

MPI advice on Fast-track Listed Project Application

Application name	Stockton Plateau Hydro Scheme (SPHS).
Application number	FTA#010 (2B)
Applicant	Hydro Developments (2013) Ltd – HDL, director John Easterher
Application Description	<p>The Project subject of this application is the Stockton Plateau Hydro Scheme (SPHS).</p> <p>Following award of consents in 2010, Stockton Mine proposed reconfiguration of the scheme of works within the environmental baselines established by HDL's consents and other water management consents and access rights held by the mine. Value engineering has continued with the current mine owner, BT Mining. The Project comprises 2 reservoirs, acid mine drainage (AMD) diversions to reservoirs, interconnecting tunnels, power stations and a tailrace discharging to an ocean outfall.</p> <p>The reservoirs, diversions, tunnels, and power houses are located on stewardship land immediately to the east and north of Stockton Mine. In 2012 DOC approved a land exchange and concession for the components to occupy stewardship land. HDL's shareholders own the primary exchange block for transfer to the conservation estate required to complete the land exchange. HDL's shareholders also own the land in Granity required to provide access. to stewardship land at Granity where a power station and ocean outfall terminal will be located.</p> <p>The tail race and ocean outfall tunnel pass beneath railway reserve, road reserve, foreshore, and seabed. A permit is held for the ocean outfall.</p> <p>Agreements in principle have been obtained for access for the outfall pipeline beneath road, rail, and public reserve land. Access to the Project's components on stewardship land will be through existing access to Stockton Mine via public road and the ancillary coal mining license. Access through Stockton Mine for construction and operation of the Project was by formal agreement with Solid Energy (SE) in 2012. HDL understands that access for implementation of long-term water management infrastructure has been carried into the Sales Agreement with the current mine owner BT Mining (BT) (HDL has not sighted the Sales Agreement).</p>
Whether this project ineligible under Clause 18, or any relevant Treaty settlement provisions you are aware of?	We are unaware of any reason under Clause 18 of the Bill to make this ineligible.
Other authorisations that may be required from MPI.	N/A

Other considerations	<p>To note from MPI's water SME team. Water coming out of Stockton mine is highly contaminated ("acid mine drainage") and this proposal is seeking a way to mitigate it by storing and diluting with rain and runoff. In 2017, Crown agreed to take over the responsibility of liability arising from acid mine drainage (announced by Minister Todd McClay, Minister of State-Owned Enterprises in <u>July 2017</u>). From this perspective, it should be of significant interest to the Crown.</p> <p>Land area within the proposed project footprint is owned and/or administered by several agencies – Department of Conservation, Buller District Council, LINZ, Solid Energy NZ, NZTA and others. Likely the Hydro Developments Ltd (HDL), the lead of the current proposal, was given a 10-year resource consent in 2010. They sought an extension in 2019 but not sure what happened to it.</p>
Fisheries settlement considerations	<p>N/A</p> <p>Note: A permit is held for the ocean outfall part of this application.</p>
Impacts of a project on Māori development and PSGE priorities	<p>Local hapū and Ngai Tahu are likely to have an interest in this application.</p>

Disclaimer: This advice has been developed to support MfE advice to the independent Fast-track Projects Advisory Group and is not intended to provide comment on the merits or viability of the application.