



19 August 2008

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Dear Mr McLaughlan

Environment Canterbury's Decision on the Draft 2008/09 Annual Plan and Amendment to the 2006-16 Long Term Council Community Plan – Clean Heat Projects for Timaru, Ashburton, Rangiora and Kaiapoi

This letter is to formally advise you, as a submitter to the "Draft 2008/09 Annual Plan and Amendment to the 2006-16 Long Term Council Community Plan – Clean Heat Project for Timaru, Ashburton, Rangiora and Kaiapoi", of Environment Canterbury's decisions on the proposals. Environment Canterbury thanks you for your participation in this consultation process.

36 submissions were received on the Clean Heat proposals and all submissions were considered and deliberated by the Hearing Committee 26-28 May 2008. The Officers Report noted there were six main issues emerging from the submissions for all towns, which a number of submitters had raised:

- a. Rate-based funding of Clean Heat Scheme (CHS) (and who should pay, such as Environment Canterbury, Government, user pays, lobby government etc)
- b. Treatment of households who have already converted to cleaner forms of heating
- c. Clean Heat Scheme participants to keep existing burner for emergency use
- d. Landlords in Clean Heat Scheme
- e. Energy supply and security
- f. Restricting people's use of log burners

As a result of all of the submissions received, Environment Canterbury adopted the following resolution on 28 May 2008:

"(d) That the Council:

- Retain the current levels of targeted rating for Kaiapoi, Rangiora, Ashburton, and Timaru as proposed;*
- Consider future reductions in rating levels based on uptake of the Clean Heat Scheme and the availability of Central Government funding.*
- Consider whether or not it is appropriate to include the retention of existing burners for emergencies in any Clean Heat Scheme outside of the annual plan process.*
- Retain landlords with a Community Services Card or their tenants with a Community Services Card as part of the Clean Heat Scheme as proposed.*

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Contact: Ken Lawn/Linda Kirk

- Consider extending the Clean Heat Scheme to be available to all landlords regardless of whether or not they, or their tenants, have a Community Services Card as a result of the availability of Central Government funding.
- Advocate to Central Government the very real concerns of cost and security of supply of alternative forms of energy used for heating such as electricity and liquid petroleum gas, and the need to promote energy efficiency.
- Advocate to suppliers of electricity and gas and other alternative forms of energy to communicate to the community about the security of supply of such forms of energy.
- Continue to use regulatory measures to manage emissions from solid fuel heating sources outside of the annual plan process.
- Increases the maximum interest-free loan to \$5,200.
- Receive a report at the June Council meeting to amend the Clean Heat Policy to incorporate Kaiapoi/Rangiora, Ashburton and Timaru to take best advantage of Central Government funding.

(f) That the Council adopts the recommendations in the Summarised Submissions and Responses to the Draft 2008/09 Annual Plan and amendments to the 2006-16 LTCCP as amended.

(g) That the Council adopts the recommendations on amendments to the Draft 2008/09 Annual Plan as scheduled below and Project Levels of Service and Funding for 2008/09 as amended."

Council adopted the revised Clean Heat Project Policy document to apply from 1 July 2008 at its 26 June 2008 Council meeting.

This means that there is a targeted rate for a Clean Heat Project in Timaru, Ashburton, Kaiapoi and Rangiora from 2008/09, which will be revised annually to consider future reductions in rating levels based on the uptake of the Clean Heat Project and the availability of Central Government funding.

Thank you again for your interest and participation in this process. If you have any questions, please contact Linda Kirk, Programme Manager: Air & Energy on (03) 365-3828 or email at linda.kirk@ecan.govt.nz.

Yours faithfully



Ken Lawn
DIRECTOR OPERATIONS