

Before a Board of Inquiry
Transmission Gully
Notices of Requirement and Consents

under: the Resource Management Act 1991

in the matter of: Notices of requirement for designations and resource consent applications by the NZ Transport Agency, Porirua City Council and Transpower New Zealand Limited for the Transmission Gully Proposal

between: **NZ Transport Agency**
Requiring Authority and Applicant

and: **Porirua City Council**
Local Authority and Applicant

and: **Transpower New Zealand Limited**
Applicant

Statement of rebuttal evidence of Craig Simon Nicholson (Principal Project Manager – Transmission Gully) for the NZ Transport Agency

Dated: 20 January 2012

REFERENCE: John Hassan (john.hassan@chapmantripp.com)
Nicky McIndoe (nicky.mcindoe@chapmantripp.com)

STATEMENT OF REBUTTAL EVIDENCE OF CRAIG SIMON NICHOLSON FOR THE NZ TRANSPORT AGENCY

INTRODUCTION

- 1 My full name is Craig Simon Nicholson.
- 2 I have the qualifications and experience set out in paragraphs 2 to 4 of my statement of evidence in chief, dated 16 November 2011 (*EIC*).
- 3 I confirm that I am authorised to give this evidence on behalf of the NZ Transport Agency.
- 4 In this statement of rebuttal evidence, I:
 - 4.1 Respond to the evidence of:
 - (a) Mr Don Wignall and Mr Travis Wood, on behalf of the Kapiti Coast District Council;
 - (b) Mr Alastair McCarthy and Mr Murray Kennedy, on behalf of the Wellington Regional Council;
 - (c) Dr Ralph Chapman and Ms Paula Warren, on behalf of the Rational Transport Society;
 - (d) Ms Michelle Grinlinton-Hancock, on behalf of Mrs Nilu and Mr Suresh Senadeera; and
 - (e) Ms Georgina McPherson, on behalf of Powerco.
 - 4.2 Respond to the section 42A report dated November 2011 provided by Mr John Kyle of Mitchell Partnerships.
- 5 For the purposes of this evidence, I will refer to the NZ Transport Agency (*the NZTA*) Project¹ and the Porirua City Council (*PCC*) Project² collectively as the "Transmission Gully Project" (and hereafter, *the TGP* or *the Project*).

SUMMARY OF EVIDENCE

- 6 I have read all of the statements of evidence provided by the submitters' witnesses and the aspects of the section 42A report which are relevant to the issues covered in my *EIC*.

¹ The 'NZTA Project' refers to the construction, operation and maintenance of the Main Alignment and the Kenepuru Link Road by the NZTA.

² The 'PCC Project' refers to the construction, operation and maintenance of the Porirua Link Roads (being the Whitby Link Road and the Waitangirua Link Road) by PCC.

- 7 The evidence prepared for the submitters and the section 42A report have not caused me to depart from the opinions expressed in my EIC or the conclusions reached in my EIC.

EVIDENCE OF SUBMITTERS

Evidence regarding network utilities

- 8 A number of submissions and submitters expert witnesses³ have discussed the effects of the TGP on the submitters' existing network utilities.
- 9 I can make the following general commitments on behalf of the NZTA about all affected network utilities:
- 9.1 The NZTA will exercise best endeavours to avoid, where practicable, the need to disrupt or relocate any utility owners' assets or infrastructure, taking into consideration the cost to the NZTA of providing alternatives that are satisfactory to the utility owner;
- 9.2 All actual and reasonable costs associated with the investigation, design, specialist supervision and physical works required to protect or relocate the utility from the effects of the TGP will be met by the NZTA as the Requiring Authority; and
- 9.3 The NZTA will continue to liaise with utility owners during the development of the TGP in order to accommodate and facilitate the crossing of the TGP designation by utilities at currently identified crossing points. This will include the reasonable provision of service galleries, ducts or similar facilities within structures to allow for existing or anticipated future utility demand.

Evidence of Mr Don Wignall, on behalf of the Kapiti Coast District Council (KCDC)

Local Road between Paekakariki and MacKays Crossing

- 10 Section 4 of Mr Wignall's evidence discusses his view that in addition to the TGP route, a separate local road is also required from Paekakariki to MacKays Crossing.
- 11 The various technical matters raised in Mr Wignall's evidence about a parallel local road are addressed in the rebuttal evidence of **Mr Kelly, Mr McCombs, Mr Edwards** and **Mr Brabhakaran**. However, there are also some matters that I wish to comment on.

³ Transpower NZ Limited, in its submission;
Mr Travis Wood, in sections 4 and 5 of his evidence;
Mr Alastair McCarthy, in paragraphs 10 to 14 of his evidence; and
Ms Georgina McPherson, in paragraphs 4.1 to 4.3 of her evidence.

- 12 I note that no parallel local road exists in this area now. Mr Wignall describes various benefits that he perceives a parallel local road would provide, but he provides little, if any, link between such a road and any adverse impacts associated with the proposed TGP.
- 13 At the time of the KCDC submission, it was unclear whether the KCDC favoured a local road being provided in addition to, or instead of, the on and off ramps that are proposed by the NZTA to be provided to/from the existing SH1 route at 'Sang Sue' corner.
- 14 I now understand from Mr Wignall's evidence that he favours a local road being provided instead of, not in addition to, the on and off ramps that are proposed by the NZTA at 'Sang Sue' corner. This would require all traffic travelling to/from the existing SH1 to use the much slower and more tortuous route that he proposes via the existing MacKays Crossing interchange. For example, all northbound traffic would need to cross the railway level crossing, with associated delays when trains pass through the crossing and safety issues associated with the poor road geometry at the level crossing. In my opinion, this would be a very inefficient connection to expect all traffic to/from the existing SH1 (which I expect would include virtually all traffic between Paraparaumu and Paekakariki, Pukerua Bay or Plimmerton, since all of these communities will continue to use the existing SH1 route for travel to/from the north) to use.
- 15 In paragraphs 4.14 and 4.17, Mr Wignall speculated that the TGP safety audits may have been undertaken without the benefit of traffic information and/or without knowledge of the likely traffic volumes. In both cases, Mr Wignall's speculation is incorrect. Traffic volume data was specifically provided to the safety audit team (including the entire draft Scheme Assessment Report, which was published and publicly available several months before the October 2008 safety audit report). In addition, the safety audit team included one member, Dr Fergus Tate, who has lived and worked in the Wellington region for many years. Dr Tate has confirmed to me that he and the remainder of the safety audit team had a very good understanding of the traffic volumes associated with the TGP at the time of the various safety audits.
- 16 In paragraph 4.21, Mr Wignall discusses other sections of the Wellington RoNS, including north of Peka Peka, where the NZTA proposes to provide *"a new local road to replace a section of SH1 where 'overbuilding' of the existing carriageway has been proposed."*
- 17 Mr Wignall implies that the new local road is being proposed for the purpose of having a continuous local road as an alternative to the expressway, but that is incorrect.

- 18 The reason for the proposed new local road north of Peka Peka is that the expressway is proposed to have a continuous median barrier, so would prevent access from the north or to the south for all the properties on the western side of the expressway, including Te Hapua Road, unless a parallel two-way local road is provided. Such a situation does not exist between MacKays Crossing and Paekakariki, where access can and will be provided to all existing properties without a separate local road.
- 19 In paragraph 4.26, Mr Wignall observed that:
- 19.1 Paragraph 42 of my [Craig Nicholson's] EIC appeared to infer that because KCDC officers had attended the "Options Assessment Workshop" in March 2008, that the NZTA considers that the KCDC *"is no longer entitled to request a local road link"*;
- 19.2 Peter Knight from KCDC, who had attended the "Options Assessment Workshop", had not understood that workshop to be the 'final chance' for input into local road design; and
- 19.3 The NZTA has not formally requested a Council response on this matter.
- 20 I do not consider that my EIC provided the inference that Mr Wignall alleges. Paragraph 42 of my EIC simply described the method that was used to settle on the preferred scope of the TGP, as part of a much broader section describing the history of the TGP.
- 21 Notwithstanding the reported comments from Peter Knight, I believe it was abundantly clear to every participant in the "Options Assessment Workshop" that the primary aim/objective of the workshop was to discuss and agree the project macro-scope, comprising the preferred route alignment and the preferred interchange configurations (which specifically defined the local road connections that would be provided to the TGP). This is explicitly clear in:
- 21.1 The 'Introduction' section of the data-pack that was provided to workshop participants in advance of the workshop;
- 21.2 The 'technical briefing' presentation that was given at the beginning of the workshop; and
- 21.3 The 'Introduction' section of the workshop summary report that was distributed to all workshop participants after the workshop.

- 22 Mr Wignall's observations about this issue seem to conveniently overlook the very obvious fact that the NZTA understood that the KCDC supported the proposed macro-scope, so had no reason to expect that the KCDC would subsequently request a change to the project scope, since:
- 22.1 All of the relevant Councils, including the KCDC, were fully involved at the time that the project macro-scope (i.e. the preferred route alignment and interchange configuration) was chosen in 2008;
 - 22.2 KCDC officers (including the KCDC's Acting Chief Executive) did not give any indication that they didn't support the proposed configuration at Paekakariki at that time; and
 - 22.3 The NZTA provided a copy of the draft Scheme Assessment Report to the KCDC in mid 2008, has continued to liaise regularly with all Councils since then (through the Technical Working Group (*TWG*), the RATAG group and the Executive Advisory Group, discussed in paragraphs 63 to 77 of my EIC) and also undertook formal public consultation on the TGP in July / August 2008 and again in October 2010. The KCDC has not provided any indication at any of those times about any concerns about the proposed configuration at Paekakariki.
- 23 Mr Wignall appears to believe that the NZTA should have sought formal confirmation from the KCDC about its view of the proposed configuration at Paekakariki. I strongly disagree. In my opinion, if the KCDC had concerns about the proposed Paekakariki interchange configuration that had been agreed in early 2008, then it had nearly 3½ years and ample opportunities to raise those concerns with the NZTA prior to the lodgement of the TGP applications with the EPA. I note, for example that NZTA staff, including myself, met with Mr Wignall and one of his KCDC colleagues on 17 August 2011 specifically to discuss the TGP, but he did not mention this issue even then.
- 24 That the KCDC did not raise its concerns directly with the NZTA, but chose instead to raise them for the first time and to seek changes to the project scope in its submission to the Board of Inquiry is, in my opinion, inappropriate.
- 25 Notwithstanding that, the NZTA has no particular objection to a local road being developed between Paekakariki to MacKays Crossing in addition to the proposed TGP route. I do note, however, that the NZTA is responsible for the design, construction and operation of state highways, while local authorities are responsible for the design, construction and operation of local roads. Therefore, in my opinion, any local road between Paekakariki and MacKays Crossing would be the responsibility of the KCDC, not the NZTA, to provide.

26 To that end, the NZTA is happy to discuss the feasibility of a local road with the KCDC during the detailed design phase of the TGP and to make available any land within the designation that is not required for the TGP main alignment or the on and off ramps, to be used for the local road link. However, the NZTA does not consider that the new condition NZTA.51 proposed in paragraph 4.28 of Mr Wignall's evidence is either necessary or appropriate.

Bypassed section of existing SH1 route

27 Section 5 of Mr Wignall's evidence discusses the bypassed section of the existing SH1 route.

28 I am surprised that Mr Wignall has stated in paragraph 5.2 that no process has been available to consider the effects of the TGP on the existing SH1 within the Kapiti Coast District. That is not the case. I will restate the explanation that I have previously provided to Mr Wignall about the process.

29 The NZTA developed a package of 'indicative' measures along the existing SH1 route in early 2010, as part of the Assessment of Traffic and Transportation Effects. The NZTA sought feedback from both the KCDC and the PCC about the proposed measures in May 2010, noting at that time that the package was 'indicative only' since the existing SH1 route would become a local road once the TGP route is opened, so the NZTA considered that it would be more appropriate for the two local authorities to define the details of the package, in consultation with their communities.

30 The PCC eagerly engaged with the NZTA about the proposed package and undertook workshops to refine the proposed objectives and measures within the Porirua City boundaries. By contrast, the KCDC did not respond to repeated requests from the NZTA throughout 2010 and early 2011 for feedback about the package. The only real feedback that was received from the KCDC was when NZTA staff including myself met with Mr Wignall and one of his KCDC colleagues on 17 August 2011. At that meeting, Mr Wignall stated that he thought the indicative measures proposed within Paekakariki seemed appropriate.

31 I agree with Mr Wignall that the section of SH1 that will be bypassed by the TGP route will require appropriate treatment and management measures to ensure that it operates safely with the reduced traffic volumes that are expected. In my opinion, measures such as speed threshold devices, a flush median and possibly revised intersection control type (for example, a roundabout or traffic signals at the SH1 intersection with Beach Road and Paekakariki Hill Road) may be appropriate.

- 32 I am strongly of the view that it is more appropriate for the KCDC to define the details of these treatments, in consultation with the Paekakariki community, than for the NZTA to do so. Any remedial work (i.e. maintenance and repairs) that may be necessary before the revocation of the existing SH1 will be agreed with the KCDC and undertaken prior to the revocation, as is standard practise. Conversely, the need for and timing of any other treatments to the existing SH1 route, possibly including changes to the intersection with Beach Road / Paekakariki Hill Road would be subject to normal project approval and funding criteria. Therefore, the NZTA does not consider that the new condition NZTA.52 proposed in paragraph 5.9 of Mr Wignall's evidence is either necessary or appropriate.

Tolling of the TGP route

- 33 Section 6 of Mr Wignall's evidence discusses the issue of tolling of the TGP route.
- 34 I am surprised that Mr Wignall concludes in paragraph 6.7 that further modelling and investigation work should be undertaken to assess the potential impact of tolling, since I advised him when we met recently that such modelling and investigation work has already been undertaken during the development of the Project. His paragraph 6.5 acknowledges this, but implies that the results have been withheld from the KCDC. That is not the case. All the Council's were advised, via the TWG, when the toll investigations were being undertaken and then later, what the results were.
- 35 The Councils were also advised, via the TWG, when the final toll options report was available if they were interested in it. The KCDC never sought to receive a copy of the report. The NZTA is happy to make the toll modelling report available to the KCDC, if they now seek it.
- 36 Mr Wignall appears to believe that the sensitivity testing for the TGP should include a scenario that tests the effect of tolling the TGP route.
- 37 I do not consider that such a scenario would provide any greater understanding of the Project effects. Varying the toll tariff could produce virtually any traffic volume scenario. For example, a toll of \$0.10 would produce virtually identical traffic volumes to the "untolled" scenario, since virtually no vehicles would be diverted away from the TGP route and back to the existing SH1 route by such a low toll tariff. Conversely, a toll of \$10 would produce similar traffic volumes to the "without TG" scenario, since virtually all traffic would be diverted away from the TGP route and back to the existing SH1 route by such a high toll tariff.

- 38 At various toll tariffs in between those extremes, differing levels of diversion would occur, with corresponding differing traffic volumes on the TGP and existing SH1 routes. The result, therefore, is that the Project effects would be whatever the NZTA chooses them to be, by the choice of toll tariff that it might make.
- 39 As I explained to Mr Wignall when we met on 6 December 2011, the NZTA's general approach to tolling is that the toll tariff should be set at a level that retains at least 70% of the "untolled" traffic volume on the tolled route. This means that, in the case of the TGP, the traffic volumes on the TGP would be around 70% of the volumes used in the AEE, while something less than the remaining 30% of the predicted TGP traffic volumes would be diverted back to the Coastal Route. The reason that not all of the remaining 30% of the "untolled" traffic would be diverted back to the Coastal Route is that implementing a toll would make the choice to travel by private vehicle on either route less attractive, relative to other travel modes (e.g. travelling by bus or train, or (possibly) by bicycle or on foot), so some people would choose not to travel by private vehicle at all.
- 40 Therefore, in my opinion, it is reasonable to conclude that if a toll is implemented on the TGP route and if the toll tariff is set at such a level that the "tolled" traffic volumes on the TGP route would be around 70% of the "untolled" traffic volumes (as the NZTA would intend to do), then all of the "traffic related" environmental effects (such as noise, exhaust fumes or road contaminant runoff) would be reduced by around 30%. This would apply to both negative effects along the TGP route and positive effects along the existing SH1 coastal route, although the positive effects should be reduced by less than 30%, for the reasons I have described in paragraph 39 above. Conversely, the "non traffic related" effects such as landscape effects, construction sediment effects and most ecological effects should be the same whether or not a toll is implemented.
- 41 Notwithstanding the explanation provided above, I am still of the view that tolling and therefore toll modelling is not relevant to the current Board of Inquiry process, since (as stated in paragraphs 114 and 115 of my EIC) the NZTA has no current plans to toll the TGP route and if the NZTA does, at some time in the future, propose to charge a toll to travel on the TGP, then the Land Transport Management Act 2003 (*LTMA*) would require the NZTA to undertake public consultation and to take the outcome of that consultation into account before any decision to implement a toll could be made.

Evidence of Mr Travis Wood, on behalf of the KCDC

- 42 Mr Wood's evidence discusses the effects of the TGP on the KCDC's potable water supply for the Paekakariki township.

43 In paragraph 3.2, Mr Wood states that subject to appropriate conditions being imposed and the conclusion of discussions between the NZTA and the KCDC, that he is *"satisfied that the Council's concerns about the Transmission Gully project's impacts on the Paekakariki water supply can be resolved"*. I share Mr Wood's optimism that any of the KCDC's remaining concerns about the Paekakariki water supply can be resolved and I can also confirm that the NZTA has (and has always had) every intention of appropriately protecting the security of the Paekakariki water supply as part of the TGP, including the KCDC's planned upgrade to the water supply assets and infrastructure.

44 In paragraph 4.9, Mr Wood states his support for the changes to conditions NZTA.18 to 20A and the addition of condition NZTA.54 as set out in Ms Thomson's evidence, to *"help to provide security of the supply of water to Paekakariki by making it clear that continuity of provision of network utilities is essential"*. The NZTA supports the general intent of the proposed changes to protect the Paekakariki water supply. In particular, the NZTA accepts the proposed new condition NZTA.54 with minor amendments as shown below:

"The requiring authority shall ensure that the construction and operation of the Transmission Gully ~~road~~ highway and any enabling works do not adversely impact on the safe and efficient operation, and ~~reasonable~~ planned upgrading including the currently proposed expansion of the public potable water supply for Paekakariki."

45 The NZTA does have some concerns about whether the exact wording changes to other conditions proposed by Ms Thomson are the most appropriate way of achieving the desired intent. This is addressed in **Ms Rickard's** rebuttal evidence.

46 In paragraph 5.5, Mr Wood highlights the potential for the proximity and height of the proposed TG highway embankment to adversely impact on the KCDC's ability to abstract water from the existing bore supply. He states that *"a study will need to be completed to determine if there is a negative impact on the existing bore due to the proposed earth loading"*. In August 2010, the NZTA commissioned Opus to undertake an assessment of the effects of the highway embankment on the existing bore, and any possible effects of the bore on the highway embankment. The results and conclusions of that assessment are discussed in paragraphs 19 to 23 of **Mr Brabhakaran's** rebuttal evidence and are summarised in his paragraph 9.2, where he concluded that *"The earth loading from the TGP is not likely to cause any appreciable change in the water yield from either the existing or planned second KCDC Paekakariki water supply bores"*. Therefore, the NZTA does not consider that any further study is required. The NZTA will attempt to resolve this issue with the KCDC before the hearing.

Evidence of Mr Alastair McCarthy, on behalf of the Wellington Regional Council (WRC)

- 47 Mr McCarthy's evidence discusses the effects of the TGP on the WRC's bulk water supply assets and infrastructure.
- 48 In paragraphs 10 to 14, Mr McCarthy describes the impacts of the TGP on WRC bulk water mains. The NZTA agrees with this description of the impacts on the bulk water mains and I can confirm that the NZTA has (and has always had) every intention of working with the WRC to appropriately protect the security of the bulk water mains.
- 49 In paragraph 15, Mr McCarthy proposes various additions to the provisions of draft condition NZTA.20 regarding the proposed Networks Utilities Management Plan (*NUMP*). The NZTA supports the general intent of the WRC's proposed changes, with some amendments to the proposed changes as described below:
- 49.1 With regard to proposed sub-clause g), the NZTA will continue to liaise with utility owners, including the WRC, during the development of the TGP and will provide as much advance notice of construction as possible to all of the affected network utility owners, but the NZTA does not agree to provide "*at least 18 months' notice of the intention to proceed with construction...*".
- 49.2 With regard to proposed sub-clauses h), i), j), k) and l), the NZTA acknowledges that these issues need to be resolved, but consider that it is inappropriate to include these issues within a condition that requires certification by the Regulatory Manager. Rather, the NZTA considers that these issues are best handled by way of a signed Agreement between the NZTA and the WRC (as utility manager).
- 49.3 With regard to proposed sub-clauses m) and n), the NZTA has no objection to these proposed changes.
- 50 The most appropriate way to incorporate these changes into the draft conditions is addressed in **Ms Rickard's** rebuttal evidence.

Evidence of Mr Murray Kennedy, on behalf of the WRC

- 51 Mr Kennedy's evidence discusses options for the provision of two separate access routes across the TGP route at the Battle Hill Farm Forest Park (*BHFFP*), one to enable the WRC to harvest its plantation forest on the BHFFP land and the adjacent WRC owned Akatarawa Forest land, and a second for recreational users (such as pedestrians, cyclists and equestrian riders).

- 52 The NZTA acknowledges the need to provide access across the TGP route within the BHFFP. The proposed Bridge no. 7 is provided for that specific purpose.
- 53 The NZTA agrees with Mr Kennedy that two separate access routes should be provided, one for forestry purposes and another for recreational users. Consequently, the NZTA generally supports the 'Solution 1' option discussed in Mr Kennedy's evidence, which he states in paragraph 11.4 to be the WRC's preferred option. In that option, the proposed Bridge no. 7 would be the access route for recreational users only (as recommended by a number of submitters and expert witnesses⁴) and a separate access route would be provided via Bridge no. 8 (which was incorrectly referred to as Bridge no. 9 in Mr Kennedy's evidence) for forestry purposes.
- 54 NZTA staff including myself met with Mr Kennedy and other WRC staff on 20 December 2011, the same day that his evidence was lodged. At that meeting, I stated that the NZTA is happy to work with the WRC in order to provide the WRC's preferred access arrangement, but I noted that a cost-sharing agreement may be appropriate. I also indicated that I think the access arrangement would best be considered together with the land acquisition and/or land swap processes that will need to be undertaken under the Public Works Act 1981 (*PWA*), since the two issues are inter-related.
- 55 My rationale for suggesting a cost-sharing agreement is that the basic principle of the PWA is that a landowner of land required for a public work should be left no better or worse off financially as a result of the public work. In this case, leaving aside the land purchase and/or land swap arrangements that will also need to be agreed, the WRC should pay the same cost to build the proposed logging road from Paekakariki Hill Road to the eastern side of the proposed TGP designation as would have been the case if the TGP did not exist. The NZTA will continue to discuss the access arrangements and land purchase issues with the WRC, including at a planned all-day workshop on 2 February 2012, in order to identify a mutually satisfactory outcome. However, it is important to note that any land purchase transactions on behalf of the Crown must be approved by Land Information New Zealand (*LINZ*), so the NZTA cannot legally bind the Crown to any agreed outcome until the PWA process has been completed.
- 56 Mr Kennedy's evidence also discusses, in paragraphs 12 to 14, access issues during construction of the TGP. I acknowledge the importance of these issues. It is unclear from Mr Kennedy's evidence whether the WRC is seeking a condition to address these

⁴ Battle Hill Eventing Incorporated (EPA reference number 0044) in its submission; Mr Horne, in paragraph 18 of his evidence; Mr Gwynn, in paragraph 46 of his evidence; and **Ms Hancock**, in paragraph 15 of her rebuttal evidence.

issues, but in my opinion, it is inappropriate to include these issues within a condition that requires certification by the Regulatory Manager. Rather, the NZTA considers that these issues are best handled by way of a signed Agreement between the NZTA and the WRC (as affected land owner).

- 57 Overall, I can confirm that the NZTA supports Mr Kennedy's preferred "Solution 1" access arrangement, subject to the NZTA and WRC reaching a suitable agreement that covers both construction access and cost-sharing issues, subject to the provisions of the PWA.

Evidence of Dr Ralph Chapman, on behalf of the Rational Transport Society (RTS)

- 58 Dr Chapman's evidence discusses climate change matters and reduction of greenhouse gas emissions in the context of the benefit to cost ratio (BCR) of the TGP.
- 59 As stated in paragraph 94 of my EIC, in my view, it is for the NZTA Board to decide whether or not to fund the TGP, in accordance with the NZTA's statutory functions as defined in section 95(1) of the LTMA.
- 60 In my view therefore, economic considerations, including the BCR, are only relevant for the Board of Inquiry to consider in the limited context set out in paragraphs 21 and 23 of **Mr Copeland's** EIC.
- 61 Notwithstanding then the overall relevance or irrelevance of Dr Chapman's evidence, there are some matters that he addresses that I wish to comment on.
- 62 In his evidence, Dr Chapman discusses and references the NZTA's "Planning Programming and Funding Manual", and questions the overall funding priority of the TGP.
- 63 Paragraphs 97 to 99 of my EIC explain the assessment criteria that the NZTA uses to determine if proposed activities (i.e. projects or packages of projects) are eligible for funding.
- 64 Paragraphs 100 and 101 of my EIC explain that the Wellington Northern Corridor RoNS package (of which the TGP is an integral part) has been evaluated by the NZTA Board as having an 'HHL' assessment profile, which gives the package a 'Priority 3' ranking (out of 11 possible priority rankings) for funding.
- 65 Somewhat surprisingly Dr Chapman makes no reference in his evidence to the NZTA's "Economic Evaluation Manual" (EEM), which provides the detailed framework for undertaking BCR analysis for transportation projects in New Zealand.

66 From his evidence, it appears that Dr Chapman believes that the cost of carbon emissions is excluded from BCR calculations in New Zealand, which is incorrect. Appendix A9 of the EEM gives guidance on calculating vehicle emissions, specifically including carbon dioxide. Section A9.6 of the EEM states that:

"The Land Transport Pricing Study (1996) determined an average cost of carbon dioxide emissions of \$30 per tonne, which is updated to \$40 per tonne (2004 values)... This valuation is fixed at 2004 prices (sic) and does not require any update factors".

67 The BCR for the TGP was calculated in accordance with the EEM procedures, including the calculation of carbon dioxide emission costs. An independent peer review confirmed the appropriateness of the analysis method and the BCR calculations.

68 The unit cost of \$40 per tonne of carbon dioxide that was used in the BCR analysis for the TGP exactly matches the value suggested in paragraph 35 of Dr Chapman's evidence. This unit cost produced an overall "net present value" saving (not increase) of approximately \$1 million in the cost of carbon emissions within the BCR calculations for the TGP. This cost saving was only approximately 0.2% of the total NPV benefits of the Project.

69 If the BCR calculations had instead used the "environmentally cautious" estimate of around \$400 per tonne of carbon dioxide that Dr Chapman suggested in paragraph 36 of his evidence, the calculated BCR for the TGP would have been higher, not lower. However, any such change would be largely immaterial to the overall BCR, since even Dr Chapman's suggested ten-fold increase in the unit cost (from \$40 to \$400 per tonne) would only change this component of the Project benefits from approximately 0.2% to 2%, increasing the overall BCR by a similar amount.

Evidence of Ms Paula Warren, on behalf of the RTS

70 Ms Warren's evidence discusses, *inter alia*, the alternatives considered by the NZTA.

71 At paragraph 70, in the context of terrestrial and freshwater biodiversity effects, Ms Warren speculates that *"a road with a smaller footprint (e.g. with fewer lanes and/or more bridges) would pose a far lower risk to biodiversity"*. Paragraphs 131 to 131.3 of **Mr Edwards'** EIC notes that the concept of constructing the TGP as a two lane road, albeit in a slightly different context to what Ms Warren is suggesting, was considered during the scheme assessment phase and was not recommended. **Mr Edwards** stated in paragraph 131.2 of his EIC that constructing earthworks for two lanes would only defer approximately 10% to 15% of the earthworks material.

- 72 At paragraph 75, Ms Warren suggests that *"the only alternatives considered where (sic) different alignments of a four-lane highway through the TGM route"*. **Mr James'** EIC provides some useful context for this issue in paragraph 44 of his EIC, where he notes that *"the consideration of alternatives to the proposed route has already been subject to many studies and public processes. To re-examine these again, as part of the Project process, would be an inappropriate use of effort and resource"*. I agree with that view.
- 73 At paragraph 76, Ms Warren states that *"The obvious alternative that does not appear to have been assessed is the provision of a two lane highway through TG, and retention of the coastal highway within the state highway network"*.
- 74 A two lane version of the TGP was one of the options evaluated as part of the Western Corridor Transportation Study in 2004 and 2005 (which led to the adoption of the Western Corridor Plan in 2006) but was not preferred. As discussed in **Mr Edwards'** EIC, a two lane version was also considered, albeit in a slightly different context to what Ms Warren is suggesting, during the scheme assessment phase.
- 75 During the scheme assessment phase, I undertook an assessment of the route capacity for a two lane highway along the TGP route, which is attached as **Appendix A**. That assessment showed that the maximum two-way capacity of a two lane layout would range from around 1,000 to 1,200 vehicles per hour in the steep parts of the northern section of the route, and from around 1,150 to 1,350 vehicles per hour in the steep parts of the southern section of the route at different times of the day, depending on how 'balanced' the traffic flows are in the two directions⁵. The assessed capacity was significantly less than the existing two-way traffic volumes on the existing SH1 route or the predicted two-way traffic volumes on the TGP route.
- 76 During the scheme assessment phase, I also undertook an assessment of "maximum" vehicle speeds along the TGP route for typical cars and heavy commercial vehicles, taking account of the TGP route gradients, typical vehicle power outputs, aerodynamic drag coefficients, projected frontal areas and other relevant factors. That assessment showed that most modern cars could maintain the open road speed limit of 100 km/h along the entire TGP route, while fully laden 40 tonne trucks would be at crawling speeds (less than 30 km/h) on the steepest sections of the route, and at intermediate speeds (40 to 70 km/h) along some other sections.

⁵ The two-way capacity is highest when the directional traffic balance is 50%:50%, and reduces as the traffic balance becomes more skewed, such as in commuter peak periods.

- 77 The Project team, including myself, concluded from those analyses that the TGP route would not function safely, efficiently, or reliably as a two lane highway.
- 78 Paragraphs 42 to 42.4 of **Mr James’** EIC set out the NZTA’s objectives for its (the NZTA) project. Ms Warren’s view, as stated in paragraph 77 of her evidence, is that a two lane highway along the TGP route would achieve those objectives. I disagree with that view for the following reasons:
- 78.1 I consider that a two lane highway along the TGP route would not provide “a safe and reliable route” as specified in the NZTA’s second objective. I do not consider that such a highway would function either safely or reliably because of the very high speed differentials that would exist between different vehicles using the same traffic lane;
- 78.2 I consider that a two lane highway along the TGP route would not provide “better... through movement of freight and people”, as specified in the NZTA’s third objective. I do not consider that such a highway would function efficiently because of the congestion that would occur and the very high speed differentials that would exist between different vehicles using the same traffic lane; and
- 78.3 I consider that a two lane highway along the TGP route would not enable the existing SH1 to “be developed into a safe and multi-functional alternative”, as specified in the NZTA’s fourth objective. If the existing SH1 route was retained as a state highway, then its traffic carrying capacity would remain paramount.

Evidence of Mr John Vannisselroy, on behalf of the RTS

- 79 Mr Vannisselroy’s evidence discusses various changes that could be made to fixed infrastructure on the Kapiti railway line to improve the attractiveness of the rail system.
- 80 I agree with the conclusion in paragraph 81 of **Mr Kelly’s** rebuttal evidence that the rail infrastructure improvements suggested in Mr Vannisselroy’s evidence are not relevant in the context of considering the effects of the TGP.
- 81 Notwithstanding that, I also note that, as described in paragraphs 33 to 39 of my EIC, the TGP was included as part of the multi-modal Western Corridor Plan (*WCP*), which was adopted in 2006. The adopted WCP provides the specific project interventions that were planned to be implemented in the corridor to give effect to the strategic framework that was subsequently developed in the Wellington Regional Land Transport Strategy 2010-2040 (*WRLTS*).

82 Many of the rail components of the WCP (and the WRLTS) have already been completed⁶, so in my view, completing the TGP is entirely consistent with the outcomes that were sought from the adopted WCP (as described in paragraph 38 of my EIC).

Evidence of Ms Michelle Grinlinton-Hancock, on behalf of Mrs Nilu and Mr Suresh Senadeera

83 In paragraph 2.5, Ms Grinlinton-Hancock states her opinion that the conditions proffered by the NZTA to address Mr and Mrs Senadeera's concerns are "*a practical means to achieve the outcomes sought in the submission*" although she also notes that Mrs Senadeera "*has concerns that the conditions will not achieve the desired outcome*".

84 I agree with Ms Grinlinton-Hancock's view that the conditions proffered by the NZTA will achieve the outcomes sought. I have met with and spoken to Mrs Senadeera on many occasions over the last year or more, so I am very well aware of her concerns about the TGP. The NZTA is committed to continuing our discussions about the Project with Mr and Mrs Senadeera and the owners of other properties in Little Collins Street, to ensure the final design provides the best overall solution for all of the properties. This issue is addressed further in **Dr Chiles'** rebuttal evidence with regard to the provision of suitable acoustic mitigation.

⁶ The main rail improvements implemented from the WCP are outlined in the Wellington Regional Rail Plan. This plan describes the last 5 years (2006 to 2011) investment in rail as follows:

- 96 Matangi cars (configured as 48 x 2 car electric multiple units EMUs) for the suburban network
- 24 carriages for the Wairarapa service (including 6 Suburban Express carriages ex British Rail)
- Refurbishment of 88 Ganz Mavag cars (i.e. 44 x 2 car EMUs) and phased replacement from 2018
- Double tracking and electrification to Waikanae
- Kaiwharawhara throat upgrade to improve approach to Wellington Station
- Station upgrades for new trains
- Track and signal upgrades

These improvements have targeted capacity, service reliability and improved journey time of the system.

The rail improvements are progressing with double tracking and electrification (to Waikanae) already completed as well as lowering the tunnel floors between Pukerua bay and Paekakariki to improve rail freight capacity. I understand that station improvements are scheduled for completion over the next 3 years, and will be supported by the recent arrival of new Matangi rolling stock.

As far as I am aware, the only rail item that has not yet been progressed is the double tracking of the section between Pukerua Bay and Paekakariki, but this were signalled in the WCP to occur beyond 2016, after the TGP was signalled to be completed.

85 In paragraph 3.3, Ms Grinlinton-Hancock proposes a refinement to condition NZTA.12 4(a)(c) to address the concern raised in point h) of Mr and Mrs Senadeera's submission. I do not consider that this proposed refinement is necessary, but the NZTA has no particular objection to the proposed refinement if the Board considers it is appropriate. This issue is addressed further in **Ms Rickard's** rebuttal evidence.

Evidence of Ms Georgina McPherson, on behalf of Powerco

- 86 Ms McPherson's evidence discusses the effects of the TGP on Powerco's gas distribution network assets and infrastructure.
- 87 In paragraph 4.4, Ms McPherson notes that the NZTA's letter to Powerco dated 12 December 2011 set out a number of proposed amendments to conditions in response to the points raised in Powerco's submission. In paragraph 4.5, Ms McPherson states that the NZTA's letter to Powerco generally addresses the concerns raised by Powerco in its submission, but notes that some details have not yet been fully agreed.
- 88 In paragraph 4.7, Ms McPherson states that Powerco would endorse the amended conditions offered by NZTA, subject to the changes sought in her evidence and summarised in her Attachment B, including relief from future costs and constraints associated with any ongoing Licenses to Occupy that might otherwise be needed as a result of the designation.
- 89 The NZTA accepts the general intent of the changes proposed by Powerco with respect to relief from future costs and constraints associated with any ongoing Licenses to Occupy for existing utilities. The exact wording of the proposed changes is addressed in **Ms Rickard's** rebuttal evidence.
- 90 In paragraph 5.27 to 5.30 inclusive, Ms McPherson states that Powerco seeks relief (by way of a new condition) from the Project restricting the ability of utility providers to cross the designation to supply future demand.
- 91 As stated in my paragraph 9.3 above, the NZTA will continue to liaise with utility owners during the development of the TGP in order to accommodate and facilitate the crossing of the TGP designation by utilities at currently designated crossing points. This will include the reasonable provision of service galleries, ducts or similar facilities within structures to allow for existing or anticipated future utility demand.
- 92 The NZTA considers that it is inappropriate to include a condition that requires certification by the Regulatory Manager. Rather, the NZTA considers that this issue is best handled by way of a signed Agreement between the NZTA and Powerco.

SECTION 42A REPORT

Section 42A Report – Part 1, November 2011 by John Kyle of Mitchell Partnerships

Culverts

93 The paragraph under the heading "Culverts" on page 23 of Mr Kyle's report discusses the proposed reduction in the size of one or more culverts in order to minimise downstream flooding risk generated by the Project. Mr Kyle states that "*with respect to the Duck Creek catchment the area affected is owned by Greater Wellington*" and questions whether Greater Wellington agrees with statements in the application that the effect is acceptable.

94 It is currently proposed that this approach will only apply to the culvert under the PCC's Waitangirua Link Road, for which the upstream area affected is owned by the Crown (NZTA), not by Greater Wellington.

95 However, it is possible that this approach could instead be applied to the culverts on the TGP Main Alignment, if the Link Road is not to be built at the same as the Main Alignment. In that case, the upstream areas affected are owned by Greater Wellington, but this issue has not been discussed with Greater Wellington to date.

Vector Gas

96 The first line in the table on page 29 of Mr Kyle's report, and his footnote 47, discuss the "Agreement for the Movement of Infrastructure" which was to be signed by the NZTA and Vector.

97 Unfortunately, despite lengthy negotiations, the NZTA and Vector Gas (formerly the National Gas Corporation (NGC)) were unable to reach agreement on the liability clauses contained in the proposed "Agreement for the Movement of Infrastructure" which both parties had expected to be signed prior to March 2011. Both parties agreed to revert back to the existing "Deed of Agreement – Relocation of Pipelines" between NGC and Transit NZ, dated 30 November 1999.

98 The Network Utilities Management Plan (NUMP) will set out the process to be followed for Vector Gas and the NZTA to work together during the detailed design and construction phases of the Project, and will be required to comply with the signed "Deed of Agreement – Relocation of Pipelines" between NGC and Transit NZ.

99 To the best of my knowledge, Vector is satisfied with the arrangements that are in place with the NZTA and I note that Vector did not make a submission on the TGP applications, which tends to confirm this.

House at 51 Paremata Haywards Road

- 100 The second paragraph on page 45 of Mr Kyle's report questions who owns the house at 51 Paremata Haywards Road (which is State Highway 58) and what their views are about the noise effects on the property.
- 101 The property owner is Mr C J Edge, who lodged a submission (EPA reference number 0067) on the TGP. Paragraphs 161 to 164 of my EIC addressed that submission. Since my EIC was lodged, I have met with and have continued to communicate by email with Mr Edge, which has resulted in his concerns about the TGP being resolved to his satisfaction. This is confirmed in the letter that is attached as **Appendix B**.

Land to be made available to the WRC

- 102 The second to last paragraph on page 55 of Mr Kyle's report notes that the application states that there will be opportunities for some Crown-owned blocks of land to be made available to the WRC and questions the nature of this land and its location.
- 103 The land that is owned by the Crown (NZTA) which could be available to 'land-swap' with the WRC, subject to the provisions of the PWA, is shown on plans LR10 to LR13 of the application document plan set. The available land stretches from adjacent to Queen Elizabeth Park at Paekakariki to just south of BHFFP on Paekakariki Hill Road. Much of the land is plantation forestry covered hill slopes, but there are areas of flat pasture land at Paekakariki and immediately south of the BHFFP.
- 104 The property immediately to the south of the BHFFP includes approximately 10 Ha of flat pasture land that would be available to partly replace the 20 Ha or more of flat pasture land within the BHFFP that is required for the TGP.
- 105 The available land to the north of the BHFFP is on the eastern slopes of the Horokiri Stream valley, adjacent to existing plantation forestry land owned by the WRC.

Fish capture and transfer

- 106 The second paragraph on page 61 of Mr Kyle's report notes that Ngati Toa have recommended that fish should be captured and transferred from streams prior to reclamation for culverts and diversions. Mr Kyle questions whether this recommendation is supported by the applicants.
- 107 This recommendation is supported by the NZTA and I understand it is also supported by the PCC. It is recorded in the Proposed Ecological Management and Monitoring Plan (Section D.1, page 4, bullet points 13 to 16), within volume 5 of the application documents.

- 108 The NZTA would accept a condition specifically requiring that fish should be captured and transferred, although I do not believe this is necessary. This is addressed in **Ms Rickard's** rebuttal evidence.

Porirua Gun Club and Pauatahanui Golf Club

- 109 The paragraph under the heading "Social" on page 81 of Mr Kyle's report notes that no specific conditions have been proposed to finance the relocation of the Porirua Gun Club or the rearrangements of the Pauatahanui Golf Club that are required as a result of the TGP. Mr Kyle notes that the Porirua Gun Club has a side agreement with the NZTA, and sought some clarity as to whether the side agreement addresses this matter.
- 110 Addressing first the Pauatahanui Golf Club, the NZTA has been working closely with the Golf Club and their chosen golf course designer to identify how best to reconfigure the golf course. To that end, I note that Plan GM10 of the applications plan set shows an area approximately 150m wide and 700m long that is within the proposed designation and is located immediately adjacent to the existing Golf Club property, with the text "Future Golf Course Replacement Holes". The NZTA's intention is to purchase that land from the current owner to enable the Golf Club's preferred reconfiguration option to be undertaken. That work will be covered under the provisions of the PWA, so I do not consider that a condition specifically relating to the Pauatahanui Golf Club is either necessary or appropriate.
- 111 Turning to the Porirua Gun Club, I can confirm that the Porirua Shooting Association of New Zealand Incorporated (PSA) currently occupies approximately 2.3 Ha of land, for the purposes of a gun club by way of a 'licence to occupy' agreement with Landcorp. The NZTA understands that the licence agreement is for a 5 year period.
- 112 The NZTA (then Transit NZ) signed a contractually binding agreement with the PSA to relocate and reinstate the gun club to the south east of its current position. The agreement was conditional on the PSA withdrawing its Appeal on the existing Transmission Gully designation.
- 113 The reason for the Appeal was that the designation conditions did not make provision for the relocation of facilities for recreational shooting operated by the PSA.
- 114 Included in the agreement is a commitment for the NZTA to contribute up to a total of \$15,000 to the PSA towards the cost of gaining any additional or altering any existing resource consents necessary to operate at the new location. This sum is in addition to any monies rightfully owing to the club under the PWA as a result of the Project.

- 115 The agreement is conditional on the NZTA being able to satisfactorily negotiate a suitable occupation license agreement for the PSA from the current owner (at the time of the agreement being just Landcorp, but now both PCC and Landcorp).
- 116 The agreement, while not explicit in this regard, is predicated on the assumption that the actual shooting range would remain in its present location, with only the associated buildings, facilities and carpark needing to be relocated.
- 117 In the agreement, the NZTA reserves the right to find an alternative location for the shooting range in the event that it cannot develop a design that avoids the shooting range itself, or that the cost of providing access to the existing site proves prohibitive.



Craig Simon Nicholson
20 January 2012

**APPENDIX A -
ROUTE CAPACITY ANALYSIS FOR A TWO LANE HIGHWAY
LAYOUT ALONG THE TGP ROUTE**

Transmission Gully Route Capacity Analysis

Mountainous Terrain; Traffic Operation at Level of Service E

1. Two Lane Highway

Source: AUSTRROADS Guide to Traffic Engineering Practice, Part 2 - Roadway Capacity (1999), **Section 3.2.2**

Basic Formulae:

(i) Service flow rate, $SF_i = 2,800 (v/c)_i f_d f_w f_{HV}$
in which $f_{HV} = 1 / [1 + P_T (E_T - 1) + P_B (E_B - 1)]$

(ii) $AADT = AM\ Peak \times 1.55 + Interpeak \times 11.06 + PM\ Peak \times 2.50$

Notes:

(i) Theoretical capacity = service flow rate at Level of Service E
(ii) The calculated AADTs use scaling factors from WTSM model

1.1 Northern Section (Traffic Data for Paekakariki - SH58 Section)

$(v/c)_i =$	0.80	(Mountainous terrain, LOS E, 80% of route has sight distance < 450 m)
$f_d =$	0.85	(AM peak directional split = 1,645:487 = 77%:23% for Test 30)
	1.00	(Interpeak directional split = 50%:50% (assumed))
	0.90	(PM peak directional split = 667:1,473 = 31%:69% for Test 30)
$f_w =$	0.97	(Usable shoulder width > 2 m, Lane width = 3.5 m, LOS E)
$P_T =$	0.073	(HCV proportion = (729+918)/(11,470+11,071) for Test 30)
$E_T =$	12.0	(Mountainous terrain, LOS E)
$P_B =$	0.000	(Buses not specifically considered in modelling)
$E_B =$	6.5	(Mountainous terrain, LOS E)
$f_{HV} =$	0.555	

Theoretical Capacity (Two Way):

AM Peak =	1020	vehicles per hour
Interpeak =	1210	vehicles per hour
PM Peak =	1080	vehicles per hour
All Day =	17660	vehicles per day

1.2 Southern Section (Traffic Data for James Cook - Warspite Section)

$(v/c)_i =$	0.80	(Mountainous terrain, LOS E, 80% of route has sight distance < 450 m)
$f_d =$	0.86	(AM peak directional split = 1,777:607 = 75%:25% for Test 30)
	1.00	(Interpeak directional split = 50%:50% (assumed))
	0.94	(PM peak directional split = 1,002:1,532 = 40%:60% for Test 30)
$f_w =$	0.97	(Usable shoulder width > 2 m, Lane width = 3.5 m, LOS E)
$P_T =$	0.056	(HCV proportion = (530+790)/(12,422+11,253) for Test 30)
$E_T =$	12.0	(Mountainous terrain, LOS E)
$P_B =$	0.000	(Buses not specifically considered in modelling)
$E_B =$	6.5	(Mountainous terrain, LOS E)
$f_{HV} =$	0.619	

Theoretical Capacity (Two Way):

AM Peak =	1160	vehicles per hour
Interpeak =	1340	vehicles per hour
PM Peak =	1260	vehicles per hour
All Day =	19770	vehicles per day

APPENDIX B -

**LETTER CONFIRMING RESOLUTION OF THE CONCERNS OF
MR C J EDGE (OWNER OF 51 PAREMATA HAYWARDS ROAD
AND SUBMITTER (EPA REFERENCE NUMBER 0067))**



NZ TRANSPORT AGENCY
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4 January 2012

Craig Edge

51 Paremata - Haywards Road (State Highway 58)
Pauatahanui
R.D. 1
PORIRUA 5381

Dear Craig

Transmission Gully Project - Submission to Board of Inquiry

Thank you for meeting with Ian Gray and myself on 5 December 2011 to discuss your submission (EPA reference number 0067) about the Transmission Gully (TG) project and in particular the proposed construction site compound opposite your house across State Highway 58. I found the meeting very constructive and I hope you did too.

I want to formally reiterate my apology to you that the NZTA only began discussing the TG project with you so belatedly, because we had been unaware that you own your property. I really appreciate your willingness to engage with us so constructively under such circumstances.

As I mentioned at the end of our meeting, and as we have discussed via email since then, this letter is intended to summarise what we have discussed and agreed in order to resolve your concerns about the TG project. The key points and outcomes from our meeting and our subsequent correspondence are:

1. I confirmed that the NZTA has no need to own or physically occupy your property during the construction or operation of the TG project. The only reason that your property is included within the designation for the project is because the NZTA cannot adequately mitigate the adverse effects on your property during construction.
2. I confirmed that, post-construction, the NZTA can and will uplift the designation from your property, since it will no longer be required at that time.
3. I confirmed that construction of the TG project is currently programmed to begin in about 4 to 5-years time, around 2015.
4. I confirmed that because your property is included within the proposed designation, the NZTA is required, under the Public Works Act 1981 (PWA), to purchase it if you want that, but not if you don't want it. Such a purchase would be at "fair market value" excluding any negative affect of the project on the property value. Under the PWA, the NZTA would be required to offer the property back to you post-construction, before it could be offered to anyone else, at the "fair market value" at that time.
5. I confirmed that if the NZTA were to purchase the property from you, that doesn't need to happen immediately, so could happen much closer to (or immediately before) the construction start date if that suits you better.

6. You noted that you currently enjoy living near friends in Whitby and Pauatahanui and have two teenaged sons at high school in the Hutt Valley. Based on your current circumstances, you indicated that you do not wish to sell your property. However, you noted that your circumstances may be quite different by the time construction begins, so it is possible that you may then prefer to sell the property.
7. I confirmed that the two other options available are for the NZTA to rent your property from you for the duration of construction or for you to continue to live at the property (and for us to agree what measures can be implemented to help manage and/or reduce the adverse effects on the property.)
8. I noted that if you do choose to continue to live at the property, then whatever measures are agreed, they are unlikely to mitigate the anticipated adverse effects from construction to what are considered to be normally acceptable levels. You would need to be aware of, and acknowledge that. The main effects are likely to be noise, and to a lesser extent vibration and dust effects from vehicles, equipment and machinery within the construction site compound. Some night time working may also be required.
9. You noted that your current preference is probably to rent the property to the NZTA for the duration of construction, but that you would like to take some time to consider the options.
10. We agreed that there is no rush to make a decision about whether you wish to sell or rent the property to the NZTA, or wish to stay in it throughout the construction period. I confirmed that, based on the current project programme, the NZTA could easily wait at least two years from now for you to consider which of these options you prefer.
11. Subsequent to the meeting, you asked what would happen if you chose to try to continue living at your house during construction (and you agreed with the NZTA some mitigation measures such as noise insulation and/or double glazing, which the NZTA would pay for) but you then subsequently found that the house was "unliveable" during construction.
12. I confirmed that the NZTA cannot "contract out" of the requirements of the PWA, so if that situation did arise, then you would still have the option of selling the property to the NZTA, because it is within the designation. In that case, any increase in the value of the property that resulted from the mitigation measures that had been implemented would become part of the value that the NZTA would need to pay to purchase the property from you. The option of the NZTA renting the property from you could also still be considered at that time if you wish.
13. You have confirmed that the various issues that we have discussed and agreed have satisfactorily resolved your concerns about the TG project.

As we have discussed, the NZTA will provide a copy of this letter to the EPA and I will attach it to my evidence to the Board of Inquiry for the TG project, to confirm that the concerns expressed in your submission (EPA reference number 0067) about the project have been satisfactorily resolved.

I trust that this letter accurately reflects the issues that we have discussed and agreed at our meeting on 5 December 2011 and subsequently by email. If so, I would be grateful if you would sign the acknowledgement at the end of this letter, to indicate that you agree, and then return it to me.

I recall that you said you had discussed the earlier "draft" version of this letter with the appointed "friend of submitters" Mr Mark St Clair from Hill Cooper Young Limited. You may wish to consider discussing this updated version with him before signing.

Please feel free to contact me on 910-8183 or 021 362-320 if you have any questions about this letter or if you wish to discuss the project with us again, either now or in the future.

I will make arrangements to contact you again in two years time (i.e. in late 2013 or early 2014) to see whether you have a firmer view about how you wish to proceed.

Thanks again for the very constructive way that you have engaged with us to resolve your concerns about the TG project.

Yours sincerely



Craig Nicholson
Principal Project Manager, Transmission Gully

Acknowledgement by Craig Edge

I acknowledge that this letter accurately reflects my discussion with NZTA staff on 5 December 2011 and subsequently by email, about the Transmission Gully project.

I also acknowledge that the NZTA will provide a copy of this letter to the EPA to confirm that the concerns expressed in my submission (EPA reference number 0067) about the Transmission Gully project have been satisfactorily resolved.

Signed:

Craig Edge



Date: 10.1.2012