

Richard Pettinger

From: Gemma Wilson
Sent: Wednesday, 28 May 2014 9:01 a.m.
To: Policy Reply
Subject: 1. New submission: Proposed Plan Change 4B (Groundwater allocation)

Thank you for your submission.

Question

Answer

Name of submitter:

peter turner

Organisation:

cardrona ltd

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SARNDRA@KJB.CO.NZ

I wish / do not wish to be heard

I wish to be heard

Consider presenting jointly at a hearing

I will consider presenting jointly

1. State what your submission relates to and if you support, oppose or want it amended

OPPOSE

2. State what decision you want the Otago Regional Council to make

I WANT TO KEEP THE SAME AS PER OUR EXISTING CONSENT AND NOT TO BE BASED ON OUR CURRENT TAKING OF WATER

3. Give reasons for the decision you want made

BENBRAE RESORT AT 2326 CARDRONA VALLEY ROAD IS STILL NOT A FULLY DEVELOPED SITE AND STILL HAS PLANS TO BUILD IN STAGE 2 12 UNITS ABS STAGE 3 16 UNITS. PLUS THE CURRENT 44 UNITS ARE EITHER RENTED PART TIME OR LIVED IN FULL TIME. THIS IS CONSTANTLY CHANGING WITH MORE PEROPLE LIVING IN THEM FULL TIME WHICH WILL INCREASE OUR WATER TAKE BY THE SUPPLIER CARDRONA LIMITED. WE BELEIVE WE WILL CONSTANTY REQUIRE A GREATER WATER USUAGE GOING FORWARD AND OUR LAND WOULD BECOME UN SALABLE IF THE WATER USAGE WAS TO DECREASE. OUR ACCOUNT WITH ORC IS D6404


REGARDS
SARNDRA AND PETER TURNER

Attach a supporting
document:

Signature

A handwritten signature in black ink, appearing to be a stylized name, positioned above a horizontal line.

Trade competitor's
signature

A horizontal line intended for a trade competitor's signature.

Form 5

Submission on publicly notified proposal for policy statement or plan

Clause 6 of First Schedule, Resource Management Act 1991

To: Otago Regional Council

Name of submitter: Dunedin City Council

This is a submission on a proposed change to the following plan (the proposal):

Proposed Plan Change 4B (Groundwater Allocation) to the Regional Plan: Water for Otago

General comments

We (the Dunedin City Council) have responsibility under the Local Government Act 2002 to meet the current and future needs of our communities for good quality local infrastructure, and in particular, for water supply. The Health Act 1956 imposes a range of duties on drinking water suppliers, including compliance with the Drinking Water Standards for New Zealand.

The Dunedin City Council provides reticulated potable water supply to some 45,000 households and 3,500 businesses across the wider Dunedin area. The Mosgiel Town supply is sourced from the Taieri aquifer, and the greater Dunedin metropolitan area is supplemented from bores adjacent to the Taieri River.

Our submission is on the whole of the proposal, insofar as it may affect our current or future water supply operations.

The specific provisions of the proposal that our submission relates to are:

- 1) **Policy 6.4.10A:** We wish to have the provisions of this policy amended.

We seek the following decision from the local authority: That there is clear differentiation between the total volume of water able to be taken from an aquifer, and that which is available to be taken by a new consent holder.

Reason: The wording of this policy appears to confuse the total available water able to be taken from the aquifer, with what is left to be taken (able to be allocated to new consents).

- 2) **Policy 6.4.10A1:** We wish to have the provisions of this policy amended.

We seek the following decision from the local authority: That Policy 6.4.10A1 is amended to be made consistent with policies 6.4.1A and 6.4.10A and proposed definitions of "allocation limit" and "maximum allocation limit", by amending it to read "Define the maximum allocation limit for groundwater takes from an aquifer..."

Reason: This policy previously had explicit recognition it did not apply to groundwater managed under the surface water regime. This may not be necessary as existing policy 6.4.1 recognises some groundwater will be allocated as surface water, and proposed policy

6.4.10A enables the taking of water allocated as groundwater. As drafted, this policy defines allocation "for an aquifer", rather than for groundwater, which is inconsistent with policies 6.4.1A and 6.4.10A, and with the proposed definitions of allocation limit or maximum allocation limit.

Explanation for removal of the explicit recognition the policy did not apply to groundwater managed under the surface water regime appears to have been omitted from the Section 32 report.

- 3) **Note in Chapter 12:** We wish to have this advice note amended.

We seek the following decision from the local authority: That the current allocation status of all aquifers identified within the Water Plan is made publicly available on the Otago Regional Council website.

Reason: Water allocation is a core function of the Otago Regional Council under section 30 of the Resource Management Act. Rather than providing allocation information to applicants on request as proposed, it would be more helpful for the Otago Regional Council to make the current allocation status of all named aquifers publicly available on their website (being the total allocation, allocation already assigned to consents, and allocation available to new users).

- 4) **Removal of explanations and principal reasons for adopting:** We oppose the removal of explanations and principal reasons for adopting.

We seek the following decision from the local authority: That explanations and principal reasons for adopting are retained.

Reason: The explanations and principal reasons for adopting provide helpful information regarding the policy to which they relate, and provide useful context. We particularly note the significant loss of information in relation to former policies 6.4.10A and 6.4.10AA which is not otherwise captured in the Water Plan, or other Otago Regional Council information sources.

- 5) **All other provisions modified in the proposal:** We generally support all other amendments in the proposal, in that they result in little effective change to the status quo.

We seek the following decision from the local authority: That any changes to these provisions remain for clarification and simplification purposes only.

Reason: The changes result in little effective change to the status quo.

- 6) **C-series maps:** We wish to have proposed plan change 4B amended.

We seek the following decision from the local authority: That the Middlemarch aquifer is mapped in the C-series maps of the Water Plan, and shown as a "groundwater protection zone".

Reason: Tighter controls are sought on activities (particularly discharges of human sewage) in the Middlemarch area as many residents source their potable water from the Middlemarch aquifer. We would also seek tighter controls on permitted discharges under the Waste Plan however this plan is not the subject of the Otago Regional Council's proposal.

The Resource Management (National Environmental Standards for Sources of Human Drinking Water) Regulations 2007 were introduced to reduce the risk of contaminating drinking water sources. Regulation 10 imposes limitations on permitted activity rules for activities upstream of abstraction points, in particular a regional council must not allow permitted activities that could adversely affect drinking water quality, although this only applies to activities that could affect registered drinking water supplies that supply no fewer than 501 people for not less than 60 days a year. We note that there is currently no registered drinking water supply for Middelmarsh, but that one could be required if contamination in the aquifer put individuals' bores at risk.

There would be considerable issues for the Council should a need for reticulated water supply in Middelmarsh arise from poor groundwater quality: in addition to the design of costs of any system, the aquifer is described as "low-yielding clay-bound gravels" and may not provide adequate volumes for a community supply, groundwater would require treatment to make it suitable for potable supply, and a surface water source is likely to be unavailable due to over-allocation.

Identifying the Middelmarsh area as a groundwater protection zone is consistent with Policy 9.4.18 which is to identify land of high risk in terms of the vulnerability of the underlying groundwater to leachate contamination.

Once identified as a groundwater protection zone, complimentary District Plan rules to protect excavation and disturbance of the aquifer could be considered.

We do not wish to be heard in support of our submission.

If others make a similar submission we will consider presenting a joint case with them at a hearing.



Councillor Kate Wilson
Chair – Infrastructure Services Committee
Dunedin City Council

16/6/2014

Date

Addresses for service of submitter:

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SUBMISSION ON PROPOSED PLAN CHANGE 4B (GROUNDWATER ALLOCATION)

To: Richard Pettinger
Otago Regional Council
PO Box 1954
DUNEDIN

Details of Submitter: The Southern District Health Board

Address for Service: Public Health South
Southern District Health Board
Private Bag 1921
DUNEDIN 9054

Contact Person: Michael Wong / 03 4769825 / michael.wong@southerndhb.govt.nz

Our Reference: 8772

Date: 17th June 2014

Introduction

Southern District Health Board (Southern DHB) presents this submission through its Public Health Service. This Service is the principal source of expert advice within Southern DHB regarding matters concerning Public Health. Southern DHB has responsibility under the New Zealand Public Health and Disability Act 2000 to improve, promote and protect the health of people and communities. Additionally there is a responsibility to promote the reduction of adverse social and environmental effects on the health of people and communities. With 4,500 staff, we are located in the lower South Island (South of the Waitaki River) and deliver health services to a population of 304,000.

Public health services are offered to populations rather than individuals and are considered a “public good”. They fall into two broad categories – health protection and health promotion. They aim to create or advocate for healthy social, physical and cultural environments.

This submission focuses on our support of the changes proposed by Plan Change 4B (Groundwater Allocation) to the Regional Plan: Water for Otago.

General Comments

Southern DHB wishes to highlight the value of working together with local government to consider the impact of various activities and plans on population health. The positive community health outcomes that can accrue when local government is cognisant of its potential to impact upon the health of citizens cannot be overstated.

Southern DHB commends Otago Regional Council with developing the proposed Plan Change 4B (Groundwater Allocation) to improve the clarity of the provisions of the operative Regional Plan: Water for Otago, and strengthen the efficiency and effectiveness of its implementation.

Our Submission

In general the Public Health Service has the following concerns regarding groundwater:

- Security of supply issues where the groundwater is used as potable water.
- Water quality issues where groundwater is used as potable water.

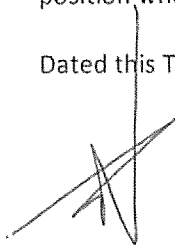
We feel that we were adequately consulted having had an opportunity to provide input into the consultation Draft of the Proposed Plan Change in December 2013 and our comments submitted in January 2014. We are also happy that our concerns as they relate to the following aspects of Plan Change 4B were adequately addressed in the plan as notified in May 2014.

1. Consistent methodology as it relates to estimating the annual volume of aquifers (the Mean Annual Recharge MAR is our preferred option).
2. Acknowledgement that the Ministry of Health registered water supplies through the requirements of the Health Act 1956.
3. Council proposed methodology to address historical over allocation.
4. The prioritisation of Community Water supplies over other potential uses for Groundwater.

The Public Health Service of the Southern DHB would be a key partner in achieving many of the guiding principles outlined in Plan Change 4B. Thus we look forward to working with the Otago Regional Council to realise these principles for our community.

The Public Health Service will wish to be heard with regard to this submission and will not be in a position where we would want our submission heard with others who have similar submissions.

Dated this Tuesday 17th June 2014



Michael Wong
Health Protection Officer and
Drinking Water Assessor

Richard Pettinger

From: Gemma Wilson
Sent: Monday, 16 June 2014 1:13 p.m.
To: Policy Reply
Subject: 4. New submission: Proposed Plan Change 4B (Groundwater allocation)

From: <noreply@jotform.com>
Date: 16 June 2014 12:13:16 pm NZST
To: <gemma.wilson@orc.govt.nz>
Subject: **New submission: Proposed Plan Change 4B (Groundwater allocation)**

Thank you for your submission.

<u>Question</u>	<u>Answer</u>
Name of submitter:	Blair Deaker
Organisation:	COWA Central Otago Winegrowers
Postal address:	Street Address: 247 Cairnmuir road Suburb: Bannockburn City: Cromwell Postcode: 9384
Telephone:	021 729 441
Fax:	03 445 3481
E-mail:	blair@carrick.co.nz
I wish / do not wish to be heard	I do not wish to be heard
Consider presenting jointly at a hearing	I will consider presenting jointly
1. State what your submission relates to and if you support, oppose or want it amended	This is a general submission in regards to water takes (consents) for vineyards in the Central Otago region. Allocations amounts need to be reworked using data from this area and not compared to other general areas. Central Otago has a unique climate and water rights need to be based on this.
2. State what decision you want the Otago Regional Council to make	Put a hold on the allocation volumes, until the Aqualink report has been re-addressed with input from growers and using more accurate data There are alot of variables in the amount of water used in vineyards.
3. Give reasons for the decision you want made	Ie. Worst/driest year in 100 years, how much is needed ??? Dry times of the season, differing peak times of use Wind factors. wind bring extra stress and water usage

Young vines need excessive water in the first few years, vineyards are starting to go through replanting programmes

Inter row cropping and beneficial insect plantings. This is crops grown along side grapevines in the rows and take water from the vines its self

There is usage data now Bavailable from different individual properties and data recording sites, that growers participate in. ie Systainable wine growing, Hydro services.

Soils in Central Otago are very light with low water holding capacity

Climate here is very harsh, and water volumes can spike for short times in the summer.

Attach a supporting document:

Signature



Trade competitor's signature

SUBMISSION TO
Otago Regional Council
on Proposed Plan Change 4B
to the Regional Plan: Water for Otago
May 2014

FROM
Fonterra Co-Operative Group Ltd

17 June 2014

**Fonterra Submission to Otago Regional Council
to the Proposed Plan Change 4B – June 2014**

Full Name of Submitter Fonterra Co-operative Group Limited
Contact Person Sue Ruston
Title Environmental Policy Manager
Full Postal Address PO Box 417, Wellington 6140
Phone Number (04) 494 0725; (027) 702 4976
Email sue.ruston@fonterra.com

I confirm I am authorised on behalf of Fonterra Co-Operative Group Ltd to make this submission.

I could not gain an advantage in trade competition through this submission.

I do wish to be heard in support of this submission.

The specific provisions of the proposal that my submission relates to and the decisions we seek from Council are as detailed on the following pages.

About Fonterra

1. Fonterra Co-operative Group Ltd (Fonterra) is New Zealand's largest milk processor and exporter. We are 100% owned by 10,578 New Zealand dairy farmers and have approximately 17,300 staff working across the dairy spectrum, from advising farmers on sustainable farming practices, to ensuring Fonterra meets exacting food quality standards and delivers dairy nutrition every day to more than 100 markets around the world.

Structure of our submission

2. Our submission is structured into two sections as follows:
 - A. Overview of our submission
 - B. Details of concerns and relief sought.

A. Overview of our submission

3. Fonterra acknowledges the work that the Otago Regional Council in preparing Plan Change 4B and in its efforts to simplify what is a complex set of plan provisions designed to set clear groundwater allocation limits and comply with the National Policy Statement on Freshwater Management (NPS-FM).
4. While Fonterra welcomes simplification and removal of any ambiguity that might exist in the existing provisions, the co-operative has concerns in relation to seven matters.
 - a. Uncertainty about the provision made for unconsented groundwater takes in the allocation limits;
 - b. An apparent reduction in the effective allocation limit in the North Otago Volcanic Aquifer. (Which is currently 7 million m³/year or the assessed maximum annual take whichever is the greater, but will, under PC4B, be a maximum of 7 million m³/year).
 - c. The potential for the calculation of allocation using the Maximum Allowable Take (as defined) to overstate the actual level of allocation being based on consented volumes and not actual take.
 - d. The potential for existing abstractors to lose previously consented volume at the time of consent replacement.
 - e. The lack of ability to take into account return flow from irrigation (but supporting the taking into account of irrigation return flow in the calculation of aquifer recharge).
 - f. Policy 6.4.10A3 refers to aquifer contamination. Fonterra is concerned that policy could be applied out of context.
 - g. Implications of the plan change arising from the need to give effect to the NPS-FM. In particular, Fonterra is concerned with about the lack of clarity about how consenting replacement takes in any fully allocated aquifer, and any over allocation, will be managed to maintain compliance with the NPS-FM.

B. Details of concerns and relief sought

5. Table 1 sets out Fonterra’s concerns with the provisions of Pland Change 4B and the relief Fonterra seeks in response to the concerns raised. Every attempt has been made to provide specific relief where possible, including proposed replacement drafting. However, Fonterra is conscious that there are, in many cases, multiple ways its concerns could be addressed and it would accept alternative drafting that has the same, or similar, effect as that suggested in Table 1.
6. Similarly, while every effort has been made to ensure coherency is maintained (between related policies and between policies and associated rules) it may be that technical or consequential amendments are required to give full effect to the matters raised in this submission that are not identified in Table 1. For the avoidance of doubt, Fonterra seeks and supports (in principle) any such consequential amendments.

Table 1 – Fonterra’s provision-by-provision submission points

Page	Reference	Issue/Concern	Relief Sought
SECTION: 6.4 Policies applying to the management of the taking of water			
Page 2	Policy 6.4.10A	<p>Fonterra is not sure what “available for taking” means. In particular, it is not clear whether this includes unconsented takes (i.e. permitted takes and takes allowed under section 14(3)(b)). The definitions of “allocation limit” and “assessed maximum annual take” make no allowance for unconsented takes and hence Policy 6.4.10A suggests that unconsented takes are not provided for.</p> <p>Fonterra opposes this provision for those reasons.</p>	<p>Clarify the position of unconsented groundwater takes by either:</p> <ol style="list-style-type: none"> 1. Providing for unconsented takes in the definition of “assessed maximum annual take” and/or in Method 15.8.3.1 such that allowance is made for unconsented takes within limits. (Including, if necessary, raising limits to accommodate additional volumes – depending on their significance); or 2. Including an additional policy specifically providing for unconsented takes outside of the regime and associated limits applying to consented takes; and 3. Defining “volume available for taking” as relating solely to volumes available for take by way of resource consent.

Page	Reference	Issue/Concern	Relief Sought
Page 2	Policy 6.4.10A1	<p>Fonterra is concerned about the lack of information on the current levels of groundwater abstraction and consented volumes in the aquifers of Otago. The absence of such information makes it difficult for Fonterra to adopt a clear position on the changes made to Policy 6.4.10A1. However, what is clear is that while the Change continues to provide for replacement takes above Schedule 4A volumes (or above volumes calculated as 50% of recharge), the status of such replacement takes will change from being legally “within limits” to occurring “above limits”. Fonterra is concerned about the implications that flow from this seemingly technical change. It seems to us that the change will make over-allocation more likely. This is a concern because the plan change does not expressly address how over-allocation is to be managed.</p> <p>Fonterra opposes Policy 6.4.10A1 for those reasons.</p>	<p>Either:</p> <ol style="list-style-type: none"> 1. Provide for the replacement of currently consented (and justified) groundwater takes within the allocation limits; or 2. Specify how over-allocation perpetuated through the granting of replacement takes is to be managed in accordance with the NPS-FM.
Page 4	Policy 6.4.10A2	<p>Fonterra considers that the intent of this policy is unclear. The phrase “grant no more water than has been taken under the existing consent, in at least the preceding five years” is open to various interpretations. For example it could be read as saying the five-year aggregate take will be imposed as maximum volume under a new consent. Alternatively, it may be read as saying that the annual maximum consented volume will reflect the annual usage over the past five or more years (but is that the average, maximum or minimum annual take over that period?). In any event, while Fonterra supports reallocation of unused water, it considers a case-by-case assessment is appropriate.</p> <p>Fonterra opposes Policy 6.4.10A1 for those reasons.</p>	<p>Amend Policy 6.4.10A2 to clarify intent.</p> <p>Fonterra suggests the following wording:</p> <p><u>Where an application is received to take groundwater by a person who already holds a resource consent to take that water, grant any replacement consent at a maximum annual volume that corresponds to the highest take under the existing consent over no more water than has been taken under the existing consent, in at least the preceding five years, (unless a higher volume is justified in the circumstances) when:</u></p>
Page 5	Policy 6.4.10A3	<p>Fonterra supports managing groundwater abstraction to</p>	<p>...</p> <p>Amend Policy 11.4.1 to read:</p>

Page	Reference	Issue/Concern	Relief Sought
		avoid groundwater contamination. However, the current wording of Policy 6.4.10A3 is opposed as the obligation to avoid contamination of groundwater has been taken out of the specific context of groundwater abstraction and would apply more broadly. It would set an unrealistic hurdle if the policy was applied rigorously in other contexts.	Managing the taking of groundwater so as to avoid in any aquifer: (a) Contamination of groundwater or surface water; and (b) Permanent aquifer compaction.
SECTION 15: Methods other than Rules			
Page 12	Method 15.8.3 (general)	As noted above, Fonterra is concerned to ensure that permitted groundwater takes and takes allowed under section 14(3) (b) for domestic and stockwatering needs are not provided for within the groundwater allocation and limit setting regime.	See relief sought in relation to Policy 6.4.10A.
Page 13	Method 15.8.3 (c)	Fonterra supports the deletion of the word “immediately” but is concerned that the provision continues to refer to “all of the water” being returned and considers that consents that involve partial return should be taken into account.	Amend Method 15.8.3 to provide for the netting out of water returned to the same source following abstraction (if that return flow has not been taken into account in the setting of the allocation limit).
Page 13	Method 15.8.3 (final point)	Fonterra supports the clarification that the assessed maximum annual take sums only those consents allocated as groundwater under Policy 6.4.1A (c) and (d).	Retain the addition to Method 15.8.3.
SECTION 20: Schedules			
Page 16	4D.1(b)	Fonterra supports the inclusion of irrigation in the calculation of aquifer recharge.	Retain the matter 4D.1 (b) in Schedule 4.
SECTION 21: Glossary			
Page 18	Definition of “allocation limit”, “assessed maximum	As noted above Fonterra is concerned about the relationship of the definitions and the position of unconsented groundwater takes.	See relief sought in relation to Policy 6.4.10A.

Page	Reference	Issue/Concern	Relief Sought
	annual take" and "maximum allocation limit"		



Federated Farmers of New Zealand

Submission to Otago Regional Council On Plan Change 4B (Groundwater Allocation)

16 June 2014



0800 327 646 | **FED FARM**
.ORG.NZ

SUBMISSION TO OTAGO REGIONAL COUNCIL ON PLAN CHANGE 4B

Form 5

Submission on publicly notified proposal for policy statement or plan
Clause 6 of First Schedule, Resource Management Act 1991

To: *Otago Regional Council*
policy@orc.govt.nz

Name of submitter: Federated Farmers of New Zealand

Contact person: Kim Reilly
Regional Policy Manager, South Island.

Address for service: PO Box 5242, Dunedin 9054

This is a submission on the following proposed plan change – Plan Change 4B (Groundwater Allocation)

I could not gain an advantage in trade competition through this submission.

The specific provisions of the proposal that my submission relates to and the decisions we seek from Council are as detailed on the following pages.

I wish to be heard in support of my submission.

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1. INTRODUCTION

- 1.1 Federated Farmers of New Zealand (Inc) is a voluntary, primary sector organisation representing farming members and their families. Federated Farmers has a long history of representing the needs and interests of New Zealand's farming communities, primary producers and agricultural exporters.
- 1.2 The Federation aims to add value to its members' farming business by ensuring that New Zealand provides an economic and social environment within which our members may operate their business in a fair and flexible manner.
- 1.3 Our members strongly support a regional planning approach that recognises landowners play a principle role as managers (and financiers) of the regions natural and physical resources. They also support regional plans that are truly effects based and do not unnecessarily inhibit or pose constraints on farming activities, while ensuring that any risks to the environment associated with farming are appropriately avoided or managed by landowners.
- 1.4 Landowners are in the whole, proactive resource managers who rely heavily on their properties natural and physical resources for their farming business. It is entirely in their best interest and subsequently that of the region, to manage their land and water resources sustainably.
- 1.5 Council will be well aware that the Otago Region has an immense rural land area within its regional plan. This land area is hugely diverse in its geography, climate, soil types, land use, water use, water-body type and land stability. It is very important that a regional planning framework provides the basis for each farmer to respond in a way that is appropriate for the receiving environment and their particular farming system.
- 1.6 We note that the intent of Proposed Plan Change 4B is to clarify and strengthen the provisions of the operative Regional Plan for managing groundwater allocation and reducing over-allocation in Otago's aquifers. As a result, the plan change will affect all water not considered surface water.
- 1.7 We support Council setting a maximum groundwater allocation limit (MAL) within the plan based on community accepted science and outcomes. This provides a robust process to examine appropriate aquifer allocation levels.

2. GENERAL COMMENTS

- 2.1 Federated Farmers considers Council must appropriately address a range of specific matters when determining its policy on groundwater allocation. The rights of existing users must be allowed for when setting environmental flow and allocation regimes, to ensure the protection of existing infrastructure and investment, and to safeguard productive capacity.
- 2.2 Environmental values must also be protected, consistent with part 2 of the RMA. Protection of the environment is required to sustain the effective functioning of water infrastructure and to ensure the on-going productivity of land.
- 2.3 Federated Farmers position on Water Allocation is as follows:

Principle 1: Water allocation decisions must be based on sound information.

It is essential that adequate, reliable information about individual catchments is established using science based information to determine the availability of water as a resource before water management policy is developed. Informed decisions may only be made on proven and tested information.

Principle 2: The system for water allocation must be relatively simple and cost-effective, for both the regulator and the user.

Principle 3: Secure tenure and clear specifications for water use are fundamental. Water permit holders must have confidence that their investment will be protected from confiscation and unreasonable restrictions. Without security of tenure for water permits, long-term investment in improvements to existing irrigation schemes together with new investment in additional irrigation projects will be seriously inhibited.

Principle 4: No one particular water allocation policy may be appropriate in all circumstances.

Each catchment has different demands on water, different availability of water, and different values applied to water. It is therefore appropriate that individual catchments or sub catchments have water allocation policies that suit their specific characteristics.

Principle 5: Water allocation regimes must not undermine local or community water allocation strategies.

Community involvement in negotiated settlements, particularly in areas where water is over allocated, allows local communities to seek their own unique solutions. This gives communities a role in determining how allocation should be managed.

Principle 6: Water allocation regimes should provide for water harvesting and storage.

The augmentation and storage of current water supplies provide long-term opportunities to expand future water use options. Policies must enable and encourage this to happen in areas which are nearly fully allocated. Users should be able to utilise times of high flow and high groundwater to harvest water with least impact on the environment.

Principle 7: Efficient use of water is best determined by water permit holders.

Inappropriate regulations and controls on how and where water resources are used risk producing perverse outcomes that run counter to ensuring the efficient use of water resources. For example, efficiency tests should not be based on a particular land use or whether the use is economic or not. Commercial drivers for efficiency should be left up to the user.

Principle 8: The voluntary transfer or exchange of water permits must be accommodated in any water allocation regime.

Flexibility is required within water allocation regimes to allow water permit holders to voluntarily transfer or exchange permits. Such transfers support the optimal use of water resources to meet the needs of both parties.

2.11 While there are some areas where the proposed plan change aligns with the principles behind Federated Farmers position on water allocation, there are some areas of concern and we shall go through these in detail in the following sections.

3 SPECIFIC COMMENTS

3.1 Subject matter and provision in the Proposed Plan change

Policy 6.4.10A – *Enable the taking of water allocated as groundwater by Policy 6.4.1A by:*

- (a) Determining the volume available for taking as the maximum allocation limit less the assessed maximum annual take for an aquifer calculated using Method 15.8.3.1; and*
- (b) Applying aquifer restriction levels where specified in Schedule 4B.*

Federated Farmers opposes this policy in part

Summary of reasons for this submission

Policy 6.4.10A simplifies what to date has been a relatively complicated policy framework. We support the concept of assessed annual take, providing it reflects nominal water use, is informed by good science and accurately reflects the nature of the water use activity.

Our concern with the policy is that the proposed methodology contravenes requirements for efficiency of water use allocation as stipulated under the Otago Water Plan. The plan recognises that full consented rates of take in any season are unlikely to be exercised. However, the proposed methodology within the policy uses full consented rates of take on resource consents to differentiate between water taken and available recharge (mean annual recharge) for groundwater allocation purposes.

Additionally, the alternative calculation method within Method 15.8.3.1 does not consider location, climate, soils or the nature of the activity. These omissions could result in significant errors surrounding the outcome of the Method.

Relief Sought

That a similar approach is taken to that of Environment Canterbury – that being, an approach where annual volumes aim to fully meet plant requirements in 9 years out of 10, based on factors including Potential Evapo-Transpiration (PET), soil water holding capacity and rainfall.

3.2 Subject matter and provision in the Proposed Plan change

Policy 6.4.10A1 – *Define the maximum allocation limit for an aquifer as:*

- (a) That specified in Schedule 4A; or*
- (b) For aquifers not in Schedule A, 50% of the mean annual recharge calculated under Schedule 4D,*

And beyond that maximum, avoid allocating for a consumptive use any water not previously taken under a resource consent.

Federated Farmers supports this policy in part

Summary of reasons for this submission

Federated Farmers supports Policy 6.4.10A1(a). Setting a maximum groundwater allocation volume into the plan with a sound scientific basis is appropriate. It provides for a robust process to examine appropriate aquifer allocation levels.

For those aquifers yet to be fully assessed, we support the interim methodology being 6.4.10A1(b)'s provision for the 50% of the calculated mean annual recharge. This is a useful interim methodology pending more rigorous determination. However, as we will later explain in greater detail, we do not consider takes above the interim MAL set under Policy 6.4.10A1(b) should result in a prohibited activity status – we consider a non-complying status is more appropriate.

We note the addition of the words 'consumptive use' within the line 'avoid allocating for consumptive use any water not previously taken under a resource consent'. We note that this addition is likely to enable consideration of non-consumptive takes, where water finds its way back into the aquifer after short-term use. We support this addition on the basis that it optimises the use of groundwater resources where no adverse impacts on the resource or other water users are likely, or where effects are short-term and can be justified.

We do have concerns however in regards to how Schedule 4D will be used. Schedule 4D is in effect a method, which calculates maximum allocation limits for those aquifers yet to be assessed into Schedule 4A, and it is best if it is treated as a method. It is also not easily ascertained from Plan Change 4B, how the MALs calculated using the Schedule 4D method will be stored and maintained.

Federated Farmers previously suggested a preference towards the resulting data being maintained in a non-statutory inventory stored on the www.orc.govt.nz website. This would enable the maintenance of a register of less rigorously assessed aquifer allocations without the need for a plan change. This register would provide relevant information pending the undertaking of a more detailed assessment.

While it is appropriate to have the method within the plan, the table of resulting values should be outside the plan where they can be amended or added to as appropriate.

This approach would be consistent with the operative Regional Plan: Water for Otago and would assist the Otago Regional Council in keeping plan users up-to-date on the status of groundwater allocations, thereby reducing enquiries and data requests from managers and practitioners. It is also consistent with Council's commitment under the prohibited activity rules to provide details of an aquifer's allocation status to applicants prior to any application being made.

Recommended changes

That Council:

- Adopt Policy 6.4.10A1 - but with Schedule 4D contents as a non-regulatory method instead – and with resulting data being maintained outside the plan;
- That as consequential changes, reference to Schedule 4D within rules are amended to reflect it is a method;

3.3 Subject matter and provision in the Proposed Plan change

Policy 6.4.10A2 – *Where an application is received to take groundwater by a person who already holds a resource consent to take that water, grant no more water than has been taken under the existing consent, in at least the preceding five years, when:*

- (a) The take is from an aquifer where the assessed maximum annual take exceeds its maximum allocation limit; or*
- (b) The take results in the assessed maximum annual take of an aquifer exceeding its maximum allocation limit,*

Except in the case of a registered community drinking water supply where an allowance may be made for growth that is reasonably anticipated.

Federated Farmers opposes this policy in part

Summary of reasons for this submission

Although reference to 'in at least the preceding five year's is provided for, we have concerns for applicants who are unable to furnish a full five years of information about past taking of water. In these circumstances we don't consider an adequate timeframe will be able to be considered from which to appropriately account for climatic cycles, with large variations in

rainfall occurring over time. It also won't adequately address the needs of cropping farmers whose rotation system will be up to 8 yearly or really address long-term need.

Therefore, Federated Farmers preference is for the use of methodology based on reasonable use and long term rainfall records. This is also consistent with other policies in the operative plan, namely Policy 6.4.0A, which provides for consideration of climate, soil, crop or pasture type, water availability and the efficiency of the systems used. We consider Council should adopt methodology that provides for a volume that is fair and reasonable for the use required. Actual use may not reflect medium or long-term need (depending on rainfall over the period of assessment).

Water take information is very dependent on rainfall levels, which vary year to year. We consider that the volume of water should be sufficient for 'reasonable use' based on potential evapo-transpiration, rainfall, soil water-holding capacity and the desired level of reliability (at least 90%). We consider that a good methodology for calculating this is Aqualinc's Irricalc model. The reasonable use volume will also take into account irrigation application efficiency. Actual use data, particularly over relatively few years, is largely irrelevant.

A suggestion is for water allocation to be based on the 90th percentile equivalent crop requirement for agriculture or for reasonable commercial/industrial or municipal use based on the applicable years of water use data. This 90th percentile water allocation approach to agricultural activities is consistent with Council's current consenting practices.

Relief Sought

- That annual (or seasonal) volumes of water allocated should be sufficient for reasonable use, as described above. This is best calculated using a water balance model such as Irricalc.
- The total volume of water allocated should be calculated based on the 90th percentile reliability of supply and 80% application efficiency.

3.4 Subject matter and provision in the Proposed Plan change

Policy 6.4.10A3 – Avoid in any aquifer:

- (a) Contamination of groundwater or surface water; and
- (b) Permanent aquifer compaction.

Federated Farmers supports this policy in part

Summary of reasons for this submission

We note that this policy has been moved so as to now reflect a stand-alone policy. Federated Farmers accepts that groundwater should not be abstracted to an extent that it leads to contamination. However, without a qualifying link to controlling groundwater takes, the policy may be given wider application and relevance than perhaps intended.

Our concern is that as worded, the policy is too restrictive. Within the context of farming activities, it is likely that contamination would cover Nitrogen – and the policy as worded could be applied in a land use or discharge consents context with unintended consequences.

We support the retention of previous wording – limiting the context to controlling groundwater takes. This is consistent with Plan Change 6A.

Relief Sought

That Council either delete the policy and instead rely on provisions within Plan Change 6A, or amend the first line of the policy to:

"Manage the taking of groundwater so as to Avoid in any aquifer....."

3.5 Subject matter and provision in the Proposed Plan Change

Rule 12.0.1.3 – *The application to take groundwater for a consumptive use by a person who does not hold the existing resource consent to take that water from an aquifer where the assessed annual take:*

- (i) *Exceeds the aquifer's maximum allocation limit; or*
- (ii) *Would exceed the aquifer's maximum allocation limit as a result of this take*

*Is a **prohibited activity** unless all of the water taken:*

- (1) *Is allocated as surface water under Policy 6.4.1A; or*
- (2) *Is taken for dewatering at a site to allow a construction or structure maintenance activity.*

The Otago Regional Council will, upon request, advise the application of the Aquifer's current allocation status before any application is made

Federated Farmers opposes this rule in part

Summary of reasons for this submission

Federated Farmers supports the rule only applying to takes for consumptive use. Similarly, we support the rule not applying to water taken under Policy 6.4.1A or water taken for dewatering at a site to allow for a construction or structure maintenance activity. We consider that it may be more appropriate however, to be limited to 'temporary' dewatering. Long term dewatering activities could give rise to significant effects upon aquifer functioning and groundwater allocation.

We consider that return flows should be exempt in a similar manner to those takes specified that also result in no net take. In both scenarios, the exemptions optimise the use of the groundwater resource in situations where no adverse impacts on the resource or other water users are anticipated, or effects are short-term and justifiable.

Furthermore, appropriate aquifer allocation management should utilise interim maximum groundwater allocation values until such time as they have been appropriately derived and formally adopted into the plan via Schedule 4A. It should be at that time that an activity status for additional groundwater allocation over and above those limits should be prohibited.

Within Plan Change 4B as notified, any application for groundwater takes that exceed the "interim" or provisional MAL would be prohibited. This does not give effect to the intention to not unreasonably restrict new groundwater takes on the basis of the interim MAL.

We consider that a non-complying activity status for MALs calculated under Policy 6.4.10A1(b) and captured within Schedule 4D is more appropriate. This provides applicants with the opportunity to bring additional specific information in support of a more accurate and acceptable aquifer application. This would increase the reasonableness and accuracy of any decision and reduce the costs to council, ratepayers and applicants.

Council has noted at the foot of the prohibited activity rules that Council will upon request, advise applications of an aquifer's current allocation status before any application is made. Federated Farmers supports this commitment. We consider that our submission in regard to keeping Schedule 4D information as a non-statutory inventory, accessible on ORC website enables Council to more easily and cost-effectively ensure that some of that information is readily available and able to be updated, without need for a plan change. We consider that in providing this information, Council should provide as much details as possible – including methodologies used, estimates given and groundwater allocation status.

Relief Sought

- That the following word change is made or similar:
*Is a **prohibited activity** unless all of the water taken:*
(3) Is allocated as surface water under Policy 6.4.1A; or
(4) Is taken for temporary dewatering at a site to allow a construction or structure maintenance activity.
- That there is an additional exemption for return flows when resulting outcome is no net take;
- That for MALs contained within Schedule 4D, calculated under Policy 6.4.10A1(b), non-complying activity status is used.
- That Council implements its commitment to provide full details of an aquifer's current allocation status before any resource consent application is made.

3.6 Subject matter and provision in the Proposed Plan Change

Method 15.8.3.1..... *the assessed maximum annual take sums only those consents allocated as groundwater under Policy 6.4.1A(c) and (d)*

Federated Farmers opposes this method in part

Summary of reasons for this submission

Federated Farmers supports the concept of assessed annual take as long as it reflects nominal water use, is informed by good science, and accurately reflects the nature of the water use activity.

We agree with the section 32 report analysis that defining the estimated annual allocation limit as the assessed take is far preferable to basing it on a consented maximum annual take, which has too many risks and costs, is too conservative and is not consistent with preferred approach of the Environment Court.

However, Federated Farmers considers that the proposed methodology within Method 15.8.3.1 contravenes the requirements for efficiency of water use allocation as stipulated within the operative plan. The operative plan recognises that consented rates of take in any season are unlikely to be fully exercised.

The proposed policy 6.4.10A refers to calculations based upon Method 15.8.3.1, which uses full consented rates of take on resource consents to differentiate between water taken and mean annual recharge for groundwater allocation purposes. Furthermore, the alternative calculation within Method 15.8.3.1 fails to consider location, soils or the nature of the activity.

Federated Farmers preference is for an approach which considers either 90th-percentile crop water requirement values for the activity for agriculture or the maximum consented volume, whichever is the lesser, corresponding to nominal aquifer abstraction in relation to mean annual recharge.

Recommended Changes

That Council amend Method 15.8.3.1 to reflect an approach which uses either the 90th percentile crop water requirement values for the activity (for agriculture) or the maximum consented volume, whichever is the lesser. A suggestion for wording is as follows:

Method 15.8.3 – *The assessed annual take of groundwater from any aquifer for the purposes of Policy 6.4.10A(a) will be the sum of:*

- (a) For irrigation – 80% of the 1/10 year drought irrigation return crop water requirement recognising location and relevant environmental considerations, or the maximum value on a resource consent to take groundwater, whichever is the lesser; and*

- (b) For other water uses – 80% of the nominal maximum water requirement for the activity, or the maximum value on a resource consent to take groundwater, whichever is the lesser; and
- (c) Less any quantity of groundwater that is directly returned to the aquifer or via an appropriately connected surface water body.

3.7 Subject matter and provision in the Proposed Plan change

Schedule 4D

Federated Farmers opposes this Schedule in part

Summary of reasons for this submission

As explained above, Federated Farmers does not consider that a statutory form of Schedule 4D is needed. It is in effect a non-statutory method and should be treated as such. The information that results from the methodology is interim and provisional, pending a full Schedule 4A assessment, and should be able to be challenged in light of further or additional information. Therefore, it is appropriate that resulting data be stored and maintained outside the Plan.

Recommended changes

That Council retain the methodology within Schedule 4D as a non-statutory method with resulting data being stored and maintained in a non-statutory inventory.

3.8 Subject matter and provision in the Proposed Plan change

Schedule 4D.1- Sources of Aquifer Recharge

Federated Farmers supports this Schedule in part

Summary of reasons for this submission

While the sources of aquifer recharge provided within 4D.1 are not an exhaustive list, we want to ensure that there is provision for the inclusion of artificial recharge sources and groundwater transfer sources from adjoining aquifers, where this is appropriate.

Recommendation

That Schedule 4D.1 is adopted, with capacity to ensure recharge sources include artificial recharge sources and groundwater transfer sources from adjoining aquifers.

3.9 Subject matter and provision in the Proposed Plan change

Schedule 4D.2

Federated Farmers supports this Schedule

Summary of reasons for this submission

We support the methods provided for estimating aquifer recharge from various recharge sources remaining an inclusive list – with capacity to consider other relative methods where these are fit for purpose and accepted by the wider community of groundwater scientists and allied professionals.

Recommendation

That Schedule 4D.2 is adopted as proposed.

**SUBMISSION ON PROPOSED PLAN CHANGE 4B – Groundwater Allocation
TO THE REGIONAL PLAN – Water for Otago**

TO: Otago Regional Council

SUBMISSION ON: Proposed Plan Change 4B to the Regional Plan – Water for Otago

NAME: Horticulture New Zealand

ADDRESS: PO Box 10 232
WELLINGTON

1. Horticulture New Zealand’s submission, and the decisions sought, are detailed in the attached schedules:

Schedule 1	Chapter 6 Water Quantity
Schedule 2	Chapter 12 Rules
Schedule 3	Chapter 15 Methods other than Rules
Schedule 4	Schedules

2. Horticulture New Zealand wishes to be heard in support of this submission.

3. Background to Horticulture New Zealand and its RMA involvement:

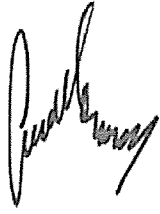
3.1 Horticulture New Zealand was established on 1 December 2005, combining the New Zealand Vegetable and Potato Growers’, New Zealand Fruitgrowers’ and New Zealand Berryfruit Growers Federations.

3.2 This submission is made by Horticulture New Zealand in conjunction with North Otago Vegetable Growers Association.

3.3 On behalf of its 6,000 active grower members Horticulture New Zealand takes a detailed involvement in resource management planning processes as part of its National Environmental Policies. Horticulture New Zealand works to raise growers’ awareness of the RMA to ensure effective grower involvement under the Act, whether in the planning process or through resource consent applications. The principles that Horticulture New Zealand considers in assessing the implementation of the Resource Management Act 1991 (RMA) include:

- The effects based purpose of the Resource Management Act,
- Non-regulatory methods should be employed by councils;
- Regulation should impact fairly on the whole community, make sense in practice, and be developed in full consultation with those affected by it;
- Early consultation of land users in plan preparation;
- Ensuring that RMA plans work in the growers interests both in an environmental and “right to farm” sense.

Thank you for the opportunity to comment on the Proposed Plan Change 4B.



Chris Keenan
Manager, Natural Resources and Environment

Date: 17 June 2014

Address for Service:

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Horticulture New Zealand
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SCHEDULE ONE: Chapter 6 – Water Quantity

1.1 Policy 6.4.10A

Policy 6.4.10A is proposed to provide a framework for the taking of groundwater through the determining of the maximum allocation limit less the assessed maximum annual take calculated using Method 15.8.3.1.

Three calculations are required for the framework:

- The maximum allocation limit (MAL) - as set through Schedule 4A or 4D
- The assessed maximum annual take (MAT)– calculated using Method 15.8.3.1
- The volume ‘available for taking’ – the MAL less the MAT

Therefore the ‘volume available for taking’ is dependent on the determination of both the MAL and MAT and the methodology that is used to derive those numbers.

The policy refers to the ‘volume available for taking’ but does not specify what this volume includes.

Policy 6.4.10A1 b) define the maximum allocation limit and only includes consumptive takes and Rule 12.0.1.3 also only includes consumptive uses. Therefore Policy 6.4.10A should also define ‘volume available for taking’ as being for consumptive takes. Non-consumptive takes should not be taken into account in determining the maximum allocation limit as the water is returned to the aquifer.

The policy is dependent on Method 15.8.3.1 as the methodology for calculating the assessed maximum annual take. The method provides an ‘assessed’ volume. Basing a regulatory framework on an assessed volume can lack certainty. Horticulture NZ has concerns with the methodology in Method 15.8.3.1 to the extent that it could overstate the annual take. This then influences the amount of water available for allocation. Changes are sought to Method 15.8.3.1.

Decision Sought: Amend Policy 6.4.10A a) as follows:

‘Determining the volume of water available for allocation to consumptive takes...’
Ensure that non-consumptive takes are not included in the maximum allocation limit.

1.2 Policy 6.4.10A1 Defining the maximum allocation limit

The Plan Change seeks to define the MAL for aquifers not listed in Schedule 4A as 50% of mean annual recharge calculated under Schedule 4D so this is dependent on the methodology in Schedule 4D.

However the policy goes beyond ‘defining’ the MAL as it seeks to limit beyond the maximum to avoid allocating for a consumptive use any water not previously taken under a resource consent. This is an ‘allocation’ matter not a ‘defining’ matter.

Decision Sought: Amend Policy 6.4.10A1 by deleting “and, beyond that maximum, to avoid allocating for a consumptive use any water not previously taken under a resource consent.”

1.3 Policy 6.4.10A2.

Policy 6.4.10A2 provides the framework for allocation of groundwater by an existing consent holder where the MAL will be exceeded. The policy provides that the renewal will not grant more water than has been taken under the existing consent in at least the preceding five years. This effectively caps the existing take even if the consented volume was for more than taken. While use of at least five years data is supported there is a need to take in a wider range of factors to ensure that an existing user is not penalised through the limitation. For example:

- The preceding five years may have been wet years
- The crops grown in those years may not have required utilisation of the consented volume.

The Section 32 Report states that “Consideration of water usage over a 5-year period provides for reasonable assessment of actual water needs and facilitates good decision making.” However limiting an existing consent needs to be more than a ‘reasonable assessment’, it needs to be robust to ensure that the existing operation is not compromised through the application of the policy.

In addition the policy does not state what figure in the 5 year data will be used – e.g average or maximum. Therefore there is uncertainty as to how the policy will be applied.

Decision Sought: Amend Policy 6.4.10A2 as follows:

Where an application is made to renew an existing resource consent to take groundwater from:

- a) an aquifer where the assessed maximum annual take exceeds its maximum allocation limit; or
- b) an aquifer where the take would result in the assessed maximum annual take exceed the maximum allocation limit;

consent will be granted based on the highest actual usage over the preceding 10 years taking into account crop rotations, climate and soil and efficiency of use; Except for registered community drinking water supplies where an allowance may be made for growth that is reasonably anticipated.

1.4 Policy 6.4.10A3 Avoid aquifer contamination

Policy 6.4.10.A3 has been moved and is more a policy of water quality than quantity or allocation. The policy needs to be reworded to relate to the taking of groundwater.

Decision Sought: Amend Policy 6.4.10A3 as follows:

Manage the taking of groundwater so as to avoid in any aquifer:

- a) contamination of groundwater or surface water; and
- b) permanent aquifer compaction.

SCHEDULE TWO: Chapter 12 - Rules Groundwater

2.1 Prohibited Activity 12.0.1.3

The prohibited activity rule is based on assessed maximum annual take. For aquifers not listed in Schedule 4A this is a calculated figure. It is considered that a prohibited activity rule should not be based on calculated or assessed figures, rather that such activities should be assessed as non-complying. Such an activity status enables an applicant to provide data regarding the assessments made.

Decision Sought: Amend Rule 12.0.1.3 to Non-complying status.

SCHEDULE THREE: Chapter 15 – Methods other than Rules

3.1 15.8.3 Methodology for calculating assessed maximum annual take for groundwater

The purpose of establishing an assessed maximum annual take is to be able to establish the difference between the take level and the maximum allocation volume, and hence how much water is available for allocation.

Horticulture NZ has previously expressed concern about the methodology and how it will be applied. As it is now intended to use the methodology on a wider basis through Policy 6.4.10A the methodology needs to be robust and fair.

Method 15.8.3 sets out a methodology for establishing the assessed maximum annual take, especially where volumes may not be specified on a consent, therefore making a determination of the annual take somewhat problematic.

The proposed methodology is supported to the extent that it does not take the 'worst case' scenario which would severely limit the amounts available for allocation, even though the amounts of a worst case scenario may never be taken.

While a methodology is needed to assess volumes there are concerns about extrapolating litres/sec into an annual volume. If the consented amounts are inaccurate then the inaccuracy is being extrapolation from potentially per second to per year. A small error per second becomes a very large error per year and then aggregated up across the whole district. There should be provision for adjustments if such extrapolations clearly indicate unrealistic figures that consequently distort the assessed volumes. Such figures may need to be ground-truthed to establish the robustness of the derived figures.

When applied in conjunction with a restrictions level the physical properties of the aquifer are protected so the 'balanced' approach as proposed is supported.

The Section 32 Report states that Method 15.8.3.1 is based on 'reasonable and realistic assumptions regarding actual water use'. The method makes an assumption that all consumptive takes for irrigation are for 150 days. In fruit operations it is unlikely that irrigation will be undertaken for that length of time so it is not a 'reasonable or realistic assumption' to make. This in turn means that the calculated volume will be overstated, and the water available for allocation understated

Decision Sought: Add an additional point d) to Method 15.8.3 as follows:
Where volumes have been calculated on weekly or litres/ second the volumes will be ground-truthed and adjusted if required to reflect actual usage volumes.

Add a new calculation for takes for fruit production based on a reduced irrigation season.

SCHEDULE FOUR: Schedules

4.1 Schedule 4D Matters to be considered in calculating mean annual recharge

The matters listed in Schedule 4D.1 and 4D.2 are prefaced with 'may include'.

This presents uncertainty as to how the method will be applied. For instance it is not clear why a particular matter may not be included or why other matters would be included. Given the importance of the method in establishing the water available for allocation it needs to be clear how the underpinning numbers are derived.

Decision sought:

Amend Schedule 4D to provide greater certainty as to how it will be applied.

4.2 **Decision sought:**

Make changes that are consequential to the changes sought in this submission.

RESOURCE MANAGEMENT ACT 1991**SUBMISSION ON PROPOSED PLAN CHANGE 4B (GROUNDWATER ALLOCATION)
TO THE REGIONAL PLAN: WATER FOR OTAGO**

TO: Otago Regional Council
Private Bag 1954
Dunedin 9054

SUBMISSION ON: Proposed Plan Change 4B (Groundwater Allocation) to the
Regional Plan: Water for Otago

SUBMISSION BY: Lincoln University

SUBMITTER ADDRESS: PO Box 85084
Lincoln University
Lincoln 7647

Please note the different address for service below

-
1. This is a submission in opposition to Proposed Plan Change 4B (Groundwater Allocation) to the Regional Plan: Water for Otago (the Proposed Plan Change).
 2. The submission is made by Lincoln University. Lincoln University operates two farms within the Otago Region, being:
 - 'Mt Grand', a sheep and cattle farm at Hawea Flat. The University's tenure on the site is by way of a crown pastoral lease and they have farmed the property for the past 25 years.and
 - 'Telford' (formerly Telford Rural Polytechnic and Telford Farm Training Institute) a 920ha 'campus' south of Balclutha. Lincoln University and Telford Rural Polytechnic merged in 2010, and 'Telford' is now division of Lincoln University. 'Telford' began as Telford Farm Training Institute on the site in 1964, from land made available by the family of William Telford. It currently operates large commercial scale sheep, beef, dairy, deer and forestry units.

3. This submission relates to the Proposed Plan Change in its entirety.

4. The submission is as follows:

The Premise of the Proposed Plan Change

- The Proposed Plan Change seeks to clarify the mechanism for avoiding over-allocation in the aquifers and simplify the wording of existing policy. Lincoln University supports the premise of this plan change, but strongly opposes the process on which it was founded.

- While the Proposed Plan Change seeks to control the over-allocation of aquifers, upon review of the Section 32 Evaluation Report, and subsequent discussions with Otago Regional Council Policy staff, it is evident that the provisions have been drafted without the current allocation status of the Region's aquifers being known. It is noted that the Regional Council has a duty under Section 68(3) of the Resource Management Act, that in making a rule, it shall have regard to the actual and potential effect on the environment of the activities. Lincoln University strongly opposes the incorporation of the Proposed Plan Change, and in fact any proposed plan change, where the effects of the plan change have not been quantified and are not able to be assessed, and it is questioned whether the Regional Council have met their duty under Section 68(3).

- Lincoln University's 'Mt Grand' and Telford' properties are both located at or about identified aquifers; the Hawea Basin Aquifer and Inch Clutha Gravel Aquifer. The allocation status of each aquifer is not known by Otago Regional Council. It is understood that this is the case for all aquifers in the Region, with the exception of the North Otago Volcanic Aquifer listed in Schedule 4A of the Regional Plan: Water for Otago. In the absence of the allocation status of the Hawea Basin Aquifer and Inch Clutha Gravel Aquifer, it is near impossible for Lincoln University to assess the effects of the Proposed Plan Change on their farming operations. Without knowing the allocation status of the Hawea Basin and Inch Clutha Gravel Aquifers, Lincoln University will not be able to determine the activity status of any future water take activity. This is a particularly crucial matter, as the Proposed Plan Change includes prohibited activities.

Other Matters

- The Proposed Plan Change seeks consistency between methods for calculating the estimated volume of take from aquifers. It proposes to remove the 'consented maximum annual take' calculation method and retain the 'assessed maximum annual take' as the single calculation method. Lincoln University supports the consistent use of terms but seeks to clarify the difference between 'consented maximum annual take' and 'assessed maximum annual take'. No definition of the terms could be found. Further to this, Lincoln University requests a definition of 'assessed maximum annual take' be included within the glossary of the Regional Plan: Water for Otago.

- As detailed above, the Proposed Plan Change seeks to control the over-allocation of aquifers, however the allocation status of the aquifers is not known. Once the allocation status of the Region's aquifers has been established by Otago Regional Council, Lincoln University request that this information be made publicly available, and be easily accessible. On this basis, Lincoln University submits that the Otago Regional Council establish an online tool to provide accurate and up-to-date picture of the Region's aquifers allocation status. Preferably this should be incorporated into an online mapping program.

Relief Sought

5. Given the above submission points, Lincoln University seeks the following relief:
 - Otago Regional Council withdraw the Proposed Plan Change and undertake investigations to determine the current allocation status of the Region's aquifers.

 - Once the allocation status of the Region's aquifers has been determined, this data be used to inform a revised plan change document.

6. Once the allocation status of the Region's aquifers has been established, Lincoln University request that the 'other matters' be taken into consideration in the preparation of any revised plan change document, as follows:

- Clarify the difference between 'consented maximum annual take' and 'assessed maximum annual take'.
 - Provide a definition of 'assessed maximum annual take' within the glossary of the Regional Plan: Water for Otago.
 - Make the allocation status of the Region's aquifers publicly available.
 - Establish an online tool to provide accurate and up-to-date picture of the Region's aquifers allocation status. Preferably this should be incorporated into an online mapping program.
7. Lincoln University recognise that there may be other ways of achieving the relief sought.
8. Lincoln University wish to be heard in support of their submission.
9. If others make a similar submission, Lincoln University will consider presenting a joint case with them at a hearing.

Submission signed for and on behalf of: Lincoln University



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Resource Management Group Limited
17 June 2014

Address for Service:

Lincoln University

Resource Management Group Ltd

PO Box 908, Christchurch Box Lobby

Christchurch 8140

SUBMISSION**Proposed Plan Change 4B (Groundwater allocation)
to the Regional Plan: Water for Otago**

Form 5, Clause 6 of the First Schedule, Resource Management Act 1991

To: Otago Regional Council
Private Bag 1954
Dunedin 9054

By email: policy@orc.govt.nz

Name of submitter: **Holcim (New Zealand) Limited**
Address: c/- Anderson Lloyd Lawyers
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Christchurch 8141
Attention: Mark Christensen / Sarah Eveleigh
Telephone: 03 379 0037
Fax: 03 379 0039
Email: mark.christensen@andersonlloyd.co.nz
sarah.eveleigh@andersonlloyd.co.nz

Holcim wishes to be heard in support of its submission.

If others make a similar submission, Holcim will consider presenting jointly with them at a hearing.

Holcim could not gain an advantage in trade competition through this submission.

The specific provisions that Holcim's submission relates to are:

The entire Proposed Plan Change 4B (**PC4B**).

Holcim's submission is:

1. Holcim (New Zealand) Limited (Holcim) is a wholly owned subsidiary of Holcim Ltd, one of the world's largest cement producers. Holcim's core business activities include the production and distribution of cement, aggregates and lime. Holcim has been a supplier of cement to the New Zealand construction and building industries for in excess of 125 years. Holcim currently operates the Westport Cement Works, but this is now reaching the end of its operation life.

2. In 2009 Holcim was granted consent to construct and operate a new cement manufacturing plant at Weston, and for an associated limestone-siltstone quarry and tuff quarry at Weston, coal pit at Ngapara and sand pit at Windsor. Groundwater consents are held for site dewatering to enable construction of the cement plant, and for dewatering of the limestone-siltstone quarry, tuff quarry and coal pit. Groundwater consent is also held for the purposes of constructing and operating the cement manufacturing plant and associated facilities.
3. Holcim generally seeks amendment to PC4B to ensure that it is able to renew or extend any of its existing consents, whether or not they have been exercised, to enable the construction and operation of the proposed cement plant, quarries and pits.
4. Without limiting the generality of that submission, Holcim also makes the following submission points.

Policy 6.4.10A1 and Policy 6.4.10A2 – Re-consenting – volume previously taken

5. Proposed Policy 6.4.10A1 defines the maximum allocation limit for an aquifer and then states:
...beyond that maximum, avoid allocating for a consumptive use any water not previously taken under a resource consent.
6. Proposed Policy 6.4.10A2 states:
Where an application is received to take groundwater by a person who already holds a resource consent to take that water, grant no more water than has been taken under the existing consent, in at least the preceding five years, when...
7. At the outset, we note that these changes have not been addressed in the s32 assessment. Holcim submits that the proposed policies are not the most appropriate way of achieving the objectives, including sustaining the recognised uses of Otago groundwater. No alternative to reducing allocation in over-allocated aquifers is assessed. The changes have potentially significant environmental, economic, social and cultural effects.

8. There may be circumstances where it is appropriate for an existing consented volume to be re-consented, notwithstanding that the full volume has not been taken under the existing consent. That would include circumstances where water has not been used to date but investment or other preceding action has been taken to enable that abstraction.
9. The history of the water take is a blunt tool for assessing whether the volume of water sought is required. It also fails to take into account the costs and benefits of the planning framework for allocation of water, as required by s32. For example, it may enable continued low value and inefficient use of water which is consistent with a historical take, while preventing a high value and efficient use of water which has been consented but not fully utilised in the past. While historic use may be a relevant consideration when determining allocation on renewal, it should not be a determining factor. Other factors for consideration could include whether the volume of water allocated represents an efficient use of water.

Rule 12.0.1.3 – Prohibited activity


10. Amended Rule 12.0.1.3 seeks to prohibit applications for groundwater takes from aquifers which are over-allocated or would become over-allocated, in order to reduce or prevent further over-allocation. However, over-allocation could be prevented or reduced while providing flexibility to consider new abstractions. Inclusion of an exception to the rule where a consented volume of water equal to or greater than the volume sought is transferred or surrendered would ensure no net loss of water from the aquifer, and no further over-allocation.

Holcim seeks the following decision:

11. Such amendments as necessary to ensure that Holcim it is able to renew or extend any of its existing consents, whether or not they have been exercised, to enable the construction and operation of the proposed cement plant, quarries and pits.
12. Without limiting the generality of that relief, Holcim specifically seeks:
 - a. Amendment to Policy 6.4.10A1 and Policy 6.4.10A2 so that on renewal, the volume of water taken under the existing consent is, at most, one consideration when determining how much water should be re-consented.

- b. Amendment to Rule 12.0.1.3, to include an exception to the prohibited rule where a consented volume of water within the same aquifer and equal to or greater than the volume sought is transferred or surrendered in conjunction with the application.
13. Any consequential or ancillary relief required to give effect to the matters raised in this submission.

Date: 17 June 2014



Holcim (New Zealand) Limited
By its solicitors and duly authorised agents:
Anderson Lloyd Lawyers
Mark Christensen / Sarah Eveleigh



**Submission to Otago Regional Council on Proposed
Plan Change 4B to the Regional Plan: Groundwater
Allocation**

From

Contact Energy Limited

17 June 2014

**SUBMISSION BY CONTACT ENERGY LIMITED ON PROPOSED PLAN CHANGE 4B TO THE
REGIONAL PLAN: GROUNDWATER ALLOCATION**

To: Chief Executive
Otago Regional Council
Private Bag 1954
70 Stafford Street
DUNEDIN 9054

policy@orc.govt.nz

Name of Submitter: Contact Energy Limited

Contact Person: Rosemary Dixon

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Contact Energy Limited ("Contact") wishes to be heard in support of this submission.

If others make a similar submission, Contact would not be prepared to consider preparing a joint case with them at any hearing.

Introduction

Contact Energy Limited (**Contact**) is pleased to be able to submit on proposed Plan Change 4B: Groundwater Allocation.

About Contact

Contact is one of New Zealand's leading energy generators and retailers, providing electricity, natural gas and LPG to around 570,000 customers nationwide and generating around 23 per cent of New Zealand's electricity.

Contact is one of the country's most widely held stocks with around 75,000 shareholders. Contact employs approximately 1,100 people throughout New Zealand so Contact is an integral part of the national economy, our diverse society and local communities.

In the Otago Region, Contact owns and operates two hydro-electric power stations at Clyde and Roxburgh as well as the Hawea Dam at Lake Hawea. Contact also operates a call-centre from central Dunedin.

Summary of Submission

Contact generally **supports** this proposed Plan Change and its intent. In particular Contact supports:

- simplifying the existing Regional Plan: Water;
- reducing complexity in existing provisions; and
- managing and protecting water bodies, including aquifers, from over allocation.

Contact has a concern on a particular matter and seeks changes as outlined below.

Submission

Transparency of Allocation Volumes

Submission

Plan Change 4B enables the allocation of groundwater by determining the volume available for allocation (the Maximum Allocation Limit) less the volume already allocated (the Assessed Maximum Annual Take) (6.4.10A).

The Maximum Allocation Limit for an aquifer is defined as that specified in Schedule 4A ('Maximum allocation volumes for groundwater takes from aquifers') or 50% of the mean annual recharge as calculated under Schedule 4D (6.4.10A1).

Contact supports the continued listing of an aquifer's Maximum Allocation Limits in Schedule 4A where those aquifers have had their Maximum Allocation Limits calculated.

Such listing provides stakeholders with clear and transparent information as to the aquifer's Maximum Allocation Limit as demonstrated by the current listing of the North Otago Volcanic Aquifer.

Contact also supports the default calculation of an aquifer's Maximum Allocation Limit as 50% of the mean annual recharge as set out in Schedule 4D (6.4.10A1(b)).

However, Contact is concerned that the Maximum Allocation Limit calculated in accordance with 6.4.10A1(b), the default 50% of mean annual recharge, is less transparent than the listing of aquifers in Schedule 4A because it is not publicly available.

This issue of transparency is identified in the Section 35 report in both the Background and the Assessment of Issues where it is acknowledged that "*... once the Mean Annual Recharge has been calculated for an aquifer and is considered established, that figure is not readily available to the public.*"

It seems at odds with the intention of the Plan Change that the Maximum Allocation Limit for an aquifer not listed in Schedule 4A can be quickly determined by an internal exercise within the Regional Council, but a situation would continue to prevail where that value is not publically available.

This situation is further aggravated by the consent authority being required to assess whether an application for resource consent to take groundwater exceeds the aquifer's Maximum Allocation Limit. Logically the Assessed Maximum Annual Take and the Maximum Allocation Limit need to be known (regardless of whether that aquifer is listed in Schedules 4A or 4B).

The Assessed Maximum Annual Take should also be publically available to allow consent holders and other stakeholders to understand when an aquifer is (or is not) coming under pressure and whether allocation may become restricted.

Contact recognises that notifying such information becomes cumbersome if it requires a change to a Schedule of the Regional Plan (that is, a notified plan change process). To avoid this situation but to enable the information to be available to the community, it is suggested that an aquifer's Maximum Allocation Limit (when that aquifer is not listed in Schedule 4A) and Assessed Maximum Annual Take be made publically available via updating on the Council's website (as other information is provided) or by other public notice from time to time.

Relief Sought

Amend Plan Change 4B to require each aquifer's Maximum Allocation Limit (for those aquifers not listed in Schedule 4A) and Assessed Maximum Annual Take for all aquifers, as calculated by the Otago Regional Council, to be made publicly available such as by listing on the Otago Regional Council website, updating from time to time, or by other public notice.



Rosemary Dixon
Special Counsel – Environment
Contact Energy Limited



SUBMISSION – Proposed Plan Change 4B (Groundwater allocation)

Date: 17/06/14

Name of Submitter: Irrigation New Zealand Incorporated

Contact for Service Andrew Curtis

Postal Address: 6 Sonter Road
Wigram
Christchurch 8042

Telephone: 03 341 2225

E-mail: acurtis@irrigationnz.co.nz

A handwritten signature in black ink, appearing to read "Andrew Curtis", with a long horizontal stroke extending to the right.

(Andrew Curtis CEO Irrigation NZ)

INZ wishes to be heard in support of its submission

Overview

Irrigation NZ (INZ) is a national body that promotes excellence in irrigation throughout New Zealand. INZ represents the interests of over 3,600 irrigators totaling over 400,000ha of irrigation (approximately 60% of New Zealand's irrigated area), and the majority of irrigation service providers (over 140 researchers, suppliers, installers and consultants).

INZ has a strong Otago membership base with both irrigation schemes and individual irrigator members in the North Otago and Central Otago sub-regions.

Submission

Policy 6.4.10A1(b) & Rule 12.2.3.2A

50% of the mean annual recharge

1. INZ supports the use of 50% of the mean annual recharge as the default methodology for calculating the allocation limit from an aquifer. This is consistent with the operative Regional Plan: Water for Otago.

Policy 6.4.10A2

..... grant, no more water than has been taken under the existing consent, in at least the preceding 5 years.

2. The concepts of water allocation and actual use should not be confused. This is of particular importance in NZ where irrigation season rainfall and the diverse range of crops grown significantly impacts upon actual use from one season to another. INZ therefore opposes this policy as -

- i. It does not account for NZ's cyclical climatic variations*

NZ has irregular (3-10 year) climate cycles. A 5 year duration does not adequately account for this. Irrigators need a given reliability of supply, calculated from long-term climate data, to allow them to successfully manage cyclical climatic variables through irrigation. Without this reliability of supply investment in efficient irrigation is compromised.

- ii. It does not provide equitably for rotational cropping farming systems*

Cropping farmers typically run a 4 – 8 year rotation to avoid issues such as increased disease resistance or incidence, and to meet market entry requirements, seed crop quarantine needs for example. Crops vary significantly in their water needs based on their rooting depth, leaf area, the length of their growing season and the soil they are grown in. A 5 year actual use duration for establishing a specific takes volumetric allocation therefore has a high probability of unfairly reducing the reliability of supply for a cropping irrigator - allocating them less water than their farming system requires.

3. The proposed policy is an extremely crude method for the resolution of a groundwater over allocation and will result in an inequitable clawback. Those whose consents are up for renewal first will end up bearing the greatest impact. Solutions to overallocation need to engage all permit holders in a fair and equitable manner incentivising them to find practical solution to the overallocation.

...except in the case of a registered community drinking water supply where an allowance may be made for growth that is reasonably anticipated

4. INZ opposes allowing the growth of registered community drinking supplies at the expense of a legitimately established existing businesses on-going access to water. If there is an overallocation present, all permit holders (including registered community drinking water supplies) should partake in the discussion as to its resolution. The growth of community drinking water supply should also not be permitted to turn a fully allocated scenario into an over allocation scenario or alternatively make an already overallocated scenario worse.

Solution

5. Instead of attempting to claw back water allocations in over allocated groundwater zones based on actual use, the policy should first require a technically robust water balance methodology to grant irrigators a volume that is fair and reasonable for their situation. This approach is consistent with policy 6.4.0A.

'To ensure that the quantity of water granted to take is no more than that required for the purpose of use taking into account:

- a) How local climate, soil, crop or pasture type and water availability affect the quantity of water required; and*
- b) The efficiency of the proposed water transport, storage and application system.*

6. The methodology to be used should take into account -
- the soil water holding properties of the irrigated area
 - the climate - rainfall and evapotranspiration
 - the crop - INZ suggests this is split into permanent horticulture, orchard or vineyard for example, or pasture
 - a reliability of supply - INZ suggests a 9 in 10 year reliability for groundwater
 - a technical efficiency - INZ suggests 80% application efficiency
 - the groundwater takes physical limitations
 - the irrigation systems limitations may also be considered
7. If an over allocation still exists after the above has been applied, then aquifer specific policies and rules should be developed and implemented. These should be derived collaboratively in a fair and equitable manner with all impacted permit holders.
8. As an additional suggestion an equal cut back for all permit holders could be included as a default policy to satisfy the Freshwater Management NPS. However such a policy would also need to clearly signal the intention is to replace it with an aquifer specific solutions determined in partnership with all impacted permit holder.

Method 15.8.3 b

Methodology for calculating assessed maximum annual take for groundwater

9. INZ opposes the use of the methodology outlined in (b) where no annual volume is specified on an irrigation consent. The current range of calculations contained in the method produce inconsistent outcomes (volumes).
10. A daily water balance model, such as IRRICALC, should instead be used to estimate the assessed annual take. This approach would also be consistent with INZ's suggestion for the revision of proposed policy 6.4.10A2 and the annual volume allocation methodology ORC uses for irrigation consent volumes based on policy 6.4.0A.
11. In reality groundwater irrigators do not extract more water than is required, even if outdated consents allow them to do so. It is widely recognised unnecessary pumping has considerable avoidable energy and maintenance costs associated with it, it is also well proven over irrigation has significant negative implications for production.

12. Adopting the methodology above would ensure that the benefits from the regions available water resource were maximised over time.

Schedule 4D 1.(b)

Land surface recharge due to irrigation excess, which should be based on the application of irrigation at an efficient rate.

13. The calculation of land surface recharge from excess irrigation drainage needs to reflect the actual irrigation practices in the catchment. For example losses from contour flood or border dyke irrigation are considerably greater than those from modern spray irrigation such as centre pivots. This is particularly important in parts of north and central Otago where less efficient irrigation practices are common and will likely remain so for the foreseeable future.
14. However, it should also be acknowledged that the limit will need to be revisited periodically as new more efficient irrigation technologies are adopted. Providing all irrigators are made aware of this consideration at the time of consent, there is no issue with such an approach. It also ensures the region gains the maximum value from its available water resource over time.

Addition to the Plan Change

15. A methodology that sets out the parameters to be used when establishing an annual (seasonal) volume for irrigation should be included. This should include the parameters to be taken account of (an outline of these is contained in paragraph 3) and the technical criteria that any methodology should meet).

Seasonal Volumes for Groundwater Irrigation Consents

16. The model must be able to predict irrigation water supply requirements for a specified:
- a. Application efficiency (including 80%)
 - b. Water supply adequacy (including 9 years out of 10, or 90 percentile year)
 - c. Land cover (including pasture)
 - d. Soil type
 - e. Climate
17. The model must provide sufficient outputs to enable a third party to verify that the estimated irrigation water use and water use limit are based on policy-compliant inputs
18. The model's validation performance must meet or exceed an r^2 of 80%
19. *Model Documentation*
- a. *Methods*
 - Specify the assumptions, equations and time-steps used in the model
 - Specify the data inputs, parameters and data outputs
 - Specify the sources of data, and the date range of all time-series data inputs used
 - Model documentation must explain how the water supply adequacy (e.g. 90 percentile year) is determined
 - Model parameters and testing

- The model parameters must either be internationally accepted parameters (for example the FAO crop factors) or be calibrated and validated using Otago data
- Set out the calibration and verification procedure and results
- If parameters are developed from Otago data, the model documentation must comment on the applicability of the calibration across the whole of Otago and the applicability in years outside the calibration/verification period

b. Input Data

- Describe the QA procedures used to verify that input data is fit for purpose
- If using standard input data or factors (as listed in below), then QA procedures are not required for the particular standard input or factor used

c. Reporting of Model Application

- Model application reporting must include the application efficiency used in the estimation of seasonal irrigation water use and the water supply adequacy used to determine the seasonal irrigation water use limit
- Model application reporting must outline the irrigation practices (management rules) and comment on their appropriateness for types of irrigation equipment
- Model application reporting must specify soil type, climate data and land-cover
- Model outputs must be reported or supplied in sufficient detail to enable a third party to verify the modeled irrigation applications that the irrigation water use estimates are based upon comply with Policy standards, are practical and result in soil moisture levels being maintained within best-practice limits

20. Approved Standard Inputs

a. Soils Data

- Soil maps and plant available water for soils on a property can either be obtained from the most recent publicly available version of the Landcare Soils Database or obtained from site specific measurements
- If site specific maps/measurements, the documentation must outline the soil survey work, and include photos and a description the texture analysis undertaken.

b. Climate Data

- Daily climate data from -
- NIWA Tier 1 or Tier 2 climate station data or,
- Data from NIWA Virtual Climate Station (VCS) Network or,
- Site specific data for rainfall in combination with climate data from the nearest climate station that meets or exceeds NIWA Tier 2 standards.
- If data record is for less than 30 years, then a correlation with either the VCS or climate sites with 30 years must be carried out and used as part of determining the 90 percentile year.

c. Crop Data

- Crop Factors in FAO 56

- If locally derived crop factors are used, the documentation must outline how these were determined including consistency with FAO Irrigation and Drainage paper 56 - Crop evapotranspiration - Guidelines for computing crop water requirements

INZ Submission Ends

Submission on Proposed Plan Change 4B (Groundwater Allocation)

Clause 6 of First Schedule, Resource Management Act 1991

To: Otago Regional Council
Private Bag 1954
DUNEDIN 9054

Email: policy@orc.govt.nz

Name of submitter: Mintago Investments Limited (**Mintago**)

1. This is a submission on Proposed Plan Change 4B (Groundwater Allocation) to the Regional Plan: Water for Otago (**PC4B**).
2. Mintago could not gain an advantage in trade competition through this submission.
3. This submission relates to PC4B in its entirety. Mintago does not support PC4B in its current form.

Background

4. Mintago operates the Earnsclough alluvial gold mine (the **Earnsclough Mine**) near Alexandra, Central Otago. The mine currently employs 35 staff and contractors, and has expenditure of \$14-15 million per year.
5. The Earnsclough Mine operates in accordance with various resource consents, including Otago Regional Council (**ORC**) Consent 2000-410 which authorises the taking, for the purpose of mine pit dewatering, of up to 1,000 L/s of groundwater from the Earnsclough Terrace Aquifer. An application has been made to the ORC for resource consents necessary to extend the mine life to 2020.
6. Mintago also holds groundwater permits to take and use water for the purpose of pasture irrigation. These permits are independent to Mintago's mining operations.

Submission

7. Mintago's submission is that the provisions of **PC4B** are unclear, do not appear to have been considered on the basis of environmental effects and benefits, and could unjustifiably affect Mintago's existing resource consents.

Consumptive and non-consumptive takes

8. The Earnsclough Mine's resource consents from the ORC were granted in accordance with the provisions of the Regional Plan: Water for Otago (**RPW**) that became operative in January 2004. At that time applications to take groundwater could be granted provided the take did not to exceed the 'renewable yield' of the Earnsclough Terrace Aquifer. This policy was considered during the ORC hearings and the subsequent Environment Court hearing. At the time of consent, the groundwater take under Consent 2000.410 was considered non-consumptive despite dewatering water being used for dust suppression and irrigation of rehabilitation

plantings. The environmental effects of the Earnsclough Mine were considered acceptable and all necessary resource consents were granted subject to conditions. The Earnsclough Mine is operating pursuant to its conditions of consent.

9. It is unclear whether Mintago's existing take for the Earnsclough Mine would now be considered non-consumptive, or partially consumptive, and dependent on this classification, the volume of water that would be included in the maximum annual take calculation under Method 15.8.3(c)¹ and thus the allocation status of the Earnsclough Terrace Aquifer.

Policy 6.4.10A2

10. It is unclear whether Policy 6.4.10A2 applies, whereby Mintago's future groundwater take under a new resource consent would be restricted to the volume of water actually taken over the past five years under its existing consents.
11. What is the environmental justification for restricting the quantity of water to that which has been recorded as used in the recent years of an activity? In Mintago's submission water should be restricted to the quantity assessed as necessary for operations. It is the environmental effects of this take that should be properly assessed as part of a resource consent application under the Resource Management Act 1991 (**RMA**).
12. If Policy 6.4.10A2 is to apply, there should be a grace period to allow activities such as the Earnsclough Mine to accurately measure consumptive and non-consumptive aspects of its water takes. Records currently held are not sufficiently robust to demonstrate actual consumptive and non-consumptive use.
13. The Resource Management (Measurement and Reporting of Water Takes) Regulations 2010 requires reporting of consumptive takes. The regulations do not apply to the taking of water if it is non-consumptive as defined².

Prohibited activity status

14. It is unclear why the use of the "prohibited" activity status in PC4B (as opposed to non-complying or discretionary) is necessary.

General submission

15. Mintago's submission is that PC4B:
 - a. fails to achieve the integrated management of the effects of use, development or protection of land and associated natural and physical resources of the district as required by section 30 of the RMA;

¹ Method 15.8.3(c) is not proposed to be amended by PC4B. Part (c) of this method identifies that "all" water taken is to be returned to the aquifer. As some dewatering water is used for dust suppression and irrigation of rehabilitation plantings, it could be interpreted that not all of the water is being returned to the aquifer and therefore the groundwater take should be included in the calculation of the maximum annual take.

² Non-consumptive:

(a) the same amount of water is returned to the same water body at or near the location from which it was taken; and
(b) there is no significant delay between the taking and returning of the water.

- b. fails to meet the requirements of evaluations pursuant to section 32 (as recently amended) of the RMA, including:
 - i. the appropriateness of the provisions in achieving the objectives of the RPW in terms of their efficiency and effectiveness. It is also not clear which objective in the RPW that the policies are intended to achieve.
 - ii. an assessment of the benefits and costs relating specifically to environmental, economic (including opportunities for providing or reducing economic growth and employment), social and cultural effects anticipated from the implementation of the provisions should be assessed; and
 - iii. a level of detail should be provided that corresponds to the scale and significance of the effects anticipated.
- c. will not assist the Council to carry out its statutory functions in order to achieve the purpose of the RMA; and
- d. does not promote the sustainable management of natural and physical resources, and is therefore not in accordance with Part 2 of the RMA.

Consultation

- 16. The section 32 report notes that prior to notifying PC4B discussions were held with representatives of groundwater applicants and a draft consultation report was released for comments. Mintago was informed of a public meeting on 10 March 2014 (8 days before the meeting on 18 March 2014), and was unable to attend. Mintago would have appreciated the opportunity to provide feedback on a draft consultation report or draft provisions prior to notification of PC4B.

Decision sought

- 17. Mintago seeks the following decision:
 - a. That the provisions in Plan Change 4B be amended to reflect the issues raised in this submission; and/or
 - b. Amendments as necessary to ensure that Mintago is able to renew or extend any of its existing consents; and/or
 - c. Such other relief as may be required to give effect to this submission, including consequential amendments to objectives, policies and rules of the District Plan that address the matters raised by Mintago.
- 18. If the relief in paragraph 17 above is not granted, then Mintago seeks the following decision:
 - a. That Plan Change 4B is rejected.

19. Mintago wishes to be heard in support of this submission. If others make a similar submission, Mintago will consider presenting a joint case with them at the hearing.



M R G Christensen / A S Roberts
On behalf of Mintago Investments Limited

17 June 2014

Address for service of submitter:

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SUBMISSION <i>Form 5, Clause 6 of the First Schedule, Resource Management Act 1991.</i>	
TO:	Otago Regional Council
DATE:	17 June 2014
PLAN CHANGE:	Proposed Plan Change 4B (Groundwater allocation) to the Regional Plan: Water for Otago. The purpose of this plan change is to: <ul style="list-style-type: none"> • Prohibit applications for new groundwater takes from fully allocated aquifers. • Restrict replacement consents from fully allocated aquifers to the volumes taken under existing consents.
KĀI TAHU KI OTAGO PAPANUI RŪNAKA	Te Rūnanga o Moeraki, Kāti Huirapa Rūnaka ki Puketeraki, Te Rūnanga o Ōtākou, Hokonui Rūnanga (Kāi Tahu)
Kāi Tahu supports the underlying principles of this plan change. Kāi Tahu does wish to be heard in support of this submission at a hearing, and requests an opportunity to expand on this submission. If others make a similar submission, we will consider presenting a joint case with them.	

1. National Policy Statement for Freshwater Management 2011 (NPS)
 - 1.1 The NPS sets out objectives and policies that direct the Otago Regional Council to manage water in an integrated and sustainable way. Setting enforceable quantity limits is a key purpose of the NPS.
 - 1.2 The NPS requires Council to avoid any further over-allocation of fresh water and to phase out existing over-allocation.¹
 - 1.3 It is submitted that the proposed plan change does not go far enough to give effect to the NPS. The proposed plan change is silent on how the Otago Regional Council will address over-allocation, where:
 - a. The assessed maximum annual take exceeds the maximum allocation limit for an aquifer.

¹ National Policy Statement for Freshwater Management 2011, Objective B2.

Policy 6.4.10A2 provides for a reduction in allocation from over-allocated aquifers to that taken under existing consents over the preceding five years. However, there is no explicit mechanism in the plan change to reduce the annual take to the maximum allocation limit.

- b. The maximum allocation limit (MAL) that is set in Schedule 4A is lower than the default limit of 50% of mean annual recharge (MAR).

It is proposed that allocation will be based on 50% of MAR until such time as more detailed analysis can be undertaken and a MAL is set in Schedule 4A of the plan. There is a risk that consented allocation based on 50% of MAR will exceed the sustainable allocation limit of an aquifer.

- 1.4 Kāi Tahu submits that the proposed plan change should provide for the phasing out of existing over-allocation, and the granting of new allocation subject to the maximum allocation limit that is set in Schedule 4A.

2. Te Rūnanga o Ngāi Tahu Freshwater Policy (NTFP)

- 2.1 The focus of the NTFP is the management of freshwater resources within the Kāi Tahu rohe. The NTFP outlines the environmental outcomes sought by Kāi Tahu and the guiding freshwater management principles, respectively:

- Water is central to all life. It is a taonga left by the ancestors to provide and sustain life. It is for the present generation as tangata tiaki to ensure that the taonga is available for future generations.
- Water plays a unique role in the traditional economy and culture of Kāi Tahu.
- Water has an inherent value that should be recognised in the event of potentially competing uses.
- Water is a holistic resource. The complexity and interdependency of different parts of the hydrological system should be considered when developing policy and managing the water resource.

- 2.2 The relationship between groundwater and surface water flows is a key concern for Kāi Tahu. Robust information is necessary on the interaction between groundwater and surface water flows in determining both allocation and recharge.

- 2.3 Schedule 4D provides information regarding the calculation of groundwater recharge and acknowledges that surface water is a source of groundwater recharge. However, the

connectivity between groundwater and surface water does not appear to be recognised in assessing applications for groundwater allocation. Groundwater that has a close connection to surface water is managed as surface water. However, there does not appear to be recognition that groundwater springs may also be a source of surface water flows.

2.4 Kāi Tahu submits that the impacts on surface water flows should be taken into account in assessing applications for groundwater allocation.

3. Kāi Tahu ki Otago Natural Resource Management Plan 2005 (the Plan)

3.1 The Kāi Tahu ki Otago Natural Resource Management Plan 2005 is the principal resource management planning document for Kāi Tahu ki Otago. The kaupapa of the plan is Ki Uta ki Tai (Mountains to the Sea), which reflects the holistic Kāi Tahu ki Otago philosophy of resource management.

3.2 The Plan expresses Kāi Tahu ki Otago values, knowledge and perspectives on natural resource and environmental management issues. The Plan is an expression of kaitiakitanga. While the Plan is first and foremost a planning document to assist Kāi Tahu ki Otago in carrying out their kaitiaki roles and responsibilities, it is also intended to assist others in understanding tangata whenua values and policy.

3.3 The Plan is divided into catchments, with specific provisions for the whole Otago area and each catchment. This plan contains objectives and policies that are relevant to the proposed plan change, respectively:

Objectives

- The spiritual and cultural significance of water to Kāi Tahu ki Otago is recognised in all water management.
- The waters of the Otago Catchment are healthy and support Kāi Tahu ki Otago customs.
- Habitats and the wider needs of mahika kai, taoka species and other species of importance to Kāi Tahu ki Otago are protected.

Policies

- To promote the cultural importance of water to Kāi Tahu ki Otago in all water management within the Otago Region and Lower Waitaki Catchment.
- To promote catchment-based management programmes and models, such as Ki Uta Ki Tai.
- To require information on the interaction between groundwater and surface water flows as part of an application for consent to take water.

3.4 The objectives and policies of the Kāi Tahu ki Otago Natural Resource Management Plan 2005 align with those of the Te Rūnanga o Ngāi Tahu Freshwater Policy. It is submitted that the connectivity between groundwater and surface water flows must be taken into account in determining both allocation and recharge.

4. Specific Submissions

4.1 Kāi Tahu has reviewed Proposed Plan Change 4B and identified the relief sought. Council is requested to implement the relief sought below, make any similar amendments with like effect to the relief sought, and make any consequential amendments necessary to give effect to the relief sought.

4.2 Policy 6.4.10A1

Kāi Tahu supports the setting of maximum allocation limits for aquifers and, beyond that maximum limit, avoiding allocation of groundwater for consumptive uses.

4.3 Policy 6.4.10A2

Kāi Tahu supports a reduction in groundwater allocation to the maximum allocation limit for an aquifer.

Decision Sought

That Policy 6.4.10A2 is amended to provide for a phased reduction in groundwater allocation to the maximum allocation limit for the aquifer, where the maximum annual take exceeds that maximum allocation limit.

4.4 Rule 12.0.1.3

Kāi Tahu supports a prohibition on applications for groundwater take where the assessed maximum annual take exceeds the maximum allocation limit, or where the application would cause the maximum annual take to exceed the maximum allocation limit.

An amendment to this rule is requested to clarify that groundwater removed to allow construction or structure maintenance should be returned to that aquifer or a connected surface water body.

Decision Sought

The following amendment to Rule 12.0.1.3(2) is sought: “Unless all the water taken” ... Is taken for dewatering at a site to allow a construction or structure maintenance activity where all the water taken is returned to the aquifer or a connected surface water body.”

4.5 Rule 12.2.3 Restricted Discretionary Activities

Kāi Tahu supports the taking and use of groundwater provided that the volume sought is within the maximum allocation limit. Amendments to this rule are sought to provide for the reduction of existing consents to the maximum allocation limit and for the review of new applications for groundwater take to achieve compliance with any maximum allocation limit set under Schedule 4A.

Decisions Sought

That the rule is amended to provide for the reduction of existing consents to the maximum allocation limit and for the review of new applications for groundwater take to achieve compliance with any maximum allocation limit set under Schedule 4A.

4.6 Rule 12.2.3.4 Restricted Discretionary Activity Considerations

Kāi Tahu submits that Council should broaden the Restricted Discretionary Activity considerations to give effect to the National Policy Statement for Freshwater Management 2011, Te Rūnanga o Ngāi Tahu Freshwater Policy, and the Kāi Tahu ki Otago Natural Resource Management Plan 2005.

Decisions Sought

That Council exercise discretion over the following matters:

- a. The volume of groundwater that has been taken under the existing consent in at least the preceding five years. Kāi Tahu submits that consideration of this matter is required to give effect to Policy 6.4.10A2.
- b. The effect of the groundwater take on surface water flows; and
- c. Any maximum allocation limit that is set under Schedule 4A.

Nahaku noa, Na



Chris Rosenbrock
Manager

Address for Service:

Tim Vial

Resource Management Planner

KTKO Ltd,

PO Box 446

Dunedin 9054

Phone Number: (DD) (03) 471 5480

E-mail: tim@ktkoltd.co.nz

Richard Pettinger

From: Gemma Wilson
Sent: Tuesday, 17 June 2014 5:14 p.m.
To: Policy Reply
Subject: 14. New submission: Proposed Plan Change 4B (Groundwater allocation)

From: <noreply@jotform.com>
Date: 17 June 2014 4:17:59 pm NZST
To: <gemma.wilson@orc.govt.nz>
Subject: **New submission: Proposed Plan Change 4B (Groundwater allocation)**

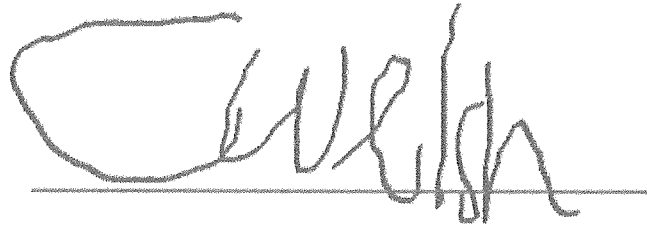
Thank you for your submission.

<u>Question</u>	<u>Answer</u>
Name of submitter:	David Manhire
Organisation:	L&M Lignite Kaitangata Limited
Postal address:	Street Address: C/- Craig Welsh Suburb: Resource & Environmental Management Limited, PO Box 1100 City: Nelson Postcode: 7040
Telephone:	03 548 9991
Fax:	03 548 9997
E-mail:	craig@remltd.co.nz
I wish / do not wish to be heard	I wish to be heard
Consider presenting jointly at a hearing	I will not consider presenting jointly
1. State what your submission relates to and if you support, oppose or want it amended	This submission is to oppose the amendment of Rule 12.0.1.3.
2. State what decision you want the Otago Regional Council to make	It is considered that prohibiting new groundwater takes from aquifers as per the conditions within the proposed amendment to Rule 12.0.1.3 is overly excessive. We consider that the rule should be Discretionary. L&M has exploration interests within Otago Regional Council's jurisdiction and may require to take groundwater if the exploration projects develop further. If Rule 12.0.1.3 stays as Prohibited, this may unnecessarily hinder the efficient use and development of the mineral resource within the Region.
3. Give reasons for the decision you want made	If the rule were to be classified as Discretionary, this would

provide the Council with sufficient control to either grant or decline an application on its merits. Whereas, if it were to stay as prohibited this would not be the case as the Council is unable to accept the application and assess the effects on the environment. This is particularly true in cases where the water take is minor of nature.

Attach a supporting document:

Signature

A handwritten signature in black ink, appearing to read "C. E. Leigh", is written over a horizontal line.

Trade competitor's signature

**SUBMISSION ON PROPOSED PLAN CHANGE 4B (GROUNDWATER ALLOCATION)
TO THE REGIONAL PLAN: WATER FOR OTAGO PURSUANT TO
CLAUSE 6 OF THE FIRST SCHEDULE OF THE RESOURCE MANAGEMENT ACT 1991**

To:

Otago Regional Council
Private Bag 1954
Dunedin 9054
DUNEDIN

E-Mail: policy@orc.govt.nz

Name:

Z Energy Limited
PO Box 2091
WELLINGTON

BP Oil NZ Limited
PO Box 892
WELLINGTON

Mobil Oil NZ Limited
PO Box 2497
WELLINGTON

(Hereafter referred to as the "Oil Companies")

Address for Service:

BURTON PLANNING CONSULTANTS LIMITED
Level 1, 2-8 Northcroft Street
PO Box 33-817, Takapuna,
AUCKLAND 0740

Attention: David le Marquand

Phone: (09) 917-4303

Fax: (09) 917-4311

Email: dlemarquand@burtonconsultants.co.nz

A. INTRODUCTION:

The Oil Companies receive, store and distribute refined petroleum products.

The Oil Companies have commercial, shore and marine based and aviation and bulk storage facilities and are also owners of retail outlets and suppliers of petroleum products to individually owned retail outlets.

The submission is focused on those issues the Oil Companies perceive may unduly restrict or limit their existing and future operations.

B. THE SPECIFIC PROVISIONS OF THE PROPOSED PLAN CHANGE THAT THE OIL COMPANIES SUBMISSION RELATES TO ARE SUMMARISED AS FOLLOWS:

The Companies support the main thrust of the changes proposed in the Proposed Plan Change.

C. THE OIL COMPANIES WISH TO BE HEARD IN SUPPORT OF THIS SUBMISSION

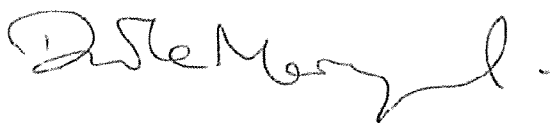
D. IF OTHERS MAKE A SIMILAR SUBMISSION, THE OIL COMPANIES WOULD BE PREPARED TO CONSIDER PRESENTING A JOINT CASE AT ANY HEARING.

E. THE OIL COMPANIES COULD NOT GAIN AN ADVANTAGE IN TRADE COMPETITION THROUGH THIS SUBMISSION.

F. THE OIL COMPANIES ARE DIRECTLY AFFECTED BY AN EFFECT OF THE SUBJECT MATTER OF THE SUBMISSION THAT—

- (i) ADVERSELY AFFECTS THE ENVIRONMENT; AND**
- (ii) DOES NOT RELATE TO TRADE COMPETITION OR THE EFFECTS OF TRADE COMPETITION.**

Signed on and behalf of Z Energy Limited, BP Oil NZ Limited and Mobil Oil NZ Ltd



.....
David le Marquand
Director

Dated this day of 18th June 2014

SCHEDULE ONE: PROPOSED PLAN CHANGE 4B (GROUNDWATER ALLOCATION)

1. The specific part of the Proposed Plan Change that is subject of this submission is:

- The provisions in section 12.

In particular, the Oil Companies seek to ensure that adequate provision is made for water takes associated with their dewatering activities, which are required when they carry out tank removal and/or tank and pipe replacement activities and those associated with any groundwater monitoring activities that may be required. This is particularly critical should these activities be required in over allocated catchments and further abstraction is prohibited.

2. The reason for the submission:

In high water table areas the Oil Companies have to dewater when they remove and/or replace underground fuel storage tanks. Tanks are replaced as required, depending upon soil conditions and the nature and state of equipment. Replacement can be expected to occur on a variable 20 year cycle. Dewatering will usually occur over a very short time frame — generally little more than a week, and the tanks are generally located some 4.0m to 4.5m below the surface of a site. The rate of take and discharge will vary depending upon the circumstances of the site (such as the nature of the soil and the height of the water table) and the methodology (for example, once the ground level is down to the base of the pit, the discharge rate generally drops if sheet piling is installed, as the sheet piling significantly slows lateral liquid movement through the pit walls). Dewatering is necessary for tank installations for safety and engineering reasons but is not always required where a site is closing and only involves removal (e.g. site closure).

Dewatering is undertaken using a methodology that minimises the potential for contaminant discharge.

Minor groundwater takes may also be associated with potential contaminated land investigations or monitoring. It would not make sense to limit these activities should they be necessary in an over allocated catchment.

Discussions with Council at the draft stage of Proposed Plan Change 4B identified a potential issue with the prohibited activity provisions as they could unintentionally affect dewatering activities. This matter has been addressed in the notified version of the Plan Change and the Oil Companies wish to see that these provisions are retained. Dewatering associated with such activities will still need to meet the quality provisions of the Regional Plan: Water, and that is accepted. The proposed amendments to the provisions are as follows:

12.0.1 Prohibited activity: No resource consent will be granted

12.0.1.1 [unchanged]

12.0.1.2 [unchanged]

12.0.1.3 ~~An~~ The application to take groundwater for a consumptive use within the maximum allocation volume in an aquifer where Policy 6.4.10A(a)(i)(2) or (a)(ii)(2) applies, by a person who does not hold the existing resource consent to take that water, is a prohibited activity from an aquifer where the assessed maximum annual take:

- (i) Exceeds the aquifer's maximum allocation limit; or
- (ii) Would exceed the aquifer's maximum allocation limit as a result of this take,

is a prohibited activity-, unless all of the water taken:

- (1) Is allocated as surface water under Policy 6.4.1A; or
- (2) Is taken for dewatering at a site to allow a construction or structure maintenance activity.

~~12.0.1.4 An application to take groundwater within the maximum allocation volume, where that take would cause the maximum allocation volume of an aquifer to exceed the limits in Policy 6.4.10A(a)(i)(1) or (a)(ii)(1), is a prohibited activity.~~

The Otago Regional Council will, upon request, advise the applicant of the aquifer's current allocation status before any application is made.

In these over allocated aquifers the Oil Companies will not hold existing take resource consents and as such could be subject to this rule. The same concerns will potentially apply to any other construction activities for buildings, geotechnical investigations involving drilling or monitoring of groundwater conditions, or other infrastructure projects where it is necessary to remove groundwater for maintenance, construction, monitoring or installation reasons. It is therefore essential that the proposed provisions be retained.

In discussions with Council staff it is understood that Council would likely consider such takes as a non-consumptive use. However there is no definition of "non-consumptive use" in the Plan although there is a definition of "consumptive" use which states: *"Where a use results in a net loss of water from the water body"*. It could therefore be assumed that "non-consumptive use" would be the inverse of this, i.e. if there is no net loss of water from the water body, it is non-consumptive. However, while there is no doubt that the Council takes a pragmatic approach on the application and interpretation of these matters, reliance on determining whether a particular activity is consumptive or not provides for a wide area of officer discretion to be exercised and which can be either permissive or restrictive. Therefore the proposed provisions will provide for greater certainty for an activity that should be encouraged. Tank replacement and equipment renewal will mean the risks of equipment failure are reduced by use and replacement with modern equivalents.

The Oil Companies wish to ensure that dewatering for construction purposes in areas where an aquifers maximum allocation limit has been exceeded is not a prohibited activity and that there is an appropriate consenting pathway for construction dewatering activities. This is currently provided for in the current provisions.

Takes relating to groundwater monitoring are not currently provided for in the rule. This may not be necessary if reliance can be had on the definition of bore, and the activity is considered to be for water sampling purposes , which is as follows:

Every device or means, including any well or pit, which is drilled or constructed for the purpose of taking groundwater, or which results in groundwater being taken, other than piezometers or other monitoring devices used for water sampling purposes only.

In the event that this interpretation is not correct and or not the current practice applied by Council, then the Oil Companies would wish to ensure that specific provision was provided for that activity in the rule.

3. Relief Sought:

- A. Ensure that dewatering activities for construction purposes and groundwater monitoring are adequately provided for in the Plan Change 4B. This can be achieved by:
 - (i) Retain without modification the provisions in Section 12.0.1.3

- (ii) Confirm reliance can be had on the definition of “bore” in the Plan so that minor takes for groundwater quality monitoring or investigations will not be captured by the prohibited activity rule. If this is not the case, in the alternate, provide an exclusion for groundwater monitoring and investigations on a similar basis to construction dewatering in rule 12.0.1.3.
- (iii) Make any additions, deletions or consequential amendments necessary as a result of the matters raised in this submission.
- (iv) Adopt any other such relief as to give effect to this submission

SUBMISSION**Proposed Plan Change 4B (Groundwater allocation)
to the Regional Plan: Water for Otago**

Form 5, Clause 6 of the First Schedule, Resource Management Act 1991

To: Otago Regional Council
Private Bag 1954
Dunedin 9054

By email: policy@orc.govt.nz

Name of submitter: **Oceana Gold (New Zealand) Limited**
Address: c/- Anderson Lloyd Lawyers
Private Bag 1959
Dunedin 9054
Attention: Stephen Christensen / Jackie St John
Telephone: 03 477 3973
Fax: 03 477 3184
Email: jackie.stjohn@andersonlloyd.co.nz

OceanaGold wishes to be heard in support of its submission.

If others make a similar submission, OceanaGold will consider presenting jointly with them at a hearing.

OceanaGold could not gain an advantage in trade competition through this submission.

The specific provisions that OceanaGold's submission relates to are:

The entire Proposed Plan Change 4B ("PC4B"). OceanaGold supports the general intent of PC4B to clarify controls for avoiding over-allocation of groundwater in Otago but it does not support PC4B in its current form.

Background

1. Oceana Gold (New Zealand) Limited ("OceanaGold") is New Zealand's largest producer of gold from its two mines at Macraes Flat, near Palmerston in Otago, and Reefton. The ore from both mines is processed at Macraes Mine. OceanaGold directly employs about 700 people in New Zealand.

2. The mine life at Macraes Mine has recently been extended to at least 2020 by a resource consent process. OceanaGold holds resource consents to operate at Macraes Mine that include consents to take and use groundwater, for instance to de-water mine pits.

OceanaGold's submission is:

3. OceanaGold generally seeks amendment to PC4B to address the matters raised in this submission and ensure that it is able to renew or extend any of its existing consents to enable the ongoing operation of the Macraes Mine and that mine pit dewatering activity is not prohibited.

Consumptive and non-consumptive uses & Method 15.8.3.1

4. OceanaGold has consents to dewater mine pits at Macraes Mine. Although this activity is consented as a consumptive use not all of the water is always 'used'. OceanaGold seeks recognition in the Water Plan that in some circumstances there can be a calculation applied to determine evaporation and transpiration by plants and an ultimate return to the same catchment of some quantity of the dewatered volume.
5. This is relevant to the volume of water that would be included in the maximum annual take calculation under Method 15.8.3.1, and thus the allocation status of the aquifer.
6. Method 15.8.3.1 is used to assess the annual volume of take from an aquifer and to assist to determine the remaining allocation available from an aquifer. The Method is based on "reasonable and realistic assumptions regarding actual water use". OceanaGold submits it is critical that the Method does not over-estimate actual takes and thereby limit opportunities to take groundwater and reduce economic opportunities. This is considered important since proposed new Policy 6.4.10A1 and New Rule 12.0.1.3 effectively prohibit applications for takes from over-allocated aquifers or applications that would cause an aquifer to become over-allocated.
7. OceanaGold submits that careful consideration should be given to Method 15.8.3.1. If other appropriate methods or "reasonable and realistic assumptions regarding actual water use" are raised in submissions and would make the Method more robust then Council should apply them.

Policy 6.4.10A1 and Policy 6.4.10A2 – Re-consenting – volume previously taken

8. Currently when the consented volume of groundwater takes exceeds the sustainable Maximum Allocation Limit (MAL) in Schedule 4A or, in non-Scheduled aquifers, the default of 50% Mean Annual Recharge (MAR) and an applicant seeks a replacement

consent the onus is on the applicant to provide evidence of the rate, volume, timing and frequency of water taken. OceanaGold submits that this remains an appropriate approach. If insufficient evidence is provided the risk rests with the applicant that the newly consented take will be reduced below the actual past usage. OceanaGold submits that these proposed policy changes are not required.

9. OceanaGold submits that the proposed policies are not the most appropriate way of achieving the Plan's objectives, including sustaining the recognised uses of Otago groundwater. They create uncertainty for existing consent holders seeking to renew consents.
10. There may be circumstances where it is appropriate for an existing consented volume to be re-consented, notwithstanding that the full volume has not been taken under the existing consent. For instance, if the quantity of water is assessed as necessary for the operations and the environmental effects of the take are able to be appropriately avoided, remedied or mitigated.
11. The history of the water take is only one tool for assessing whether the volume of water sought is required. It may be a useful consideration but should not be a determining factor. For instance, a high value and efficient use of water which has been consented but not fully utilised in the past would be restricted under these policies, whereas low value and inefficient use of water which is consistent with a historical take could continue. Whether or not a water allocation has been efficiently used is an equally relevant factor to consider.
12. However, if these policies are applied OceanaGold submits:
 - a. While it may be helpful if an applicant was required to provide evidence, such as water metering records, to demonstrate actual water use setting a minimum period of five years is onerous and creates additional cost for applicants in meeting this information requirement. It is not necessary to use the same five year period that is used for surface water in the equivalent Policy 6.4.2A. A lesser period of evidence would still provide for reasonable assessment of actual water needs and facilitate good decision making. Accordingly amend new Policy 6.4.10A2 to reduce the time against which the actual use is assessed from "at least the preceding five years" to a lesser period, say "the preceding two years";
 - b. There should be a suitable lead-in period before the new policies come into force to enable consent holders time to accurately measure water usage and gather the records required.

Rule 12.0.1.3 – Prohibited activity

13. Amended Rule 12.0.1.3 seeks to prohibit applications for groundwater takes from aquifers which are over-allocated or would become over-allocated by the new take. If the amended Rule is applied it provides exceptions to the Rule in 12.0.1.3(1) and (2). OceanaGold's operations at Macraes Mine require mine pit de-watering as a consumptive use. It is not sufficiently clear whether mine pit de-watering activity would be considered "construction or structure maintenance activity" under Rule 12.0.1.3(2). To achieve clarity OceanaGold seeks inclusion of "mine pit de-watering" within Rule 12.0.1.3(2).
14. OceanaGold does not support mine pit de-watering activity being prohibited by the Plan.
15. As an alternative to creating a prohibited activity OceanaGold submits that the Plan could apply non-complying or discretionary activity status.

Schedule 4D

16. OceanaGold accepts that introducing new Schedule 4D for calculating MAR for aquifers not included in Schedule 4A should provide greater consistency, certainty and clarity for plan users. However use of an inappropriate method for calculating the MAR may result in unnecessarily restricting the taking of groundwater.
17. OceanaGold request that careful consideration is given to 4D.2, the methods for calculating aquifer recharge, and that any other appropriate methods raised in submissions that would make 4D.2 more robust are applied.

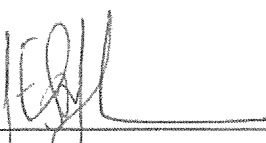
Clear information on allocation status of aquifers

18. OceanaGold submits that it is important that the public has access to clear and current information on the allocation status of individual aquifers, the relevant MAL for fully allocated aquifers, and any known recharge statistics. The status of aquifers may change with the granting of new consents or the cancellation, surrender or expiry of existing consents. An applicant for consent requires current and reliable information.
19. OceanaGold submits that the decision should recommend that the status of aquifers be made publically available on the Otago Regional Council's website, and on request to the Council, and that published information be kept current.

OceanaGold seeks the following decision:

20. Such amendments as necessary to ensure that PC4B addresses the issues raised in this submission;
21. Such amendments as necessary to ensure that OceanaGold is able to renew or extend any of its existing consents to enable the ongoing operation of the Macraes Mine and that mine pit dewatering activity is not prohibited;
22. Such other relief as may be required to give effect to this submission, including consequential amendments to objectives, policies and rules of the Water Plan that address matters raised in this submission;
23. If the above relief is not granted then a decision that PC4B be refused.

Date: 19 June 2014



Oceana Gold (New Zealand) Limited
By its solicitors and duly authorised agents:
Anderson Lloyd Lawyers
Stephen Christensen / Jackie St John

