



Thrills and hopefully no spills: a kayaker negotiates the Waitaha River as it passes through the intimidating Morgan Gorge.



ROUGH WATERS

Building a power plant on a remote and untamed West Coast river would be an environmental travesty, say opponents. **by REBECCA MACFIE**

Few people venture into the wild, untarnished upper reaches of the Waitaha River valley, a place carved by ice and monumental rainfall, and hemmed by glaciers, cirques, high peaks and alpine tarns; a place strewn with house-sized boulders shrugged from mountainsides by tectonic power, and clad in tangled rainforest and scrub.

Fewer still have witnessed the roaring tumult of the Morgan Gorge, where the Waitaha River has fought its way through a narrow slot in the bedrock to form a sensuously sculpted canyon. It's thought that just nine people have travelled the furious, twisting length of the gorge – a place where the river is utterly in charge.

Hokitika adventurer Keith Riley is one of them. He was a member of a party of three highly experienced kayakers who made the first descent of the kilometre-long gorge in 2010, an undertaking that called for meticulous judgment to pick a route – from one point of refuge to the next – through the violent churning water.

Riley describes a place of intimidating power, of canyon walls worn smooth by an “incomprehensible” volume of pristine water pummelling its way through the narrow space, with giant waves, thunderous

drops and rocks the size of buses.

UK-born Andy England, who has paddled white water around the world and was drawn to live on the West Coast because of its rivers, was in a party that made the first attempt to kayak the gorge in 2002. That time, the group got halfway through before reaching a rapid too dangerous to attempt. Pulling out involved hauling themselves up the canyon walls using ropes and tree roots, and bashing their way out through the dense bush.

England subsequently spent a year paddling and documenting 31 white-water rivers on the West Coast on a Royal Society teaching fellowship. His 2011 report describes the Waitaha River as “pristine and wild in every way” and the Morgan Gorge as “perhaps the most spectacular ... on the West Coast”, with high, overhanging walls

“fluted vertically in sharp arêtes”.

“It's one of those places that just makes you feel tiny – a tiny speck in the world's history,” says England, now the principal of Greymouth High School.

In the parlance of resource management, the upper Waitaha Valley meets the definition of an “outstanding natural landscape”, and the Morgan Gorge – one of three gorges on the river – qualifies as an “outstanding natural feature”, although neither has any legal recognition as such.

KEVIN ENGLAND

And though the area is in the conservation estate, it is not part of a national park or reserve. Instead, it is “stewardship” land – a category created when the Department of Conservation was formed in 1987, to hold land until its conservation values could be assessed and given an appropriate level of protection or, if it was of little value, disposed of.

Almost three decades on, about 2.8 million hectares – a third of the DoC estate, and 10% of New Zealand’s total land area – is parked in the stewardship holding pen, where it has the weakest level of legal protection of all conservation land.

DoC only recently began a process of assessing it, after receiving a lashing from Parliamentary Commissioner for the Environment Jan Wright in a 2013 report. Wright said large areas of stewardship land had high conservation values – over 20% of it is in the vast Te Wahipounamu South West New Zealand World Heritage Area – but the stewardship classification “signals to the private sector that this part of the conservation estate is ‘open for business’”.

Since Wright’s report was published, DoC has developed a draft plan for reclassifying stewardship land and has asked local conservation boards to nominate their top five spots for greater protection, but the plan has not been publicly disclosed.

A LOW DAM AND A TUNNEL

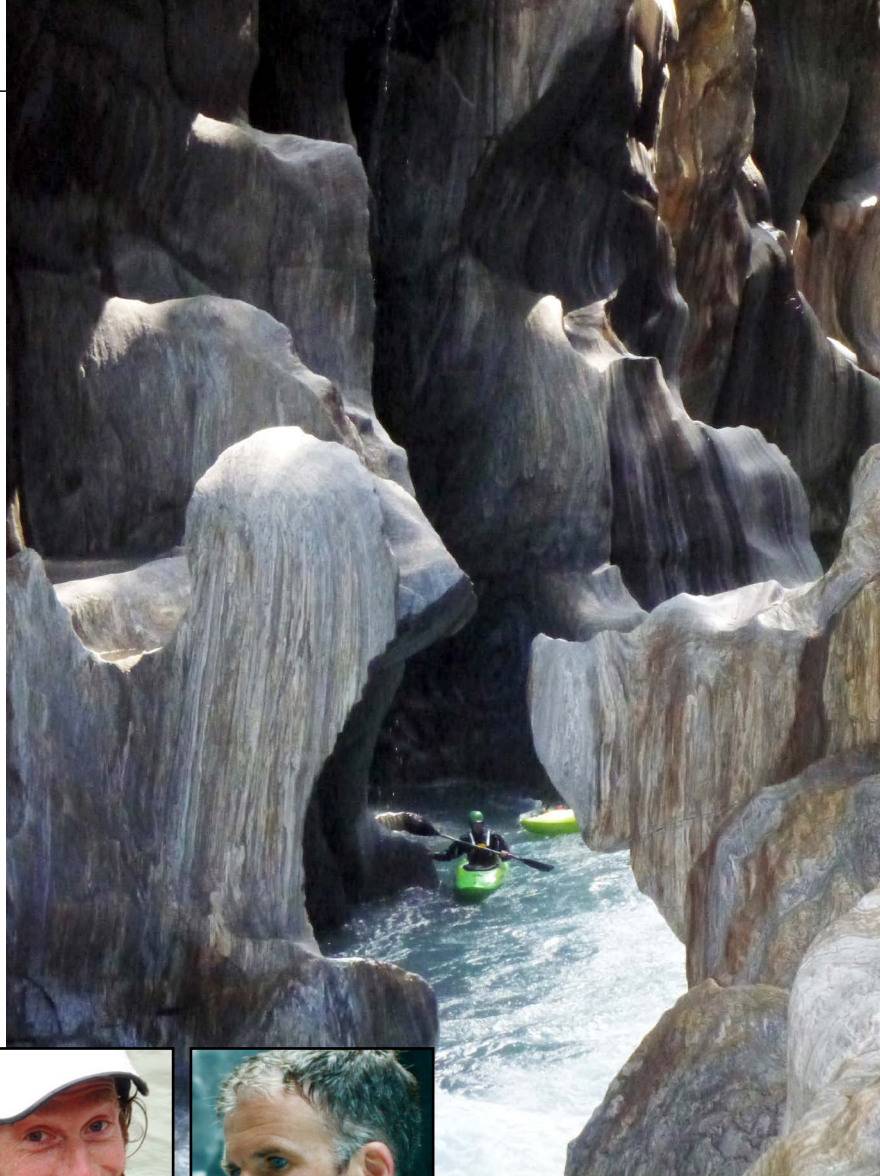
In the meantime, the upper Waitaha Valley has been carefully assessed for its hydro generation potential by the West Coast’s electric lines company, Westpower, which concluded that the Morgan Gorge is an ideal spot for a power scheme.

Westpower plans to build a low dam across the mouth of the gorge, blast a 1.5km tunnel through the schist and construct a powerhouse on river flats below the gorge that will be serviced by an access road carved through the bush.

The wild river that has moulded the canyon walls for aeons will be largely diverted away from the gorge and down the tunnel to the powerhouse, before being disgorged back into the main stem of the river 2.6km downstream.

The scheme will cost \$80-100 million and generate 16-20 megawatts of power – enough for about 12,000 households.

Last month Conservation Minister Maggie Barry gave notice of her intention



Kayakers Keith Riley, far left, and Andy England. The Waitaha River, above, and roaring through the Morgan Gorge, right. Inset: Ivory Lake, at the head of the Waitaha Valley.

to grant Westpower permission to develop the scheme on DoC land, and is receiving public submissions on the provisional decision until November 14.

Westpower chief executive Rob Caldwell declined to be interviewed by the *Listener* because the matter is open for submissions. But the consumer trust-owned company’s application to DoC says it wants to develop the scheme to improve the reliability and security of electricity supply on the West Coast and provide long-term returns to its shareholders.

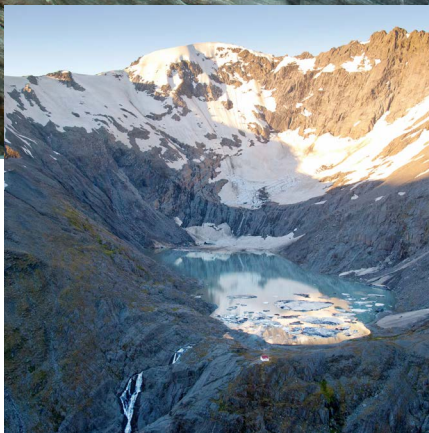
Westpower was an electricity generator, but the electricity reforms of the 1990s forced it to sell its power plants and become purely a local distribution monopoly. But the rules have since changed – lines

companies are again permitted to own and develop generation – and Westpower wants to re-enter that part of the energy market.

It has already developed a hydro scheme on the Amethyst River on DoC land in South Westland, which was commissioned in 2013. The company says the Waitaha scheme would make the West Coast “almost self-sufficient” in electricity and reduce transmission losses on power brought in from outside the region. As a consumer-owned company, it says the profits are channelled back into the local community. And it argues the scheme is consistent with the national goal of 90% renewable generation by 2025.

Westpower says it has surveyed many West Coast rivers for hydro potential – most of them in the DoC estate – and concluded that the Waitaha is the best. It points to

MIKEY ABBOT



various efforts to mitigate the scheme's impact on the environment, including opting for a "run-of-river" design rather than drowning land with a storage lake, leaving a minimum flow through the gorge of 3.5 cubic metres a second (compared with natural median monthly flows ranging from almost 32 cumecs in December to 10.3 cumecs in winter) and keeping the scheme to a "small footprint" of just four hectares.

Under the Conservation Act, Barry can give permission to the scheme only if it doesn't compromise the purposes for which the land is held by DoC and if it can't "reasonably" be developed elsewhere. She can also decline an application if the effects on the environment can't be mitigated.

Aside from being a place of outstanding natural character – Westpower landscape consultant Boffa Miskell says the Morgan Gorge has "exceptional biophysical and perceptual features" – the upper Waitaha is home to several endangered species, including the long-tailed bat, whio (blue duck),

The stewardship classification "signals to the private sector that this part of the conservation estate is 'open for business'".

South Island kaka, kea and native falcon.

In a report assessing the application, DoC suggests a number of conditions be imposed on Westpower to lessen the effects on rare wildlife. Among them, the company would have to ensure blue ducks are "scared off

prior to any blasting" during construction or that blasting is delayed until the birds fly off voluntarily. The impact on bats is to be minimised by requiring Westpower to refrain from chopping down trees that the animals roost in.

To reduce the impact of "introducing a node of industrial activity into an otherwise remote area", the report suggests painting the powerhouse the colour "ironsands" so the building will "better recede into the landscape".

However, when it comes to the impact of diverting most of the river's flow away from the pristine Morgan Gorge and through a man-made tunnel, there "does not appear to be any mitigation", the DoC report says.

For its part, Westpower insists the scheme won't affect the "biophysical, associational and sensory values of the gorge to a significant degree ... The river will maintain its course through the gorge despite reduced flows. The associated cliffs and natural eroding of the broader Morgan Gorge by

ZAK SHAW



Conservation Minister Maggie Barry and legal and energy consultant Tony Baldwin.

fluvial processes will continue.”

For kayakers, who regard the Morgan Gorge as the “Mt Cook” of their sport, Westpower says there are plenty of other wild rivers and gorges on the West Coast where they can indulge their passion.

“ENVIRONMENT VS ENVIRONMENT”

Whitewater New Zealand, however, describes the proposal as a travesty, saying it’s completely incompatible with the remote backcountry setting of the Waitaha and with DoC’s legal duty to preserve the environment for its “intrinsic” values and to “safeguard the options of future generations”.

“It does not make sense to sacrifice a nationally important wild and scenic river for the sake of a limited amount of power generation,” write the organisation’s Doug Rankin and Shane Orchard in a report on the scheme.

And although Westpower says the project is consistent with New Zealand’s renewable-energy goals, wild rivers are a non-renewable and globally rare resource. In a 2012 report on the conflict between hydroelectric generation and the need to protect New Zealand’s untamed rivers, Wright noted that only 1% of the world’s rivers remain in their natural state and they are “increasingly scarce” in New Zealand. In the contest between low-carbon electricity and wild rivers – which she described as an “environment versus environment” battle – she concluded we need to “pay more attention to the protection of the rivers”.

Legal and energy consultant Tony Baldwin, who analysed the Westpower project for Whitewater NZ, says the Conservation Act sets a high hurdle for commercial activities in special environments such as the Waitaha. The law requires Barry to be satisfied that the proposed scheme would be both “appropriate and lawful”, having regard to Westpower’s reasons for building

it and its adverse effects.

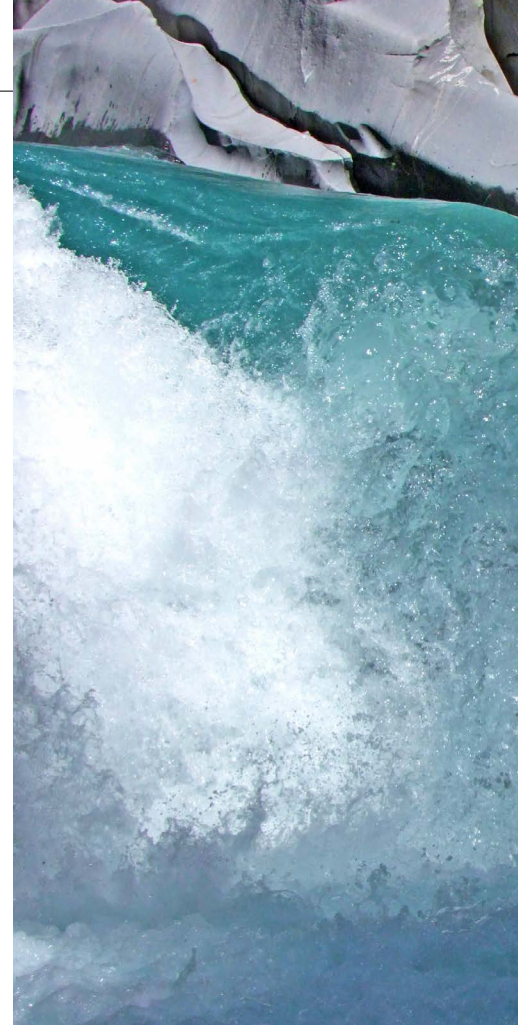
Westpower says the scheme is needed to meet growth in electricity demand to 2030, mainly from mining and dairy, and to improve the reliability of supply. But Baldwin says Transpower doubled the capacity of its transmission lines feeding the West Coast in 2011, providing more than enough capacity to meet growth forecasts. Westpower’s own corporate documents confirm that the upgrade has provided security of supply, and Transpower data shows the number of supply interruptions on the West Coast is low.

Baldwin says a large amount of new generation has already been consented around the country, but with relatively flat wholesale electricity prices, most power companies have been in a “wait and see” mode. Although some of those projects have been abandoned in the past year or so, Energy Minister Simon Bridges told the *Listener* earlier this year that there was enough fully consented renewable generation in the

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pipeline – mostly wind and geothermal – to meet demand for the next 30 years.

Westpower’s application focuses on the goal of making the West Coast self-sufficient in electricity. But Baldwin says this is spurious and “makes as much sense as arguing that Auckland or any other part of New Zealand should be self-sufficient”. He says it’s completely contrary to the reason we have a national transmission grid, which



is to provide power from the place where it can be generated at the lowest cost to where it is needed.

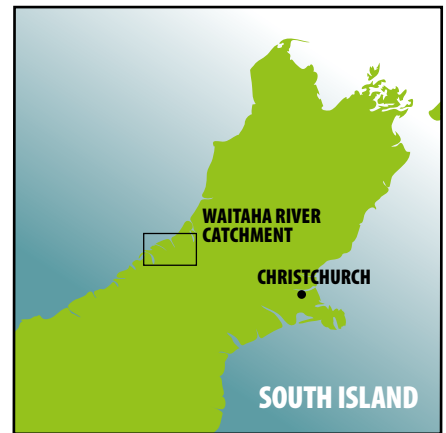
“Self-sufficiency may have some parochial appeal, but it is not rational, and it is certainly not a sufficient reason to authorise an activity in a conservation area that would impose adverse effects.”

Baldwin says the Conservation Act requires Barry to refuse Westpower’s application if the activity can be undertaken somewhere else. A range of alternatives exist, he says, including Trustpower’s 44-megawatt Arnold River project on the West Coast, which has been fully consented for years but has been on hold since 2012 because it is not viable given the outlook for power prices. Further north, there is a proposal to generate electricity from water contaminated by acid mine drainage at Solid Energy’s Stockton Mine. That project is tied up with the sale of Solid Energy. Baldwin also points to a raft of projects outside the West Coast.

Not only is the power that would be generated by the Waitaha scheme not needed, he says, but his desktop analysis suggests the project wouldn’t be economic unless wholesale electricity prices jumped by about 30%.



The "Mt Cook" of their sport: kayaking the Morgan Gorge.



But the project is likely to come under fierce scrutiny in coming weeks while DoC receives submissions on the intention to grant the concessions that Westpower needs. Federated Mountain Clubs president Peter Wilson says the issue is further evidence of the need to properly protect DoC stewardship land. The purpose of creating stewardship areas was to "protect them from development or extractive use until their conservation value could be established", according to the associate minister of conservation at the time, Philip Woollaston, as quoted in Wright's 2013 report. But Wilson says DoC's intention to grant the Waitaha concessions runs directly counter to that objective.

Jen Miller of Forest & Bird – which is locked in a Supreme Court conflict with DoC over a land-swap deal to enable the Ruataniwha irrigation dam to inundate conservation land in Hawke's Bay – says her group is strongly opposed to the Waitaha scheme. "This is a pretty awesome wild river, and although it is not used by a huge number of people, there is such a thing as inherent value ... There is a prevailing view on the [West] Coast that stewardship land is up for grabs."

For Keith Riley, one of the few to have experienced first-hand the raw power of the Waitaha River as it thunders down the Morgan Gorge, says the battle is not about whether a handful of elite white-water sportsmen like him will be able to paddle the gorge in future.

"Very few people will ever kayak through Morgan Gorge. Very few will ever see more than 0.5% of our national parks, nor will they go to Antarctica. Yet people who have been there feel compelled to protect these places ... It's not about the loss of a kayaking resource. It's about saving our wild places." ■

KEVIN ENGLAND

Westpower strongly disagrees with Baldwin's report and has told DoC it should not have been considered in assessing the company's application. The company has not revealed its underlying financial assumptions but says the scheme is "clearly financially viable". It recently released a peer review by electricity industry consultant David Boyle, which described the Waitaha project as one of the lower-cost generation projects in the country, along with a redacted report by analyst Hugh Ammundsen defending the "investment attractiveness" of the scheme and the rigour of Westpower's financial analysis.

Ammundsen said Baldwin's interpretation of the Conservation Act – that Barry is barred from approving the scheme because there are alternative places for hydro generation – "implicitly means that the minister should never grant a concession for any generation project on conservation land if there are other generation projects elsewhere in the country that do not require a concession".

Barry declined to be interviewed. Her office says Westpower's application has been handled by departmental officials and her involvement has been "limited".

LOCAL INTERESTS IN FAVOUR

Westpower's Waitaha proposal has won the backing of key local interests, including the two Ngai Tahu hapu with a mandate over the area, Makaawhio and Ngati Waewae. Makaawhio chair Paul Madgwick says his group is satisfied the impact on wildlife such as whio can be mitigated and believes the

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scheme will bring overall benefits to the West Coast.

Fish & Game West Coast manager Dean Kelly says his organisation has no objection to Westpower's scheme because there are no sports fish – trout and salmon – in the Morgan Gorge or further upstream in the Waitaha.

The West Coast Conservation Board has also registered no opposition to the scheme.