

**BEFORE THE HEARING PANEL**

**UNDER**

the Resource Management Act  
1991 (**RMA**)

**IN THE MATTER OF**

the Proposed Far North District  
Plan (**PDP**)

**STATEMENT OF EVIDENCE OF PAUL VICTOR DOHERTY ON BEHALF OF TOP  
ENERGY LIMITED**

**CORPORATE**

**13 May 2024**

**1. INTRODUCTION**

1.1 My full name is Paul Victor Doherty.

1.2 I am currently the General Manager Finance at Top Energy Limited (**Top Energy**).

**Qualifications and experience**

1.3 I have a Bachelor of Business Degree from the Auckland University of Technology. I am also a Chartered Accountant and a current member of Chartered Accountants Australian and New Zealand.

1.4 I have over 25 years of experience in senior financial and corporate services roles, 18 years in the electricity sector and 15 years with Top Energy. In my current role, my relevant responsibilities include:

(a) Delivery of the strategy set by the Directors of Top Energy and the Trustees of the Top Energy Consumer Trust to deliver affordable and sustainable electricity to Far North consumers.

(b) Awareness of and monitoring compliance with legislative and regulatory obligations.

**Purpose and scope of evidence**

1.5 This evidence provides context for Top Energy's submissions on the Far North District Council's (**Council**) PDP.

- 1.6 My evidence should be read in conjunction with the evidence of Mr David Badham, Top Energy's independent planning consultant, who addresses the relevant planning matters associated with Top Energy's original submission (#483) and further submission (#FS369).
- 1.7 My evidence will address the following topics:
- (a) an introduction to Top Energy, including its community ownership;
  - (b) the importance of Top Energy's electricity and fibre networks to the Far North District;
  - (c) the complex legislative environment that Top Energy operates within; and
  - (d) the overall need to include enabling provisions in the PDP for Top Energy's network, including specific recognition of "regionally significant infrastructure".

## 2. INVOLVEMENT WITH PDP ON BEHALF OF TOP ENERGY

- 2.1 I have been aware of and involved (alongside other staff within Top Energy) with the PDP since the draft PDP was notified in early 2021. More recently I have been involved with confirming Top Energy's position and priorities with regard to Hearing Stream 1, including the Strategic Direction and Miscellaneous topics.<sup>1</sup> In preparing this statement on behalf of Top Energy, I confirm that I have reviewed the Section 42A Hearing Reports (**s42A**) for the Strategic Direction and Part 1 topics, and the statement of planning evidence of Mr Badham.

## 3. TOP ENERGY

### About Top Energy

- 3.1 Top Energy was formed under the Energy Companies Act 1992 and is registered under the Companies Act 1993. Top Energy's head offices are based in Kerikeri, with depots in Puketona and Kaitaia.
- 3.2 Top Energy owns and operates the electricity lines network within the Far North District Council area (see **Figure 1**), servicing an area of 6,822km<sup>2</sup> and serving over 34,000

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<sup>1</sup> Noting that Top Energy did not make any submissions points on reporting topic Tāngata Whenua Chapter.

customers. Top Energy's current electricity network has a total system length of 4,228km and includes seventeen substations that are subject to designations. Top Energy's network exists both above and below ground and traverses a number of zones and sensitive areas.

- 3.3 The key activities that Top Energy undertake as a network business include:
- (a) maintaining network assets to ensure they are safe and secure and provide a reliable service to meet the needs of our community;
  - (b) building new assets and replacing assets as they reach the end of their service life or when they need to be upgraded as the Far North district grows;
  - (c) overseeing the operation of our networks in real-time, to ensure their effective operation and the safety of those interacting with them; and
  - (d) connecting new customers to the network.

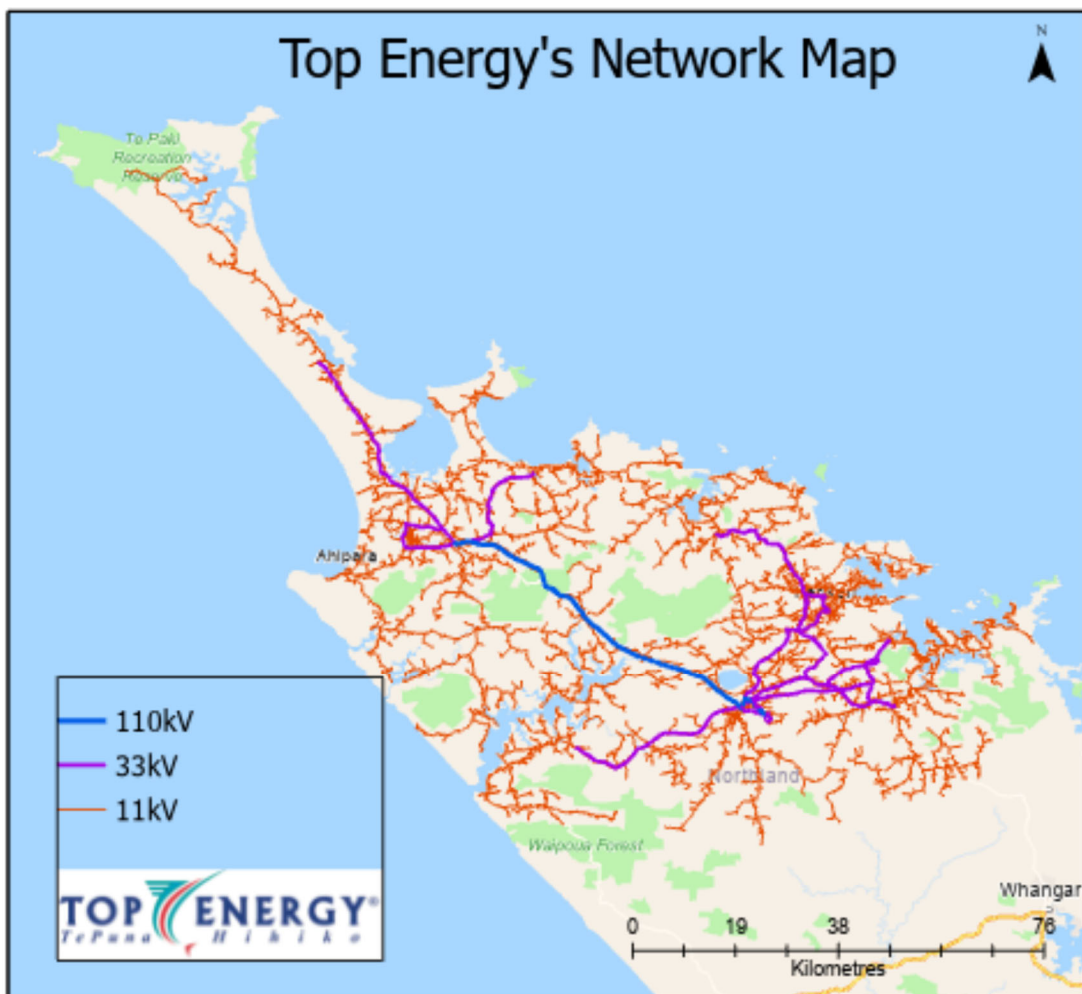


Figure 1 – Top Energy's electricity Top Energy network in the Far North district.

## **Community Ownership**

- 3.4 Top Energy and its subsidiaries are owned by the Top Energy Consumer Trust (**Trust**). The Trust holds the entire share capital of Top Energy on behalf of the power consumers in the Far North district and is accountable for the stewardship of the Trust's assets - funded by consumers - for the benefit of current and future generations of beneficiaries.
- 3.5 This ownership structure ensures that Top Energy's profits and the benefits of ownership are returned to the electricity consumers in the Far North district, and the ownership of critical infrastructure assets is locally retained.
- 3.6 All consumers connected to the Top Energy network are beneficiaries of the Trust. Every year, the benefits of ownership are returned to beneficiaries, either as dividends from the Trust or a discount on electricity distribution charges from Top Energy. Currently, with the support of the Trust, connected customers receive \$10 million as a benefit of local ownership.

## **4. THE IMPORTANCE OF TOP ENERGY'S NETWORK**

- 4.1 Communities and businesses within the Far North district depend on our service all day, every day. The reliable, safe, resilient and efficient operation of Top Energy's networks is critical to meeting the community's current and future needs.
- 4.2 Top Energy has responsibilities under the Civil Defence Emergency Management Act 2002 as a lifeline utility. The Top Energy network provides an essential infrastructure service to the community, and we are required to be able to function to the fullest possible extent during and after an emergency.
- 4.3 As New Zealand moves to decarbonise its energy system, electricity networks will increasingly be relied on to provide a reliable and essential supply, including powering our vehicles, trading electricity between consumers, and supplying electricity to the decarbonised industrial energy process. This changing environment is expected to contribute to significant additional growth in demand for electricity over the next 30 years.
- 4.4 It is recognised that electrification of the economy underpins the emissions reductions required of our community. Top Energy's network is a key enabler of this transition.

## **5. COMPLEX LEGISLATIVE ENVIRONMENT**

5.1 Top Energy’s activities are carried out in a comprehensive legislative and regulatory environment, reflecting the critical and complex infrastructure that we manage. This includes an obligation to meet quality standards and to manage public safety risks.

5.2 As a monopoly provider of electricity distribution services, and electricity industry participant, Top Energy is regulated by the Commerce Commission, the Electricity Authority and Energy Safety (a division of Work Safe). As well as planning requirements under the RMA, Top Energy’s activities are subject to the following regulatory matters:

- (a) pricing of network services;
- (b) maintaining the quality of network services;
- (c) an obligation to continue to supply customers connected prior to 1993;
- (d) the requirement to provide acceptable quality of supply in favour of power customers under the Consumer Guarantees Act 1993; and
- (e) management of public safety risks. Under the Electricity Act 1992, Top Energy must have a public safety management system that ensures its network is prevented from posing a significant risk of serious harm to any member of the public, or any significant damage to private property.

5.3 In short, as a community-owned utility, Top Energy strives to ensure people, property and the environment are protected by our operations. In addition, Top Energy is required to meet all legislative obligations, and importantly, we also need to deliver an affordable and resilient electricity system.

## **6. THE NEED FOR ENABLING PROVISIONS AND RECOGNITION OF REGIONALLY SIGNIFICANT INFRASTRUCTURE**

6.1 Top Energy’s network is defined in the Northland Regional Policy Statement (**NRPS**) as “regionally significant infrastructure”.

6.2 The protection of existing regionally significant infrastructure – including enabling the future growth of the Top Energy - is vital to supporting growth and development in the Far North district. From Top Energy’s perspective, this must be appropriately provided for in the PDP.

- 6.3 Reliable electricity supply is of critical importance to the growth of the Far North district's economy and communities. A reliable energy transmission network has a key role in opening up new economic and social opportunities. This is even more important when considering the Far North district as one of the largest and isolated districts in New Zealand. It is critical that the Council strikes the right balance and ensures that the PDP provisions enable the critical infrastructure that underpins the Far North district's economic and social wellbeing.
- 6.4 Top Energy's submission and further submission address the implications of the PDP for Top Energy as a lifeline network utility operator, focusing on the operation and maintenance of associated infrastructure and assets within the Far North district. In particular, the evidence of Mr Badham further addresses issues with the lack of inclusion of suitable provisions associated with the enablement of regionally significant infrastructure in the PDP Strategic Direction chapter. From Top Energy's perspective it is critical that these provisions are included so that clear direction on the management and enablement of regionally significant infrastructure filters down into other chapters of the PDP.

## **7. CONCLUSION**

- 7.1 Top Energy provides a critical lifeline service to businesses and communities, and the ongoing operation, maintenance, repair and upgrading of its network is a key driver to the economic and social wellbeing of the Far North district.
- 7.2 Top Energy acknowledges the importance of the PDP in the management of its assets into the future. It is imperative that the PDP include enabling provisions for Top Energy's network, including specific recognition of regionally significant infrastructure in order to give effect to the direction in the NRPS.

**Paul Victor Doherty**

**Date:** 13 May 2024