Riverstone Holdings Limited

Fiordland Link Experience

Department of Conservation Concession Application

4 November 2009



EXECUTIVE SUMMARY

Riverstone Holdings Limited (Riverstone) has applied for a concession to create, construct and operate the Fiordland Link Experience (the Experience). The proposed Experience showcases southern New Zealand with a unique three-stage journey incorporating a catamaran, all terrain vehicle and monorail linking Queenstown and Fiordland at Te Anau Downs.

The journey will include glacial lakes, back country braided rivers, tussock grasslands, mountain vistas, beech forest and rural farmland.

It will be unparalleled, passing through the edge of the Snowdon Forest, itself part of the Te Wahipounamu (South West New Zealand) World Heritage Area and finish at the edge of the Fiordland National Park.

This will be the longest monorail journey in the world (43kms) and it is a new millennium project relying as it does on renewable sources of hydro and wind power.

At the completion of the construction phase, it is proposed that the construction service track becomes a mountain bike track and would be a critical leg of the Three Lakes Ride, a multi-day journey between Queenstown on Lake Wakatipu, Te Anau Township on Lake Te Anau and concluding at Manapouri Township on Lake Manapouri.

This offers the potential to become one of the great rides over time and to contribute to New Zealand's wellbeing and prosperity.

The experience will be unique in global travel and tourism terms. It will validate and reinforce the "100% Pure" brand that provides the tourism market advantage that New Zealand has sought and achieved over the past ten years. Additionally, and more importantly, it will be a critical enhancement to a brand that constantly demands the improvement of the sustainability of the tourism assets.

The main objectives of this project are:

- A radically enhanced experience for the 500,000 domestic and international visitors that travel between Queenstown and Fiordland.
- A significant reduction in the time taken to travel to and from Fiordland.
- Creating new infrastructure that stimulates tourism to and throughout Fiordland.
- Supporting existing tourism initiatives in Fiordland that will otherwise deteriorate with their reliance on traditional carbon based road transport activities.
- Becoming a major contributor to the general Fiordland economy over all seasons.
- Working with the Department of Conservation (DoC, the Department) in its stated initiative to strengthen its contribution to tourism and to foster recreation, use and enjoyment of the conservation estate.



- Becoming a leading contributor to the conservation economy, in particular in Fiordland.
- Creating substantial employment through the construction phase of the project.
- Creating strong and sustainable employment growth through the engagement of significant numbers of operations and maintenance personnel in the Te Anau region.
- Creating a high quality tourism asset that enhances New Zealand's competitiveness as a tourism destination.
- Maximising the range of complementary benefits that the Experience and its tracks will provide to a wide range of New Zealanders, particularly including recreation and health.
- Providing ongoing employment through economic development of associated services such as scenic cruises, accommodation, equipment rental, food and beverage outlets, guiding services, shuttle services, bike rentals and repairs, trekking and tramping opportunities and outdoor retail goods.
- Providing the ability to materially reduce the perception of congestion at Milford Sound and along the Milford Road.
- Increasing national and international public interest in conservation in the Te Wahipounamu (South West New Zealand) World Heritage Area and thereby facilitating conservation gains in this region.
- Providing a sustainable conservation based solution to growing Fiordland tourism numbers that is environmentally sound, feasible to engineer, constructed according to best practice and economically attractive.
- Providing the connecting access between the Queenstown Lakes and the Fiordland Lakes to deliver a multi-day mountain bike ride opportunity that in fact incorporates five lakes and six rivers.

Profile of Applicant

Riverstone Holdings Limited is a private company 100% New Zealand owned. Riverstone's principal shareholder is the Infinity Investment Group. Wanaka based Infinity is one of the largest developers in the South Island and is currently involved in projects with a combined value in excess of \$1.5 billion.

A related party to Riverstone Holdings Limited has purchased the lease of the Te Anau Downs accommodation complex on the land where the Te Anau Downs terminus will be sited. Opportunities for a comprehensive approach to the development of the Experience are therefore enhanced.



The Proposal

The Experience journey has three sections:

- 1) Queenstown to Mt Nicholas Station 20km via a catamaran, southwest across Lake Wakatipu.
- Mt Nicholas Station to Kiwi Burn Terminus 45km by an all-terrain vehicle (ATV) from wharf facilities up the Mt Nicholas, Von and Mavora Lakes existing back country roads to a terminus located between the Mavora Lakes road and the swing bridge over the Mararoa River.
- 3) Kiwi Burn Terminus to Lake Te Anau 43.5km by an electrically powered monorail through tussock land, Snowdon Forest and farm land to a terminus close to the lake shore at Te Anau Downs.

The 108 kilometre trip would be able to be completed in just over two hours.

The Experience would initially be designed for 160 passengers at a time. Frequency and scheduling can adapt to daylight hours and seasonal demand. One of the advantages of the operation is its flexibility and scalability; additional carriages could be added to the monorail train set to cater for up to 224 passengers during peak times. If demand for this service grew, more trains could be added with a maximum of four trains able to run on the monorail track at any one time. The catamaran and ATV units could be scaled up or down accordingly.

Approximately 100 full-time staff will be required for the normal running of the business, with staff based primarily in Te Anau.

Route Selection

The route has been carefully selected on the very edge of the DoC estate to enable visitors to enjoy that estate without compromising conservation management values, only entering the Fiordland National Park where national park front country setting values apply.

The route enters the Fiordland National Park at the Te Anau Downs terminus which already provides existing accommodation, coach parking and hospitality facilities.

Within the 200-metre corridor sought, Riverstone proposes to identify the precise routes of the monorail track and the construction service track in direct consultation with the appropriate DoC personnel. Management plans will be developed with and approved by the Department which will detail the consultation procedure proposed. Further, a terrestrial ecology report estimates the actual impact that the track clearance will have on the beech forest profile. Less than one twentieth of one percent of the Snowdon Forest will be affected before any offsetting initiatives or resultant rehabilitation are taken into account and thus reducing the impact further.



Impacts

The contemporary challenge is for substantial new tourism initiatives to add value at local, regional and national levels while demonstrating that they are environmentally sound. This proposal achieves that goal.

Up to one million domestic and international visitors of all fitness levels can be catered for. The Experience will provide access to what these visitors will want to see in a controlled and contained way.

Riverstone considers that providing the Experience proposed to the volume of visitors contemplated will alleviate the need for visitors to try and create the "Real NZ" experience for themselves. The value of this offset will involve a significant reduction in regional environmental impacts.

Additionally, impacts will be minimised by:

- Using a natural and direct route between Queenstown and Fiordland.
- A small physical footprint the monorail only requires a pier every 20 metres.
 This is altogether different to rail, light rail or public roads.
- Construction does not entail substantial earthworks.
- The electrically powered monorail will source its energy from a combination of renewable sources – hydro and wind.
- Restriction of the impact to the narrow 200-metre easement corridor sought.
 However, the remedies and mitigations proposed will benefit the wider regional DoC estate.

Avoidance, Remedies and Mitigation

The iterative consultation process undertaken as part of the current proposal has enabled significant areas with conservation value to be avoided. This included the avoidance of the Dunton Wetland and the Snowdon Remote Area.

Construction and operational methods have been carefully developed to avoid, remedy or mitigate adverse environmental affects. Solutions offered are intended to apply best practice techniques.

Three management plans, for which Riverstone would be accountable, are proposed. They include a Communications Protocol, a Construction Management Plan and an Operational and Environmental Management Plan. Within each of those plans, the following sectoral plans are included:

Communications Protocol

- Community Contacts procedure
- Detailed design and construction methodology procedure
- Construction Management Plan submission procedure



Pre-construction monitoring procedure

Construction Management Plan

- Health and Safety Plan
- Hazardous Substances Management Plan
- Traffic Management Plan
- Noise Management Plan
- Risk Management Plan
- Waste Management Plan
- Archaeological and Heritage Protocols
- Recreation Management Plan
- Erosion and Sediment Control Plan
- River Works Management Plan
- Terrestrial Ecology Management Plan

Operational and Environmental Management Plan

- Monorail Operations Plan
- Mountain Bike Track and Emergency Access Operations Plan
- Termini Operations Plan
- Operations Risk Management Plan
- Recreation Users Management Plan
- Predator Control Plan

Consultative and Iterative Process

Consultation has occurred with a wide range of individuals and groups over a period of 6 years which has included careful consideration of national, regional and local issues.

It is envisaged that this dynamic consultative process will continue after the lodgement of this application.

It is also anticipated that continued consultation will be required to refine the final route selection with appropriate DoC personnel within the 200-metre easement corridor sought. This will assist in the further identification and capitalisation of social, economic and conservation gains.

Farming Activities

The Experience route passes through and close by a number of farming operations. The effects of this proposal on farm operations will be minimised by Riverstone continuing to consult and collaborate with individual landowners. Riverstone is committed to reaching agreement with the farming and commercial interests that adjoin the DoC estate.

Recreation

Tramping, hunting, angling and kayaking represent the key recreation activities in the areas relating to the application.



There are no significant effects on the areas' recreational values however, some more than minor impacts have been identified at the Kiwi Burn terminus.

Beyond this site, the relocation and redevelopment of hut and track facilities can mitigate almost all effects resulting from the sight, sound and footprint of the monorail in the natural settings of the Snowdon area.

The proposed mountain bike track has the potential to create a nationally important offroad cycling experience for domestic and international visitors. This opportunity will materially increase the diversity of recreation options in the Queenstown Lakes and Fiordland Lakes areas.

Tourism

Tourism plays a key role in the New Zealand economy and in its projected growth. It contributes \$14.1 billion (9.2%) to GDP and employs nearly 10% of the total workforce.

International visitor arrivals are forecast to increase by 2.5% p.a. to 2015. Domestic overnight visitors are expected to grow by 0.5% over the same period. Stronger demand from the domestic and Australian markets is currently offsetting a weakness in the long haul markets associated with the global economic situation.

The key markets for international visitor arrivals are Australia, UK, USA, China and Japan. Collectively, they account for almost 70% of international visitors in the year ended July 2009.

The main reasons international visitors come to New Zealand is for the landscape and to experience New Zealand's culture. They participate in a wide range of attractions and activities, the most popular being walking, trekking, land-based sightseeing and scenic natural attractions each attracting at least one million visitors.

Tourism New Zealand is focusing its offshore marketing on visitors who seek engagement and interaction with the country's natural, social and cultural environments. These are the key drivers for international visitors coming to New Zealand.

Nature-based tourism includes a wide range of outdoor activities from scenic boat cruises, to trekking and tramping and mountain biking.

International nature-based tourists stay longer and spend more on average.

453,700 or 29% of all international nature-based tourists that came to New Zealand visited Fiordland in 2008.

The Experience will be a high quality asset that becomes a critical element in outlining the way forward in Fiordland for a growing number of international and domestic nature-based visitors.



Regional Benefits for Fiordland

Whilst providing a new and unique tourism experience, the proposal also improves regional transport between Queenstown, Te Anau and other destinations in Fiordland and Southland. It is essential that infrastructure investment is made to facilitate the Fiordland economy capturing the growth in nature-based tourism interest from offshore and domestically.

The infrastructure will support long discussed and proposed investment in the region such as Discover Fiordland, development of destinations along the Southern Scenic Route, alternative locations in Fiordland and now the proposed Three Lakes Ride – surely to become one of the Great Rides of New Zealand.

The Experience will market Te Anau township and Lake Te Anau as destinations. Manapouri and Doubtful Sound will be targeted also in addition to Milford Sound. Local tourism and retail businesses within the Te Anau and Manapouri areas will benefit from the increased profile and demand that the Experience creates.

The main terminus and primary maintenance facilities will be at Te Anau Downs. Very significant economic benefits will accrue to Te Anau and surrounding regions from the expenditure during the construction period.

Once operations commence the multiplier effect from the economic impact of the engagement of up to 100 operations and maintenance personnel who will be primarily, based in Te Anau will be very significant to the Fiordland economy.

Milford Sound/Piopiotahi

Milford Sound/Piopiotahi is truly an iconic destination and it will continue to attract a very significant proportion of international nature based visitors.

The size of the investment required by the project is underpinned by the visitor flow to Milford Sound. The project becomes feasible because it can attract a share of the circa 500,000 visitors who travel to Milford Sound each year.

The current return trip from Queenstown by road is a very long day – up to 13 hours, with only marginally more than two hours at destination. The more varied and quicker Experience will be an attractive alternative for a good portion of the Queenstown based visitors. With the western terminus at Te Anau Downs, those using the Experience to access Milford Sound will transfer to a coach and enjoy the trip along the Milford Road through the Eglington Valley as a key component of their trip which will reduce overall travel time.

The popularity of Milford Sound and the way many people currently access it as a day trip from Queenstown, leads to a concentration of visitors in the middle of the day. With visitor numbers forecast to increase over the next five years, solutions are being sought to address the impact so both the visitor experience and the environment are not degraded.



The shorter transit time of the Experience will assist by increasing the hours of operation available, smoothing peak visitor flows and reducing the probability of a degraded visitor experience at Milford.

The proposal also looks to assist with the management of vehicle flows along the Milford Road through the construction of a complementary vehicle consolidation and parking facility at Te Anau Downs. Riverstone will look to enable a park and ride solution to the Milford Road if it is encouraged to do so.

Additionally, there will be a reduction in CO² emissions and improved road safety outcomes for all those visitors who choose to travel on the Experience rather than in the current conventional, excessive carbon-emitting and congested manner.

Construction

The minimal and very localised impact on the environment through the construction and operations phases was a key driver in the selection of a low level single track monorail train. A construction programme of circa 30 months is proposed.

Piers would be pre-cast offsite and delivered via the proposed construction access track and relevant connecting spur track to their final location.

The majority of the track beams would be installed and laid by a travelling rig, operating from each end of the just completed section of the track. This would reduce the impact on the environment during construction to a minimum. The monorail will require a corridor clear of vegetation through which it can pass. The width of the corridor required is 4-6m and for much of the route the canopy would remain intact. The width of the construction access track is 3m and can be designed to avoid significant trees or sensitive areas.

Earthworks for the monorail track would be minimal. After restoration it is expected any earthworks would have a negligible affect. The construction track will be converted into a mountain bike track and as such will become a permanent recreation asset.



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1. INTRODUCTION

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Riverstone Holdings Limited (Riverstone) intends to establish the Fiordland Link Experience (the Experience). This will create a high quality tourism experience from Queenstown on Lake Wakatipu to Lake Te Anau. It will improve access to Te Anau, Milford Sound, Manapouri, Doubtful Sound and the Southern Scenic Route generally.

It is consistent with Riverstone's objectives of developing a unique and sustainable tourism opportunity that attracts domestic and international visitors and thereby makes a significant contribution to economic growth in the Otago, Southland and Fiordland regions. The Experience incorporates three proposed travel modes including a catamaran, all terrain vehicle, and monorail. A benefit of the project will be to establish a mountain bike track linking Lake Wakatipu and Lake Te Anau.

This document is an application to establish, construct, operate and maintain that part of the monorail and mountain bike track which traverse Department of Conservation (DoC, the Department) land.

Figure 1.1 below details the three proposed modes of the Experience, the proposed mountain bike route, as well as the existing coach trip and southern scenic route.



Figure 1.1 Map depicting the existing and proposed travel modes



1.1.1 Catamaran

The first sector of the Experience is across Lake Wakatipu from Queenstown to Mt Nicholas Station by catamaran. A medium speed catamaran is particularly suited to this proposal as it can offer speed, comfort and safe handling in a variety of weather conditions.

The exact specifications will be confirmed with a supplier after the concession application is completed, however, indications are as follows:

Capacity 160 to 240 pax Length 21-25 metres

Speed 24 knots average (44 kmh)

Distance 20 kms
Travel time 27 minutes

The catamaran would depart from a central Queenstown wharf and travel directly to Mt Nicholas Station. Passengers would be provided with outstanding views across Lake Wakatipu and west to Mt Earnslaw. Passengers would disembark at an upgraded wharf facility and then board the all terrain vehicle for the next sector of the Experience.

If demand dictated, an additional catamaran would be added at a later stage.

1.1.2 All Terrain Vehicle

The second sector travels from the lake shore at Mt Nicholas Station up the Von River Valley across the Oreti River Valley and then to the Mararoa River Valley arriving at the Kiwi Burn Terminus.

The all terrain vehicles (ATV's) would be specifically designed and built for this journey. Utilizing appropriate technology, the ATV's will include features appropriate for the back country route and the overall theme of the Experience. Features such as over sized tyres, suspension adapted for secondary metalled roads and fords, maximum window and roof visibility, air conditioning and quality seating will all contribute to a comfortable and interesting trip for this sector.

Each group of 160 passengers will require three 55 seater ATV's. As this sector has a trip time longer than the catamaran sector, two sets of plant will be required to minimise intermodal times. Additional ATV's would be added as necessary to meet increases in demand.

Again, specifications will be finalised upon completion of the concession application. The following information is indicative:

Capacity 55 pax x 3 ATVs
Length 12.5 metres
Width 2.5 metres
Maximum speed 100kmh (approx)
Average speed 62kmh (approx)



Distance 45km
Travel time 43 minutes

1.1.3 Monorail

The third sector from the Kiwi Burn Terminus is by way of monorail in a westerly direction to Te Anau Downs, which is approximately half way up the eastern shoreline of Lake Te Anau.

The monorail is an electrically powered vehicle that straddles a concrete riding rail. The rail is smooth and the running gear has rubber pneumatic tyres making for a guiet and comfortable journey.

The number of daily trips will depend on seasonal demand and daylight operating hours available.

The design of the monorail trainset will be finalised after the concession application is completed. The following information is indicative:

Capacity 160-224 pax

Length 68m typically for 160 pax Speed (max) 90kmh @ 4% grade

Speed (average) 75kmh
Distance 43.8kms
Travel time 33 minutes

1.1.4 The Three Lakes Ride

One of the positive effects of the construction of the monorail is that a track, suitable for use by mountain bikers will be in place at the completion of the monorail's construction. Riverstone plans to take advantage of this track, and establish a mountain bike route which will link Lake Wakatipu, Kiwi Burn, Te Anau Downs, and on to Te Anau and Lake Manapouri. Called "The Three Lakes Ride", this track is in line with the Government's current thrust for the establishment of mountain biking opportunities around the Country, and meets the Department of Conservation's Statement of Intent objectives.

That part of the mountain bike track which runs from Kiwi Burn to Te Anau Downs forms part of this application. The remainder of the route will be consented/approved under separate applications as necessary.

1.2 RIVERSTONE HOLDINGS LIMITED

Riverstone Holdings Ltd is a privately owned New Zealand company. It has been specifically created to take this project from a concept to an operating business. The company will, at the appropriate times increase equity and raise debt finance to ensure adequate funding for the project. It is envisaged there will be opportunities for local investors to be involved in the capital raising(s). The principal shareholder of Riverstone is currently involved in projects with a combined value in excess of \$1.5 billion.



Current shareholders in Riverstone are Infinity Investment Group Holdings Ltd and Philip Phillips. Bob Robertson, the CEO of Infinity Investment Group is also the Chairman of Riverstone. Other directors are Philip Phillips and John Beattie an Executive Director of Infinity Investment Group Holdings.

The Infinity Investment Group is the majority shareholder (82%) and brings a demonstrated commitment to quality developments and sound environmental practices. Infinity is the largest property developer in the South Island. Current projects include Riverside Village at Albert town, Peninsula Bay in Wanaka, Marina Terrace hotel (200 rooms) in Wanaka and the 7,000 resident Pegasus; a master planned new town north of Christchurch.

Infinity and its principals have demonstrated commitment to environmental causes and leading environmental performance. Infinity is a business member of the Royal Forest and Bird Protection Society of NZ. Infinity was a founding member of the "Save the Waitaki Trust" and its main benefactor. More recently, both Mr Robertson and Mr Beattie were founding Trustees of the Waitaki Protection Trust. Mr Beattie has also enjoyed a more than 20-year association with the executive of the World Wide Fund for Nature and is the founding Chairman of Sustainable Wanaka. In 2005 Foveran Deer Park, a company affiliated to Infinity, won the Fish and Game New Zealand Environmental Award for Excellence in Riparian Management.

Philip Phillips has many years experience in the tourism and transport businesses and was formerly the Managing Director of the Mount Cook Group Ltd during the 1980s and the Chairman of Queenstown Airport for the Queenstown Lakes District Council.

1.3 DOCUMENT STRUCTURE

This document is a revised application for a concession sought by Riverstone in 2006. It responds to matters raised during an audit of that application by DoC and its consultant advisors. This document also reflects the progress made by the Riverstone team with respect to design, construction activities and environmental values and associated effects since 2006.

Of particular relevance are:

- the additional extensive field work that has been carried out in the fields of terrestrial ecology, geomorphology, hydrology, aquatic ecology, recreation, landscape, and noise; and
- an assessment of tourism effects.

A terrestrial ecology spring survey is planned for November 2009, which will include a detailed assessment of plants, birds and bats throughout the monorail and mountain bike routes.

The application provides the level of detail and assessment appropriate to establish the proposed easement. It is noted that various resource consents are likely to be required at both a district and regional level.



So as to avoid confusion, the documents included here replace those documents submitted to the Department previously. In some cases, text and details replicate parts of the documents submitted to the Department in the past.

The concession application is divided into twelve sections. The first two are introductory and describe the project as a whole, the history of the project thus far and the concession being sought in this application. Sections Three to Nine describe the area for which the concession is being sought in detail and are supported by more comprehensive specialist reports which are provided as **Appendices E** through **P**.

Section Three describes the existing physical environment along the portion of the route located within conservation land including the topography, climate, geology and geomorphology, soils, aquatic ecology, air quality, noise levels, terrestrial ecology and landscape. This is followed by a description of the social and cultural environment within which the route is located including values of tangata whenua and European New Zealanders, farming, recreation and tourism values as they currently stand and the volume of traffic in the surrounding areas.

Section Four describes the facilities and infrastructure required within the area covered by this concession application including a description of the buildings proposed at the Kiwi Burn and Te Anau Downs ends of the route.

Section Five outlines how the proposed monorail will be constructed on the conservation land, and draws from the Opus International Preliminary Engineering Assessment, attached as **Appendix E**.

Section Six outlines the operational considerations which are relevant to this concession application.

Section Seven analyses the statutory planning regime as it applies to the areas of land for which concession is sought.

Section Eight provides a detailed assessment of environmental effects for each of the specialist areas considered in Section Three.

Section Nine provides avoidance and mitigation commitments and options, including an environmental off set regime. It also outlines a monitoring regime for ensuring that the existing values identified in Section Three will not be compromised by the proposal once the monorail is constructed, and during operation.

Section Ten describes possible alternatives to the Experience as currently proposed.

Section Eleven describes the consultation of affected parties and the community which has been undertaken by Riverstone prior to the preparation of this application.



Section Twelve provides concluding comments.

A draft protocol document to be developed between the Department and Riverstone, a draft Construction Management Plan, and an outline of an Operations and Environmental Management Plan to be developed in partnership with DoC are included as **Appendices A** to **C**.



2. THE CONCESSION

2.1 CONCESSION SOUGHT

This revised application is for a concession, in the form of an easement in terms of Part 3B of the Conservation Act 1987 to allow the construction, operation, monitoring and maintenance of the following activities on Department of Conservation land:

- An approximately 29.5km long monorail track within a six metre wide footprint, along which a monorail will operate and be maintained.
- A three metre wide construction track along the length of the monorail route, to be left in place after construction is completed for use as a mountain bike track.
- Connecting spur tracks approximately three metres wide to provide access to the monorail track during construction and in some cases, during operation for emergency access and maintenance activities.
- Terminus buildings and facilities on the eastern side of the Mararoa River near the start of the Kiwi Burn Loop Track.
- Terminus buildings and facilities at Te Anau Downs within Fiordland National Park.
- Where the monorail track enters private land the continuation of the mountain bike track on the DoC estate to Te Anau Downs for approximately 17km.

The concession is sought for an easement over a 200m wide corridor of land within which the monorail track and construction/mountain bike track would be both located, except for:

- 2.3km of the route between approximately 24km and 26.5km, on the true right of the Upukerora River where a 300m wide easement is sought to allow for construction around a subsiding bluff, and
- An easement for the continuation of the mountain bike track on the DoC estate once the monorail enters private land.

The route plan is shown in Figure 2.1. The indicative layout of the Eastern Terminus - Kiwi Burn and Western Terminus - Te Anau Downs are shown in Figures 2.2 and 2.3 respectively.

The construction/mountain bike and monorail tracks will be constructed so as to minimise adverse environmental effects. Therefore the precise route, and hence length, will be finalised in consultation with the Department during the detailed design phase of the project. After construction of the monorail track the construction track is intended to remain as a mountain bike track. The mountain bike track will continue through the DoC estate to Te Anau Downs, from the point where the monorail exits the DoC estate onto private land.

It is intended that the mountain bike track will continue from Te Anau Downs to Te Anau and on to Manapouri. While this has been considered in the application documents, it does not form part of this easement application. A



separate approval will be sought for the mountain bike track from Te Anau Downs to Te Anau township at the appropriate time.

The purpose of the spur tracks is to connect the construction track with the monorail route. After construction most of the spur tracks will be rehabilitated. A limited number of spur tracks will be retained for emergency access and maintenance purposes.

The 200m (generally) width will accommodate the monorail and the construction/mountain bike track and has been proposed for three reasons:

- To provide a satisfactory visual and experiential separation for the mountain bike track from the monorail, expected to be 70-80 m in flat terrain
- The mountain bike track could be on either side of the monorail, but is intended to be on the uphill side in sloping terrain in most cases.
- To provide some flexibility to suit topographic features, such as streams, gullies, steep banks etc or ecologically significant sites or large trees.

Once operational, the monorail and mountain bike track will require maintenance, and access will be required for emergency situations. Such activities will involve vehicle and (occasionally) helicopter access to the tracks.

Several activities are proposed to offset identified adverse environmental effects of the Experience. Some of these will take place outside the easement corridor, and include:

- Establishment of a new hut and relocation of part of the Kiwi Burn link track;
- Relocation of the track to Army hut;
- Implementation of a pest control programme; and
- Proposed participation in Operation Ark, Eglinton Valley.

Environmental monitoring is proposed, with the potential for mitigation of effects identified. Activities may include pest and weed control, for example.

The concession activities will be finalised and implemented in accordance with a series of management plans to be developed with DoC (refer section 9, and **Appendices A - C**).

The term applied for is forty nine years. The size of the overall capital investment involved requires a period of concession of this duration to best provide for an adequate security of return to investors.

Riverstone is seeking a concession at this stage in the project to provide future certainty with respect to land access before investing further significant funds in the project. This certainty is required so that Riverstone can carry out detailed (and potentially expensive) site investigations, design and planning of the project confident in the knowledge that it will be allowed access to conservation land for construction, operation and maintenance purposes. In addition, once the easement is confirmed by the Minister, the Department will be in a position



to work with Riverstone during the detailed design, construction and ultimately operation phases of the project.







