

Change of Designation D63 NZ Refining Company Ltd to Channel Terminal Services Limited

Meeting: Kaipara District Council
Date of meeting: 29 June 2022
Reporting officer: Paul Waanders, District Planner

Purpose | Ngā whāinga

To inform Council about the changes to NZ Refining Company Ltd and its operations and consequently to obtain approval to transfer the Designation from the NZ Refining Company Ltd to the new Requiring Authority, Channel Terminal Services Ltd.

Executive summary | Whakarāpopototanga

Refining NZ has recently changed its name to Channel Infrastructure NZ Limited. This occurred as part of its change to a dedicated import terminal rather than a refinery.

With this change to an import terminal operation, Channel Infrastructure NZ Ltd has undertaken an intra-group corporate restructuring. This includes the transfer of the pipeline infrastructure to a wholly owned subsidiary, Channel Terminal Services Limited (CTS).

An application to the Minister for the Environment was made to approve CTS as a Requiring Authority, which has been accepted and Gazetted.

This new company (CTS) will operate the pipeline which transverse the Kaipara District and now needs to be recognised as the Requiring Authority for Designation D63, to operate the Petroleum Pipeline through Kaipara District.

Recommendation | Ngā tūtohunga

That the Kaipara District Council

- a) Notes the changes outlined to the operations of Refining NZ
- b) Approves the transfer of the Requiring Authority from NZ Refining Company Ltd to Channel Terminal Services Ltd as it pertains to Designation D63 in the Operative District Plan and the consequential changes to the conditions attached to the Designation.

Context | Horopaki

In terms of section 180 of the Resource Management Act 1991 (RMA), where the financial responsibility for a project or work or network utility operation is transferred from one requiring authority to another, responsibility for any relevant designation shall also be transferred.

The requiring authority which transfers responsibility for the designation advised the Minister for the Environment and the relevant territorial authority (Attachment A) and, for the purposes of section 175(2)(b) of the RMA, the transfer should, without using the process in Schedule 1, be noted in the district plan.

Discussion | Ngā kōrerorero

NZ Refining Company Ltd trading as Refining NZ was the requiring authority responsible for designations over the length of its fuel products pipeline from the refinery in Whangarei to

Auckland. This includes designation D63 in Chapter 21 of the Operative Kaipara District Plan (**Attachment C**).

Refining NZ has recently changed its name to Channel Infrastructure NZ Limited. This occurred as part of its change to a dedicated import terminal rather than a refinery. While a simple name change to the designation in the Kaipara District Plan could have been made in terms of section 175(2) of the RMA, to refer to “Channel Infrastructure NZ Ltd” rather than “New Zealand Refining Company Ltd”, this was not followed through due to further steps in the allocation of functions.

Channel Infrastructure NZ Ltd has undertaken an intra-group corporate restructuring. This includes the transfer of the pipeline infrastructure to a wholly owned subsidiary, Channel Terminal Services Limited (CTS). This new company will operate the pipeline which transverses the Kaipara District. To facilitate this transfer, an application for CTS to become a requiring authority pursuant to section 167 of the RMA has been made to the Minister for the Environment so that the responsibility for the pipeline designations could subsequently be transferred to CTS. This application to the Minister for the Environment was approved and CTS as a Requiring Authority, was accepted and Gazetted (**Attachment B**).

The requiring authority responsible for the pipeline designations was until recently Channel Infrastructure NZ Limited (formally Refining NZ). However, from June 2022 the requiring authority responsible for those designations will be CTS.

This final change must be reflected in the Operative Kaipara District Plan and although the full Schedule 1 process of the RMA is not required, these changes are not delegated and need to be reported to the Council for the decision to amend Chapter 21 of the Operative District Plan (**Attachment D**).

Options

Designations need to be accurate and complete with the conditions adjusted to new circumstances.

Option 1

Do nothing and leave the designation as it is shown presently and undertake the changes when the new District Plan is notified (likely in 2023).

This option is not recommended because there is no certainty when the new District Plan will be notified and this could result in unnecessary confusion for landowners.

Option 2

Undertake the changes to reflect the new Requiring Authority and in accordance with the Notice in the Government Gazette.

Option 2 is recommended because there is increased certainty for landowners and the requiring authority. This is also essentially a procedural matter but will require an amendment to the Operative District Plan. The Exposure Draft District Plan will also be updated to reflect this change.

Notwithstanding the changes being minimal, this will transfer any legal obligations to the new Requiring Authority, CTS.

Policy and planning implications

It is a legal obligation to keep the District Plan up to date when changes occur. It is also best practice to keep landowners informed of any amendments that affect their properties. However, in this instance, as this change is merely to the name of a requiring authority for an existing designation, it is not considered necessary to contact all landowners.

Financial implications

None – maintenance of the Operative District Plan is undertaken within existing/planned budgets.

Risks and mitigations

Not approving this designation transfer could mean that landowners that are impacted by the designation may not know who to consult on development proposals.

Impacts on Māori

None – no additional land or conditions are included in the present designation, it is only the Requiring Authority's name that changes.

Significance and engagement | Hirahira me ngā whakapāpā

The decisions or matters of this report are considered to have a low degree of significance in accordance with Council's Significance and Engagement Policy. No feedback is required, and the public will be informed of Council's decision via the agenda and minutes publication of this meeting, on the website and through other channels if appropriate.

Next steps | E whaiake nei

The Operative District Plan will be amended by:

- a) Changing the name of the Requiring Authority to Channel Terminal Services Ltd for Designation D63;

Appendix 21.1 – Schedule of Designations				
ID	Map No.	Designation/Purpose	Requiring Authority	Underlying Zoning
D63	16,17,21,24	Petroleum Pipeline (refer to attached conditions)	Channel Terminal Services Ltd	Rural

- b) Updating the conditions by replacing NZ Refining Company Ltd "NZRC" with Channel Terminal Services Limited "CTS".

Attachments | Ngā tapiritanga

	Title
A	Notice of Transfer of Designation to Channel Terminal Services Ltd
B	New Zealand Gazette 30 May 2022
C	Operative District Plan Designations
D	Amended Operative District Plan Designation