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Submission on Health and Safety at Work (Major Hazard Facilities) Regulations Exposure Draft 2015

To Ministry of Business, Innovation and Employment

On behalf of the New Zealand Geothermal Association

15 May 2015

Introduction

The New Zealand Geothermal Association (NZGA) would like to thank the Ministry of Business, Innovation and Employment (MBIE) for the opportunity for discussion around "Health and Safety at Work (Major Hazard Facilities) Regulations 2015 Exposure Draft".

The New Zealand Geothermal Association (NZGA) is an independent, non-profit association that provides information on geothermal phenomena and utilisation for industry, government and educational organisations. In addition, the NZGA, as a member of the International Geothermal Association, contributes to the international exchange of information within the geothermal development industry. NZGA membership comprises participants, regulators, and interested parties within the geothermal community. It totals 346 members currently.

This submission will be published on the NZGA website, and we have no objection to it being published in any other setting.

This submission relates to documents located here: <http://www.mbie.govt.nz/what-we-do/workplace-health-and-safety-reform/development-of-regulations-to-support-the-new-health-and-safety-at-work-act/exposure-drafts-of-phase-one-regulations>.

Comment

The NZGA has seen initial drafts of a submission by the Electricity Engineers' Association and is generally supportive of its comments on the Health and Safety at Work (Major Hazard Facilities) Regulations.

We have had insufficient time to pull together a complete consensus across the NZGA Board.

Of concern in this new exposure draft is the revised criteria for defining the thresholds which constitute major hazards facilities. Whereas previous criteria only captured one of the existing geothermal binary cycle plants in a lower tier category, the new criteria captures all plants with several now in a high tier category and subject to the preparation of major safety cases and associated regulatory cost on an annual basis.

It should be noted that geothermal binary cycle plants are tightly controlled under a range of other legislation, including the Electricity Act. The New Zealand plant operators have an excellent safety record. Little has changed in terms of risk since the previous discussion draft.

It should also be noted that these plants are not subject to major alterations so that a safety case established for one year will be similar to the next, and each will be similar to the other. Preparation of annual cases and the review of these is regulatory inefficiency for no safety gain.

The cost of these cases could impact on the viability of small scale binary cycle developments. This in turn could have the effect of discouraging quite appropriate smaller scale renewable geothermal development.

Our submission highlights some potential unintended consequences of the adoption of the *United Nations Globally Harmonised System of Classification and Labelling of Chemicals*.

We trust these comments are helpful, and would be happy to be involved in further discussion.

Yours faithfully

A handwritten signature in black ink, appearing to read 'B R' followed by a long horizontal line.

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