



11 September 2009

Gillian Ensor
Environment Canterbury
PO Box 345
Christchurch

Dear Gillian

Application by Waitangi Station Ltd

- 1 We write to you to outline the basis of Meridian Energy Limited (*Meridian*) providing its derogation approval of the application numbered CRC030944 by Waitangi Station Ltd. We refer to the letter to ECan from Chapman Tripp dated the 26th of June 2008 setting out Meridian's position on derogation approvals generally.
- 2 Meridian has read and considered the application CRC030944 by Waitangi Station Ltd and provides derogation approval on the following basis:
 - 2.1 Waitangi Station Ltd shall only be entitled to divert, take and use water from Sutton Stream (at NZMS 139:9674-2157) at a maximum rate of 55 litres per second for the spray irrigation of a combined 128 hectares identified in the application;
 - 2.2 Waitangi Station Ltd shall only be entitled to divert, take and use water from Gibson Stream (at NZMS 139: 9608-2103) at a maximum rate of 55 litres per second for the spray irrigation of a combined 128 hectares identified in the application;
 - 2.3 Waitangi Station Ltd shall only be entitled to divert, take and use water from Lake Aviemore (between NZMS 140:0037-1369 and 140:0031-1375) at a maximum rate of 35 litres per second for the spray irrigation of a combined 128 hectares identified in the application;
 - 2.4 The maximum daily volume from the three combined takes shall not exceed 9,504 cubic metres per day and the maximum annual volume shall not exceed 768,000 cubic metres per annum and this shall be allocated as an agricultural and horticultural activity upstream of Waitaki Dam but not upstream of the outlets of the glacial lakes under Rule 6, Table 5 of the Waitaki Catchment Water Allocation Regional Plan;
 - 2.5 Water for stockwater shall apply shall be take in accordance with a maximum rate of 35 litres per second, a maximum daily volume of 3,024 cubic metres per day and a maximum annual volume of 956,080,500 cubic metres per annum. For the avoidance of doubt, the water available under this clause is in addition to the volumes specified in Clause 2.4;

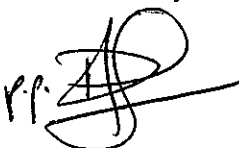
- 2.6 The taking of water from Lake Aviemore shall cease whenever the level of Lake Aviemore reaches 267.7 metres asl;
- 2.7 the annual volume provided for in Clause 2.4 shall be time tranching in accordance with the following table:

Table A – Maximum Rates & Volumes for CRC030944

Year	Maximum rate of abstraction (litres/second)	Maximum Daily Volume (cubic metres/day)	Maximum Annual Volume (cubic meters/year)
1 September 2009 to 30 April 2010	110 l/s	9,504 m ³ /day	768,000 m ³ /annum
1 September 2010 to 30 April 2011	110 l/s	9,504 m ³ /day	768,000 m ³ /annum
1 September 2011 to 30 April 2012	110 l/s	9,504 m ³ /day	768,000 m ³ /annum
1 September 2012 to 30 April 2013	110 l/s	9,504 m ³ /day	768,000 m ³ /annum
1 September 2013 to 30 April 2014 and every year thereafter	110 l/s	9,504 m ³ /day	768,000 m ³ /annum

- 3 Any amendment or modification to the above will require further written derogation approval from Meridian. On the same basis any subsequent variation, transfer or replacement application that is relevant to the volume or location of the take may also require further approval.
- 4 This letter is not an affected party approval to the consent application under section 94 of the Resource Management Act. Meridian may choose to submit in support or oppose the application on grounds which do not relate to the derogation of its rights, or not to submit at all.
- 5 This letter does however record (subject to the above) that Meridian will not oppose the granting of the Waitangi Station Ltd application on the ground that it will reduce the quantity of water available under Meridian's existing consents.
- 6 Please advise if any basis for Meridian's approval outlined in paragraph 2 will not be met by the resource consent.

Yours sincerely



Mike Roan
Markets and Production Director