

IN THE MATTER of the Resource
Management Act 1991
("the Act")

AND

IN THE MATTER of applications by the
Central Plains Water
Trust (CPWT) and the
Ashburton Community
Water Trust (ACWT)

Statement of Evidence of Erica and Ian McLeod

1. We are Erica McLeod (retired secondary teacher and District Librarian) and Ian McLeod (retired Registered Property Valuer and Property Management Consultant). We live at 18 Lower High Street in the south-eastern part of Coalgate township, and we own a section at 7 Gift Street in the western part of the township. From where we live, there is a very pleasant rural outlook with northerly aspect towards the Waianiwaniwa Valley, and the hills either side. This is the site of the proposed CPW dam, about one kilometre upstream from our home. We are also about 200 metres from the headrace canal proposed to be constructed around the south-eastern part of Coalgate township.
2. We have major concerns about all aspects of the above applications, as set out in our five original submissions relating to the various parts of the proposed CPW scheme. Those submissions are comprehensive and cover a wide range of issues relating to the overall scheme proposal. However, we feel it necessary to restate and update some of our concerns relating to the scheme, and to express how we consider the scheme affects us personally.
3. Where we live, and our section in Coalgate, are not included in the Notice of Requirement relating to physical scheme works, so CPW does not recognize us as being "directly" [our quotes] affected. Apart from not having our property taken for the scheme, how much more "direct" does it need to be than being told we could soon be living immediately downstream from a 55 metre high dam with 280 million cubic metres of water behind it? To date we have heard and read nothing to allay our fears of the potentially horrendous adverse effects of this proposed scheme.
4. This proposed very large scale scheme could have the greatest impact on the Central Canterbury/Christchurch area since the beginning of European settlement. The possible benefit would be increased economic activity in the short term. However, the longer term cost would be major disruption of many people's lives and properties, and widespread environmental degradation of rivers and groundwater, with possible land management effects in areas beyond the scheme's boundary towards the east coast. There would be no

advantage increasing production on the upper plains, if this prejudices production capabilities on the lower lying areas downstream.

5. We vigorously oppose the designation process whereby private land can be taken for the benefit of other private landowners, and concur with submissions by Brian Deans on the equity and morality issues of this process. Although it appears that the process is legal, we contend, like Mr Deans, that it is morally bankrupt, and a complete mockery of democracy and common decency.
6. We reject the notion that this is a community scheme, with water consents being held by CPW Trust. Once the consents are licensed on a long-term basis to CPW Ltd, who will own and operate the works, it is not likely that any licensed water will be made available to any other parties. Further, it is most unlikely that any effective sanctions would be made against CPW Ltd by CPW Trust. Contrary to the applicants' view that this is the most efficient use of the water, it may well be that other smaller scale uses of the available water would be more sustainable options.
7. We accept that there may well be some overall economic benefits from further irrigation development in this district, but consider that this should only proceed after effective environmental sustainability has been established, not before. The application includes reference to sustainable farm management conditions, but only so long as they do not prejudice a farmer's financial viability. If the sustainability costs are too high, then the conditions may not apply. This does not give any cause for confidence in the applicants' attitude to sustainable management.
8. The application mentions the likely intensification of land use, with an assumed large increase in dairying [page 100, Notice of Requirement]. This assumption is critical to the economic justification of the scheme. With the experience of existing intensive farming, such as dairying, as an indicator this likely increase can only lead to further risks of pollution and environmental degradation. Further advancement of current research into the appropriate levels of stock carrying rates and fertiliser and water application rates is required to establish proper guidelines for sustainable intensive farming. These guidelines may possibly preclude economic dairy farming in this fragile environment [Murray Rodgers' submission on behalf of the Water Rights Trust, 05/06/08].
9. The purported economic benefits and justification for this scheme are themselves doubtful [Sam Dennis' and other economists' submissions]. There are very high capital costs involved and relatively fragile annual returns, even from intensive dairying. It is worth noting that the current high milk price of \$7.90/kg MS is 80% above the last six years' average of \$4.39/kg MS, and current farm costs are about \$3.50/kg [The Press, 31/05/08]. There could well be increased economic activity in terms of the Gross Domestic Product, and accrual of capital to a small group of already wealthy people, but individuals in the wider community are less likely to be any better off.

10. We are aware of the Commission Chairman's advice to other submitters that land use issues are beyond the scope and jurisdiction of this hearing. However, we submit that in this case, where the application is largely predicated on the basis of substantially increasing a particular land use, there is good and valid reason for considering this an activity with likely adverse effects on the environment [Sections 3 and 5, Resource Management Act 1991].
11. We, personally, are most directly affected by the location of the scheme's dam and reservoir, and that part of the headrace canal skirting the south-eastern side of Coalgate. We moved to Coalgate in mid-2005, after more than 40 years living on the West Coast. Our choice of Coalgate was largely based on having travelled through this area many times over the years, and always being attracted by its location near the foothills, its historical connections and its relative accessibility to services and facilities without being in closer proximity to Christchurch city. Since having moved here, we have had our choice confirmed by the peace and quiet of a small rural township, and the welcoming attitude of a close-knit community based on the wider grouping of Coalgate, Glentunnel and Whitecliffs.
12. From newspaper publicity we were aware of the CPW irrigation scheme's feasibility investigations. Although accurate details of the scheme proposal were limited, we decided to move to Coalgate. We consider that it makes no difference whether we have lived here for three years or thirty years. The principle is that CPW has not adequately recognised the adverse effects of the scheme on Coalgate and its people.
13. Our first 'official' contact with CPW representatives was at a drop-in meeting at the Coalgate Tavern on 22 November 2005. Provided information included a brief background information sheet and a small plan of the overall scheme area. Another plan of the proposed dam and reservoir on display at the meeting did not show the closely adjacent Coalgate township at all! The CPW representatives gave differing answers to various questions [one said that the dam height would be 35m, and the other said 55m – the information sheet said 45m]. There was no scale model, photographic simulation or comprehensive plans of the overall scheme. In discussion about the effects of the noise and dust nuisances during the construction phase, one of the representatives said that CPW would not be able to effectively stop them. We came away from the meeting feeling little better informed, and certainly not reassured that the interests of the people in Coalgate had even been considered.
14. Since then all information we have found out about the scheme has come from newspapers and other media, with documentation related to the various applications, organisations such as the Malvern Hills Protection Society, and attending the hearing. Everybody we have talked to has been dissatisfied with CPW's piecemeal approach to the dissemination of information. There certainly has been no adequate consultation with Coalgate residents, despite Mr Morrison's statement in The Press of 26 November 2005. As far as we

know, there has been no comprehensive presentation by CPW to any well-attended public meeting. We find this quite extraordinary for such a large scale project with such wide-ranging and dramatic effects on the whole Central Canterbury area. As stated in our original submissions, there has been no effective public relations by the applicant. This is clearly shown by the number of submitters who have raised this issue, and the antagonistic attitude of so many people, both those directly affected and in the wider public. While it may well be that the current legislation requires only limited consultation, surely the scale of this proposal and its effects deserves a better effort from the applicant. If not, then the legislation is seriously deficient.

15. We are concerned about the ongoing lack of detailed information, and the changes to information, since applications were lodged and while the hearing has progressed. This is evidenced by the numerous times the Commissioners have had to ask the applicant for more information to clarify various matters. It has been very difficult for lay people to understand the basic information and processes, let alone try to keep up with the changes and fill in the gaps. There also seems to be a continual effort by the applicant to minimize or confuse the adverse effects of the project by always understating various measurements, for example the height of the proposed dam, as mentioned in paragraph 13 above. As well, in the application for Requiring Authority Status, the height of the dam is given as 38m, when it is included in the consent application as 55m. The production of plans of the dam site with Coalgate excluded is another example. Yet another example relates to the headrace canal where it skirts Coalgate. At the hearing on 25 July, Mr Lewthwaite told the Commissioners, in answer to a question, that the canal embankments would be about one to two metres high. In the Notice of Requirement document [June 2006, page 38] it is stated that the embankments on this part of the canal "will generally be no more than 5 metres high". This means that they could possibly be higher than 5 metres, if required!
16. The proposed dam and reservoir will have the most serious adverse effects on our living environment in Coalgate. It will be a huge, unnatural structure with major visual, physical and psychological impacts on people living nearby. The dam itself will be only about 200 metres from the northern edge of the township – NOT the 1.5 km stated in the Notice of Requirement. The sheer bulk of the dam will be bad enough, but the more frightening prospect will be the 280 million cubic metres of water behind it.
17. The construction work on this scale will cause major nuisances of heavy vehicle/machinery movements, noise, dust and diesel fumes over a prolonged period. As well, lighting for night-time operations will be an unusual intrusion in this location. The most common wind direction is from the north-east, so any airborne pollution will often be blown directly through most of the township. Section 16 of the Act imposes a duty to avoid unreasonable noise. What constitutes "unreasonable noise"? The application is seeking 24 hours a day, seven days a week operations, with proposed noise limits most of which are significantly above the Selwyn

District Plan permitted activity levels. An additional factor in this case is that the noise will be constant rather than intermittent. The large diesel engines and compression machinery resonance will be just as much a nuisance. The application refers to “ensuring nearby residents are exposed to a normal background night time noise” [NOR/AEE, page 63]. Therefore, any construction noise at all during night time hours will be unreasonable in Coalgate, because there is no noise at present. As average city traffic noise is about 80dBA, a night time level of 75dBA in Coalgate would be completely untenable. The present quiet nights are one reason why we do not live nearer to the city!

18. Another major issue concerning us is the potential risk of dam failure and flooding from the reservoir behind it. The Dam Safety Assurance Report acknowledges that, despite the best efforts of construction, there remains some risk of possible failure. We agree with and support the submission of Colin Morris, supported by the evidence of Jocelyn Campbell, regarding dam safety issues, including the risks of earthquake damage and possible undercutting of the dam by water seeping beneath it. This could also affect the groundwater levels under Coalgate, affecting drainage and septic tank operation. We find it completely unacceptable that the report can talk of the possible loss of up to 200 lives and huge property damages, while the proponents of this scheme still want to go ahead with it. To whom is the risk acceptable? It may well be acceptable to the promoters and designers who do not live anywhere near the dam, but it is certainly NOT acceptable to the people living in close proximity who will be the most adversely affected. Whatever the assessed level of risk, their risk goes from 0% to 100%. Discussion in the report about comparative risk refers to the risk of death from failure of the dam being less than risks that people live with and choose in other activities of their lives. Maybe so, but we do have that choice, and options to manage the other risks we live with. In this case, we do not have any choice. At present, there is NO risk, and we prefer it to stay that way.
19. We consider that the investigation into possible alternatives to this proposal has not been taken far enough. It is accepted that options for large scale water storage have some limitations. These include the availability of suitable sites, the existence of prior uses (for example, Lake Coleridge and Trustpower), and/or various sustainable management regimes such as the Rakaia River Conservation Order. However, the impression gained so far is that the Waianiwaniwa site has been adopted as the easiest and cheapest option. It appears that the use of the Requiring Authority and designation process to deal with private landowners has been chosen ahead of having to do some serious negotiating with other substantial organisations. Another option is smaller scale on-farm storage reservoirs, already being adopted by an increasing number of farmers around the wider Canterbury region. We are adamant that all the options must be thoroughly investigated, and the best long-term options identified, before proceeding with this CPW scheme.
20. Apart from the questionable economic justification of this scheme, the application includes reference to various recreational benefits related to the reservoir and the headrace canal. We submit that any recreational uses will

be seriously compromised by water management requirements and the fluctuating water level in the reservoir. The reservoir is primarily for irrigation purposes and is likely to be virtually empty over late summer periods. Any such limited recreational benefits will be very poor substitutes for the possibly degraded lower Waimakariri and Rakaia rivers. The notion that Coalgate could have an attractive artificial lake on its doorstep is a complete nonsense. There will be no visual benefit to Coalgate, only the ugly sight of the dam wall. The reservoir is more likely to be a muddy, insect- and weed-infested large waterhole, especially in the early years after construction. Canterbury is already well endowed with water-based recreation opportunities and if we wanted to live close to them, we would not be in Coalgate. There are no worthwhile benefits for the Coalgate community, and we do not accept these so-called “benefits” as any benefit to us.

21. The idea that the huge adverse effects on the Coalgate community could ever be adequately “avoided, remedied, or mitigated”, is preposterous, to say the least. The major issues related to the dam and reservoir would be impossible to avoid or remedy. Mitigation is a term used very frequently in relation to resource management effects, but its meaning and application seriously concern us. The Concise Oxford Dictionary (1976) gives these meanings to the verb “mitigate” –

- to appease (anger, etc.)
- to alleviate (pain, grief)
- to reduce severity of (punishment)
- to moderate (heat, cold, severity, guilt, etc.)

In view of the nature of the effects of the proposed dam and reservoir on Coalgate, we submit that the applicant will not be able to achieve effectively any of these meanings. The so-called “benefits” referred to above will not achieve any degree of mitigation for Coalgate. The living environment in the Coalgate area will be completely compromised forever.

22. The issue of compensation is another major concern to us. As well as direct losses of property taken for the scheme works, there will be various degrees of loss related to the notification of the scheme, effects on property not directly required for the scheme, property management and development decisions, and general stress and uncertainty about future outcomes of the whole process. These are already evident in previous submissions. The application briefly discusses some of these issues but the only provision for compensation relates to the Public Works Act 1981, for property directly required for the scheme works. This presumably applies to property included in the designation area covered by the Notice of Requirement. There are no compensation provisions offered for other likely losses.
23. We are very concerned about what happens if property values in Coalgate fall because of the scheme. The likely costs of making a claim for compensation would probably preclude our doing so. That would mean that the applicant could avoid any responsibility for our loss. Is that fair? Further to this, we have delayed building on our section to wait, hopefully, for some

indication of whether this scheme is likely to proceed or not. This has already cost us in terms of rent and building cost increases, and we still do not know what the likely outcome for the scheme will be.

24. The issue of compensation does not arise until a loss can be established. Property sales and some new buildings have occurred in Coalgate until recently, but it is difficult to say what the short-term future might be. It could well happen that any indication of the scheme's going ahead will bring about a fall in Coalgate property values. From a valuation perspective, this cannot be accurately predicted, as valuation is based on immediate past and currently available sales information. If other comparable situations could be found to give some indication of possible outcomes, then it may be possible to arrive at some sort of useful prediction. Some form of indexing Coalgate values for comparison with other non-affected townships would be required to establish the degree of loss. The possibility of a fall in property values due to the effects of the scheme cannot be ruled out. There needs to be some form of mechanism in place whereby compensation can be settled other than having to resort to legal action. This could be important if a property owner had to move out during a possible temporary depression of values. It must also be recognised that other losses, such as lifestyle disturbance and obnoxious nuisances during the construction period, need to be provided for. This may need to be considered on a population basis, because not everyone is a property owner.
25. Due to the severe adverse effects of this scheme, and the deficiencies shown up in the application, we request that the Commissioners decline all applications and recommend that the Notice of Requirement be withdrawn.

Erica and Ian McLeod
29 July 2008