



Submission on the Timaru District Growth Management Strategy

11 May 2017

Submission on the Growth Management Strategy

We would like to thank the Timaru District Council (TDC) for giving us the opportunity to submit on the Growth Management Strategy (GMS). Our submission is made below.

Alpine's concerns with infill housing

Of interest to us is the decision to use infill housing within the district to allow for potential growth (p.8 GMS Summary). In general we support the GMS and support the development of infill housing, but we have the following concerns.

1. Existing electrical infrastructure may not have the required capacity for future demand requiring investment in the network. The expenditure required for capacity upgrades for a particular sub division, can be spent years before a consumer connects and pays us a capital contribution. Some lots will never be occupied.
2. Consumers are often unaware that when they purchase a subdivided lot, they may still be required to pay to have their lot connected to the network.
3. On subdivisions with more than one new lot in peri-urban areas, connection to the network can be piecemeal which adds additional costs if connections are not supplied at the same time.

Potential Options to address concerns

For issue one, capital contributions can be adjusted for the time value of money so that contributions received years after investments in capacity are adjusted upwards. However there is a risk some lots will never be occupied meaning that we may never recover our initial investment. Options for this include adding a risk score to any investment and apportioning costs to fewer lots with the expectation that some proportion of lots will not be occupied. Another option is to recover capital contributions at the time a resource consent is applied for. This latter option would require changes to the district plan.

For issue two, consumers can be informed that the lot they intend to purchase may not have power to the boundary as well as be informed that a capital contribution may be payable in order to connect. This can be done through a general education and advertising campaign with costs added to the capital contributions payable. It can also be solved by requiring a developer to connect the lot/lots in a subdivision to the network as part of the consent process.



For issue three, it is least costly to dig once and supply all services to all lots in a subdivision than to supply connections over different time periods. Once again if a developer is required to connect to the network before subdivision consent is granted this issue is solved.

If a developer is required to connect all lots in a sub division as a condition of consent we envisage that the TDC only have to receipt from ourselves that a connection to the network been made. We do not envisage any money having to change hands through the TDC.

Contact for submission

We thank you for your time. If you require further information please contact:

Paul Christie

Commercial and Regulatory Analyst

Alpine Energy Ltd

DDI (03) 687 4304

Email: paul.christie@alpineenergy.co.nz