
WORKING PARTY TERMS OF REFERENCE

TERMS OF REFERENCE TAHORAKURI A1 SECTION 1 (s 338) RESERVATION ("TE OHAAKI") WORKING PARTY

THE PARTIES

Contact Energy Limited ("**Contact**") who owns and operates the Ohaaki Geothermal Power Plant.

Tahorakuri A1 Section 1 338 Reservation Trust ("**338 Trust**") who administers "Te Ohaaki" inclusive of the Marae reservation, ngawha, urupa and "fertility rock" areas.

Ngati Tahu Tribal Trust ("**215 Trust**") who administers the Ngati Tahu land that is leased to Contact Energy.

WORKING PARTY OBJECTIVE

To work together to identify a practical and certain way to mitigate the effects of subsidence on Te Ohaaki that provides a durable solution for Iwi and secures cultural and social benefits for future generations, while recognising traditional values.

INTRODUCTION

1. Te Ohaaki Marae, which serves the people of Ngati Tahu/Ngati Whaoa Iwi ("Iwi"), is located within an area affected by subsidence caused by the extraction of geothermal fluid for the operation of the Ohaaki Geothermal Power Plant. Scientific work undertaken for Contact predicts that by approximately 2010 the Waikato River, at times of high water level, will begin to inundate the area on which the Ohaaki Marae is located.
2. Contact has provided a commitment to work in conjunction with representatives of Iwi to develop a solution to the inundation issue.
3. In 1998 five options for dealing with future inundation of the Marae were developed by Contact and were discussed with 338 Trustees including

June 2003. However, at the 338 Trust AGM held on 1 November 2003 it was suggested that the Working Party Terms of Reference should be extended to consider and report on all five options presented in 1998 and also a "do nothing" scenario. This revised Terms of Reference has been prepared to extend the original 13 June 2003 Terms of Reference in this regard.

ASSESSMENT OF OPTIONS

6. The Working Party is to define the practicality, engineering feasibility, construction costs, longevity, and cultural and social impacts of the following options (those originally presented by Contact in 1998 and a "do nothing scenario"):

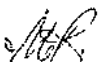
- Do Nothing
- Option 1 Reverse the Subsidence
- Option 2 Stop the Subsidence
- Option 3 Build a Water Barrier
- Option 4 Relocate to a new Area
- Option 5 Raise the Level of the Existing Area
- Extended Option 5 Raise the level of a Wider Area

7. The following criteria shall be used by the Working Party in assessing Options against the Working Party Objective.

- The cultural and spiritual acceptability of the Option for Iwi
- Whether the Option provides a durable solution
- The level of disruption to Marae operations
- Whether the Option is practical and feasible from an engineering perspective
- The costs are reasonable.
- Whether the Option would allow a Papakainga to be established beside the Marae.

WORKING PARTY REPORT ON MARAE AREA RAISING OPTIONS

8. A "Marae Area Working Party Report" will be prepared by the Working Party for presentation and discussion with the full 338 and 215 Trusts and Contact Management. The Report will be in a format that can be easily understood and presentation material to enable effective communication of its findings.



9. The Working Party shall secure formal feedback from the 338 and 215 Trusts and Contact Management on the Report and in particular whether the parties consider that one of the options developed under Clause 6 should be advanced to the Contact Board for funding approval.
10. If the parties all agree that funding approval for one of the options developed under Clause 6 should be sought from the Contact Board then the option is first to be presented at a Hui-a-Iwi for ratification of the recommendation.
11. If approval of an option is not received from all parties under Clause 9, or is not ratified by Iwi under Clause 10 then the Working Party shall reconvene to discuss the next steps.

WORKING PARTY PROCESS

12. The Working Party shall meet approximately every month with the first meeting will to held on Friday 21 February 2003 at Te Ohaaki Marae. The aim is to have the Working Party Report completed by 30 June 2004.
13. Time costs of the individual Working Party members shall be borne by each party. Contact to reimburse fair and reasonable travelling costs for Working Party members and will pay for all technical and other work required to assess the options. Specific tasks will be discussed and agreed to by the Working Party.
14. In addition to the nominated Working Party members set out under Clause 15 below, up to three beneficiary observers will be invited to attend the Working Party meetings from the 24 November 2003 meeting onwards. The role of the observers will be to table ideas and to participate in discussions. The observers will not have any voting rights.

WORKING PARTY MEMBERSHIP (Refer to attached contacts list)

15. The following working party members have been nominated by the parties:

338 Trust

Louis Phillips
Tawhi Mita
Nepia Williams

215 Trust

Rawiri Te Whare
Makere Rangitoheriri

Ngati Tahu/Ngati Whaoa Kaumatua

Bill Galvin

Contact Energy Limited

Bill Galvin

**TE OHAAKI WORKING PARTY
CONTACT DETAILS**

| NAME | ADDRESS | PHONE | FAX | MOBILE | EMAIL |
|-----------------------------|---|--|--|----------------|----------------------------------|
| Louis Phillips | 30 Mountain Road ROTORUA | (07) 3436041 | | (021) 1200219 | lumakea@xtra.co.nz |
| Tawhi Mita | RD 2 Te Toke Road REPOROA | | | (025) 6066693 | |
| Nepia Williams | 1A The Grove TAUPO | (07) 3782824 | | | |
| Rawiri Te Whare | P O Box 7112 Te Ngae ROTORUA | Home (07) 3453809 Work (07) 3669889 | Home (07) 3453809 Work (07) 3669889 | (025) 439996 | |
| Makere Rangitoheriri | 73 Marshall Avenue TAUPO | (07) 3770687 | (07) 3772380 | | |
| Bill Galvin | 9 Mawake Place TURANGI | (07) 386 8897 | | | |
| Brian Carey | Contact Energy Private Bag 2001 TAUPO | (07) 376 0534 | (07) 374 8472 | (021) 513690 | brian.carey@contact-energy.co.nz |
| Stephen Daysh | EMS P O Box 149 NAPIER | (06) 834 4344 | (06) 834 4301 | (027) 446 8595 | stephen.daysh@emslimited.co.nz |
| Nick Gurr | OPUS P O Box 43 TAUPO | (07) 378 0746 | (07) 378 1299 | (027) 4744 424 | nick.gurr@opus.co.nz |

Revised Draft – 24.11.03

Handwritten signatures and initials, including what appears to be 'JL' and 'GC'.

**TE OHAAKI WORKING PARTY – BENEFICIARY OBSERVERS
CONTACT DETAILS**

| NAME | ADDRESS | PHONE | FAX | MOBILE | EMAIL |
|------------------------|--|---------------|------------|----------------|--------------|
| Cedric Forrest | 217 East Road REPORA | (07) 333 8713 | | | |
| Lionel Forrest | Main Road RD 2 REPORA | (07) 333 7306 | | (021) 131 0890 | |
| Miriama Forrest | Creighton Road RD 2 REPORA | (07) 333 8500 | | | |
| Nick Edwards | Ohaaki Marae RD Piripiri Road REPORA | (07) 333 8628 | | | |
| Garry Ribinson | Ohaaki Marae RD Piripiri Road REPORA | | | (021) 185 3601 | |
| Tahu Te Kauru | P O Box 166 REPORA | 07 333 7997 | | | |