

IN THE MATTER of the Resource Management Act
1991

AND

IN THE MATTER of applications to the **WAIKATO
DISTRICT COUNCIL** and
WAIKATO REGIONAL COUNCIL
by **WEL NETWORKS LTD** for
resource consents to authorise the
establishment, operation and
maintenance of 28 wind turbines for
the generation of electricity and
associated activities on the
Wharauoa Plateau near Te Uku

FURTHER STATEMENT OF EVIDENCE OF GORDON MCKENZIE CAMPBELL

1. INTRODUCTION

- 1.1 My name is Gordon Campbell. I am a strategic business consultant and CEO of Campbell Consulting. My qualifications and experience were set out in the evidence which I presented to the Committee on 26 November 2007.

REVIEW OF CAMPBELL CONSULTING REPORT

- 1.2 The full report on which that evidence was based, entitled 'WEL Networks Te Uku Wind Farm – Impact on Raglan's Tourism', was given a brief independent review by Tourism Resource Consultants who were commissioned by Waikato District Council. While they generally agreed with the scope and methodology and findings of our work, they made some comments in relation to the requirement of further information and qualification.
- 1.3 By way of summary, the assessment by Tourism Resource Consultants is that:
- (a) The Campbell Consulting report appears to be thorough and the findings are reasonable;
 - (b) The analysis undertaken in the Campbell Consulting report is adequate and consistent with the information available;
 - (c) A few matters raised in the Campbell Consulting report require clarification.

PURPOSE AND SCOPE OF EVIDENCE

- 1.4 The Hearing Committee has invited Campbell Consulting to provide further information in respect of those matters which require clarification.
- 1.5 Against that background, the purpose of this supplementary statement is to comment briefly on the matters that Tourism Resource Consultants have raised. In that regard, my evidence addresses the following:
 - (a) Section 3 Currency of research
 - (b) Section 4 Methodology
 - (c) Section 5 Argyll Case Study
 - (d) Section 6 Australian Case Study
 - (e) Section 7 Online Surveys
 - (f) Section 8 Predicted increase in tourism

2. SUMMARY

- (a) **Currency of Research**

The use of two studies 'Tourists Opinion of Raglan as an Eco-Tourism Destination (2004)' and 'Raglan Residents' Perceptions of Tourism Development (2002)' are the most current studies available on Raglan and are appropriate as there has been no significant change in opinion or perception during this period of time.
- (b) **Methodology**

The methodology used by Campbell Consulting was sound, thorough and appropriate. Every accommodation, tourism & hospitality provider, 56 individual businesses and operators were viewed by Campbell Consulting, except for one. Information sourced was; description of accommodation, room and bed numbers, positioning & style, room rates and any possible sightlines to the proposed wind farm and any potential effect. The operator of Hidden Valley was not spoken to.
- (c) **Argyll Case Study**

The VOS Report referred to by Tourism Resource Consultants took only the negative aspects out of the Argyll Case Study prepared for Visit Scotland (Scotland's national tourism organisation). There were significantly more positive research outcomes than negative in the Argyll Case Study.
- (d) **Australian Case Study**

Tourism Resource Consultants cited a fact sheet on wind farms in Australia which could have been helpful in the research. Campbell Consulting did review this fact

sheet initially and considered the information too subjective, having been authorized by a pro-wind farm organisation and not containing sufficient sound research data.

(e) Online Surveys

The Online Survey conducted by Campbell Consulting and distributed by TNS Conversa was representative of the wider population.

(f) Predicted Increase in Tourism

Tourism Resource Consultants considered there could be a slight increase in tourism due to the proposed wind farm at Te Uku. Our findings from the online survey were that there would be an 11% increase in the short term. We define the short term as 3-5 years. Over 3 years, the 11% equates to 3.67% increase per annum which we consider to be a 'slight increase in tourism'.

3. **CURRENCY OF RESEARCH**

3.1 The Tourism Resource Consultants report notes that the studies referred to by Campbell Consulting, namely *Tourists Opinion of Raglan as an Eco-tourism Destination (2004)* and *Raglan Residents Perceptions of Tourism Development (2002)* are not current, although they are adequate considering the lack of available research.

3.2 While I acknowledge that the studies referred to are 3 and 5 years old, I can confirm that these studies are the only tourism based research available for the Raglan area. Even the Ministry of Tourism's Commercial Accommodation Monitor, which is usually a very comprehensive source of information, lacked any useful data for the Raglan area. There has also been no significant change in Raglan's tourism offering during this period of time.

3.3 Therefore, I consider that the use of these studies in the Campbell Consulting research report is appropriate.

4. **METHODOLOGY**

4.1 The Tourism Resource Consultants report raised a query in relation to whether each tourism operator was visited and interviewed in person, or whether the findings are based on observations only.

4.2 The methodology used by Campbell Consulting was verbally outlined at the Ngaruawahia hearing and Tourism Resource Consultants were not present at that hearing. The methodology is outlined again below.

- 4.3 Two Campbell Consulting staff members spent four days in Raglan researching tourism providers. They visited 36 accommodation providers, 12 adventure tourism operators and eight cafes.
- 4.4 The brief for the two staff members was to observe and confirm the following aspects of the accommodation/tourism operator:
- (a) Description of accommodation provided;
 - (b) Number of rooms and beds;
 - (c) Observe features and positioning;
 - (d) Rates/tariffs;
 - (e) Possible sightlines to wind farm and potential effect.
- 4.5 Every accommodation, tourism and hospitality provider was viewed by Campbell Consulting (except for Wild Coast Cabins who were contacted by phone) and where possible, a manager or key staff member was spoken to about their facility. Where no one was available, the information was sourced through other means. All providers' websites were checked for information as well.
- 4.6 I understand that the committee may have the impression that Campbell Consulting staff spoke directly to the operator of Hidden Valley. I can confirm that that is not the case. Campbell Consulting staff visited Hidden Valley but there was no one there at the time of visit.
- 4.7 All businesses visited were assessed by Campbell Consulting in relation to potential sightlines to the wind farm, and if so, any possible effect to tourism was estimated. Very few operators had an opinion about the wind farm and how it would affect their business; however those that offered an opinion were positive about the proposal.

5. **ARGYLL CASE STUDY**

- 5.1 Tourism Resource Consultants report noted that the Scottish Case Study – Argyll was contentious. The Argyll report has been contested, by one particular protest group called VOS (Views of Scotland). VOS describes themselves on their website as:

“An association of people from all over Scotland and elsewhere, with this common belief:

That the case for wind power is seriously flawed from a scientific, economic and political perspective. Construction of wind power stations is causing unjustifiable and irreversible damage to some of Scotland's greatest assets, which include:

- (i) Landscape heritage and wilderness areas;*
- (ii) Ecosystems including wildlife habitats;*
- (iii) Archaeological heritage."*

5.2 Thus the criticism of the Argyll study arises from a group against wind farms generally rather than an organisation with experience in the field of tourism.

5.3 An objective way of looking at exactly how 'continuous' the Argyll report is would be to view the actual report VOS cited in the document 'Wind Turbines and Rural Tourism'. This report is titled *Investigation into the Potential Impact of Wind Turbines on Tourism in Scotland* and was prepared for VisitScotland, a national tourism organisation. This report can be found following this link;

http://www.scotexchange.net/windfarm_main_report.pdf

5.4 A short extract of the conclusion of this report reads;

"Overall therefore, the majority of visitors were at least conditionally positive towards wind farm development from a tourism perspective. Individual reactions to specific examples of development were rather more negative however, and this more positive overview tends to reflect a recognition amongst consumers of the need to move towards more sustainable and renewable power sources."

5.5 Perhaps Tourism Resource Consultants were not aware that VOS took only the negative aspects out of the report prepared for VisitScotland – Scotland's national tourism organisation.

6. **AUSTRALIAN CASE STUDY**

6.1 The Tourism Resource Consultants report also commented that 'examples of wind farms in Australia would have strengthened the section on international case studies', citing a fact sheet on wind farming and tourism that could be found at www.auswea.com.au. This URL does not exist any longer, however Campbell Consulting did review this 'fact sheet' during our initial screening and believed the

report to be too subjective to include, having been authored by a pro-wind farm organisation.

7. **ONLINE SURVEYS**

7.1 The Tourism Resource Consultants report noted that 'online surveys do tend only to capture a limited audience and are therefore not necessarily representative of the wider population'. TNS Conversa, who distributed our online survey, assures that all samples they supply are representative of populations. This is easy to achieve in New Zealand online research, given that New Zealand is the third most connected country in the world in terms of internet penetration behind Iceland and Sweden with 74.9% (Sept 2005) of the population having household access to the internet.

7.2 Therefore, I consider that the online survey conducted by Campbell Consulting was representative of the wider population.

8. **PREDICTED INCREASE IN TOURISM**

8.1 The Tourism Resource Consultants report considers that the statement 'Raglan should expect to receive in the short term an increase of 11% visitation by domestic tourists' as being "a very bold statement". We agree that the statement as cited in the Tourism Resource Consultants report is bold; however the statement was not correctly quoted from our report. The correct quote can be found in our conclusion on page 131 of our report, where we stated that in the short term 'it is estimated that Raglan could see an 11% increase in tourism as a result of the wind farm'.

8.2 Tourism Resource Consultants also consider that 'respondents have merely indicated a net positive interest'. With respect, I do not agree. The survey question in relation to this point clearly reads;

If there was a medium sized wind farm of 28 turbines located 11km inland from Raglan (see image below), that you could see and view whilst travelling to Raglan on state highway 23, and was only visible at a distance from a small number of locations in Raglan, how would this affect your likelihood of visiting Raglan?

This question directly asks 'how would this affect your likelihood of visiting Raglan?' Campbell Consulting was careful to exclude an 'interest in visiting' type of question

here as we were well aware of the Tourism Resource Consultants point that positive interest does not translate directly into actual travel in tourism circles.

8.3 In my view, the Tourism Resource Consultants view is not dissimilar to that expressed in the Campbell Consulting report:

- (a) Tourism Resource Consultants consider that there could be a slight increase in tourism due to the wind farm.
- (b) We consider that there could be as much as an 11% increase in tourism in the short term.
- (c) We define the short term as being a period of time where the vast majority of domestic tourists to Raglan have not seen a wind farm. Putting a definitive period of time on this is difficult and will probably never actually be measured. Tourism Resource Consultants defined this period of time as being one year. If we were to define the short term period, we consider that it would be more like 3 – 5 years.
- (d) If the predicted 11% were averaged over 3 years, that would represent an increase of around 3.67% per annum. I consider that this is a slight increase.

Gordon Campbell
January 2008