



File: PR30-11 Queensbury Ridges Limited

4 June 2020

Queensbury Ridges Limited
C/- Will Nicolson
Landpro Limited
CROMWELL

Otago Regional Council
C/- Ethan Glover
Stafford Street
DUNEDIN

By Email

Dear Will and Ethan,

Conditional Written Approval – Queensbury Ridges Ltd - RM19.312

Recently Contact received notice of an application from Landpro on behalf of Queensbury Ridges Limited (QRL) to take and use surface water from the Albert Burn, Schoolhouse Creek and the Clutha River for the purpose of irrigation. The applications were subsequently amended on 7 May 2020 and are as follows:

- RM19.312.01: To take and use surface water in a non-consumptive manner and as both primary allocation and supplementary allocation from the Albert Burn
- RM19.312.02: To take and use surface water as primary allocation from Schoolhouse Creek
- RM19.312.03: To take and use surface water from the Clutha River/Mata-Au

Contact understands that water will be taken at a maximum rate of up to 273 l/s from the Clutha River; 103 l/s from the Albert Burn; and 31.35 l/s from School House Creek. Both the Albert Burn and School House Creek flow into the Clutha Mata-au but are relatively small and ephemeral water bodies.

Contact is only interested in the taking of surface or ground water directly from the Clutha Mata-au.

Contact's Interest in the Application

Contact's hydro stations on the Clutha Mata-au comprise the Clyde and Roxburgh dams and power stations within the Clutha/Mata-au River catchment. These two hydro stations essentially operate on a 'run of river basis' with very limited storage. Between them they can generate up to 752 MW of renewable electricity and can supply between 7% and 10% of New Zealand's annual electricity demand. The use of water to generate electricity is non-consumptive in nature.

Contact also operates the Hawea dam and control structure which regulates the flow out of and the level of Lake Hawea. Lake Hawea is the only significant controlled hydro storage facility on the Clutha and provides water on an 'on demand' basis.

The plant required to generate electricity in this way represents a large capital investment in infrastructure that typically has a long working life.

Contact recognises that growth in the Clutha catchment is closely linked to water availability. The development of irrigation in particular impacts on Contact's electricity generation activities on the Clutha Mata-Au by abstracting and consuming water that would otherwise be stored and/or used to generate zero-carbon, renewable electricity.

The Otago Regional Council does not have a current water allocation plan for the Clutha Catchment, meaning we need to respond to consent applications to take and use water on an ad hoc basis while taking into account potential long term impacts on lost electricity generation.

Our approach to this application is intended to strike a reasonable balance between competing interests in water.

Further Information

Contact has reviewed the application and notes that the river-side pumps are taking water directly from the Clutha Mata-au. There is some discrepancy about the location of these pumps, with the grid references provided in the application placing the pumps outside of the river and on land.

While the pumps are obviously taking water directly from the Clutha Mata-au, Contact cannot accurately tell if these pumps are either in private land, Central Otago District Council road, Department of Conservation managed land or Land Information New Zealand managed land. The applicant considers that it is '*probable*', but not certain, that the surface water takes are on DoC managed land. Contact is not sure if this is correct and suggests that the water takes may be on Central Otago District Council road.

To enable Contact and other persons to understand the full effects of the application, the correct details for the location of the pumps/intakes should be provided.

Cumulative Effects

Paragraph 3 on page 35 of the Landpro report states that "*the applicant's takes from the Clutha River would not be considered a significant volume (273 L/s combined), and are not likely to adversely affect anyone.*"

From Contact's perspective this fails to consider the cumulative effect of the numerous surface and ground water takes occurring upstream of the Clyde and Roxburgh Dam and those in particular that take stored water released from the Hawea Dam.

The numerous water takes cumulatively abstract a considerable amount of water that would be otherwise used for national significant hydro-electric generation. It is noted that the application also does not contain any Statutory Assessment against the relevant provisions of the National Policy Statement for Renewable Electricity Generation (NPS REG), including the need for decision makers

"to have particular regard to

a) maintenance of the generation output of existing renewable electricity generation activities can require protection of the assets, operational capacity and continued availability of the renewable energy resource; and

b) even minor reductions in the generation output of existing renewable electricity generation activities can cumulatively have significant adverse effects on national, regional and local renewable electricity generation output”

Policy D of the NPS REG is also relevant and requires decision makers “to the extent reasonably possible, manage activities to avoid reverse sensitivity effects on consented and on existing renewable electricity generation activities”. It is with those considerations in mind that Contact provides its **conditional** approval to this application.

Written Approval and Decision Sought

Contact Energy hereby approves of the application *provided that* the following conditions are appended to any consent granted by the ORC to take surface or ground water from the Clutha Mata-au:

1. The applicant accurately verifies the actual locations of the take of water from the Clutha Mata-au and advises the Otago Regional Council of their geographic position; and
2. No water shall be taken from the Clutha Mata-au between 1 May and 31 August in any calendar year.

At all other times the taking of water authorised by this consent shall cease when:

- i) the combined flow levels in the following rivers are below 250 cubic metres per second:
 - Clutha Mata-au at Cardrona (NIWA Hydrological Recording Site No. 75282) plus ten cubic metres per second, less the mean Hawea River flow as measured at the Camp Hill site (NIWA Hydrological Recording Site No.75287); and
 - Kawarau River at Chards Road (NIWA Hydrological Recording Site No. 75262);
 - Nevis River at Wentworth (Site No. 75265);
 - Manuherikia River at Ophir (NIWA Hydrological Recording Site No. 75253);

AND

- ii) the level of Lake Hawea is at or below 338.2 metres above datum (based on a 3 hour rolling average) as measured at Hawea Dam site (NIWA Hydrological Recording Site no. 75288).

Note that the conditions proposed by Contact, above, have been attached to numerous consents throughout the Clutha catchment, including other consents held by the applicant.

Contact’s written approval is given on the proviso that it will be rendered null and void if the application is changed or altered (other than to reflect these conditions) without referral back to

Contact. This includes changes or alterations to the proposed conditions as set out above and/or the proposed rates or volumes.

In the event that the applicant does not agree to amend their application to take into account the above conditions (and trigger Contact's written approval), Contact would like to be heard (alone) in relation to the proposed water take.

Please be in touch if I can assist in any way.

Finally, this written approval expires on 1 November 2020.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Daniel Druce', with a small dot at the end of the line.

Daniel Druce
Environmental Advisor