

ADVOCATING A RESOURCE-USER FUNDING MODEL FOR RIVER RESTORATION & MANAGEMENT

The ideas developed by the Committee have been widely distributed and have received a positive response. Below is an edited version of the Advocates' proposals (a full version available from President Mark Cosgrove):

The Advocates for the Tongariro River met the Minister for the Environment in Taupo recently to put forward a funding plan that partly shifts the burden of environmental recovery from local ratepayers. The idea had earlier been discussed with the Minister for State-Owned Enterprises.

Advocates' President Mark Cosgrove said, "We contend that local, district and regional citizens are being asked to bear too much of the costs of river protection and restoration works, on top of other environmental restoration in the district. It is high time that these works were funded properly."

For rivers in the region, and especially the Tongariro River, the Advocates propose a funding model whereby hydro generators would be levied a fee for their usage of river water. That fee is to be held in a Trust so that environmental managers can pay for river restoration, recovery and maintenance projects.

The Advocates' proposed funding model

1. In this model the resource-user pays a levy for the use of the resource, in this case, water. The levy is based on a pro rata formula; for example, if a river recovery project needs \$10,000,000 to carry out the restoration works over, say, a 10-year period, then a levy is struck whereby \$1,000,000 is derived from the total number of megawatts produced by that water per annum.
2. The cost of the levy to the power companies would be recovered in the usual way, by a combination of flow-on charges to national consumers, by tax exemptions or from company profits. Consumers would know that the small increase in power charge would be dedicated money paid into a Trust for an important environmental purpose.
3. This model's yields are based on production and consumption of electricity rather than on rates levied on property values or per household irrespective of usage. Low socio-economic regions would not be so severely taxed under this proposed model.
4. This proposed resource-user-pays model could replace mitigation payments. These tend to be ad hoc, grace-and-favour payments not necessarily used to address the environmental damage. Rather they are a sop, used as an incentive to sweep environmental concerns under the mat.
5. This is a corporate social responsibility model and is based upon the State-Owned Enterprises Act 1986 (requiring SOEs to be profitable, good employers and good corporate citizens etc) and fits comfortably with triple bottom line accountability, which focuses industries, corporations and governments not just on the economic value they add, but also on the environmental and social value they add – and destroy.

Advantage of the Advocates' funding model

The user-pays model proposed here is in keeping with current management and funding principles in New Zealand.

This resource-user environmental funding model differs from other environment protection fundraising in which either the polluter pays, or the victim pays (or both pay)



The Major Jones Bridge was badly damaged at the height of the February 2004 flood. It took several frustrating months to repair.

taxes, rates and levies as a result of some operation that has a negative effect on environmental features. Such models are naïve and unjustifiable, and as well, unsustainable; they operate as if the victim is somehow benefiting from the environmental damage, which the tax intends to remedy.

Implementation

The Tongariro River Advocates consider that the time is as right as it will ever be for such a funding model because:

1. The economy is very strong.
2. SOEs, under their Act, are required to be good corporate citizens.
3. The present rating scheme is not sustainable.
4. The Resource Management Act is working and the Environment Court is making strong and increasingly sophisticated judgments. It is also warning resource users to take into account a widening range of factors and values in their applications for resource consents.
5. Politically there are advantages for any party that runs with this model. A Government would be saying that it recognises that the hydro generation of power does some damage to rivers (as everybody knows) and that the damage grows exponentially with the age of the power project and the proportion of water abstracted, and that the Government has a responsibility to fix the damage.

Seeking the Minister's views

The Advocates met with Environment Minister Marion Hobbs soon after her press release about the funding plan to deal with Lake Taupo's nitrogen problems.

The Minister acknowledged in her meeting with the Advocates the current system meant Turangi and Taupo ratepayers would pay at least twice and possibly three times if they contributed to all three of these funding commitments. Minister Hobbs agreed that this was inequitable and that the three-level taxation plan would seriously affect the wellbeing of the many residents.

Further, there are other recovery projects to which these same ratepayers are contributing. Turangi ratepayers pay into Project Watershed, a Regional Council rate for catchment work involving flood protection. In addition, Turangi ward ratepayers pay more than one-half of the costs of lakeshore erosion works at Motutere and Kuratau.

FROM THE PRESIDENT...

It is pleasing that Environment Waikato has stated its commitment to a management plan for the Tongariro River. Environment Waikato has asked us to provide a framework of ideas for developing the management plan.

The ideas we have put forward to Environment Waikato are closely aligned with the values the Society stands for. These are worth restating:

Our vision is to restore the mana of the Tongariro River to its previous international status as one of the best trout rivers in the world, so that it can once again be the most significant recreational and ecological resource of the district.

The Advocates' underpinning principle is also extremely relevant to the implementation of a management plan. The realisation of the above vision depends on a paradigm change in river management philosophy from the current adversarial approach to one which closely follows the inclusive, consensus-seeking strategies that underlie the pioneering efforts of the Guardians of Lake Manapouri and others. In these instances hydro and ecological interests came together for a positive outcome.

The outcomes the Advocates desire from a proposed Tongariro River Management Plan include:

- A secure knowledge base built up from scientific studies.
- A consultative and respectful management process.
- Active management strategies, not passive ones.
- Ongoing river studies to establish benchmarks.
- All decisions to include the river with its environs.
- Protection and enhancement of the wild trout fishery.
- A shift toward a resource-user model of funding for maintenance.

Please read more about our submissions on resource-user funding in our leading feature on this page. Thanks again to all Advocates for their ongoing work and support.

Mark Cosgrove,
President.

In summary

The idea underpinning this proposal is not new. Power companies themselves have supported river restoration plans before. This Advocates' resource-use funding model is capable of producing highly desired outcomes quickly and it can be scaled up to work for other rivers.

The environmental outcome would be beneficial and replace the ad hoc strategies whereby individual Ministries are targeted for funds, piecemeal and often adversarially.

Citizens are more likely to accept a funding model, which first, shifts the cost of environmental protection from ratepayers to the primary users of the water. Second, it spreads the cost to a national base and third it is targeted, through a Trust, at specific restoration-recovery projects rather than the current blunt instrument approach.

So where to from here? The Minister and her officials have undertaken to give serious consideration to this proposal from the Advocates and will release a discussion paper for public comment within the next few months.

A former Turangi identity returns...

Frank Schosser, a Turangi guide between 1982 and 1986 and artist who has been living in Tekapo for the past 18 years, has returned to Turangi. The Advocates asked Frank how fishing has changed since the early '80s:

"The runs are still good, there are still plenty of fish in the river." says Frank. He believes the Tongariro is still one of the best fisheries in the world with a few qualifications. "Sadly, it's hard to access the pools and the tracks aren't in great shape and you still get the same anglers with attitude, the ones who deserve to have the flies cut off their lines when they drift in front of you, or land their flies at your feet from the other side of the river."

Frank believes there is only access to about 40% of the fishing water of 18 years ago, and he's been everywhere on the river since his return from his home in Tekapo in May. The stretch from the Red Hut to the Duchess is a big disappointment to him, as are the pools from the Bridge down, particularly downstream of the Reed where he used to get big browns in summer.



The solutions? Frank says the lake level is being kept too high and the river needs dredging from the lake up. "The lower river has become a millpond. There are so many kilometres of waste land."

Frank particularly laments the disappearance of the vehicle track down on the true left bank of the river that gave access to pools like the Poplar and the Cherry. "There used to be grassy, gravel banks and now it's all sand and silt. The water is more like a swamp."

On a more positive note, Frank has high praise for the National Trout Centre. "There's nothing else like it in the world from the point of view of layout, design and the way they get the message across."

And Frank should know. As a skilled watercolour painter, this former graphic designer has a range of paintings for sale, which capture anglers and the surrounding landscape in a vibrant and elegant way. He will paint from a photograph of anyone who would like to have a watercolour of the river or themselves fishing in the Tongariro. Frank plans to be based in Turangi between May and September each year.

ADVOCATES COMMITTEE MEMBERS:

As elected at the last Annual General Meeting:

President:	Mark Cosgrove (mark@cosgrove.net.nz)
Vice-President:	Heather Macdonald
Secretary:	Gll Osborne
Treasurer:	Eric Wilson
Members:	Graeme Duff Richard Kemp Will Kemp Tuatea Smallman Peter Smith Sylvia Smith
Representatives:	Bob Appleton Helen Elliott

Letter to the Editor

Letters to the Editor will be published in future issues of the Advocate. If you have any newsworthy items or would like to respond to something published in the Advocate, please send us a letter or an email. We reserve the right to edit correspondence, but will make every effort to publish as many letters as possible.

Advocates support a submission on the Taupo Council's long-term district plan

Helen Elliot, on behalf of the Advocates, has made a substantive submission on recreation and scenic aspects of the LTCCP as they affect the Turangi-Tongariro Ward.

The submission is supportive of the Council's environmental goals, the significance given to tourism and the importance of recreation in the community's wellbeing. Helen expressed concern that there is no mention in the long-term plan of the potential of Turangi and no attempt to promote or market the region.

Helen Elliot's submission mentions a Government Impact Report commissioned in 1964 prior to the hydro-power scheme developments being undertaken. Author of the report, Dr CS Woods, wrote:

"The Tokaanu-Turangi area could be the richest area in New Zealand for tourism. The variety of scenery is unrivalled with mountains, volcanoes, lakes, thermal pools (which rival those at Rotorua), snow, bush and tussock; and the hydro installations could in themselves be tourist attractions. The climate is favourable with fine warm spells between storms at all seasons. The angling is, and could remain, among the best of its type in the world, and hunting, shooting, boating, swimming, skiing, walking, sight-seeing, photography, motoring, climbing and hiking are all richly provided for..."

It is understood that the Government adopted the report and consequently gave its support for the development of the Turangi township. Helen Elliot's submission recommends that the Council revisit the tourism and recreational development section of the plan, with the view to undertake specific initiatives in the Turangi-Tongariro area. These include the following proposals:

1. Recognise the eco-tourist value of the Tongariro River and its environs and initiate steps to bring about the planning and working strategies needed to extend walking access to the River environment, and that this be reflected in the final LTCCP 2004/2014.
2. Seek appropriate means for the enhancement and extensions to the Tongariro River walkway/walking tracks from the River's southern boundary to the wetlands/delta in the north.
3. Given the effects of the February 2004 floods and the restoration work required, working groups address the appropriate means for achieving the following:
 - (a) That existing tracks on the right bank of the river from the Red Hut Bridge to the swing bridge to the State Highway One (SH1) Bridge be upgraded so that they are fully usable in the wet season.
 - (b) That the track from the SH1 Bridge southward be extended past Kutai Street to link with the tracks in and around the National Trout Centre, supplementing some existing tracks for anglers' access.
 - (c) That a public access track be established from the south end of the National Trout Centre to the Red Hut Bridge. This would involve permission from private landowners.
 - (d) That clean-ups take place so that infestations of blackberries and invasive willows are removed and replaced by suitable natives such as flax and toitoi.
4. That the Council notes the offer of the Advocates for the Tongariro River to assist in an advisory capacity on any aspects of the recommendations 1-3 above.

A full text of Helen Elliot's submission on behalf of the Advocates is available by emailing her at h.elliott@extra.co.nz.

SURPRISE RULING FROM THE ENVIRONMENT COURT

Wanganui Maori have won an Environment Court victory over the taking of water for the Tongariro hydro scheme. In telling Genesis it can divert water for only the next ten years instead of 35, the Court sought to ensure security of supply.

Joan Forret (Environmental Lawyer) spoke to the Advocates Committee soon after the Court's decision. She reported that of 15 appeals lodged originally, nine were withdrawn, three were settled and the remaining three appeals were all Maori appellants.

As part of her summary of the Court's ruling, she noted that because:

- the status of the Tongariro River was not the subject of any appeals;
- no evidence of the morphology or ecology of the Tongariro River was presented;
- none of the appellants had raised generalised ecological issues;
- the wider effects of the power projects were not appealed;

the Court had before it no evidence of negative effects on the Tongariro River.

Joan Forret reported that the factors influencing the Court's decision were

- Magnitude of effects on Maori.
- Depth of feeling of Maori witnesses.
- Power of fresh application over review proceeding.
- Term of ten years recognises national interest factors and provides correct balance.

In reducing consent from 35 to ten years, the Court considers the ten-year term will provide time for "a meeting of minds between the parties".

It is interesting to note that the weight of cultural rather than ecological issues appears to have been fundamental to the Court's ruling.

The Department of Conservation's (DOC's) appeal was one of the three settled out of court. It would be interesting to know what the basis of DOC's appeal was and what concerns it had about the River. But despite a request for that information it has not yet been made available.

THE NEXT ADVOCATES' SEMINAR

FOLLOWED BY DRINKS

SUNDAY OCT 24, 4.00PM AT
TONGARIRO BRIDGE LODGE

PAUL WILLIAMS Paul is a part-time Turangi resident and a professor in the School of Geography and Environmental Science at Auckland University. He will talk about the River and its response to natural processes over time and against that will consider how human activity could have affected the River. There will be opportunity for questions and discussion.

BE THERE!

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Mail this coupon and cheque to: Advocates for the Tongariro River, PO Box 335, Turangi. For more info, email cosgrove@reap.org.nz