

INTRODUCTION

My name is Cheryl Adams and I am here today on behalf of the Carey's Bay Association. The Careys Bay Association is a group of Careys Bay residents concerned with the continued protection and enhancement of the Carey's Bay environment and its amenity values. The Carey's Bay Association's submission was supported unanimously by its members 40 of whom added their signature to it.

While the CBA is not against Port Otago or necessarily against further development of the Port, we are very concerned that the Ports current expansion plans would have significant adverse effects on Careys Bay if allowed to proceed in their current form.

In broad terms our concerns are:

1. That the ability of residents to occupy and enjoy their property would be adversely affected.
2. That there would be adverse effects on the health and wellbeing of the entire Carey's Bay community.
3. That there would be adverse effects on the special character, amenity and recreational values of Carey's Bay.
4. That there would be adverse effects on the nearby coastal and marine environment.

We consider that consultation with respect to Project Next Generation has been disjointed with very little community involvement. Port Otago have shown little willingness to either investigate our concerns regarding anticipated adverse effects or to implement any modifications to Project Next Generation to avoid, minimise or mitigate those effects.

We believe that if Project Next Generation were to proceed the affects on the local community would be more than minor and that the requirements of section 16 of the RMA would not be met.

MULTIPURPOSE WHARF EXTENSION

The extension of the Multipurpose wharf along boiler point is of greatest concern to the Careys Bay community. This extension, should it go ahead, we believe will lead to excessive noise, loss of visual amenity and night time light spill which based on our past experience with Port Otago would not be adequately avoided or mitigated.

On the first day of the hearing, Port Otago presented a video "Oiling the Cogs" showing typical port activity during a 32 hour ship visit. The ship unloading and loading activity shown in this video is exactly that which would be brought to Boiler Point and which would therefore directly affect Carey's Bay. Furthermore with the arrival of bigger ships the level of activity and its duration would be greater than that shown in the video.

Increased noise is perhaps our greatest concern with the existing level and frequency of Port noise already considered unreasonable. It is anticipated that should Project Next Generation proceed, the level and frequency of unreasonable Port noise affecting the community would increase significantly as a result of the following:

1. The wharf extension allowing noisy ships to berth and be unloaded closer to Carey's Bay.
2. A general increase in Port activity and in particular container movements at Boiler Point.
3. Larger and therefore potentially noisier ships visiting the Port.
4. More frequent ship visits including feeder vessels for the larger ships.
5. Additional rail movements.

We consider that the adverse effects of the increased frequency, duration and level of noise would:

1. Contravene the common law requirement to allow a land owner the peaceful use of their property.

2. Result in adverse health affects caused by noise related stress and loss of sleep.
3. Negatively impact local businesses and in particular bars and cafés with Afresco dining such as the Carey's Bay Hotel for example.

We note that the ORC recommending report has indicated the Ports expansion would result in a general increase in wealth in the region that would benefit local businesses including those in Careys Bay. We consider this statement to be at best naïve and at worst deliberately misleading as potential customers given the choice of drinking and dining in a peaceful location or a location with high levels of industrial background noise would undoubtedly choose the former.

With respect to existing Port Noise the current DCC District Plan contains an exemption which effectively removes all enforceable noise limits for noise emanating from the Port in lieu of a mitigation package which only benefits those worst affected and then only if they are within the residential zone one. Those outside of this zone have no protection from noise due to the exemption and are not entitled to mitigation regardless of the level of Port noise received. This in effect allows Port Otago to increase noise relatively unhindered and appears to be at odds with the requirements of section 16 of the RMA. It is therefore of great concern to us that the Port Otago submission indicates that operational noise would be managed under the existing regime. The existing regime is from our perspective failing and we believe allows Port Otago to avoid certain obligations under section the RMA.

We do not believe that the existing regime would provide adequate protection for the health and wellbeing of the community from increased operational noise resulting from the extension of the multipurpose wharf. Neither do we consider that the existing regime would fulfil the requirements of section 16 of the RMA.

We note that section 16 of the RMA requires the emitter of noise to adopt the best practicable option to ensure that the emission of noise does not exceed a reasonable level. We further note that NZS 6802:2008 Acoustics – Environmental Noise states that the best practical option in relation to the emission of noise, means the best method of preventing or minimising the adverse effects on the environment considering, among other things, certain matters defined in the RMA. We are concerned that the existing District Plan exemption appears to remove the emphasis for Port Otago to ensure that the emission of noise from the Port is prevented or minimised. Rather it allows them an easier option of only providing compensation to a few very worst affected property owners. This is evidenced by the fact that Port Otago since implementation of this regime has spent close to 1.75 million dollars on soundproofing and property purchase but only one hundred and twenty seven thousand dollars on

mitigation of noise at source (Reference Port Otago Port Environment Plan Update 2010).

The existing Port Otago Noise Model, which is currently the only means of determining whether a property is noise affected it appears has not been properly managed or monitored in the past. There appears to be a requirement for at least annual field verification of the modelled contours which to the best of our knowledge has not taken place since the model was first implemented. It appears under the current regime that Port Otago is effectively allowed to self regulate their own noise model and determine themselves whether or not a property owner has a valid noise complaint. Unless some form of enforceable noise limits are implemented, with which the Port must comply, we have little faith that noise resulting from the proposed expansion will be controlled to a reasonable level. Should project Next Generation be allowed to proceed we request that conditions be imposed so that appropriate mitigation is provided for any existing residence, regardless of zoning, that receives noise in excess of normally accepted residential levels.

The Port under the existing noise control regime has little incentive to reduce noise at source. We consider that should Project Next Generation proceed, conditions should be included which require the Port to install technologies and implement measures to ensure noise is minimised at source in accordance with the general provisions of section 16 of the RMA.

For the reasons discussed we do not consider that it would be reasonable or in accordance with the general provisions of section 16 of the RMA for Project Next Generation to be approved on the basis that the operational noise would be adequately minimised, managed or mitigated by the existing District Plan rules or Port Noise Management Plan.

We consider that in reviewing the Project Next Generation Applications, Policy 12.4 of the Regional Plan: Coast for Otago, should be used as the main review reference with regard to the New Zealand Standards referenced therein and in particular NZS 6802:2008, section 8.6 Guidelines for the Protection of Health and Amenity.

ASSESSMENT OF NOISE EFFECTS REPORT AND MARSHALL DAY ASSOCIATES EVIDENCE

With respect to the Assessment of noise effects report commissioned by Port Otago, we are concerned that this has been produced by their long standing Noise Consultant and is unduly biased towards the Port's desired outcomes. This is not to say that we believe the report is necessarily inaccurate or includes falsified information but rather

that omissions from the report, such as scenarios not considered, and careful wording may result in a false impression of the long term effects being given.

We are particularly concerned that the Assessment of Noise Effects report has not adequately considered or addressed the potential foreseeable effects of the wharf extension. Some of the issues we have with this report and with Mr Ballaghs evidence are:

1. That there is scant information on the operating noise levels and associated effects resulting from the proposed port expansion as the reports focus seems to be construction noise. Assuming that construction noise is to be controlled in accordance with the construction noise standard, this work would have greater restrictions imposed upon it than are currently imposed on the Port for its day to day operational noise.
2. It is not clear in the report if the modelled noise contours and/or predicted levels mentioned in the report have been calculated in accordance with NZ Standard methods of noise measurement. I.e. whether or not they include the penalty that should be included for impact and tonal components to reflect the noise nuisance associated with this type of noise. If this is not the case then the report is likely to be misleading.
3. We note that page 7 of the report indicates that Carey's Bay is mostly shielded from Port noise except for higher street numbers in Harbour Terrace and some sites higher up the hill. Should the multipurpose wharf be extended a significant portion of Careys Bay would have no shielding from noise generated at the extended multipurpose wharf. We believe that all affected properties receiving direct sound. I.e. those with a direct line of sight to Boiler Point should be identified and the expected noise levels at such properties accurately determined.
4. Table 2.1 on page 8 contains ambient noise levels. It is unclear from this table whether or not these levels include existing noise from the Port. We believe that ambient levels should be calculated without any existing port noise component so that the true effect of all the Ports operational noise is properly considered.
5. We are concerned that the report indicates (page 6) that only data from previous noise surveys has been used to assess the noise environment in Carey's Bay and other areas. The report also indicates (page 7) that the last results were obtained in 2003. It is our contention that noise from the Port has increased significantly since that time, in line with significantly increased levels of container handling. We

believe that the use of outdated information does not provide a true representation of the existing noise environment and that predicted noise levels based on old data are likely to be underestimated.

6. We are concerned the report assumes that the larger vessels will have a sound power level no greater than that of the smaller 4100 TEU class. We believe that data including the exact positions, directivity and worst case noise levels for the noisiest ships likely to visit the Port in the foreseeable future should be obtained and modelled. We note Mr Ballaghs in his evidence indicated that he was surprised at the noise level of the existing 4100 vessels and that he thought that they were poorly designed. We also note that Port Otago have indicated they have no control over the type of vessel visiting port. In this respect we are concerned that there is nothing to stop a larger, noisier and equally poorly designed vessel visiting the port in the future and that this scenario should be considered.
7. We are concerned that the report does not provide contours for the worst case scenario mentioned therein whereby a larger ship is bow in and being worked at the extended Boiler Point wharf. From our past experience with the Port we believe that if there is any advantage in them working ships in this manner that they will not hesitate to do so.
8. We consider that the report should address the foreseeable possibility of Port Otago becoming the South Island hub port in the event of Project Next Generation progressing. We believe that this is the ultimate intent of the Ports expansion plans and that there would therefore be a considerable step increase in noise with the arrival of the first larger vessels followed by significant noise creep as activity at the Port increases over time as a result of more freight being directed through it.
9. We note that the report indicates that the George Street berth will continue to be the preferred wharf for container loading and unloading and we therefore assume that this is the basis on which the noise model has been developed. It is however noted that the Boiler Point berth would be the only berth large enough to accommodate the larger 6000 TEU vessels and therefore by default would be the preferred container wharf for larger and potentially noisier vessels. In addition the AEE indicates that where cruise ships are in Port they will be located at the George Street berth. At current levels of cruise ship visits we believe that this would result in the George Street wharf being unavailable for a significant part of the summer period. This being the case there would be a significant part of the summer period where the extended Boiler Point/multipurpose wharf would be used as the default wharf for container ship loading and unloading. The summer period is generally the

busiest and therefore noisiest time at the Port and it is also the time when loss of outdoor amenity and night time noise is most noticed.

10. The noise effects of the scenario identified in the AEE whereby two smaller container vessels would be worked at the extended multipurpose wharf at the same time has not been considered in the noise report.
11. The larger TSHD dredge noise source and location have not been established. It therefore appears the noise effects of this dredges operation are currently based on assumption. We also note that levels in excess of 45 dBA are expected to reach residential areas 40% of the time while the larger dredge is operating. We do not therefore consider it reasonable for this dredge to operate throughout the night as proposed.
12. It was noted during the hearing that the noise of dredges motoring between the dredge and disposal site are not controlled by any conditions and that the noise of the dredge during these movements is exempt from any noise controls. While it is understood that it would be unreasonable to apply noise limits to normal ship movements in the harbour, in this instance we believe that some form of restriction should apply as the movements are an integral part of the construction works and could take place 24 hours per day. Furthermore unless there are blanket limitations on noise for all aspects of the dredging operation we foresee difficulties in assessing whether any noise nuisance caused, was a result of actual dredging or dredge movements. Without such limitations enforcing any rules to limit noise may prove impossible.
13. Although not a part of Mr Ballagh's evidence we note that paragraph 54 of the Port Otago opening submission indicates that the major capital works would not comply with the New Zealand construction noise standard. We consider that compliance with this standard for any capital works should be a minimum requirement and that there is no valid reason for an exemption from it.

ALTERNATIVE BERTHING OPTIONS

We do not consider that Port Otago has adequately investigated alternative berthing and cruise ship handling arrangements and/or provided adequate justification for the Boiler Point wharf extension for the following reasons.

1. Section 3.7.2 of the AEE indicates that as the multipurpose berth cannot currently fully accommodate vessels in excess of 240 metres and that mid-exchange

manoeuvring is therefore required. We consider this to be an existing and manageable inconvenience the removal of which (by extending the wharf) would lead to significant adverse affects for the entire Carey's Bay community.

2. The AEE indicates that the necessity to transfer passengers to and from a cruise vessel means it is unsafe to berth a cruise vessel at the multipurpose wharf and discusses the inconvenience this causes. We consider that it should be possible to come up with a method allowing the safe transfer of passengers from a cruise ship around Boiler Point and into Carey's Bay and that such options should be properly investigated. We believe such an arrangement would in addition enhance the experience of cruise ship passengers visiting the Port. Furthermore the inconveniences highlighted are all existing, currently being managed and therefore must be manageable.
3. The AEE indicates that it would not be practicable to work larger container vessels at the Beach Street wharf due to lack of water depth and no crane being present. This berth is already of sufficient length to accommodate the larger container vessels, could be dredged to provide sufficient depth and could have a crane added. We therefore consider that the use of the Beach Street wharf to work larger container vessels should be thoroughly investigated as an alternative to extending the multipurpose wharf.

PROTECTION OF THE SPECIAL CHARACTER OF CAREYS BAY

Careys Bay is recognised as an area of Special Character with high amenity values both for its residents and visitors.

Policy 5.4.5 of the Regional Plan: Coast for Otago, recognises Carey's Bay as a coastal recreational area of particular importance.

Policy 11.3.6 of the District Plan is specifically to protect the existing character of Carey's Bay from the adverse effects of change of use or development of the Port activities at Port Chalmers.

We have significant concerns that the character of Carey's Bay would be irrecoverably lost as it would be overwhelmed by heavy industrial activity at Boiler Point in the event of Project Next Generation progressing as currently proposed. Our reasons for this assessment are as follows:

1. Visual Amenity

In the event of the Multipurpose wharf being extended along Boiler Point, very large ships and cranes, which are currently 97m high with the boom up, will be located at Boiler Point. This will have a significant impact on the view from Carey's Bay and the general character/feel of Carey's Bay. It is considered that little or no investigation or consultation has been carried out in this respect.

2. Noise

Noise and its wider implications on health, wellbeing, amenity and property values is probably the Carey's Bay Communities greatest cause of concern. Port noise is already a considerable problem for the residents of Carey's Bay. In this respect the number of noise complaints received by Port Otago should not be taken as a good indicator of the community's level of dissatisfaction with the current noise regime. Many residents consider complaining a waste of time due to the lack of any action from either Port Otago or DCC with respect to historic complaints.

3. Light Pollution

The consultation process has to the best of our knowledge not addressed the effects of night-time light spill from ships that would be berthed and unloaded at boiler point. It is assumed that for health and safety reasons the light levels emanating from boiler point as a result of ship berthing and unloading operations would be significantly increased. This light pollution would have a detrimental effect on the character of Careys Bay.

4. Airborne Pollution

The operation of a container vessels diesel generator while stationary in port is a major source of airborne pollution. Should Project Next Generation proceed and particularly if Port Otago becomes the South Island shipping hub, it is anticipated that there will be a significant degradation of air quality due to the assumed significant increase in ship size and visits. Such an increase in airborne contaminants would affect the health and wellbeing of the community and may constitute a significant health hazard to the surrounding communities and Port workers alike.

5. Increased Rail and Road Traffic

It is anticipated that increased rail and road traffic will result in road safety and increasing noise issues. This will affect the wider community using State Highway 88 and also residents in the vicinity of the rail track. State highway 88 already suffers

numerous accidents caused by heavy vehicles using the road and further increases in this type of traffic will make the journey for residents travelling between town and Port very unpleasant if not dangerous.

6. Wildlife.

While the effects on wildlife of dredging the channel appear to have been considered in some detail there does not appear to have been any investigation into the effect that increased operational noise and light spill will have on the local native Fauna.

7. Loss of Property Value

It is anticipated that should project Next Generation go forward and in particular the extension of the multipurpose wharf, property values throughout Carey's Bay and in surrounding areas will fall as a result of the general loss of amenity and loss of special character of the area.

To the best of our knowledge there is nothing in the AEE or any of the existing reports commissioned by Port Otago which address how these issues would or could be mitigated. We ask that the independent commissioners visit the area during the day and also at night while container movements are taking place at Boiler Point to familiarise themselves with the area and likely impacts of the proposed wharf extension.

DREDGING AND DISPOSAL OPERATIONS

While our main concerns relate to the protection of the health and wellbeing of Carey's Bay residents and the protection of the Carey's Bay environment and amenity values, we have a number concerns regarding the proposed dredging and disposal operations associated with Project Next Generation. Our concerns in respect of these matters are as follows:

1. That the potential effects on the harbour of the initial dredging and blasting to deepen it and the ongoing dredging to maintain that depth have not been adequately investigated. Our concerns particularly relate to potential effects on more sensitive environments such as the Aramoana Salt Marsh. We note that Policy 5.4 of the Regional Plan: Coast for Otago recognises Aramoana as a coastal protection area. We also note the Regional Plan: Coast for Otago recognises Otago Harbour in general as a coastal recreation area.

2. We have concerns regarding the potential wave/wake effects of larger vessels and the increased frequency of ship visits on sensitive harbour environments and features such as historic harbour walls and the erosion and degradation such wave actions may cause.
3. We are concerned that the proposed disposal of dredges spoil may adversely affect the surrounding marine environment and may result in increased and unwanted beach formation. We understand there is anecdotal evidence which suggests that existing Port Otago dredging operations are already causing problems in this respect.
4. We are concerned that the Port Otago commissioned reports on the potential effects of dredging and disposal are insufficiently rigorous to guarantee there will be no unanticipated harmful effects.
5. We do not consider the proposal to dredge 24 hours per day to be either reasonable or justifiably necessary. It would seem that if dredging is to be allowed it could be carried out during the daytime over a longer period of time.

ECONOMIC IMPACT REPORT

We are concerned that the economic impact report, which is arguably Port Otago's main justification for the proposed Port expansion, overstates the potential benefits of the project. Our reasons for this assessment are as follows.

1. On a South Island basis the increase in any economic and employment activity associated with this project is at best likely to be displaced rather than created. At worst if Port Otago is not the best strategic location to develop the South Island hub port, the number of jobs created and/or any economic benefits when considered on a South Island basis may be reduced. We consider that a unified port strategy is required for New Zealand and that the choice of hub port should be determined on the basis of strategic advantage, potential to allow future sustainable expansion and least environmental impact of development. This analysis may or may not result in Port Otago being considered the best South Island hub option however we believe this analysis is necessary to substantiate many of the claims made in the economic impact report.
2. The report indicates that development of Port Otago will lead to lower regional freight costs. We consider it unlikely that such benefits would be realised and that

it is more likely that Port Otago charges will be maintained at a competitive market level.

3. We find it difficult to reconcile the anticipated loss of regional output indicated in the report as a result of Port Otago not being developed. I.e. it is being suggested that the restriction of a particular freight option will result in farming or other sectors to slow down. We do not believe the likes of Fonterra as an example, would in any way reduce their output in the Otago region as a result of Project Next Generation not being progressed and would further note that this major exporter seems to have little preference for any particular port.
4. The report fails to recognise any negative economic impacts associated with the proposed development of Port Otago. It is our contention that both the fishing and tourism industries would be adversely affected if project Next Generation proceeds.
5. There appears to be no allowance in the net present value calculations used to justify this project to implement technologies that would reduce the environmental impacts of the project and/or to compensate affected parties for the associated adverse effects. We consider that all such costs to implement appropriate technologies such as land based power to allow noisy ships generators to be turned off as an example, should be included in the economic impacts report.

In addition to our own concerns we note that current trends and commentary on the New Zealand shipping market suggest that in the medium term larger vessels are only likely to call at one North or one North and one South Island Port. The New Zealand Shippers Council in their 2010 report "The Question of Bigger Ships" indicate the Ports of Tauranga and Lyttleton are the logical candidates to become big ship capable. We offer two quotes from this report as follows the first dispels some of the anticipated negative impacts suggested in the economic impact report and the second gives some indication of the Shippers confidence that if a South Island hub port is required that it should be Lyttleton rather than Port Otago:

The first quote is from page 52 of the report as follows:

"It is important to be clear that whilst there should be two ports investing to become 7000 TEU capable initially, the other major port on each island will continue to play an important role in the New Zealand logistics sector, as they will continue to serve other non-bigger ship international services, as well as domestic coastal shipping services."

The second quote is from page 56:

“The question of which port - Lyttelton Port or Port Otago should invest to become the first South Island bigger ship port, is much simpler than for the North Island. Analysis and research points to Lyttelton Port being the logical South Island port to make this investment first.”

We therefore consider a scenario as likely if not more likely than any put forward by the economic impact report is that Port Otago pushes ahead with its investment in dredging and infrastructure and still loses out with respect to bigger ship visits to Lyttelton as the Shippers Council’s logical choice of South Island bigger ship port. In this scenario Port Otago will have expended funds unnecessarily and Port Otago’s shareholders, the Otago Ratepayers will bear the cost of their failed bid to become the South Island’s hub port.

The Carey’s Bay Association considers that the merits of Project Next Generation, should be considered within the context of a National (or at the very least South Island) shipping strategy. This would avoid the unnecessary and unjustified environmental impact of multiple harbours being dredged to accommodate larger vessels as well as unnecessary capital investment from Port companies.

We are therefore concerned that the Economic Efficiency & Economic Impact report which provides the main justification for this project may well be flawed and consider that as a part of the consent process it should be thoroughly reviewed and questioned to determine the robustness and validity of its claims.

THE OUTCOMES WE SEEK

On the basis of our concerns we request that all consents associated with the extension of the multipurpose wharf along boiler point be declined as we believe the adverse affects on the Careys Bay community would be more than minor and would not be adequately mitigated.

With respect to all consent applications associated with the increased dredging and disposal so spoil we request that such consents either be declined or that substantial further investigation be carried out to demonstrate beyond doubt, that the effects on the harbour and surrounding coastal marine area will be less than minor.