ratepayers showed a significant increase (from 27% to 46%) in the number of people who said "nothing" would make them change from a wood burner to some other form of heating.

The modelling and research information about woodburner operation and emissions from them shows, however, that Richmond still needs fewer older model wood burners and open fires to meet the air quality standard.

While the proposed change to 2018 would give Council and the Richmond community time, it is also probable that more effort is also needed to ensure success of the current programme. It will also be helpful to have the current plan rules made operative to allow resource consents to be sought from previously permitted industry sources of PM<sub>10</sub>.

A review of the current provisions is therefore less urgent, however, there is still a need for council to consider some amendments to the current package, including whether:

- (i) restrictions are needed for domestic use of coal,
- (ii) a time limit on the use of wood burners is needed (as they all eventually become "old models")

- (iii) open burning on the adjacent plains has an impact on ambient air quality in the Richmond air shed

### 3. RECOMMENDATIONS

It is recommended that the Committee:

- (i) **Make** a submission to the Minister for the Environment on the proposed changes to the NES Air Quality as listed in this report (REP10-07-09).
- (ii) **Continue** with education, advocacy and compliance programmes in the Richmond air shed that:
- explain the adverse effects of particulate matter on people's health,
  - vigorously promote upgrade of old model wood burners and open fires to meet air quality targets,
  - ensure compliance with rules limiting offensive or objectionable smoke from chimneys,
  - promote good operation of wood burners to reduce smoke emissions
  - promote the Warm Tasman scheme, especially in Richmond,
- (ii) **Delay** the review of plan provisions for achieving air quality standards until 2012 if the target date in the NES is amended as proposed.



Mary-Anne Baker  
**Policy Planner**