

IN THE MATTER of the Resource Management Act
1991

AND

IN THE MATTER of an application to the **BAY OF
PLENTY REGIONAL COUNCIL**
by **NGATI TUWHARETOA
GEOTHERMAL ASSETS
LIMITED** for a change to the
conditions of a resource consent
(67151) that authorises the
discharge of geothermal water
from the eastbank of the Tarawera
River

STATEMENT OF EVIDENCE OF RAE BEVERLEY ADLAM

1. INTRODUCTION

- 1.1 My full name is Rae Beverley Adlam.
- 1.2 I was born in Whakatane Hospital in 1946 and was raised in Onepu/Kawerau. I have a number of iwi and hapu affiliations, but my primary iwi is Ngati Tuwharetoa ki Kawerau ("Ngati Tuwharetoa"). This is my Turangawaewae.
- 1.3 I present this evidence as an Elder (Kuia) of Ngati Tuwharetoa.

Relevant background

- 1.4 I hold the degree of Masters in Business Administration from the University of Auckland (1991). My Masters thesis was on the feasibility of using Ormat geothermal power stations at Kawerau.
- 1.5 In the 1980s, I was appointed to the boards of the Bay of Plenty Electric Power Board, the New Zealand Forestry Corporation, Trustbank Bay of Plenty and others. I was the New Zealand Businesswoman of the Year in 1986. I became a member of the New Zealand Order of Merit (MNZM) in 2008 for services to business. I also received the Queen's Service Medal in 1990 for services to the community.
- 1.6 I have held senior management roles in the public service, namely Director of Marketing and Services, Department of Internal Affairs; General Manager of Women & Childrens Health, Health Waikato; and Director of Kaupapa Maori Affairs & Policy with the Ministry of Foreign Affairs.

My connection to Kawerau

- 1.7 The pepeha that identifies and links me to the Kawerau area and to Ngati Tuwharetoa is the same as that for Amorangi Te Rire:

Ko Putauaki te Maunga

Ko te Takanga i o Apa te Awa

Ko Te Aotahi te Tangata

Ko Ngati Tuwharetoa te iwi

- 1.8 I grew up in Onepu/Kawerau and went to the Presbyterian Maori mission school there until I was five. My mother was a teacher at the school while I was there. I then went to school in Otakiri and transferred to Kawerau North and Central schools when the town of Kawerau was built. I spent four years of secondary school at Turakina Maori Girls College in Marton and was dux of the school, then spent a 7th form year at Auckland Girls Grammar School.
- 1.9 While I was at Turakina, a new assembly hall was opened and my elders came in a bus from Kawerau for the opening. I travelled home with them and they told me that my job was to deal with the raupatu (land confiscation). I was 16 years old. That word, raupatu, and what it means has had a very big influence on my life that remains with me to this day. I address the raupatu in detail in Section 2 of my evidence as it is of fundamental importance to why I am here today.
- 1.10 I lived in Auckland and returned to Kawerau in 1976 and started teaching at the college and intermediate school. At that time, I got involved in broadcasting and developed the first radio programme broadcast in Maori, which ran for 45 minutes on a Sunday on Radio 1XX. I ran that programme for about 15 years (alongside teaching) and received broadcasting awards recognising its success.
- 1.11 I was one of the Ngati Tuwharetoa signatories to the Deed of Settlement dated 6 June 2003 between Ngati Tuwharetoa (Bay of Plenty) and the Crown ("Deed"). As addressed in the evidence of Amorangi Te Rire, the Deed settled historical grievances of Ngati Tuwharetoa that arose from breaches of the Treaty of Waitangi by the Crown and resulted in the setting up of the Ngati Tuwharetoa (Bay of Plenty) Settlement Trust ("NTST").

Support for the current NTGA application

- 1.12 NTGA has applied to the Bay of Plenty Regional Council to change the conditions of its existing resource consent to enable the continuation of discharges of geothermal fluid from the East Bank discharge point to the Awa (Tarawera River) until 2035. I support

that application and consider that it is important that this discharge continue, both culturally and commercially / economically.

- 1.13 My support for this application is the latest step in a very long journey for me, my whanau, hapu and iwi. To understand the significance of this application, I feel that it is necessary for you to understand some of the more salient points of that journey.

Purpose and scope of my evidence

- 1.14 The purpose of my evidence is to:

- (a) Briefly summarise our journey; and
- (b) To explain on behalf of Ngati Tuwharetoa the commercial and cultural reasons for supporting the ongoing discharge.

- 1.15 In doing so, my evidence addresses the following matters:

- (a) Our ongoing journey and the significance of the current applications to Ngati Tuwharetoa (Section 2).
- (b) The significance of NTGA operations to NTST beneficiaries (Section 3).
- (c) The significance of the East Bank discharge in the context of the NTGA application (Section 4).
- (d) My concluding comments (Section 5).

- 1.16 My evidence needs to be read alongside the evidence of:

- (a) Amorangi Te Rire who addresses issues relevant to Ngati Tuwharetoa that I have not covered.
- (b) Spence McClintock, CEO of NTGA, in relation to commercial considerations.
- (c) Phil Osborne, economist, in relation to broader economic considerations.

- 1.17 I rely on the evidence of Messrs McClintock and Osborne in relation to commercial and economic considerations.

2. OUR ONGOING JOURNEY AND THE SIGNIFICANCE OF THE CURRENT APPLICATIONS

- 2.1 This section of my evidence addresses the ongoing journey that Ngati Tuwharetoa have been on prior to and after the Raupatu (land confiscation), including our efforts to become financially independent and to reconnect with our Awa and Ngawha (the

Kawerau geothermal resource). It commences in the period prior to 1866 and traverses key events up to signing of the Deed and ends with why this history, and the current NTGA application, is important to Ngati Tuwharetoa.

Prior to 1866

- 2.2 Prior to 1866, we were actively engaged in cultivating kumara, potatoes, wheat, and flax for sale to and barter with European traders, and we were also engaged in the transport of goods to markets to trade with traders and other iwi.
- 2.3 The Ngawha, which is part of what we call the Okakaru area, was used by us as a special place of healing and recuperation and for early cultivation of plants, especially kumara. There was also a plentiful supply of eels and fish as well as a plentiful supply of kai in the original wetlands.

July 1863 to October 1865

- 2.4 War broke out in the Waikato in July 1863 when General Duncan Cameron led an army across the Mangatawhiri Stream, and the hostilities that started in the Waikato eventually extended to the Bay of Plenty in the first half of 1864. As a result of the deaths in Whakatane of a Crown official (James Fulloon), and three members of the vessel Kate, a Crown expedition of 500 men was mounted in August 1865 to apprehend those persons named in a warrant as allegedly being responsible.
- 2.5 That expedition included Maori who were not Ngati Tuwharetoa, and the expedition laid siege to a number of Pa at which Ngati Tuwharetoa hapu lived. The expedition raided livestock and pillaged crops and food supplies belonging to Ngati Tuwharetoa and this resulted in conflict in which Ngati Tuwharetoa people were killed.
- 2.6 A Proclamation of Peace by the Crown on 2 September 1865 declared the conflict to be at an end and provided amnesty for anyone who had not been engaged in it. The proclamation also contained a declaration that land would be seized from any hapu or iwi who did not give up those people allegedly responsible for killing James Fulloon. After that, a Proclamation of Marshall Law was issued by the Governor on 4 September 1865 and Crown troops were stationed outside some Pa.
- 2.7 Around October 1865, Ngati Tuwharetoa people at Parawai Pa evacuated to join other Bay of Plenty iwi at Te Kupenga Pa. Some of the people allegedly responsible for the death of James Fulloon were at Te Kupenga Pa. The Crown attacked Te Kupenga Pa and on 20 October 1865 all the people remaining at Te Kupenga Pa surrendered to the Crown.

Land confiscation and alienation

- 2.8 As a result of the conflicts mentioned above, the Crown confiscated 87,000 acres of Ngati Tuwharetoa land pursuant to the New Zealand Settlements Act 1863 on the pretence that Ngati Tuwharetoa had been engaged in "rebellion" against the Crown.
- 2.9 Some land (approximately 17,000 acres) was returned to Ngati Tuwharetoa but not in accordance with customary forms of tenure by hapu and iwi and, as a result, the land became susceptible to partition and alienation. Illegal Crown purchases of Ngati Tuwharetoa land in the 1870s and 1880s resulted in alienation of almost all of the land that had been returned to Ngati Tuwharetoa.

Drainage of the Rangitaiki swamp and alteration of the Rangitaiki River

- 2.10 Beginning in the early 1890s, Settlers drained the Rangitaiki swamp, to make the land more suitable for farming, and this was sanctioned by the Crown. The Crown also took over the local drainage scheme and altered the course of the Rangitaiki River by cutting a direct channel to the sea so that it no longer fed into the Awa. These actions had significant adverse effects on Ngati Tuwharetoa wahi tapu and areas for gathering food and other resources.

1930s

- 2.11 In the 1930s, our kaumatua went to Wellington to seek redress for these wrongdoings but to no avail. At that time, the Crown's ears were deaf to our claims for justice.

1950s

- 2.12 In 1953, negotiations for construction of the Tasman Pulp and Paper Mill, and development of the Ngawha, began. The Geothermal Energy Act 1953 vested the sole right to geothermal resources in the Crown. That was done without the consent of, or in consultation with, Ngati Tuwharetoa and resulted in us losing control of, and access to, the Ngawha.
- 2.13 The Ministry of Works surveyed our land at Onepu and the Crown decided that it would build the paper mill and a town in the Onepu area. My grandmother, mother and others tried to stop the Crown from doing that but workingmens' huts showed up on my Grandmother's front lawn.
- 2.14 Eventually, the Crown decided to move the town so that it was partly on land the Crown had confiscated and partly on land owned by local tangata whenua. The local tangata whenua were threatened with compulsory acquisition under the Public Works Act of the time and they would only have received compensation of sixpence per acre under the

Act. So, reluctantly, they agreed to sell some of the land that was required. The mill was constructed and began operations in 1955.

- 2.15 The establishment of the Kawerau township and the pulp and paper mill in the 1950s resulted in the pollution and degradation of the Awa and the Okakaru area by urban and industrial waste. I remember at an early age hearing a terrible wailing sound. I ran into my mother's bedroom to find out what was happening but she was not there. I went outside and found her by the river weeping and wailing as she looked at the silver ribbon created by dead fish and eels belly up on the side of the river. The fish and eels were killed by the pollution discharged into the river from the mill and the township.

The establishment of the Kawerau Enterprise Agency and establishment of the Kawerau Industrial Park – 1985-1986

- 2.16 As I grew older, I was determined to help rectify some of the past wrongs and to provide a context for Ngati Tuwharetoa to participate in and benefit from the development of the local economy. In that regard, I was a key person involved in the establishment of the Kawerau Enterprise Agency ("KEA"). KEA was established in 1985 by me with the support of the three Tasman companies at the time, the Kawerau Small Business Association, a government grant, and the Kawerau District Council.
- 2.17 KEA's job was to diversify the economic base in Kawerau so that it was not so heavily reliant on the mill.
- 2.18 As part of the restructuring of the economy that occurred after the Fourth Labour Government was elected in 1984, the mill announced that it was intending to make 500 men redundant; this would have resulted in families leaving town and a drastic downturn in the Kawerau population and economy. KEA gave advice to numerous employees who were being made redundant at the mill and also assisted some of the younger ones to buy trucks and machinery so they could enter into contract arrangements with the Tasman companies to load and cart logs and become self employed, or employers themselves.
- 2.19 A major undertaking of KEA was development of the Kawerau Industrial Park in 1986. The idea behind Kawerau Industrial Park was to build warehousing space. KEA purchased from Manukorihi Trust, land that had been subdivided but not developed. That was achieved by means of two debenture issues that were underwritten by Fletcher Challenge. We persuaded Fletcher Challenge to adopt a focussed local programme with respect to supplying goods and services to the mill so that warehouse space in the Kawerau Industrial Park could be used to provide "just in time inventory" for the mill. This created jobs and kept wealth in the Kawerau community. Investors in the Kawerau debentures came from as far north as Whangarei and as far south as Dunedin, and the debenture issues were fully subscribed six weeks before closing.

- 2.20 Stage One of Kawerau Industrial Park had signed up tenants for all of the space by the time the first building was opened. Stage Two had all space let by the time it was built. Kawerau Industrial Park created approximately 50 new businesses and 150 new jobs. All of this was about trying to ensure that our people and our community could survive and prosper despite the significant odds we faced. It was about being participants rather than disenfranchised bystanders.

Waitangi Tribunal claim and Deed of Settlement – 2003

- 2.21 A claim was lodged with the Waitangi Tribunal in relation to the events I have outlined above and the Waitangi Tribunal released its last report on that claim on 1 May 2003.
- 2.22 All of the matters mentioned above had a devastating effect on the social, economic, and cultural wellbeing of Ngati Tuwharetoa. They were breaches of the Treaty of Waitangi by the Crown and they created grievances that remained with Ngati Tuwharetoa for 139 years without being settled.
- 2.23 A Deed of Settlement was entered into by Ngati Tuwharetoa and the Crown on 6 June 2003 (“Deed”). Amorangi Te Rire and I were both signatories to the Deed, which is addressed in Amorangi Te Rire’s evidence.

The purchase of the Crown’s steamfield assets and the setting up of NTGA – 2005

- 2.24 Once the settlement occurred, Ngati Tuwharetoa began to provide for its social, economic, and cultural wellbeing. A key element of that was by purchasing the Crown’s Kawerau steamfield assets and providing geothermal fluid to end users pursuant to commercial contracts. Those steamfield assets were not provided to Ngati Tuwharetoa as part of the redress under the Deed – they were paid for. Acquisition of those assets was seen as a critical component in reconnecting with the Ngawha and providing for the cultural, social and economic needs of Ngati Tuwharetoa.
- 2.25 NTGA was incorporated on 8 April 2005. The purpose of the company is to develop and manage the geothermal assets in Kawerau. The main reasons for purchasing the Crown’s steamfield assets on the Ngawha was to provide for Ngati Tuwharetoa and the wider Kawerau community, and for Ngati Tuwharetoa to become a participant in its local community, in the fundamentally important geothermal resource that is the Ngawha.

Obtaining resource consents to enable further geothermal development – 45K take application

- 2.26 A key development in this history was NTGA obtaining consents from the Regional Council for a take of 45,000 m³/day to enable the expansion of NTGA's operations and the ability to supply geothermal steam, fluid or heat to various industrial applications, and to inject into the Ngawha spent fluid, while still maintaining discharges to the Awa from the West Bank discharge point (to maintain the Umapokapoka Lagoon geothermal feature) and East Bank discharge point. I was the Chairperson of NTGA at that time.
- 2.27 Key reasons for obtaining the consents were to support the potential expansion of industry in Kawerau and, thereby, enable Ngati Tuwharetoa and the wider community to continue to provide for their social, economic, and cultural wellbeing. The consents were granted in March 2013.

Application for continued discharge to the Awa

- 2.28 In 2012, NTGA applied for resource consents for the continued discharge of geothermal water to the East Bank and the West Bank of the Awa for a period of 35 years.
- 2.29 At that time, NTGA ultimately agreed to a condition requiring the East Bank discharge to be discontinued by 1 January 2021. However, that was on the basis:
- (a) That cessation of the discharge in favour of reinjection to the Ngawha would benefit the health of the Ngawha and the Awa from a western science perspective; and
 - (b) Of the assumptions about the commercial arrangements at the time.
- 2.30 Since then, both bases for decision have been proven to be incorrect, in that:
- (a) It transpires that reinjection is not necessary for the Ngawha and minimal effects from a western science perspective result to the Awa because of the discharge; and
 - (b) The commercial context has changed very significantly, both as a result of Covid-19 and the potential closure of the NST mill.
- 2.31 Had we known then what we know now, we would not have agreed to the conditions requiring cessation of the East Bank discharge and reinjection of that fluid into the Ngawha.
- 2.32 These issues are fully addressed in the evidence of Mr McClintock and I do not address them further here.

3. **THE SIGNIFICANCE OF NTGA OPERATIONS TO NTST BENEFICIARIES**

3.1 Some of the profits that are made by NTGA are ultimately paid as a dividend to NTST.

3.2 The following grants are available from NTST:

- (a) Pakeke grant – to assist with the cost of living for Beneficiaries who are 65 years or older.
- (b) School costs grant – to assist Beneficiaries with education costs who are aged between 0 – 18 years of age.
- (c) Tertiary grant – to assist Beneficiaries with education costs associated with tertiary studies.
- (d) Representation grant – to assist Beneficiaries with costs associated with being selected to represent a Province or New Zealand in any activity.
- (e) Discretionary grant – to assist Beneficiaries with costs that fall outside “Approved Distribution Policies.
- (f) Leadership Award grant – acknowledges two Beneficiaries (at a Junior and Senior level) who have demonstrated aspects of leadership qualities whilst attending Tarawera High School (the only Intermediate/College school in Kawerau).
- (g) Marae grant – annual grant to the three Marae (Hahuru, Oniao and Umuatahi) named in the Deed of Settlement with the Crown and NTST’s Trust Deed.

3.3 Last year NTST distributed approximately \$300,000 to its beneficiaries. A total of approximately \$2,000,000 has been distributed to beneficiaries since the establishment of NTST.

4. **THE SIGNIFICANCE OF THE EAST BANK DISCHARGE**

The cultural significance of the geothermal discharge to the mauri of the awa

4.1 The geothermal discharge this application refers to is a central part of the Mauri of the Awa. It enhances and replenishes the geothermal heart and spirit of the Awa, which has been depleted and impacted on since the 1950’s with the industrial developments in Kawerau.

4.2 I have known the Awa since childhood and before any developments. We swam in the river daily and had our own family hot springs on the sides of both the East and West banks of the Awa, where there was communal bathing for whanau.

- 4.3 During these bathing sessions we children learnt and heard stories from our aunties, uncles and nannies.
- 4.4 The Awa cannot be separated from the Ngawha. It is Waiariki (Water of the Gods). Certain springs were used for bathing, for healing (especially skin ailments e.g. eczema, hakihaki/sores) – its source is geothermal (Lake Tarawera).
- 4.5 Mineral waters were often used from the springs for inner cleansing and also in spiritual blessings to make noa matters spiritual, mental and physical.
- 4.6 We do not accept the local geothermal fluid as being 'contaminants' as they are a natural part of the Awa and in some ways assist in the restoration of the Awa as we all work towards this journey to give mana to the Awa and mana to the Ngawha that they deserve.
- 4.7 My grandmother, Arihia Wharepapa, would use boiling/bubbling springs to cook food. As kids, we would gather chestnuts from the big chestnut trees on the East Bank of the Awa and cook them in the boiling springs which we were taught to respect. Steam boxes were also used and even in these times to cook food.
- 4.8 Significant is the flow – this is the wai – the geothermal should be released to its natural flow. In essence, we firmly believe that the geothermal waters are an integral part of the natural life of the Awa and replenishing this aspect of the environment upholds the tikanga of Ngati Tuwharetoa.

The commercial / economic significance of the discharge

- 4.9 Kawerau is again facing uncertain times, particularly as a result of the potential closure of the Norske Skog Tasman mill. I understand that cessation of the East Bank discharge is likely to visit costs on NTGA that will have broader economic consequences, not only for NTST beneficiaries but for the broader Kawerau and regional economy.
- 4.10 I have addressed the significance of NTGA's operations in providing for our people and the wider Kawerau community. For us to be able to provide for our social, economic, and cultural wellbeing we have been and continue to be participants in Kawerau's growth so that we can build on what has been achieved to date. If our effectiveness to operate is compromised to any degree, our ability to fulfil that role is similarly compromised. To the extent that, as I understand it, there are no, or only minimal, benefits to either the Ngawha or the Awa from ceasing the East Bank discharge in terms of western science, I oppose that cessation on the basis that it would be contrary to all I have attempted to achieve for decades. It is not the right time to put our success at risk for little or no benefit.

5. **CONCLUDING COMMENTS**

- 5.1 Given the history of the Ngati Tuwharetoa people and our recent hard won advances, we view with considerable concern any decision that will or could impact on NTGA or the local economy; I understand from NTGA management and our economic experts that such potential exists. That is particularly so when:
- (a) Scientific analysis makes clear that there are minimal effects from the discharge and no need to reinject for the sustainability of the Ngawha; and
 - (b) Ngati Tuwharetoa's cultural perspective is that the geothermal waters are an integral part of the natural life of the Awa and replenishing this aspect of the environment upholds the tikanga of Ngati Tuwharetoa.
- 5.2 We recognise the views of Te Runanga o Ngati Awa and honour their concern for the Awa. I would understand their position better if the discharge was affecting the Mauri of the Awa, or having a more than minimal adverse effect on the water quality of the Awa, but it is not as I understand it.
- 5.3 My request on behalf of Ngati Tuwharetoa iwi and hapu is that you grant the application and enable the status quo to remain. The application was made by NTGA to extend the discharge only to 2035, having regard to the expiry of the existing legacy contracts that NTGA has for supply of geothermal fluid and steam. From the cultural perspective of Ngati Tuwharetoa the discharge could continue indefinitely because, as I noted above, the geothermal influence is a central part of the Mauri of the Awa, it enhances and replenishes the geothermal heart and spirit of the Awa, and we firmly believe that replenishing this aspect of the environment upholds the Tikanga of Ngati Tuwharetoa.

Rae Beverley Adlam

21 May 2021