

# WATER FOR OUR FUTURE

Inches Road, Hurunui District

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## Chairman's Message

HWP's Waitohi Irrigation Scheme has been endorsed by the Waitohi Irrigation Scheme Selection Panel. This announcement will enable us to move forward with much greater confidence, knowing that we have developed a scheme with wide support. The independent panel set up by Environment Canterbury has ranked HWP the highest out of three schemes in the Waitohi, against a

wide range of criteria. On the basis of this endorsement, HWP has been able to prepare a draft application for the Irrigation Acceleration Fund (IAF), which is under review by MAF. This fund may help us to stretch our funds until we have the first stage of consent hearings, possibly later this year. We anticipate a constructive year ahead.

**Mike Hodgen**  
Chairman, HWP



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Steve and Debbie Board were treated to a jet boat ride up the Hurunui River recently as their winning prize in HWP's 'Go Wild in Hurunui' competition. HWP shareholder Tom Costello manoeuvres the boat through the chutes in Hawarden Gorge.

## Farmer Liaison Committee (FLC)



Mark Zino.

The FLC has been set up to allow shareholders to discuss the project in a low key environment. Small, short meetings are planned in different areas to discuss views and concerns about the project. The FLC will then report these to the HWP board. The idea is to get shareholders thinking and talking about irrigation, how they may use the water and

when. It is also a platform to discuss irrigation techniques and potentially put shareholders in touch with other farmers who irrigate in different regions. The FLC has been set up to help both the board and shareholders. If you need to find out more, please contact myself or any of the committee members listed.

**Mark Zino**  
Chairman, Farmer Liaison Committee

Committee members: Paul Reese, Stu Jensen, Jean Forrester, Chris Earl, Alex Baxter, Tom Costello and Mark Hassall.

While the FLC has been set up as another opportunity for shareholders to communicate with the project, shareholders are still welcome to contact the project through the normal channels such as phoning the office, email, Facebook or the website.



The Selection Panel onsite in the lower Waitohi Gorge. With (from right to left) Walter Lewthwaite, Greg Anderson, Andrew Fenemor and Panel Facilitator Geoff Henley.

## HWP selected by Waitohi Panel

The Waitohi Irrigation Scheme Selection Panel has endorsed HWP's scheme over two competing developers. A rigorous independent panel process was initiated by the Hurunui-Waiou Zone Committee, Hurunui District Council and Environment Canterbury last August to ensure that whichever scheme is developed for the zone is the best possible solution.

HWP ranked highest against the panel's own criteria including environmental acceptability, consentability, the potential for hydroelectricity to offset costs, the price per hectare and the value of infrastructure, as well as the ability to proceed at the earliest possible opportunity.

HWP Project Manager Amanda Loeffen says while all irrigation scheme options using the Waitohi Basin look expensive, HWP has concentrated on keeping capital costs low and reaching an energy-balanced solution that provides some future proofing around power pricing.

"We believe that we've come up with a simple and cost

effective scheme which has environmental and economic benefits. The first stage of the scheme will irrigate up to 10,000 hectares within a short time frame, with close to 60,000 hectares of potential irrigation over the long term. It hasn't been easy but we've focused our resources on developing a workable Waitohi scheme and we welcome the panel's endorsement of our work."

Hurunui District Mayor Winton Dalley is pleased with the outcome. "The recommendation has removed a lot of uncertainty and endorsed the years of commitment by the HWP team to deliver the very best result for this community. It will give farmers confidence to support the HWP Board as it moves to address the next phases, being feasibility, affordability and funding."

"While the Canterbury Water Management Strategy process has been of some frustration to HWP, the reward should be a smoother consent process and a more sustainable project long term," says Mr Dalley.

## IAF Update

HWP has submitted an application for an Irrigation Acceleration Fund (IAF) grant to the Ministry of Agriculture and Forestry (MAF). HWP's draft application is currently being reviewed and feedback is expected soon from IAF staff. The application has been submitted following the success of HWP in the Waitohi Irrigation Scheme Selection Panel's process. The IAF Fund has \$35 million available over the next five years for investigatory work. The \$400 million mentioned in HWP's October 2012 newsletter refers to the second stage of the process. This is where Government will consider in a future Budget investing up to \$400 million of equity in the construction of regional-scale schemes to encourage third-party capital investment.

## Affordability

We have had strong feedback from shareholders about the higher predicted cost per hectare of water from the Waitohi. We are working on that. Please bear in mind that our studies are very much at the initial stages, and we have detailed feasibility to work through. We have a number of ideas to help get the price in a range that will allow for all sorts of land uses, not just dairying. In particular, we would like to expand the size of stage 1 to 10,000 hectares and initial results look promising. We are working with farmer groups to develop some case studies. If you are interesting in helping with this, please get in touch through the Farmer Liaison Committee.



The Panel surveying the Waitohi River immediately below the proposed Hurricane Gully dam site.

### Affordability – how are we going to make the scheme cost-effective?

- HWP is investigating reducing costs by:
  - Increasing the size of storage in Stage 1 → more hectares
  - Introducing multiple staging options
  - Optimising the distribution design
  - Enabling landowners to buy-in more slowly
- In addition we need to develop case studies to show how this would work for various end-uses



## Resource Consent Re-activated

Following the lifting of the moratorium on the Hurunui and Waiau Rivers, Environment Canterbury will resume the processing of consent applications affecting these rivers from 1 April. However progress is expected to be slow as Environment Canterbury will have to review HWP’s Waitohi application from scratch and is likely to request further information. A resource consent hearing for the Waitohi application will occur no earlier than late 2012 and this will only happen if all information gaps can be filled in a timely manner.



View of the Waitohi River above Seven Hills site. Water level would be within the gorge.



This 3D model of the Waitohi scheme is being created by a local student. The finished model will be on show at the March A&P shows.

## Riparian Survey Update



HWP has been given access to most of the farms along the Waitohi River for a riparian survey which will look at the extent and type of riparian vegetation in the area. Graduate students from Lincoln University have applied to undertake the survey work, which will be done in conjunction with Boffa Miskell. HWP will begin the riparian survey along the Waitohi River and Washpen Stream, but intends to survey other riparian margins in the command area later on. This work will be vitally important in managing future water quality and showing the community the commitment of the farmers to undertake best practice.

## Share Update

More than 95% of shareholders reconfirmed their support for the project at the first shareholder call last September. The remaining shares are in the process of being offered to existing shareholders on a pro-rata basis.

## Meet with HWP

There will be plenty of opportunities to meet with HWP in the next few months with an HWP presence at the upcoming Hurunui District A&P shows. The project will share a tent with MainPower at the Amuri show on 3 March, the Cheviot show on 10 March and the Hawarden show on 17 March. Come along and check out the 3D model we have created of the Waitohi Valley showing where we propose to store water.

We will organise appointments at the shows for anyone wishing to sit down with project representatives to understand the scheme. Please call the office to arrange a convenient time.

## From the HWP Office

We have had an optimistic start to the year and some exciting challenges lie ahead, not least of which is our work on affordability. There have been such a lot of changes to the project in the last 18 months and we appreciate that it is difficult to keep up with it all. Please call or email if you need to know more. We are always pleased to hear from you.

For those of you that wish to participate in the riparian margins work, please get in touch with Heidi Crawford for further information.

Hope to hear from you soon.

**Amanda Loeffen**  
Project Manager, HWP

## Contact Us

Call us on the office telephone (03) 378 3524 or write to us through Facebook or our website [www.hurunuiwater.co.nz](http://www.hurunuiwater.co.nz), which features updated information on the Waitohi scheme.