

WESTPOWER LTD PROPOSED WAITAHA HYDRO SCHEME ASSESSMENT OF ENVIRONMENTAL EFFECTS WESTPOWER AND ITS PARTNERSHIP WITH POUTINI NGĀI TAHU Dated July 2025

Report prepared for Westpower Ltd

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1. INTRODUCTION

1.1 This report has been prepared by Westpower Limited (**Westpower**) in relation to Westpower's proposed run-of-the-river hydroelectric scheme for the Waitaha River (the **Scheme**), approximately 60 km south of Hokitika on the West Coast of the South Island, New Zealand.

2. SCOPE OF REPORT

- 2.1 The purpose of this report is to:
 - (a) introduce Westpower and its corporate strategy;
 - (b) discuss our partnership and consultation with Poutini Ngāi Tahu; and
 - (c) discuss Westpower's environmental compliance.

3. INTRODUCTION TO WESTPOWER AND ITS OPERATIONS

- 3.1 Westpower is an electricity distribution company undertaking work throughout the West Coast Region. Westpower's business is to provide a secure supply of electricity to consumers throughout the West Coast in a manner that is responsive to the community's needs.
- 3.2 Westpower is wholly owned by the West Coast Electric Power Trust (WCEPT) formed following the passing of the Energy Companies Act 1992. Its predecessor, the Grey Electric Power Board, was first established in 1922. The Trustees of WCEPT, who are elected by the community every two years, hold the shares of Westpower on behalf of the consumers (also referred to as shareholders) of Westpower. Therefore, Westpower is a 100% consumer owned company that delivers benefits back to the West Coast community.
- 3.3 With respect to Westpower's electricity distribution, Westpower owns, operates and maintains approximately 2,244 circuit km of lines and cables on the West Coast, from Lyell in the north to Paringa in South Westland and supplies more than 14,400 connections to its network (households, farms and businesses).
- 3.4 The total electricity consumption conveyed through Westpower's lines in 2024 was 236 GWh of electricity.
- 3.5 Additionally, Westpower is the parent company to ElectroNet Services Ltd (**ElectroNet**), an electrical contracting and consulting business, and Amethyst Hydro Limited (**Amethyst Hydro**), an electricity generator.
- 3.6 Two drivers of Westpower's corporate strategy are improving the resilience of electricity supply for the West Coast and contributing to Aotearoa New Zealand's sustainability goals. This is achieved through improved efficiency, reduced cost, and displacing thermal generation with renewable energy. Westpower has long recognised that community resilience requires regional generation. Its communities pay high costs of electricity compared to other regions, primarily influenced by the distance generated electricity must travel to reach the end consumer. This has informed Westpower's focus on developing renewable electricity generation (**REG**), specifically small-scale

run-of-river hydro schemes. As described in Westpower's Annual Report 2024¹, the Waitaha Scheme, if built, would provide a wide range of regional and national benefits, for example:

- (a) Clean renewable electricity for the equivalent of around half of the current annual electricity demand on the West Coast
- (b) A strong contributor to both the security of supply of electricity on the West Coast and to New Zealand's renewable energy goals
- (c) It would avoid approximately 100,000 tonnes of CO2 emissions annually when compared with thermal generation
- (d) Reduce the risk of blackouts back in 2022 during a period of lack of supply of electricity, if Waitaha had been built it would have directly contributed to keeping the lights on for another 10,000 homes in the Waikato area.
- 3.7 In 2013, Westpower commissioned the Amethyst Hydro Scheme, a 7.6 MW run-of-river hydro scheme. This scheme produces renewable electricity, assisting New Zealand in meeting its greenhouse gas emission reduction targets, while also enhancing community resilience. Further information about the Amethyst Hydro Scheme is provided below, but it is anticipated that the Waitaha Scheme will offer similar benefits to the West Coast community but on a larger scale.

4. PARTNERSHIP WITH POUTINI NGĀI TAHU

- 4.1 Te Rūnanga o Ngāti Waewae and Te Rūnanga o Makaawhio are the rūnanga that exercise tino rangatiratanga within, and are the kaitiaki of, the natural and physical resources within the West Coast, including the Waitaha River.
- 4.2 Poutini Ngāi Tahu have partnered with Westpower in the development of the Waitaha Scheme for many years and strongly support the Scheme. There is a shared vision between Westpower and Poutini Ngāi Tahu to protect and advance the interests of West Coast communities, economy and the environment.
- 4.3 Consultation with iwi authorities, hapū, and Treaty settlement entities is a mandatory requirement under the Fast-track Approvals Act 2024 (FTAA). Under Schedule 7 of the FTAA Westpower must provide proof and details of all consultation on the application specific to wildlife impacts, including with hapū or iwi.
- 4.4 The project partnership between Poutini Ngāi Tahu and Westpower shows the successful outcome of past and ongoing consultation. This was recognised in a letter from Poutini Ngāi Tahu² confirming their partnership, involvement, and ongoing support for the Scheme, including confirmation of the support of Te Rūnanga o Ngāi Tahu.
- 4.5 By consulting with Poutini Ngāi Tahu for many years throughout the development of the Scheme, including during the preparation of the Fast-track application, Poutini Ngāi Tahu have shaped the design of the Scheme.

https://cdn.sanity.io/files/uy55ipiu/public_content/59466ce7dc5dc17b7f2a4ec05439bbe3a749ed46.pdf

¹ Westpower Annual Report 2024, pg 8:

² The letter is included as Appendix 8 to the Fast-track Approvals Application and AEE.

- 4.6 Given their long involvement with project's development, Poutini Ngāi Tahu chose not to prepare a cultural impact assessment. Contribution was instead offered to the preparation of the assessment on environmental effects, such as by identifying the key species of interest that need to be protected in the design of the Scheme. To facilitate that assessment, Westpower commissioned a technical report detailing the Scheme's design and its environmental effects, focused on the whenua, awa, ngahere and wildlife including taonga species.
- 4.7 That report formed the basis of a detailed briefing on the project on 26 March 2025, where representatives of Poutini Ngāi Tahu were given the opportunity to raise any cultural concerns and re-iterated their position that they were entirely comfortable with Westpower's proposal.
- 4.8 Poutini Ngāi Tahu consider that the Scheme will deliver significant benefits to Poutini Ngāi Tahu and the wider West Coast communities. Benefits include improved electrical resilience to the region, a secure supply of green-renewable energy which will reduce the amount of energy being imported into the Region, reducing the costs of electricity (including transmission charges), create much-needed employment and training opportunities, and providing significant investment for the West Coast region.
- 4.9 The partnership will also deliver meaningful financial benefits directly to Poutini Ngāi Tahu. This will greatly assist Poutini Ngāi Tahu in meeting their obligations to provide for their iwi and manaaki visitors and the community. Poutini Ngāi Tahu's letter of support for the Project also refers to the Scheme's consistency with the Ngāi Tahu Climate Change strategy: He Rautaki mō te Huringa o te Āhuarangi, and that renewable energy is part of the solution.
- 4.10 Westpower appreciate the collaborative approach of Poutini Ngāi Tahu. This has facilitated the development of a sustainable and culturally appropriate renewable energy development, with national and regional benefits.

5. ENVIRONMENTAL COMPLIANCE AND FINANCIAL AND LEGAL LIABILITIES AND OBLIGATIONS

- 5.1 Westpower is an experienced and environmentally conscious business with an excellent compliance record. Westpower strives to ensure that the development of its infrastructure is achieved in a manner that is sympathetic with the surrounding environment.
- 5.2 The Amethyst Hydro Scheme provides an excellent example of how Westpower approaches hydroelectric power scheme development in an environmentally sensitive manner. The Amethyst Hydro Scheme, which is also a run-of-river scheme, was constructed near Harihari on land administered by the Department of Conservation (DOC). It demonstrates the low environmental impact that can be achieved through a collaborative approach with DOC to ensure that environmental values are carefully maintained.
- 5.3 The Amethyst Hydro scheme has several benefits for the environment and the West Coast community:
 - (a) proximity to South Westland (5 km east of Harihari adjacent to State Highway 6 near the Wanganui River bridge) provides improved efficiency of electricity supply for the local community by reducing reliance on out-of-region generation and reducing transmission losses;

- (b) improved resilience of electricity supply to local communities, including Hokitika, when the National Grid is down;
- (c) production of approximately 50 GWh of renewable electricity per year (conservatively equivalent to the electricity consumption of 5,000 homes)
- (d) minimal environmental footprint of the scheme, as there is no dam required and
- (e) commissioning in June 2013, meaning that its construction and ongoing maintenance and operation is undertaken in a modern, robust and environmentally sensitive manner.
- 5.4 Westpower is committed to quality developments and sound environmental practices and will apply the same key success factors to the Waitaha Hydro Scheme. Given its experience, prior record, comprehensive knowledge of the surrounding environment and partnership with Poutini Ngāi Tahu, Westpower is well placed to ensure the Scheme is developed, operated and maintained in a sustainable manner.
- 5.5 Westpower is fully committed and able to construct and operate the Scheme.
- 5.6 Westpower has <u>not</u> been the subject of compliance or enforcement actions and nor has it or anyone associated with the Waitaha Scheme application been convicted of any offence or has any current criminal charges pending before a court, including under the Resource Management Act 1991, the Wildlife Act 1953 and the Conservation Act 1987.
- 5.7 Westpower does not have any financial and legal liabilities and obligations associated with the land for the Scheme nor the decisions on leases, licences to occupy land, and easements.

Peter Armstrong

16 July 2025