

VERBAL SUMMARY of STATEMENT OF EVIDENCE OF NICOLA ELIZABETH HINE FOR FIRST GAS LIMITED

- (a) Firstgas operates the high-pressure (transmission) natural gas network across the North Island. The reticulated gas network supplies natural gas to hospitals, schools, the dairy industry and manufacturing industries, biogas plant, as well as commercial businesses, communities, and residential dwellings.
- (b) Firstgas operates this network in compliance with a regulatory framework which aims to ensure leak-tight infrastructure and safe operations. The Health and Safety in Employment (Pipeline) Regulations 1999 regulates the design, construction, operation, maintenance and suspension or abandonment of the Firstgas transmission pipeline network. Regulation 8 mandates that these activities must, as far as is reasonably practicable, be carried out in accordance with specified standards, the most relevant of which is New Zealand and Australian Standard 2885 Pipelines-Gas and Liquid Petroleum, comprising (i) AS2885.0 Part 0: General Requirements, 2018; (ii) AS2885.1 Part 1: Design and Construction, 2018; (iii) AS 2885.2 Part 2: Welding, 2016; (iv) AS 2885.3 Part 3: Operation and Maintenance, 2012; and (v) AS 2885.6 Part 6 Pipeline Safety Management.
- (c) Pipeline owners are required to prepare safety management studies, which requires the pipeline route to be divided into safety management sections depending on land use and population density, and to prepare and implement a pipeline integrity management plan (PIMP), which among other things has to consider external interference threats to the pipeline. Section 7 relates to External Interference Management and states that regular communication with the community and stakeholders and the relevant authorities is required to raise and reinforce awareness of the presence of a pipeline and the constraints with respect to the use of land on and near the pipeline. Pipeline owners are to identify groups such as land use planners, developers, property and service designers, owners and operators, drillers and excavators, blasting companies and borers and liaise with these groups to identify as early as possible any changes in planning, development or other activities that pose a threat to the pipeline.
- (d) Firstgas has an obligation to use all manner of tools available to us to lower the risks to the pipeline and people, to 'as low as reasonably possible'. With the Resource Management context, this includes seeking a designation.

- (e) The pipeline easements registered on the land help to ensure that Firstgas are able to access, operate and maintain the gas transmission pipeline. The easements provide Firstgas a legal right to carry out works within the easement corridor, to access land to reach the pipeline, and carry out maintenance and operation activities. The easements also put an obligation on the landowner to talk to Firstgas and obtain a works permit prior to carrying out work within the 12m wide pipeline easement corridor.
- (f) While the easement helps to manage third-party works in immediate vicinity of the pipeline, Firstgas are experiencing an increasing amount of undesirable outcomes which can impact our ability to access, operate and maintain the pipeline, as well as keep the pipeline and people safe.
- (g) Land use changes, around the pipeline changes the risk profile to the pipeline, per AS2885. This is explained in more detail within my Statement of Evidence. The pipeline, installed within a rural environment and designed accordingly, may now be subject to intensive earthworks, new services installations, commercial activities, residential dwellings, roading infrastructure, and potentially new sensitive activities.
- (h) Where Firstgas does not hold a designation at this location and is not considered an affected party under the consenting processes. Firstgas's ability to achieve good outcomes for the pipeline operation, as well as those who will end up living and working nearby are limited to good faith negotiations with those developing the land.
- (i) Firstgas work with land developers and act on reasonable grounds, enabling works to occur within the pipeline easement corridor provided that they follow Firstgas works procedures, which aim to keep the pipeline and people safe.
- (j) Another activity associated with changes to the rural and urban environment over time is subdivision. Because the pipeline easement runs with the land at the time of subdivision the common perception is that Firstgas are therefore unaffected. My statement of evidence provides an example of where our ability to access the pipeline can be lost or reduced through subdivision. Without a designation, consultation with Firstgas may not be held and through the statutory processes, Firstgas requirements are often overlooked. This may result in the inability to effectively access the pipeline to carry out necessary inspections and maintenance.
- (k) My evidence also describes typical maintenance activities and noise emissions. Generally speaking, our 'business as usual' activities, which include continuous operation of the gas transmission network are minor and comply with the district plan.

In a reactive situation, we may need to investigate pipeline defects to assess their severity and decide on a planned action to remedy that defect. The activities associated with this action will likely result in the need to excavate a trench to access the pipeline, because it is located underground, and may also include gas flaring or venting. Possible defect remedies include recoating the pipeline, correcting dents, and in the worst-case scenario, replacement of a section of pipeline.

- (l) Firstgas strives to uphold a positive relationship with our landowners. We do not carry out works within the pipeline easement corridor without first engaging with the landowner, except in emergency scenarios where we haven't been able to make contact with the landowner in time.

- (m) In summary, Firstgas seek a designation within the Central Hawkes Bay District Plan to be afforded the opportunity to discuss third party activities within proximity of the transmission network to ensure that existing access, operations, and maintenance may continue in compliance with our operating Standard AS2885 and the Health and Safety in Employment (Pipeline) Regulations 1999, as well as the ability to carry out essential maintenance activities; with the overall aim of keeping the gas flowing and the gas transmission network, and those living and working nearby, safe.