SUBMISSION ON A RESOURCE CONSENT APPLICATION
SECTIONS 93(2) & 96 OF THE RESOURCE MANAGEMENT ACT 1991

BULLER DISTRICT COUNCIL

To: Buller District Council
C/- West Coast Regional Council
PO Box 66
Greymouth

Copy to: Meridian Energy Limited
PO Box 2454
Christchurch

APPLICANT: MERIDIAN ENERGY LTD

Closing date for submissions is Wednesday, 23 April 2008

RECEIVED
18 APR 2008
THE WEST COAST REGIONAL COUNCIL

Submitter Details

Name: WESTLAND MILK PRODUCTS
(full name)

Address: 56 LIVINGSTONE ST. PO BOX 96 HOKITIKA
(full postal address)

Correspondence to be sent to the following name and address: *(if different to above)*

SUE COTTON.

Phone No: 03 756 9800

Fax No: 03 755 8208

Email: suec@westland.co.nz

~~I~~/we **support** the application numbers ticketed on the back of this form ☑ *(tick one)*
I/~~we **oppose** the application numbers ticketed on the back of this form~~ ☐

My/our submission is that: SEE ATTACHED
(state in summary the nature of your submission. Clearly indicate whether you support or oppose the specific proposal, or wish to have amendments made, giving reasons)

I/we seek the following decision from the Local Authority: _____
(give precise details)

GRANT THE RESOURCE CONSENTS

SEE ATTACHED.

Use the tick boxes to indicate the resource consent application(s) your submission concerns. Write a clear tick in the appropriate box(es).

I/we make my/our submission concerning **all** the consent applications listed below ☑
My/our submission **only** concerns the consent applications ticked below ☐

I/we **wish to be heard** in support of my/our submission. ☑
~~I/we **DO NOT wish to be heard** and hereby make my/our submission in writing only~~. ☐

(signature(s) of person making submission) *(Date)* 16th April 2008.

(If this is a joint submission by 2 or more individuals, each individual's signature is required)

I/we **have** served a copy of my/our submission on Meridian Energy Ltd as per Section 96(4) of the RMA ☑

Consent list:

☐ RC07/180-A Land use activities associated with Dam, Staging Area & Associated Infrastructure
☐ RC07/180-B Land use activities associated with the Inundation Area
☐ RC07/180-C Land use activities associated with the Walking track
☐ RC07/180-D Land use activities associated with the Dam Access Road & Power Supply
☐ RC07/180-E Land use activities associated with Transmission Poles/Lines, Substation & Access Tracks
☐ RC07/180-F Land use activities associated with the Boat ramp/jetty
☐ RC07/180-G Land use activities associated with the Log Boom
☐ RC07/180-H Land use activities associated with the Use and Storage of Hazardous Substances

Westland Milk Products
NEW ZEALAND

Submission on the Mokihinui Hydro Proposal

1. Westland Milk Products welcomes the opportunity to make a submission ***in support*** of the Mokihinui Hydro Proposal resource consent applications lodged by Meridian Energy Limited and as described in the application.

2. The consent applications have been lodged with the West Coast Regional Council and Buller District Council for the construction, operation and maintenance of the proposed hydroelectric power scheme and infrastructure associated with construction of a transmission line to convey generated electricity to the national grid.

3. Westland Milk Products is an independent dairy company located on the west coast of the South Island. It has a supply region extending from Karamea in the north to Franz Josef in the south and inland to Springs Junction. Westland Milk Products has 380 farms supplying milk to our manufacturing site in Hokitika.

4. The future of dairying on the Coast relies on the ability of our suppliers and providers of dairy grazing and the farming community to be able to continue to farm profitably and sustainably and for the manufacturing site to process and manufacture dairy products economically.

5. The dairy industry is reliant on the regional and national electricity infrastructure and the associated support services. Westland Milk Products like all consumers of electricity holds the expectation that power generation and supply will be available into the future and develop in response to the growing requirements of the region.

6. It is important that the long term sustainability of the industry and supporting industries are not undermined by a lack of regional and national

infrastructure, essential services or regulations that may adversely impact on the ability of businesses to operate.

7. The West Coast economy is more reliant on a successful dairy industry than any other region in New Zealand. Westland Milk Products is one of the biggest income earners and employers on the West Coast with significant direct and indirect economic impacts throughout the region.

8. Westland Milk Products operates a milk processing plant in Hokitika and employs around 330 staff. This is the only milk processing plant on the West Coast. Westland Milk Products is an independently owned co-operative company following the decision in 2001 to stand alone, following the disestablishment of the New Zealand Dairy Board.

9. This decision has ensured the future of the locally owned and operated dairy company on the West Coast and has allowed Westland Milk Products to develop its own strategies and markets and to carve its own niche in the domestic and global markets. It also ensures that the economic and social benefits of maintaining the industry on the West Coast are fed back into the local and regional economy and communities.

10. The dairy company is not a stand alone company but is intrinsic to the West Coast economy and communities. With our small population base, if local and regional industries such as Westland Milk Products do well then this has positive economic and social impacts for the region.

11. Over the last 12-15 years the milk flow has increased on an annual basis of 8 %. This means that over an 8-9 year period the milk flow will double with a corresponding increase in the volume of product manufactured. It is anticipated that this rate of increase will continue over the next 10 years.

12. Over this period of time Westland Milk Products has undergone a series of major expansions with the installation of milk powder plants, energy centre, upgraded site services, new packing facilities, new laboratory, and research and development facility, anhydrous milk fat plant, and most recently in 2005/2006 a protein manufacturing plant.

13. Potential development on site could include the installation of additional boiler capacity, a further milk powder plant, and associated supporting infrastructure with associated increases in power demand and usage.

14. Each expansion has required additional energy requirements. The maximum demand for power this season (2007/2008) is 7 MW compared to 3.1 MW in the 2001/2002 production season.

15. It is estimated there will be an increase of 2 – 3 MW per annum over the next 5 years. A further major expansion project will require a further 2-3 MW power.

16. In order to achieve our proposed objectives for growth, Westland Milk Products and other businesses in the region need to be confident that there will be a secure and increasing power supply available.

17. Power to Westland Milk Products is supplied primarily from the national grid with a small amount from local generation e.g. Dilmanstown, Kaniere and Wahapo Schemes.

18. Electricity supply is subject to continuously increasing costs and the security of supply to date is dependent on national generation and the adequacy of the supply networks. There is currently insufficient generation on the West Coast to meet present and future demands.

19. There are disadvantages with the current reliance on supply from the national grid with security of supply being a major issue. Westland Milk Products operations have been affected by disruption to transmission of supply due to problems with lines outside of the region, the variable levels in the generation lakes and uncertainty of electricity prices. The uncertainty with regard to the current and future national electricity generation and infrastructure, and the time for new developments to go from the planning stage to construction, is cause for concern.

20. There are clear advantages in developing local power generation schemes which will help address these issues for the region and Westland Milk Products. Security of supply enables future development plans for the manufacturing site to be realised and also provides confidence within the farming community and supporting industries as to their own investment decision making and development plans.

21. There is an expectation that there will be lower prices for electricity as a result of generation cost savings, reduced transmission charges and reduced transmission line losses. However, how this economic efficiency translates into costs for consumers will be dependent on other activities within the national electricity market.

22. The additional supply of sustainably generated electric power within the West Coast region, will free up electrical power required elsewhere in the country or on the West Coast.

23. The project itself will provide significant employment opportunities and downstream economic effects not only during the construction phase. In addition the increased security of supply of electricity on the West Coast will assist in attracting further businesses to the Coast.

24. We are confident that given the investigations undertaken by Meridian as part of the Assessment of Environmental Effects and proposed development of management plans to manage these effects the impacts on the environment will be minor.

25. The Meridian Energy Mokihinui Hydro Proposal fits with "The New Zealand National Energy Strategy to 2050", released in 2007. The Strategy is aimed at promoting low emissions electricity from renewable resources such as hydro.

26. The need for secure and ongoing power generation for both domestic and commercial use can not be disregarded and if power can be produced locally using renewable resources then this has to has to be of benefit to current and future generations of New Zealanders.

27. Westland Milk Products supports the development of regional power generation schemes and seeks that the Commissioners grant the resource consents required to undertake this proposal.

Westland Milk Products does wish to be heard in support of this submission.

Hugh Little
Deputy Chief Executive Officer
Westland Milk Products
PO BOX 96
HOKITIKA