

## Crown Pastoral Land Tenure Review

Lease name : *MARYBURN*

Lease number : PT 041

### Public Submissions Part 9

These submissions were received as a result of the public advertising of the Preliminary Proposal for Tenure Review.

These submissions are released under the Official Information Act 1982.

*August*

*12*

127 057

**Tony Sharpe**

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**From:** descrip@paradise.net.nz  
**Sent:** Thursday, 31 March 2011 4:12 p.m.  
**To:** Tony Sharpe  
**Subject:** Land Tenure Reviews - Maryburn and Wolds  
**Attachments:** Maryburn submission.pdf; Wolds submission.pdf

Tony,

I attach submissions to the land tenure review proposals for Maryburn and Wolds.

Regards,  
Philippa Crisp  
President  
New Zealand Plant Conservation Network



### **New Zealand Plant Conservation Network submission to the Maryburn Station Tenure Review**

The Network is the largest NGO in New Zealand devoted solely to the protection of our native flora. New Zealand has a rich, diverse and unique plant life, but sadly the number of critically threatened plant species has increased by 60% over the last five years.

The MacKenzie Basin is a unique and highly distinct ecosystem made up of a diverse array of ecological assemblages that constitute an important part of New Zealand's natural heritage. It is critical that the threatened species that are part of the MacKenzie basin be given space and habitat to survive and thrive.

Eleven threatened and "at risk" plant species have been recorded on the Lake Pukaki lateral moraines that are found within the Maryburn Station. These moraines contain rare ecosystems on which distinctive plant communities grow. **The Network seeks the decision that the Pukaki moraines on Maryburn Station be protected as part of a dryland reserve to protect these species.**

The proposed leases shown on Sheet 2 of 2 for Maryburn Station do not provide for the protection of the upper part of the Maryburn outwash plain. This area is thought to be a stronghold for the critically endangered plant *Leptinella conjuncta*, which is known only from two other populations in Otago. The outwash plain also provides habitat for three other critically endangered plants. **The Network seeks the decision that the older part of the outwash sequence be protected as a dryland reserve or under a conservation covenant that ensures that the land is managed in a way that provides for the survival of these plants.**

Philippa Crisp  
President  
New Zealand Plant Conservation Network.

Ph: 049347143 or 0274986191  
Email: [descrisp@paradise.net.nz](mailto:descrisp@paradise.net.nz)

127 058

**Tony Sharpe**

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**From:** Dave McKinley [info@mountainsnz.com]  
**Sent:** Thursday, 31 March 2011 5:41 p.m.  
**To:** Tony Sharpe  
**Subject:** Maryburn Station tenure review.doc  
**Attachments:** Maryburn Station tenure review.doc

Please find attached a submission in relation to Maryburn Station, Mackenzie Basin.

Thank you.

Dave McKinley

## **This submission is in relation to the tenure review proposal of Maryburn Station.**

We disagree with completely freeholding the large section of pastoral lease between Lake Pukaki and Mt Mary outlined on Sheet 1. Large glacial erratics sit upon this area of land, left from the Tasman glacier advance over 10,000 years ago. These boulders have provided lots of recreational opportunities for rock climbers over the last 20 years. They are clearly described in Ross Cullen's book Barron Saddle to Mt Brewster Guide, and were aesthetically and minimally bolted for rock climbing use (and with the landholders consent) around 10 years ago.

There are very few glacial erratics in the Mackenzie Basin with such easy public access. In this case, there are at least 9 large boulders, all within a very short drive from the main road. The access off Twizel/Tekapo road is along a gravel side road near the pylons (on the northern side of SH8) and gives very good access to the boulders. There is also plenty of off-road parking space.

You may well have received many submissions on these boulders – and with good reason as this is NEW information that has not been considered in this tenure review proposal and needs serious consideration.

A covenant giving all year round access to a strip of land covering the valley of the boulders/glacial erratics needs to be implemented. These boulders should be accessible not only to rock climbers, but also to artists, walkers and conservationists. The walk through the bouldered area would appeal to many people, as it is an easy and interesting walk. Castle Hill, another bouldering area near Porters Pass in North Canterbury is popular with a huge variety of people, but initially gained popularity through rock climbing. This area on Maryburn Station, while a lot smaller, has lots of general appeal also.

Our family has been visiting this area over the last 10 years, climbing on the boulders. We have bouldered in this area with other families from Mackenzie Basin and gained much enjoyment from these visits. The recreational enjoyment that many other New Zealanders would enjoy if this area was protected from freehold status is immense.

In addition, this whole area of land subject to freehold status, being next Lake Pukaki like it is, needs to have landscape protection over it. Lessons learned from high density dwellings beside Lake Wanaka and Lake Wakatipu seem to be irrelevant in the Mackenzie Basin. There are very few large lakes left both in New Zealand, and internationally, with landscape buffer zones around them to protect the potential building spread.

The erratics themselves are in a dipped valley so it is therefore not optimal terrain for viewing or future real estate development.

Signed Dave McKinley  
IFMGA, NZ Mountain Guide

Kiersten McKinley  
Recreational climber

127 059

**Tony Sharpe**

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**From:** Roseanne Hohepa [Roseanne.Hohepa@MeridianEnergy.co.nz]  
**Sent:** Thursday, 31 March 2011 4:48 p.m.  
**To:** Tony Sharpe  
**Subject:** Tenure Review - Preliminary proposal for Maryburn Station - Submission by Meridian Energy  
**Attachments:** img-3311746-0001.pdf; img-3311703-0001.pdf  
**Importance:** High

Good afternoon Tony <<img-3311746-0001.pdf>> <<img-3311703-0001.pdf>>

Please find attached Submission by Meridian.

Please note that Meridian is not opposed to the disposal by freeholding to the current lessee, however, Meridian does have a direct interest as outlined in the submission.

We are happy to provide further information on request.

In the meantime kind regards

**Roseanne Hohepa**  
**Land & Property Advisor**

**Meridian Energy Limited**  
25 Sir William Pickering Drive, P O Box 2454 Christchurch  
P. 03 357 9792 F. 03 357 9821 M. 021 756306  
[www.meridianenergy.co.nz](http://www.meridianenergy.co.nz)

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**SUBMISSION ON THE PRELIMINARY PROPOSAL FOR THE MARYBURN  
PASTORAL TENURE REVIEW**

**To:** Commissioner of Crown Lands  
C/ Tony Sharpe  
Project Manager -Tenure Review  
Darroch Limited  
P O Box 142  
Christchurch 8140

Fax: (03) 3799787  
Email: tony.sharpe@darroch.co.nz

**Name:** Meridian Energy Limited  
PO Box 2454  
**CHRISTCHURCH**

Attention: Andrew Feierabend  
Phone: (03) 03 357 731  
Fax: (03) 357 9821  
Mobile: (021) 878 143  
Email: andrew.feierabend@meridianenergy.co.nz

Meridian Energy Limited (Meridian) makes the following submissions on the Preliminary Proposal for the Maryburn Tenure which affects Pastoral Lease Pt 041. The land affected by this proposal is contained in Land Registry Folio Ref CB529/45 (Canterbury) and consists of 8,377 hectares of land.

Meridian would like the following matters to be taken into account and be given effect to prior to or as part of the substantive proposal to be made to the run holder under the provisions of section 46 of Crown Pastoral Land Act 1998.

Meridian is prepared to provide any additional information and discuss the issues raised in this submission further if required with representatives of the Commissioner of Crown Lands.



Andrew Feierabend

For and behalf of Meridian Energy Limited

Dated this 28 day of March 2011

## **OUTLINE OF SUBMISSION**

This submission has been structured under the following headings:

- Part A: Overview of Meridian;
- Part B: Primary Submission Points

### **PART A: OVERVIEW OF MERIDIAN**

1. Meridian is a limited liability company wholly owned by the New Zealand Government. It is one of three companies formed from the split of the Electricity Corporation of New Zealand (ECNZ) on 1 April 1999.
2. Meridian's core business is the generation, marketing, trading and retailing of electricity and the management of associated assets and ancillary structures in New Zealand.
3. Meridian is the single largest generator of electricity in New Zealand. Meridian's hydro generation and storage capacity accounts for approximately 34% of New Zealand's electricity generating capacity and 77% of New Zealand's hydro storage capacity. Meridian is the largest wind farm developer in New Zealand. The company's asset base includes the:
  - i. Te Uku Wind Farm near Raglan;
  - ii. Waitaki Power Scheme in the Waitaki Catchment;
  - iii. Manapouri Power Scheme in Fiordland;
  - iv. Te Apiti Wind Farm in the Manawatu;
  - v. Brooklyn Wind Turbine in Wellington;
  - vi. White Hill Wind Farm in Southland, and
  - vii. West Wind Wind Farm near Wellington
4. It is in its operations and assets in the Waitaki Basin that Meridian has a direct interest in the preliminary proposal for tenure review proposed for the Maryburn Pastoral Lease. Meridian is not opposed to the disposal by free holding to the current lessee.
5. Meridian as a Crown Entity needs to ensure that the Waitaki Hydro Power Scheme (WHPS) and associated infrastructure is not compromised by the outcome of the tenure review and that use of Lake Pukaki and access to the property is provided and protected to enable the operation, maintenance and repair of the WHPS and associated infrastructure and Meridian to meet its other obligations. This protection can only be achieved through the registration of appropriate interests on the title.



6. Section 25 of the Crown Pastoral Land Act 1998 provides an opportunity for the Commissioner to achieve such outcomes. This section states: "In acting under this Part, the Commissioner must (to the extent those matters are applicable) take into account - ... (c) if acting in relation to land used or intended to be used by the Crown for any particular purpose, that purpose." The issues Meridian need to be taken into account are set out below.

## **PART B: PRIMARY SUBMISSION POINTS**

### **Stock water supply**

1. Meridian provides stock water to Maryburn Station and other land from two pipelines and associated water supply infrastructure on land within Maryburn Station shown in the preliminary proposal as land to be held by the Department of Conservation. These pipelines also traverse The Wolds which is also subject to tenure review. Meridian seeks to protect its ability to operate, maintain and repair the pipelines and associated water supply infrastructure for the benefit of those using this supply by a memorandum of encumbrance or easement in favour of Meridian. Meridian also needs to ensure that transfer of the land to the Department of Conservation and its subsequent classification does not compromise the operation, maintenance, repair or use of the pipelines and associated water supply infrastructure.
2. A map showing the location of the pipelines and associated water supply infrastructure is attached to this submission as Appendix 1. Maps as part of the same appendix show the as built location of the water supply assets inclusive of troughs, gate valves and intake.

### **33kV line**

3. Meridian owns and operates an overhead 33kV line running across Maryburn Station on the western edge of the property adjoining Lake Pukaki. The 33kV line is shown on the map appended as Appendix 1 to this submission.
4. The 33 kV line is a critical strategic asset for Meridian. The line, constructed during the formation of the WHPS, provides the primary power supply from Transpower's 220kV switchyard at Twizel through to the Pukaki Dam switching station and onto Tekapo B Power Station. It is crucial to the operation of the WHPS that the ability to operate, maintain, repair and undertake emergency works on a line is protected.
5. Under the Electricity Act 1992 Meridian has the right to retain and operate the 33kV line on the land and to access the land to maintain and repair the line. However the Electricity Act provisions are a default generic protection mechanism for all electricity infrastructure and do not address the issues specific to a line or the situation of the line. As a result the provisions usually contained in an easement to convey electricity setting out the rights and obligations of the land owner and the operator of the line to provide clarity and certainty do not exist. In addition the rights under the Electricity Act are not recorded on the title to the

land so purchasers or other persons with an interest in the land are usually not aware of the terms under which the line may be operated and maintained.

6. It is important that the integrity and security of the line is protected by an easement in favour of Meridian.

#### **Erosion**

7. A small part of Maryburn is adjacent to Lake Pukaki.
8. The level of Lake Pukaki was raised as part of the construction of the WHPS to provide greater storage. As a result of the level of Lake Pukaki being raised there is inevitably erosion that will occur to the land adjoining the Lake. The erosion cannot be prevented entirely.
9. Meridian seeks that a memorandum of encumbrance be registered to provide, in summary, that:
  - the landowner accepts that erosion will occur;
  - Meridian will use reasonable endeavours to minimise erosion by available practical and economic means as determined by Meridian in its reasonable opinion;
  - Meridian may access the land to take actions to minimise erosion and to install and operate monitoring and measuring equipment; and
  - Meridian may acquire areas by erosion and will pay compensation for areas lost to the landowner by erosion.
10. Such a memorandum of encumbrance provides for the inevitable effects of erosion in a fair and reasonable way.
11. The Crown has previously recognised that such a memorandum of encumbrance is needed and should be provided for as part of tenure review. For example – in the tenure review for Pukaki Downs Station the memorandum a copy of which is attached as Appendix 2 was required and registered.
12. Meridian seeks that a memorandum of encumbrance to similar effect as the memorandum of encumbrance attached as Appendix 2 be required to be entered into and registered.

#### **Preparation of documents**

13. Meridian would meet the cost of any surveys required for the preparation of the easements and memorandum of encumbrance described in this submission and the cost of its solicitors preparing those documents.

**Conclusion**

14. Meridian trusts the above submissions will be given effect to and as previously indicated is happy to meet to discuss the type and the terms of instruments that might be used to achieve the outcome discussed.

**APPENDIX 1**

**(Maps)**

**APPENDIX 2**

**(Memorandum of encumbrance)**

## APPENDIX 1

Maps outlining 33kV transmission line  
and Stock water pipelines

Pt 041 MARYBURN TENURE REVIEW  
PROPOSED DESIGNATIONS



Pastoral lease land to be disposed of by  
freehold disposal to Classic Properties  
Limited.



33kV transmission  
line

Stock water  
pipeline  
UW9001/147, 144

The boundaries on this plan  
are for illustrative purposes only.

|         |   |   |   |   |   |
|---------|---|---|---|---|---|
| Version | 1 | 2 | 3 | 4 | 5 |
|---------|---|---|---|---|---|

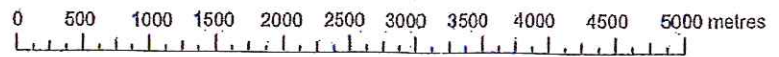
Canterbury Land District  
NZTopo50 map - BZ16

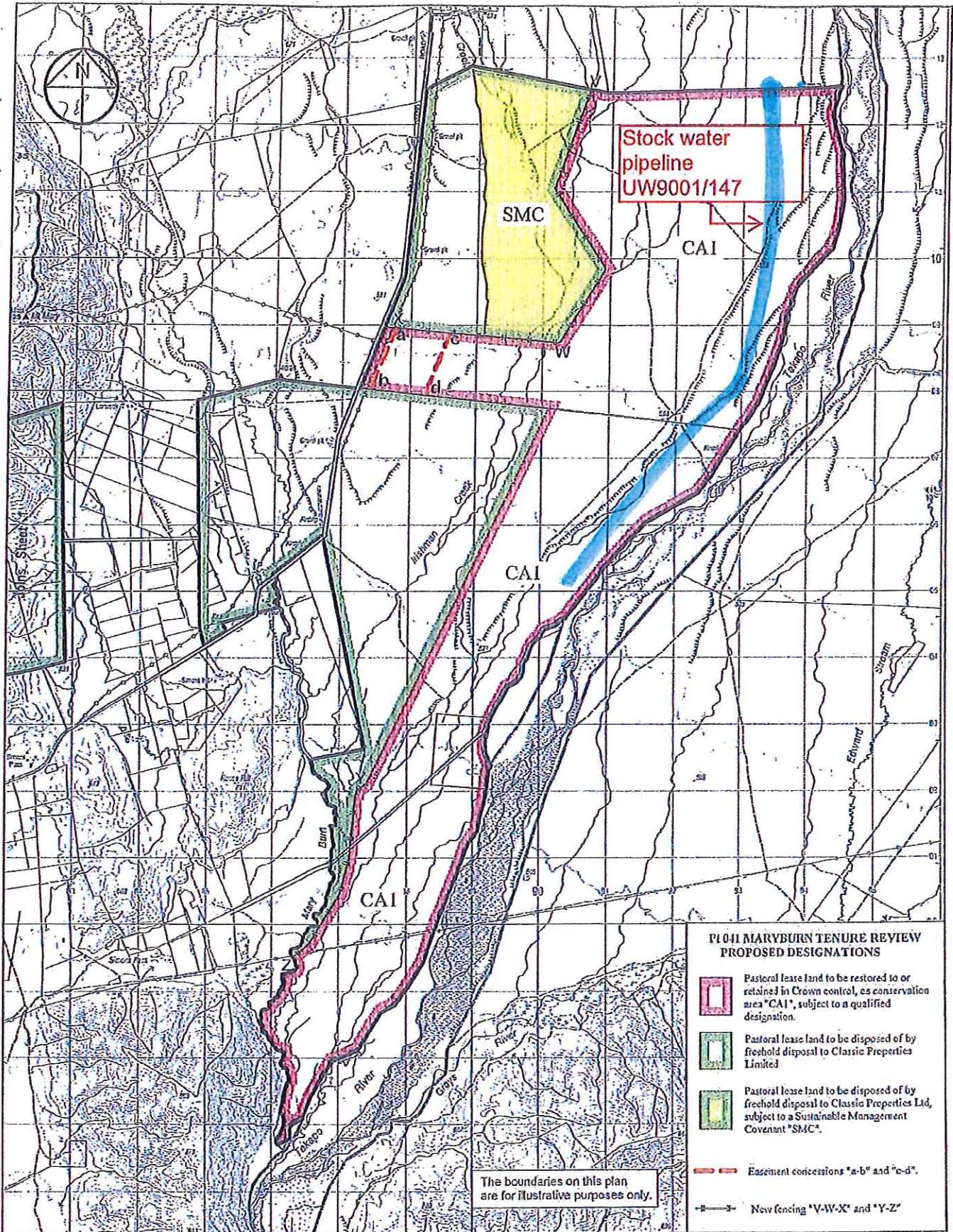
Sheet 1 of 2  
Date 14/12/09



# Maryburn

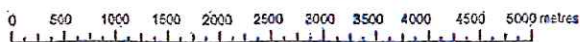
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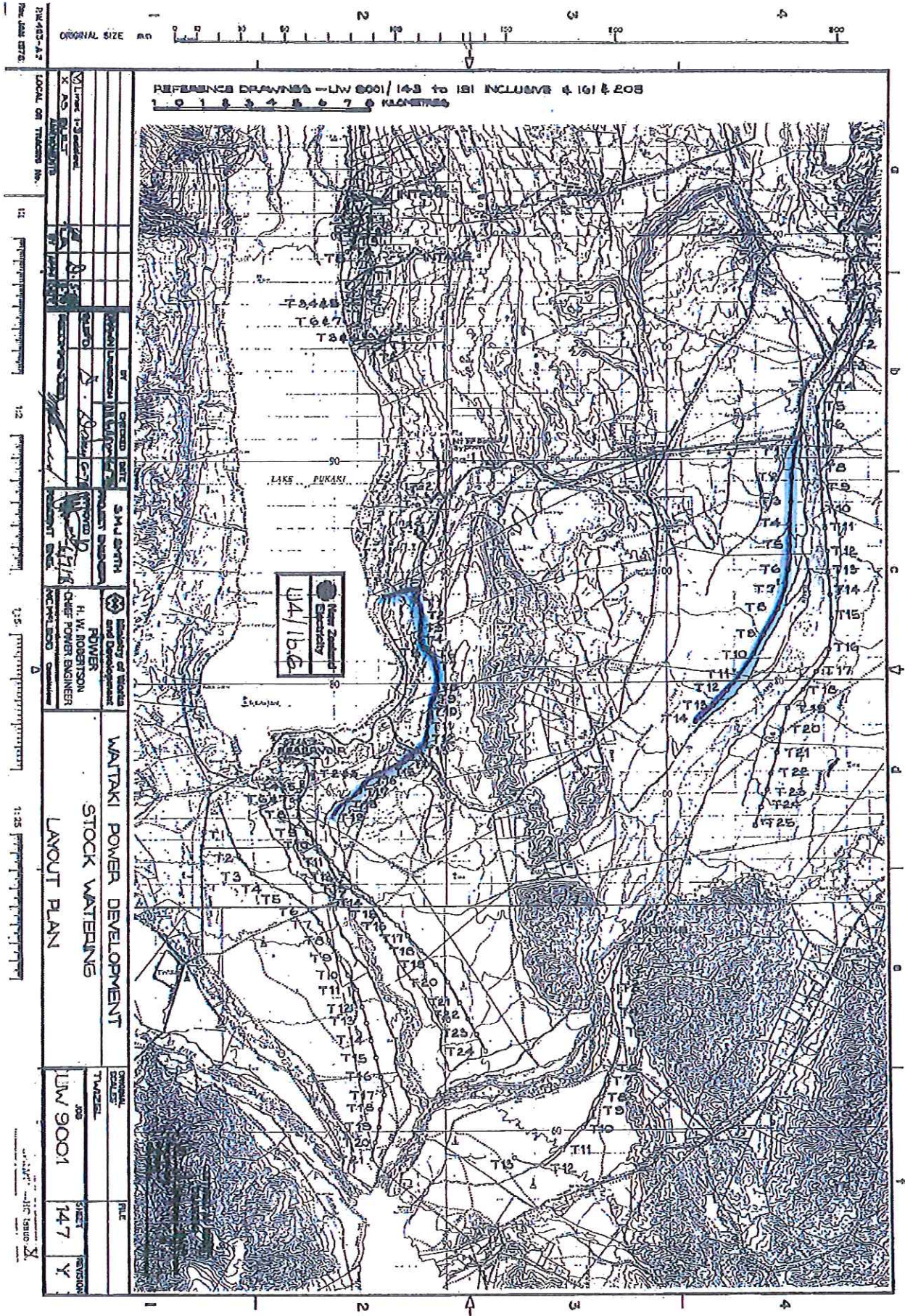
# Maryburn

Scale 1:50000 (@ A3)



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| Version                  | 1 | 2 | 3 | 4             | 5 |
| Canterbury Land District |   |   |   | Sheet 2 of 2  |   |
| NZTopo50 map - BZ16      |   |   |   | Date 14/12/09 |   |

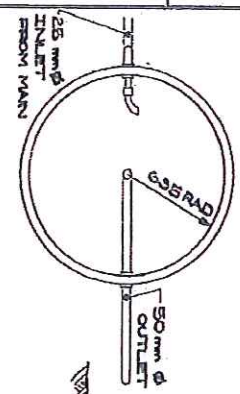




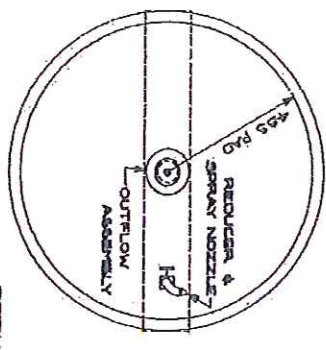
|                      |                           |
|----------------------|---------------------------|
| PROJECT NO.          | 147                       |
| LOCAL OR TRADING NO. |                           |
| DATE                 | 1964                      |
| BY                   | H. W. ROBERTSON           |
| CHECKED BY           | H. W. ROBERTSON           |
| DESIGNED BY          | H. W. ROBERTSON           |
| PROJECT ENGINEER     | H. W. ROBERTSON           |
| CHIEF POWER ENGINEER | H. W. ROBERTSON           |
| INCHARGE             | H. W. ROBERTSON           |
| DEPARTMENT           | POWER                     |
| SECTION              | WATRAKI POWER DEVELOPMENT |
| STOCK WATERINGS      |                           |
| LAYOUT PLAN          |                           |
| JOB NO.              | LW 9001                   |
| SHEET                | 147                       |
| REVISION             | Y                         |

RDRAWINGS\MW\DW9001-147.GPJ

DRAWINGS/WDW/9001-144/SP4



DETAILS OF TROUGHS 1 to 13



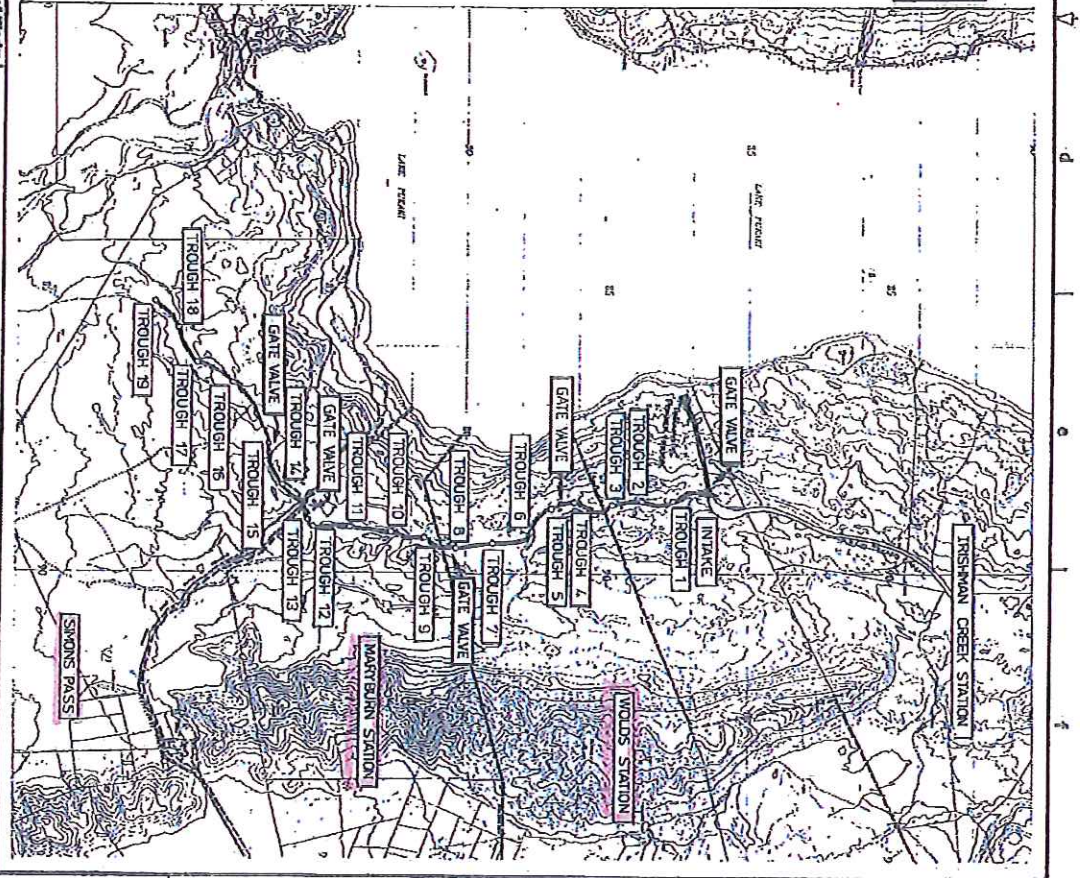
DETAILS OF TROUGHS 14 to 19

REFERENCE DRAWINGS — UW 9001/55 STOCK WATER SUPPLY  
 ICE RESISTANT STOCK WATER TROUGH  
 — UW 9001/47 LAUREL RUN  
 — UW 9001/61 DAMASCUS LINE  
 OF STOCKWATER LINES

**AS BUILT**

DATE: 1976

| NO. | DESCRIPTION | DATE | BY              | CHKD. |
|-----|-------------|------|-----------------|-------|
| 1   | AS BUILT    | 1976 | H. W. ROBERTSON |       |
| 2   | REVISED     |      |                 |       |
| 3   | REVISED     |      |                 |       |
| 4   | REVISED     |      |                 |       |
| 5   | REVISED     |      |                 |       |
| 6   | REVISED     |      |                 |       |
| 7   | REVISED     |      |                 |       |
| 8   | REVISED     |      |                 |       |
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| 10  | REVISED     |      |                 |       |
| 11  | REVISED     |      |                 |       |
| 12  | REVISED     |      |                 |       |
| 13  | REVISED     |      |                 |       |
| 14  | REVISED     |      |                 |       |
| 15  | REVISED     |      |                 |       |
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| 22  | REVISED     |      |                 |       |
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| 24  | REVISED     |      |                 |       |
| 25  | REVISED     |      |                 |       |
| 26  | REVISED     |      |                 |       |
| 27  | REVISED     |      |                 |       |
| 28  | REVISED     |      |                 |       |
| 29  | REVISED     |      |                 |       |
| 30  | REVISED     |      |                 |       |
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| 46  | REVISED     |      |                 |       |
| 47  | REVISED     |      |                 |       |
| 48  | REVISED     |      |                 |       |
| 49  | REVISED     |      |                 |       |
| 50  | REVISED     |      |                 |       |



|                              |   |
|------------------------------|---|
| WATAKI POWER DEVELOPMENT     | STOCK WATERING LAYOUT & DETAILS FOR THE WOLDS MARYELIN & SIMONS PASS STATIONS |
| DESIGNED BY: H. W. ROBERTSON | DESIGNED BY: H. W. ROBERTSON  |
| DATE: 1976                   | DATE: 1976  |
| PROJECT NO: UW 9001          | PROJECT NO: UW 9001   |
| SHEET NO: 144                | SHEET NO: 144   |
| SCALE: 1:20                  | SCALE: 1:20   |
| DATE: 1976                   | DATE: 1976  |

REVISIONS: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50

## APPENDIX 2

# Copy of Memorandum of Encumbrance Pukaki Downs

# Memorandum of Encumbrance

## Parties

<sup>E. CAR J/S</sup>  
Lester John Baikie and Robin Ann Baikie (together with their successors in title referred to the Grantor);

<sup>Meridian</sup>  
Hydro Energy Limited (the Grantee).

ENC A417271.10 Encuml

Cpy - 01/01.Pgs - 006,15/01/03,16:27



DocID 210726591

## Recitals

- A. The Grantor is the registered proprietor of the estates in fee simple in all those parcels of land described in the Fourth Schedule (the Land).
- B. The Grantee is the owner/operator of the Pukaki Power Scheme.
- C. By an agreement dated 28 November 1997 (the Agreement), the Grantor and the Crown agreed to the terms of a Land Tenure Agreement.
- D. Under clause 12 of the Agreement, the Grantee and the Crown acknowledged that Land contained in part of the land subject to the Land Tenure Agreement (the Land Tenure Agreement Land) around the shores of Lake Pukaki may be subject to erosion from fluctuations in lake levels caused by the operation of the Lake Pukaki Power Generation Scheme (the Power Generation Scheme) and that further Land may be required to be taken by the operator/owner of the Power Generation Scheme.

Under the Agreement the <sup>Grantor</sup> Grantee agreed the following:

- (i) that it would permit the owners or operators of the Power Generation Scheme or the Crown (on behalf of such operators or owners) to take such Land from the Land Tenure Agreement Land as may from time to time be required to accommodate erosion;
- (ii) that compensation in respect of the erosion would be determined as if the area of the Land eroded was an acquisition for a public work under the Public Works Act 1981; and
- (iii) that the terms of clause 12 of the Agreement should;
  - (a) be binding on it and its successors in title; and
  - (b) be protected by covenant or such other legal device the Crown or the owner or operator of the Power Generation Scheme may require and be in the name of the Crown or the owner or operator of the Power Generation Scheme.

F. The Grantee and the Grantor have agreed to the terms of a Memorandum of Encumbrance (the Memorandum) to give effect to clause 12 of the Agreement.

J/S CAR

NOW THIS MEMORANDUM WITNESSES that the Grantor ENCUMBERS the Land for the benefit of the Grantee as set out in the First Schedule and Third Schedule and that the Grantor and the Grantee covenant with each other as set out in the Second Schedule.

In witness of which this Memorandum has been executed this 3<sup>rd</sup> day of June 1999

SIGNED by )  
LESTER JOHN BAIKIE and ) JJBaikie  
ROBIN ANN BAIKIE )  
in the presence of: ) RA Baikie

Witness to signatures:  
Name: Simon James Dorman  
Address: SIMON JAMES DORMAN  
Occupation: SOLICITOR  
12 THE TERRACE  
TIMARU  
Signature: \_\_\_\_\_

SIGNED by )  
HYDRO ENERGY LIMITED ) (Director) \_\_\_\_\_  
MEREDIAN )  
in the presence of: ) Rick Turner  
(Director/Authorised Person)  
Chief Executive

Witness to signatures:  
Name: JAMES MACCORM GILL HAY  
Address: WELLINGTON  
Occupation: SOLICITOR  
Signature: [Signature]

**First Schedule**

**TERMS AND CONDITIONS OF ENCUMBRANCE**

1. The term of this encumbrance is 50 years commencing from the date of this Memorandum, subject to earlier determination as provided in the Third Schedule.
2. The rent charge for this encumbrance is \$10.00 plus GST, to be paid to the Grantor on demand by the Grantee, by the 1st day of April in each year.
3. The Grantee shall be entitled to exercise all the rights and powers of an encumbrancee under the Land Transfer Act 1952 and Property Law Act 1952.

**Second Schedule**

**THE COVENANTS**

**1. ACKNOWLEDGMENT THAT LAND SUBJECT TO EROSION**

The Grantor acknowledges that parts of the Land around the shores of Lake Pukaki may be subject to erosion from fluctuations in lake levels caused by the operation of the Power Generation Scheme and further land may be eroded by the operation of the Power Generation Scheme.

**2. RIGHTS OF THE GRANTEE**

- 2.1 The Grantee has the right, on and over the Land, at any time and at the sole discretion of the Grantee and its duly authorised employees to:
  - (a) erode the Land (in whatever quantities and at whatever times the Grantee thinks fit); and
  - (b) have access to the Land for the purpose of installing, operating and maintaining monitoring and measuring equipment and structures, safety devices and similar equipment on the Land and, at its sole option, to minimise erosion, land subsidence, land slippage and landslides on the Land.
- 2.2 The Grantee may if it sees fit from time to time install, operate and maintain monitoring and measuring equipment and structures, safety devices and similar equipment on the Land. Except in the case of emergency, the installation of such devices and equipment shall not be undertaken without the Grantee first having obtained the consent of the Grantor, such consent not to be unreasonably withheld
- 2.3 Any monitoring and measuring equipment, structures, safety devices and similar equipment of whatever nature made or installed by the Grantee on the Land shall not be or become fixtures annexed to the Land but shall remain the property of the Grantee and may at any time be removed by the Grantee provided that any substantial damage caused by such removal shall immediately be remedied by the Grantee at its cost.

8/3 Revs 

2.4 Nothing in this Memorandum shall be taken to restrict or hinder the Grantee from raising or lowering the level of water on or near the Land during the course of carrying on the Grantee's electricity generation business.

2.5 The covenants recorded in this Memorandum are not in substitution for, and are without prejudice to, any statutory rights and authorities that the Grantee may have from time to time in respect of the Land.

### 3. OBLIGATIONS OF THE GRANTEE

3.1 Notwithstanding the provisions of clause 2 of this Schedule 2, the Grantee shall use reasonable endeavours to minimise erosion, land subsidence, land slippage and landslides on the Land by available practical and economic means as determined by the Grantee in its reasonable opinion.

### 4. RIGHTS OF THE GRANTOR

4.1 This Memorandum does not affect any right or claim by the Grantor for payment for any damage (excluding damage caused by erosion) to the Land owned by the Grantor due to or arising from negligence of the Grantee or by its employees or agents.

### 5. OBLIGATIONS OF THE GRANTOR

5.1 The Grantor shall not obstruct or interfere with and shall ensure its agents, contractors, employees and invitees shall not obstruct or interfere with the carrying on of the normal business operations of the Grantee to the intent that the Grantee shall have the absolute right to erode the Land for purposes relating to electricity generation.

### 6. COMPENSATION IN THE EVENT OF EROSION

6.1 The Grantee will pay reasonable compensation to the Grantor for the parts of the Land eroded during the operation of the Power Generation Scheme.

6.2 Such compensation may be paid for any loss of use of any part of the Land by the Grantor and/or the loss of value of the Land through the right of the Grantor to erode the Land and for all losses or damage caused as a natural consequence of the exercise of such rights.

6.3 The Grantor and the Grantee will in good faith negotiate the payment of compensation.

6.4 If no agreement as to the payment of compensation can be reached, then the compensation payable in respect of the parts of the Land eroded will be determined as if the area of the Land eroded was an acquisition for a public work under the Public Works Act 1981.

### 7. DISPUTE RESOLUTION PROCEDURE

7.1 The Grantor and the Grantee (the Parties) acknowledge that they wish to avoid or minimise any differences or disputes which might arise out of or from the terms of this Memorandum.

*S/S* *Re A* *P*

7.2 The Parties therefore agree that if any difference or dispute arises between them as to the terms of this Memorandum over the interpretation or effect of this Memorandum, or in relation to any other matter arising under this Memorandum, that they will actively, openly and in good faith discuss their differences or dispute with a view to achieving a prompt resolution;

7.3 If the Parties cannot resolve the dispute or difference between them within 20 days of the written notification of the dispute or difference given by one party to the other at the last known address or the registered office of the other party, then the Parties will submit the dispute to mediation.

7.4 Should the dispute remain unresolved after mediation, it shall be submitted to arbitration in accordance with the Arbitration Act 1996 and the substantive laws of New Zealand. The Parties shall agree between themselves as to who to appoint as arbitrator and, in the event of disagreement, a single arbitrator shall be appointed by the President of the New Zealand Society (or any successor).

8. BINDING ON EXECUTORS AND ASSIGNS

This Memorandum shall be binding on the executors and assigns of the Grantor and the Grantee and will remain in full force and effect in all circumstances.

**Third Schedule**

**DETERMINATION OF THIS MEMORANDUM OF ENCUMBRANCE**

1. This encumbrance shall immediately determine and the owner for the time being of the Land or any part of the Land be entitled to a discharge of the encumbrance if the obligations secured under this Memorandum of Encumbrance are fully performed or become no longer enforceable.

**Fourth Schedule**

~~1749.05~~<sup>3400</sup> hectares being Sections 1 & 7 SO 19913 Certificate of Title (Canterbury Land Registry).

*RRB*



