

**SUBMISSION ON THE FAR NORTH DISTRICT COUNCIL'S PROPOSED DISTRICT PLAN
PURSUANT TO CLAUSE 6 OF THE FIRST SCHEDULE OF THE RESOURCE MANAGEMENT ACT
1991**

To: Far North District Council
Memorial Avenue
Private Bag 752

Via email: submissions@fndc.govt.nz

Submitter: Z Energy Limited (*Z Energy*)
PO Box 2091
Wellington 6140

Address for Service: 4Sight Consulting Limited
201 Victoria Street West
Auckland Central
Auckland 1010

Attention: Sarah Westoby
Phone: 021 022 23527
Email: sarahw@4sight.co.nz

A. INTRODUCTION

1. Far North District Council (*FNDC or Council*) notified its Proposed District Plan (*PDP*) on 27th July 2022. The Council invited the public to provide input on the Draft District Plan (*the draft plan*) in 2021 prior to notification. Z Energy provided comments on the draft plan to the Council in April 2021.
2. Z Energy has business interests within the district.
3. Z Energy's primary business includes a fuel retail network, pipelines, terminals and bulk storage terminal infrastructure situated around the country.
4. Z Energy supplies fuel to retail customers and large commercial customers like airlines, trucking companies, mines, shipping companies and vehicle fleet operators.
5. Z Energy owns and manages:
 - a 15.4 per cent stake in Refining NZ which runs New Zealand's only oil refinery. Refining NZ was renamed Channel Infrastructure from April 2022, and now operates as an import terminal from Marsden Point under long-term contracts with its three customers, BP Oil New Zealand, Mobil Oil New Zealand Limited, and Z Energy;
 - a 25 per cent stake in Loyalty New Zealand which run Fly Buys;
 - approximately 200 service stations;
 - about 140 truck stops; and
 - pipelines, terminals and bulk storage terminal infrastructure around the country.
6. In June 2016, Z also purchased the assets of Chevron New Zealand, which sees Z as the wholesale fuel supplier to the network of Caltex-branded service stations. Most of the Caltex-branded retail network remains independently owned and operated, with the operators setting their own retail fuel prices. Since May 2022, Z Energy Limited is a subsidiary of Australian company, Ampol Limited.
7. Part of Z Energy's retail fuel network includes three Z branded service station sites in the Far North District (*the district*), and the Z Waipapa Truck Stop.
8. Z Energy's wider networks, and including its individual service stations, are important to the social and economic success of the district. It is important that the management of these networks are appropriately addressed in the PDP in order to ensure fuel supply for the district and beyond. This submission is focused on those issues that Z Energy perceives may inappropriately restrict or limit its existing operations. Broader environmental management concerns are addressed in a separate submission.
9. In this case, Z Energy's three Z branded service station assets are all located on sites proposed to be rezoned to Mixed-Use zone (*MUZ*) and the Z Truck Stop rezoned to the Heavy Industrial Zone (*HIZ*). The Caltex Kawakawa Truck stop is also proposed to be located within the mixed use zone (currently zoned as Commercial in the operative Plan) and Caltex Awanui Truck Stop is in the Light Industrial Zone (currently under the 'industrial' zone). This is reflected in the scope of the submission, which extends to new provisions proposed through the PDP that are relevant to these sites.

B. THE SPECIFIC PROVISIONS OF THE IPI PLAN CHANGE THAT Z ENERGY'S SUBMISSION RELATES TO ARE SUMMARISED AS FOLLOWS

The specific provisions submitted on, the rationale for Z Energy's submission on each of these matters, and the relief sought is contained in Schedule A below. Specific changes sought to the provisions are highlighted **yellow** with deletions in ~~strike through~~ and additions in underline. Z Energy will also support alternative relief that achieves the same outcome(s).

In addition to the specific outcomes and relief sought, the following general relief is sought:

- a) Achieve the following:
 - i. The purpose and principles of the Resource Management Act 1991 (*RMA*) and consistency with the relevant provisions in Sections 6 - 8 RMA;
 - ii. Give effect to the Northland Regional Policy Statement;
 - iii. Assist the Council to carry out its functions under Section 31 RMA;
 - iv. Meet the requirements of the statutory tests in section 32 RMA; and
 - v. Avoid, remedy or mitigate any relevant and identified environmental effects.
- b) Make any alternative or consequential relief as required to give effect to this submission, including, to the degree there is scope, any consequential relief required in any other sections of the PDP that are not specifically subject of this submission but where consequential changes are required to ensure a consistent approach is taken throughout the documents; and
- c) Any other relief required to give effect to the issues raised in this submission.

C. Z ENERGY REQUESTS TO BE HEARD IN SUPPORT OF THIS SUBMISSION.

D. IF OTHERS MAKE SIMILAR SUBMISSIONS Z ENERGY MAY BE PREPARED TO CONSIDER PRESENTING A JOINT CASE WITH THEM AT ANY HEARING.

E. Z ENERGY COULD NOT GAIN AN ADVANTAGE IN TRADE COMPETITION THROUGH THIS SUBMISSION.

F. Z ENERGY IS DIRECTLY AFFECTED BY AN EFFECT OF THE SUBJECT MATTER OF THE SUBMISSION THAT –

- I. ADVERSELY AFFECTS THE ENVIRONMENT; AND**
- II. DOES NOT RELATE TO TRADE COMPETITION OR THE EFFECTS OF TRADE COMPETITION.**

Signed for and on behalf of Z Energy Limited

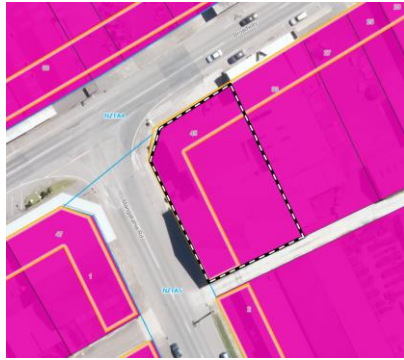

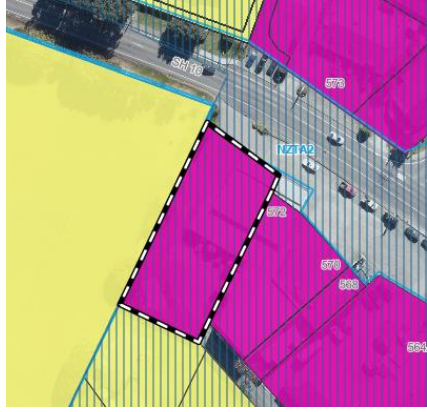


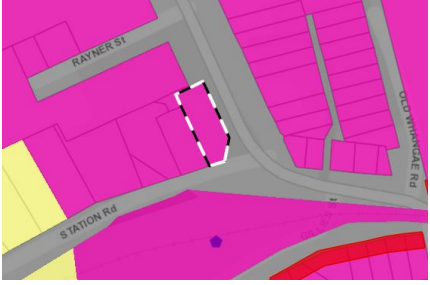
Sarah Westoby
Principal Planner

Date this 21st October 2022

Table 1: Z Energy submission to the FNDC PDP

Section/Sub-section/provision	Position (Support/Support in Part/Neutral/Oppose in Part/Oppose)	Submission	Relief Sought (in draft)	
Part 1: Introduction and General Provisions – Interpretation				
Definitions				
Definition of Commercial Activity	Support	Z Energy acknowledges that the definition of commercial activity is taken directly from the National Planning Standards (as is required) and supports this and supports the intent in the PDP (as apparent from Rule 2 in the MUZ) that service stations (which are not defined) are commercial activities.	Retain definition as notified	S336.001
Definition of Noise Sensitive Activity	Support	Z Energy supports the definition of Noise Sensitive Activity.	Retain definition as notified	S336.002
Definition of Airport Activity	Support	Z Energy supports the definition of Airport Activity which reads: <i>means the use of land and/or buildings where the principal activities relate to the function and operation of the Kaitaia, Kaikohe and Kerikeri Airports.</i> <i>These include, but are not limited to:</i> <ul style="list-style-type: none"> • Aircraft operations, including landing, taxiing and take off, freight, luggage and passenger facilities; • Airport navigational, control and safety equipment; • Aviation, educational and training and recreational facilities and activities; • Maintenance and servicing of aircraft; • Fuel installations and fuel servicing facilities; • Warehousing and storage; • Catering and preparation of food; • Access roads, car parking, walkways and cycleways; • Emergency services; • Grazing. <i>They may include ancillary activities such as the sale of food and beverage which are ancillary to the principal activity.</i>	Retain definition as notified	S336.003
Part 2: District Wide Matters				
Transport				
TRAN-P4	Support	Z Energy supports the strategic direction of the PDP in the Energy, Infrastructure and Transport Chapters that seek resilience to the effects of climate change and supports reduction in greenhouse gas emissions. Z considers the use of electric vehicles (EVs) to be a key utilisation of new renewable technologies that will help achieve the Council’s greenhouse gas reduction and climate change goals. Policy TRAN-P5 encourages new land uses to support, inter alia, the provision of charging stations for electric vehicles. Z Energy supports this policy subject to ensuring it also is applicable to existing land uses, for example, installation of an EV charging station at an existing service station.	Retain Policy TRAN-P4 as notified	S336.004
TRAN-R4 Electric Vehicle Charging Stations	Support	Permitted activity TRAN-R4 (electric vehicle charging stations) is supported because it will assist to promote a broader network of EV charging stations and therefore greater uptake of EV use in the district and would contribute to FNDC’s carbon reduction and climate change goals. Performance Standard PER-1 and the associated Note under Rule TRAN-R4 are similarly supported.	Retain Rule TRAN-R4 as notified including the performance standard PER-1 and Note.	S336.005

TRAN-R5 Trip generation	Support	Trip generation is a permitted activity as long as the use or development is no greater than the thresholds in TRAN-Table 11 – Trip Generation. This rule is supported.	Retain Rule TRAN-R5 as notified	S336.006		
TRAN-Table 11 Trip generation	Support	Commercial activities are identified in Table 11 where the threshold for trip generation consent under Rule R5 is 200m ² of Gross Floor Area. Z Energy supports this threshold.	Retain TRAN-Table 11 as notified	S336.007		
Part 3 – Area Specific Matters Zones						
Mixed Use Zone						
Z Kaikohe – 45 Broadway, Kaikohe  <p>Overlays and Controls</p> <ul style="list-style-type: none"> • Pedestrian Frontage Control • Adjacent to Designation (NZTA4) 	Zoning: Support	The mixed use zoning is considered appropriate in a wider sense but there is an inherent tension between service stations and zonings that are pedestrian and streetscape orientated. Service stations and truck stops are by nature vehicle orientated and whilst these developments can be attractive, they have functional requirements which mean that they do not conform to traditional “streetscape” standards (e.g.: provision of verandahs and building to the front boundary). This is reflected in the specific comments in relation to policies and standards below.	Retain the Mixed Use Zoning of the listed Z and Caltex sites	S336.008		
Z Kaitaia – 141-145 Commerce Street, Kaitaia  <p>Overlays and Controls</p> <ul style="list-style-type: none"> • Pedestrian Frontage Control • River Flood Hazard Zone (100 Year ARI Event) 						
Z Taipa – 570 State Highway 10, Taipa  <p>Overlays and Controls</p> <ul style="list-style-type: none"> • Coastal Environment 						

<ul style="list-style-type: none"> • River Flood Hazard Zone (100 Year Hazard Zone) • Coastal Flood (Zone 3: 100 Year + Rapid Sea Level Rise Scenario) 			
Caltex Kawakawa Truck Stop - 4 Station Road, Kawakawa			
			
Objectives			
MUZ-O1 MUZ-O2 MUZ-O3 MUZ-O4 MUZ-O5	Support in part	The MUZ objectives are supported in principle with the exception of MUZ-O3 which refers to the <i>Light Industrial Zone</i> . Z Energy questions whether this is an error and is instead meant to refer to the MUZ.	Amend or Clarify reference to LIZ in MUZ-O3. Otherwise retain as notified.
Policies			
MUZ-P1	Support in part	Z Energy supports MUZ-P1 and the recognition of the range of activities that can occur appropriately in the Zone, including consideration of the existing environment. However, Z considers the focus should more appropriately be on achieving the intent of the zone while recognising the existing environment.	Amend Policy MUZ-P1 as follows: <i>Enable a range of commercial, community, civic, and residential activities in the Mixed Use Zone where:</i> <i>a. it they supports the function, role, sense of place and amenity of the zone, while recognising the existing environment; and</i> <i>b. ...</i>
MUZ-P2	Support	MUZ-P2 is supported as Z Energy considers that any subdivision and associated development within the zone should have services and infrastructure available.	Retain as notified
MUZ-P3	Support	Z Energy supports MUZ-P3 and its focus on development contributing positively to amenity and safety without prescribing precisely how this is to be achieved. This is important as it recognises the functional requirements of a range of activities, including existing service stations.	Retain as notified
MUZ-P7	Support in part	Z Energy considers that the amenity of more sensitive activities, such as residential activities, will be better protected where they have been appropriately designed to manage reverse sensitivity effects where there is an interface with lawfully established non-residential activities. The relief sought is consistent with design principle 1: The Site of the National medium density design guide (Ministry for the Environment, May 2022) which seeks that current or proposed nearby non-residential activities are identified and that residential development responds to them.	Amend MUZ-P7 as follows: <i>Consider the following effects when assessing applications to establish residential, early childhood, retirement and education facilities:</i> <i>a. the level of ambient noise;</i> <i>b. reduced privacy;</i> <i>c. shadowing and visual domination; and</i> <i>d. light spill; and</i> <i>e. reverse sensitivity.</i>
MUZ-P8	Support in part	Z Energy supports MUZ-P8 in that it considers the interface between commercial and residential activities when assessing proposals for land use and subdivision in the MUZ. However, as currently drafted, this only relates to activities at zone interfaces, whereas such issues relate to conflicts between activities rather than zones per se, and therefore relief is recommended to ensure that the interface of activities is considered in such assessments. This would manage	Amend MUZ-P8 as follows <i>Manage land use and subdivision to address the effects of the activity requiring resource consent, including (but not</i>

S336.009 to S336.013

S336.014


S336.015


S336.016

S336.017

S336.018

		potential reverse sensitivity effects on existing service stations where they are adjacent to residential and commercial activities, notwithstanding the zone.	limited to) consideration of the following matters where relevant to the application: ... c. at zone interfaces and the interface between commercial and noise-sensitive activities: i. any setbacks, fencing, screening or landscaping required to address potential conflicts; ii. any adverse effects on the character and amenity of adjacent zones or the adjacent activity; ...	
Rules				
MUZ-R2 Commercial Activity <i>Permitted activity where: PER-1 The activity is a service station</i>	Support	Service Stations can appropriately operate in a range of zones and amongst a range of activities. Z Energy supports MUZ-R2 which permits Service Stations in the MUZ.	Retain MUZ-R2 as notified	S336.019
Standards				
MUZ-S5 Pedestrian Frontages	Support in part	<p>The pedestrian frontage overlays are identified on both road boundaries at Z Kaikohe and the Commerce Street Road boundary at the Z service station in Kaitia.</p> <p>The MUZ-S5 performance standard would apply if Z Energy, on their established sites, was seeking consent for a building or structure, and states: <i>“The principal public entrance to the building must be located on the front boundary”</i>.</p> <p>This built-form outcome is not necessarily practical in the context of a service station and is incongruous with the permitted activity status of service stations under MUZ-R2.</p> <p>Service stations are vehicle oriented activities and the “entrance” or entrances to a service station site are typically via vehicle accesses from a main road or roads to a forecourt, with the retail building setback within the site for functional reasons.</p> <p>Requiring a resource consent application for infringing this standard due to a functional requirement, particularly where associated with a lawfully established activity, is not considered the most appropriate way of achieving the intended outcome of the zone and standard.</p>	<p>Amend performance standard MUZ-S4 to acknowledge that in some circumstances it may not be appropriate for a building to be located on the front boundary of the site, as follows:</p> <p><i>For sites with pedestrian frontage identified on the planning maps:</i></p> <ol style="list-style-type: none"> 1. At least 65% of the building frontage at ground floor is clear glazing; and 2. The principal public entrance to the building must be located on the front boundary, <p><i>Except where the activity is a service station.</i></p>	S336.019
MUZ-S6 Verandahs	Support in part	<p>Performance standard MUZ-S6 requires, for sites with a pedestrian frontage identified on the planning maps:</p> <ol style="list-style-type: none"> (1) all buildings (including alterations and extensions to existing) to be built up to the road boundary; and (2) that a verandah on the relevant road boundary is provided. <p>The performance standard would appear to relate to buildings only which is supported however it is a performance standard associated with PA rule MUZ-R1 which permits new buildings and structures... the principle of the standard is supported insofar as it related to new or altered buildings, but not a structure.</p> <p>The standard appears to apply if Z Energy was seeking consent for a building on an existing site with a pedestrian frontage, and requires a building at the relevant road boundary and a verandah to extend the full width of the building elevation. This is not practical in the context of a service station, where the buildings on the site are usually a canopy over the refuelling area and the ancillary retail building to one side or to the rear.</p> <p>Z Energy considers that greater recognition of these existing activities and their operational and functional requirements that prevent compliance is needed, noting the investment associated with the existing commercial activities, the benefits they provide to the community and the need for them to be maintained and upgraded from time to time. Furthermore, requiring a resource</p>	<p>Amend performance standard MUZ-S5 to clarify that it does not apply to buildings that have a functional need to be set back from the road boundary, as follows:</p> <p><i>For sites with pedestrian frontage identified on the planning maps:</i></p> <ol style="list-style-type: none"> 1. Any new building, or extension or alteration to a building (including alterations to the façade) must be built up to the road boundary; and 2. A verandah must be provided for the full frontage of the road boundary of the site. The verandah shall: <ol style="list-style-type: none"> a. directly adjoin any adjacent veranda so there is no horizontal gap to provide continuous pedestrian coverage; and b. have a minimum height of 3m and a maximum height of 6m above the footpath immediately below; and 	S336.020

		consent application for infringing this standard due to a functional requirement in particular, that associated with a lawfully established activity, is not considered the most appropriate way of achieving the intended outcome of the zone and standard.	<p>c. be setback a minimum of 300mm and a maximum of 600mm from a vertical line measured up from the face of the kerb.</p> <p>Except where the activity is a service station.</p>	
MUZ-S8 Landscaping and screening on a road boundary	Support in part	<p>Standard MUZ-S8 (Landscaping and screening on a road boundary) requires, inter alia, that landscaping along a road boundary shall be a minimum height of 1m at installation and shall achieve a continuous screen of 1.8m in height and 1.5m in width within five years. Any changes to existing service stations, for example, will have to consider this standard which is not currently achieved at any of the three sites identified above in the MUZ. Moreover, it is unlikely to be achievable for a number of functional requirement reasons, including traffic safety.</p> <p>Z Energy opposes the imposition of this standard to existing service stations sites. Z Energy accepts that landscaping along the road boundary can enhance the attractiveness of a site and mitigate the effects of the development of the site. For service station sites, however, incorporating trees into front boundary landscaping is problematic. It is clear from the standard that the Council anticipates the planting of trees or plants that will be substantial enough to form a visual screen over time. At service station sites, which have a significant number of traffic movements into and out of the site per day and where visibility to the forecourt and to signage is critical to a successful and safe operation, substantial trees or hedging can create a nuisance commercially and in terms of root extent and traffic safety.</p> <p>Requiring trees, and in particular in this instance, screening, can block the view of signage and the forecourt, block visibility of vehicles entering and exiting, develop root systems that interfere with existing infrastructure and services and be difficult to achieve at service stations due to vehicle crossing requirements, tanker tracking and signage visibility.</p>	<p>Amend Standard MUZ-S8 to exclude existing service station sites from the landscaping requirements. This could be achieved by including the following additional exemption to the standard:</p> <ol style="list-style-type: none"> 1. Where a site adjoins a road boundary, at least 50% of that road boundary not occupied by buildings or driveways shall be landscaped with plants or trees. 2. The landscaping shall be a minimum height of 1m at installation and shall achieve a continuous screen of 1.8m in height and 1.5m in width within five years. <p>Except where:</p> <p>a. the site is utilised by an existing service station activity.</p>	S336.021
Light Industrial Zone				
Caltex Awanui Truck Stop - State Highway 1, Awanui	Zoning: Support		Retain LIZ zoning for this site	S336.022
				
Objectives				
LIZ-P5	Support	Objective LIZ-P5 seeks to accommodate a limited range of commercial activities which either support light industrial activities or that are not anticipated in the MUZ. Z Energy supports this outcome sought. Whilst the MUZ anticipates service stations (provided for as a permitted activity through the PDP) truck stops are an activity that supports many light industrial activities and can operate appropriately in a light industrial area.	Retain LIZ-P5 as notified	S336.023
Policies				
LIZ-P4	Support	LIZ-P4 seeks to allow some commercial activities that are complementary to and support light industrial activities. Z Energy supports this policy and considers that this should include truck stops as they operate in a manner that complements and supports many light industrial activities.	Retain LIZ-P4 as notified	S336.024
Rules				
LIZ-R7	Support	Rule LIZ-R7 is supported in principle	Retain LIZ-R7 as notified	S336.025

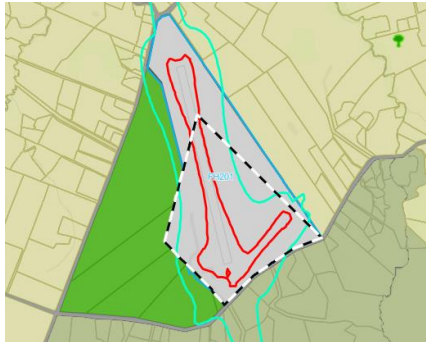
Commercial Activity – Discretionary Activity			
Standards			
LIZ-S5 Outdoor Storage	Support in part	LIZ-S5 (outdoor storage) requires any outdoor storage areas, except for the display of goods for retail sale, to be fully screened by a solid fence or wall of a minimum height of 1.8m so that it is not visible from adjoining sites and public land. Outdoor storage is not defined and the standard provides no additional clarification, as such an amendment or clarification is sought to ensure that the standard does not relate to storage of fuel in above ground tanks.	<p>Amend LIZ-S5 to exclude above ground storage of fuel at truck stops, as follows:</p> <p><i>Any outdoor storage areas, except for the display of goods for retail sale, must be fully screened by a solid fence or wall of a minimum height of 1.8m so that it is not visible from adjoining sites and public land.</i></p> <p><u>This standard does not apply to aboveground tanks at truck stops.</u></p> <p>And/or</p> <p>Clarify through a new definition or note what is intended by ‘outdoor storage’, including ensuring above ground tanks are not considered ‘outdoor storage’.</p>
LIZ-S6 Landscaping and screening on road boundaries	Support in part	<p>LIZ-S6 requires, inter alia, that landscaping along a road boundary shall be a minimum height of 1m at installation and shall achieve a continuous screen of 1.8m in height and 1.5m in width within five years.</p> <p>Z Energy accepts that landscaping along the road boundary can enhance the attractiveness of a site and mitigate the effects of the development of the site. For truck stop sites, however, incorporating trees into front boundary landscaping is problematic. As such the matters of discretion should be amended to enable consideration of functional requirements for not achieving the outcomes sought by the standard (which is already in part provided through site specific reasons “topographical or other site constraints...”).</p> <p>Note: ‘Functional Need’ is defined in the National Planning Standards and is not included in the PDP, hence functional requirement would be appropriate in this case.</p>	<p>Amend the Matters of Discretion as follows:</p> <p>Where the standard is not met, matters of discretion are restricted to:</p> <p><i>a. the character and amenity of the streetscape and surrounding area;</i> <i>b. topographical, or other site constraints, or functional requirements making compliance with this standard impractical; and</i> <i>c. health and safety implications for pedestrians and the transport network.</i></p>
Heavy Industrial Zone			
<p>Z Waipapa Truck Stop- 1913 State Highway 10, Waipapa</p>  <p>Overlays and Controls:</p> <ul style="list-style-type: none"> • River Flood Hazard Zone (100 Year ARI Event) • River Flood Hazard Zone (10 Year ARI Event) 	Zoning: Support	The HIZ provides for and accommodates a range of activities, with a limited focus on pedestrians and the provision of public spaces. It allows for large areas of car parking and/or outdoor storage and acknowledges the potential presence of hazardous substances.	Retain HIZ zoning of the site as notified
Rules			
HIZ-R3 Service Station	Support	Rule HIZ-R3 specifically provides for service stations as a permitted activity, subject to standards around height, setbacks, outdoor storage, landscaping and coverage – then restricted discretionary on the matters of discretion of any infringed standard.	Retain HIZ-R3 as notified and its activity status.
Standards			

S336.026

S336.027

S336.028

S336.029

HIZ-S5 Outdoor Storage	Support in part	HIZ-S5 (outdoor storage) requires any outdoor storage areas, except for the display of goods for retail sale, to be fully screened by a solid fence or wall of a minimum height of 1.8m so that it is not visible from adjoining sites and public land. Outdoor storage is not defined and the standard provides no additional clarification as such an amendment or clarification is sought to ensure that the standard does not relate to storage of fuel in above ground tanks.	<p>Amend HIZ-S5 to exclude above ground storage of fuel at truck stops, as follows:</p> <p><i>Any outdoor storage areas, except for the display of goods for retail sale, must be fully screened by a solid fence or wall of a minimum height of 1.8m so that it is not visible from adjoining sites and public land.</i></p> <p><i>This standard does not apply to aboveground tanks at truck stops.</i></p> <p>And/or</p> <p>Clarify through a new definition or note what is intended by 'outdoor storage', including ensuring above ground tanks are not considered 'outdoor storage'.</p>	S336.030
Airport				
<p>Kerikeri airport refuelling facility - Wiroa Road, Kerikeri</p> 	Zoning: Support	The airport zone specifically applies to the Bay of Islands and Kaitia airports to ensure their operation is protected from disruption from other activities and are protected from reverse sensitivity issues.	Retain the Airport Zone of the site as notified	S336.031
Rules				
AIRPZ-R1 Airport Activity	Support	Airport Activities are provided for as a permitted activity, subject to standards including height, HIRTB, setbacks, outdoor storage and coverage.	<p>Retain rule AIRPZ-R1 as notified</p> <p>Clarify through a new definition or note what is intended by 'outdoor storage', including ensuring above ground tanks are not considered 'outdoor storage'.</p>	S336.032