

28 March 2006

Jane Huggins
Secretary
Coalgate Township Committee
c/o Coaltrack Road
RD Coalgate



Dear Jane

Coalgate Township – Central Plains Water Questions

Thank you for your letter regarding answers to questions you provided Central Plains Water Limited. I apologise that the wrong answers were sent to you. Your letter was received and the reason our response was sent to Bob Mugford was that he wrote the original letter.

I have spoken to Bob and Daryl and explained that it is our intent to provide as much information to your Committee as possible. I will now be your liaison and my details are w (03) 365 0081, h (03) 328 9405 or m 021 743 237. Please do not hesitate to contact me at any time.

Answer to questions

1. Dam Safety

As you will be aware we are holding a public meeting in Glentunnel on Wednesday night to address the issues of dam safety. A report has just been finalised on the safety of the dam and your questions will be addressed at this forum.

After the meeting should you require any further information Walter Lewthwaite would be happy to address your next meeting or to arrange for experts in particular topics to meet with you.

2. Dam Location

Current geotechnical investigations show less stable foundations at the upstream site, making the current site the preferred location. The chosen site also makes use of the Kirkstyle ridge and increases the amount of storage available.

It is expected that it would take 12 months to build the embankment and perhaps a little longer to complete the associated structures. The dam will be constructed so that it meets the stringent safety guidelines established by The International Committee of Large Dams, which sets the benchmarks for dam safety throughout the world.

The effects of the construction and how they will be managed are outlined in the AEE, section 3.13. Copies were delivered to Bob Mugford, Rosaie Snoyink and Barry Mathers in December last year. An electronic version can be accessed via www.cpwl.co.nz.

4. Height of Dam

Central Plains has applied for resource consents for a 55 metre high dam.

5. Canals vs Piping

The piping of the head race canals through Coalgate and Sheffield will be evaluated at the detailed design stage. This evaluation is one of the highest priorities for our technical team this year.

6. Compensation

CPW will compensate landowners for the land required for the Scheme at market value. Consultation will occur between CPW and landowners throughout the process.

There will be many opportunities for access to water for recreation including fishing and these need to be advanced, while ensuring public safety and viability of scheme operations

7. Negative Impacts

Can I please suggest you refer to the AEE, especially sections 7 and 8, and then come back to us with more specific questions. A number of matters are covered already in these notes.

8. Lake

Reservoir management will be by CPWL to ensure the best supplies for farmers. Section 3.14.4 of the AEE states: "Once filled, the lake will be used as a backup supply when the required flows are not available from the Rakaia and Waimakariri Rivers. Modelling of over 30 years of supply and demand has indicated that, if the scheme had been operating over that period, the lake would have been drawn down to its minimum operating level in only one season. Generally, very little water will be drawn before January, so storage levels will almost always be full for recreation during the peak of the Christmas holiday period. It is intended that the minimum operating level will be 246 m, i.e. with 35 MCM of water retained, as a means of reducing dust nuisance, maintaining the ecological health of the lake and its fauna and enhancing the visual impact.

Section 8.4.2 of the AEE indicates that the lake will be drawn down to less than half capacity in about 35% of years, and as an average will be 85% full.

Regarding water quality in the reservoir, we expect there will be some impacts from decomposition of residual vegetation in earlier years but over time the water quality will approach that supplied by the Waimakariri river. Please refer to section 8.4.2 of the AEE for a more thorough discussion of the issue.

Access to the reservoir for recreation including fishing will be encouraged.

9. Landscape

The dam will be an earth dam, with a plain gravel downstream face to provide stability against erosion, but with extensive landscaping to improve its appearance. It will be visible from most of the township unless or until screened by trees. Access to the dam will be permitted within limits of public safety and normal operational requirements.

10. Construction Phase

We expect most workers will come from nearby communities and will commute to the job but some outside specialists will be required. These people will either commute or stay in accommodation provided by local communities.

Construction issues for a project of this size include noise, dust, traffic, personnel including accommodation, temporary site offices, and temporary disturbances to waterways and ecological elements. These will be governed by management plans that will be developed in outline during the consenting process and tailored to each specific construction activity and contract as they are arranged. Please see more detail in the AEE section 3.13 and section 7.

Landscaping plans will be developed for all parts of the project, with particular focus on the dam and reservoir, and other areas that expect to be significantly in the public view.

11. Waianiwaniwa River

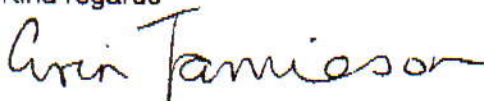
Section 3.12.4 of the AEE states: "There will be a release from the Waianiwaniwa Reservoir to the bed of the Waianiwaniwa River immediately downstream of the headrace. This will be sized to release the mean annual flow primarily to provide groundwater recharge to that area of the Central Plains. It would also be possible to release significantly greater flows if there was some environmental or social benefit in doing so and if the lake had enough capacity. Given that currently this section of the river only flows during flood events, it may be that there are few ecological or environmental reasons to release such flood flows in the future.

12. Turbines

No turbines are proposed.

Jane, please don't hesitate to call me should you require any further information and Walter Lewthwaite or any of the scheme representatives would be very pleased to attend any of your meetings.

Kind regards



Erin Jamieson

Communications consultant