

**IN THE MATTER**

of the Resource Management Act  
1991

**AND**

**IN THE MATTER**

of the submissions and further  
submissions by Rangitata Diversion  
Race Management Limited to the  
Proposed Canterbury Land & Water  
Regional Plan

**STATEMENT OF EVIDENCE OF BENEDICT RODNEY CURRY (HEARING 3)**

**1 INTRODUCTION**

- 1.1 My name is Benedict Rodney Curry. I am the Chief Executive Officer of the Rangitata Diversion Race Management Limited ('**RDRML**' or '**the Company**'), and I have been employed in this role for five years.
- 1.2 An overview of my role, responsibilities and my experience with resource management processes was set out in Sections 1 and 2 of the evidence that I provided during Hearing One. Consequently, I have not repeated that detail in this statement.
- 1.3 This evidence is in support of the submissions and further submissions lodged by RDRML to the Proposed Canterbury Land and Water Regional Plan ('**the pL&WRP**' or the '**Plan**'), as this relates to Section 13 - Ashburton.
- 1.4 I confirm that I am familiar with this matter and that I am authorised to present this evidence on behalf of RDRML.

**2 SUMMARY OF EVIDENCE**

- 2.1 My evidence will cover:
  - (a) An overview of the value of the existing water take from the South Ashburton River to the RDR;
  - (b) The Company's concerns associated with minimum flows and loss of reliability;
  - (c) The Company's position on raising the minimum flow for instream values;
  - (d) The Company's position on the setting of long term minimum flows;
  - (e) The Company's concerns with minimum flows sought by other parties through submissions.

### **3 THE VALUE OF THE SOUTH BRANCH OF THE ASHBURTON RIVER TAKE TO THE RDR**

- 3.1 RDRML is authorised to supply water for irrigation to its shareholders up to 94,486 hectares but currently supplies an area of approximately 70,000 hectares. In addition, RDRML has an agreement with Barrhill Chertsey Irrigation Limited (BCIL) to supply and distribute water to a further 40,000 hectares. Integrated hydro-generation adds to the regional value of the RDR, by contributing 30MW of power (sufficient for 12,500 households).
- 3.2 RDRML is authorised to take up to approximately 7m<sup>3</sup> of water per second (when available) from the South Branch of the Ashburton River, which in turn is used to provide water for irrigation and electricity generation purposes to a number of users. The South Ashburton River intake contributes approximately 13.25% percentage of water within the RDR. For the reasons that I have previously set out, the ongoing supply of water from the Company's existing intake on the South Branch of the Ashburton River is vitally important to the ongoing reliability of the RDR for its users who make a regionally significant contribution to the regional economy.

### **4 MINIMUM FLOW AND LOSS OF RELIABILITY**

- 4.1 The RDRML is opposed (in part) to the proposed water allocation provisions contained within Chapter 13 of the pL&WRP (Hakatere/Ashburton Sub Chapter).
- 4.2 A key concern for the Company is the potential for a loss of reliability of water supply under the proposed Plan provisions. As recognised within the Council Officer's section 32 and 42A Reports for Chapter 13 of the pL&WRP, the RDR is utilised by irrigation schemes and hydroelectric power stations, which in turn make significant contributions to the social and economic wellbeing of the Canterbury Region. It is for this reason that the Plan rightfully sets the RDR apart from other abstractors.
- 4.3 With the exception of the period to which it applies, the RDRML is not opposed, in principle, to the short to medium-term allocation provisions contained within Table 12 (Hakatere/Ashburton River Catchment Flow and Allocation Limits), which propose an increase in flow rate to 3,200 litres per second ('l/s') between October and April for the South Branch of the Ashburton River (immediately downstream of the RDR intake). This support is on the basis that the increase in flow rate does not affect the reliability of the RDR. I note that Mr Bryce sets out the caveats to the Company's support more completely in his statement of evidence.
- 4.4 It is the Company's understanding that the proposed 900 l/s increase in minimum flow rate on the south branch of the Ashburton River to 3,200 litres per second immediately downstream of the RDR, is based on the premise of a reduction in the existing Ashburton District Council ('the ADC') takes. A key concern for the Company expressed within submissions and further submission is that the Plan does not contain any rules that require this reduction to occur, let alone from which abstraction point, or even from which branch of the River. Mr Bryce's evidence will cover this aspect in more detail. From the Company's perspective, this generates a very significant amount of uncertainty in terms of future reliability of the water available to RDRML. As Mr McFarlane highlights, any reduction in reliability will significantly undermine the benefits that the RDR currently produces. Furthermore, as Mr McFarlane also points out the cost of storage as a mitigation measure for lost reliability is not a financially attractive alternative.

- 4.5 Should the minimum flows (as currently proposed) be retained without such rules, a potential outcome is that abstractors (such as RDRML) will have to further reduce their takes to ensure that the minimum flows are met. As discussed within Mr McFarlane's evidence, this has potential to significantly fetter the benefits brought about by the Company's operations through a loss of reliability. As is apparent from Mr de Joux's evidence, the loss in reliability from the Ashburton River is anticipated to be in the order of up to approximately 19 percent for the month of March during an average year in the event that the ADC take is not reduced. In a 'dry year' (which is when water is in greatest demand) the loss in reliability is anticipated to be more keenly felt by the Company, with Mr de Joux anticipating reductions of approximately 25 percent for October, 42 percent for November, 46 percent for December, 7 percent for January, 22 percent for February, 24 percent for March and 32 percent for April. Even if the ADC take is reduced by the amount modelled by the Regional Council (544 l/s), the loss of reliability for RDRML and its shareholders is still in order of 7% during the peak irrigation demand season.
- 4.6 RDRML seek that the Plan provisions be amended to include the necessary rules to ensure that the proposed 900 l/s increase in minimum flow rate on the South Branch of the Ashburton River to 3,200 l/s (immediately downstream of the RDR), be derived from an associated reduction in the existing ADC abstraction. This position is based on what the Company understand was the intention of the officers drafting the Plan, being to enable an increased minimum flow by requiring more efficient abstraction and conveying of stockwater by the ADC.
- 4.7 RDRML remains concerned with the short-term impacts of the proposed increase in minimum flows due to an associated loss of reliability of the RDR. Potential short-term economic impacts are noted as being protected within the section 32 Report (page 174 refers) on account of the minimum flow rates will not being increased until 2017. This is not reflected within Table 12 however, which sets the minimum flow rates as taking immediate effect (i.e. August 2012).
- 4.8 The Company notes that the Ashburton Zone Implementation Programme ('the ZIP') sets *Water Quantity – Efficiently used and secure and reliable supply of water* as Priority Outcome 4. This sets out, amongst other things, the aim of ensuring a secure supply of water for electricity generation and irrigation purposes and recognises the need to more efficient use of water and an increase in the area of irrigated land. The ZIP identifies improvements in the efficiency of use and the reliability of supply as recommended actions in achieving Priority Outcome 4.
- 4.9 RDRML's experience has been that efficiency gains typically result from capital investment in infrastructure and improved technologies. However for such capital investment to occur there needs to be a degree of certainty that the Company will receive a return on the same; put simply certainty of supply drives investment decisions that result in water use efficiencies. Currently the Plan provisions create a significant degree of uncertainty in relation to the water supply available within the South Branch of the Ashburton River.
- 4.8 The Company notes and supports the Council Officer's recommendation to reject ADC's submission point seeking the deletion of Policy 13.4.1 on the basis that Policy 13.4.1 underpins a key element of the overall 'package' for achieving the minimum flows sought within Table 12 of the Plan. Its removal would heighten the Company's concern previously outlined in relation to the ADC take.

## **5 RAISING THE MINIMUM FLOW FOR INSTREAM VALUES**

- 5.1 The RDRML is opposed, in part, to the water allocation provisions contained within Chapter 13 of the pL&WRP (Hakatere/Ashburton Sub Chapter).
- 5.2 The Company understands that the existing (and consented) minimum flow for the RDRML will be increased by 900 l/s for the period October through April to 3,200 l/s, with the minimum flow to remain at 2,300 l/s for the period May through September.
- 5.3 As I have noted, the Company understands that this proposed increase in the residual flow and the associated period to which it applies, is promulgated on the basis of enhancing salmon passage.
- 5.4 In light of the evidence of the Dr Greg Ryder, the Company maintains that there is limited ecological justification for increasing the minimum flow to 3,200 l/s for the period of October through April and that a period of February through April is more appropriate.
- 5.5 As is apparent from Mr McFarlane's evidence, the proposed increase in the required minimum flow is likely to adversely affect the reliability of the RDR, which in turn has economic impacts on the Company and its broader shareholding. This, I expect, will have wider adverse impacts on mid-Canterbury. As such, the Company consider that it is imperative that the period to which the increased minimum flow relates is based on robust science.

## **6 SETTING OF LONG TERM MINIMUM FLOWS**

- 6.1 The RDRML opposes the long-term increase in minimum flow of 10,000 l/s at the State Highway 1 Bridge from August 2022 as proposed within Table 12.
- 6.2 I note that Mr de Joux ultimately concludes that a minimum flow of this magnitude would likely prevent the Company from taking any water from this source. This is clearly of considerable concern to the Company. As Mr McFarlane notes, this will come at considerable cost to the community of mid-Canterbury
- 6.3 Other concerns the Company has with the proposed long-term minimum flow rate is that it is not supported by robust and transparent scientific justification. There also appears to be some inconsistencies between the Section 32 analysis and the Council Officer's recommended changes within the Section 42A Hearings Report as they relate to Policy 13.4.7, with the section 32 analysis seemingly stating that the State Highway 1 minimum flows will not be applicable to the RDR and the Section 42A Hearings Report stating that it is 'expected' that the RDR will be subject to this minimum flow from 1 August 2022. There also appears to be no mechanism for achieving the higher minimum flow with the Plan.
- 6.4 I note Dr Greg Ryder's evidence concludes that the proposed increase in minimum flow to 10,000 l/s at State Highway 1 is not supported by robust ecological and water quality evidence or advice.

## **7 ALTERNATIVE MINIMUM FLOWS SOUGHT BY OTHERS**

- 7.1 RDRML made a further submission in opposition to the Nelson/Marlborough Fish and Game Council, North Canterbury Fish and Game Council and Central South Island Fish and Game Council ('**Fish and Game**') submission, which seeks to increase the minimum flows for 'A' permits within the Ashburton River. In particular, the Company opposes the year round

increases of 7,000 l/s at State Highway 1 and 4,000 l/s on the South Branch of the Ashburton River downstream from the RDR intake from August 2012 through August 2022. The Company's opposition was advanced on the basis that these flows would have a significant impact upon the reliability for the RDR by reducing the amount of water available for abstractors. In addition, the relief sought does not support the flow and allocation regime promulgated by the Ashburton Zone Implementation Programme, which the Company believe is an important and relevant document in the context of these proceedings given its specific reference within Policy 4.8 of the pL&WRP.

- 7.2 RDRML also made a further submission in opposition to Royal Forest and Bird Protection Society of NZ Inc, Ashburton Branch (**'Forest and Bird'**), which seeks amendments to Section 13 through the addition of an objective that sought to keep the mouth of Hakatere/Ashburton River open 'most of the time' by increasing the minimum flows to above 6,000 litres per second at State Highway 1. The Company note that the Plan provisions as proposed already establishes a minimum flow of 6,000 l/s at State Highway 1 for the 'A Allocation Block' and remain opposed to any increase beyond this on the basis that such an increase would reduce the reliability of the RDR and result in the consequential adverse social and economic effects that I have already discussed.

## **8 CONCLUSION**

- 8.1 The ongoing reliability of water supply to the RDR from the South Branch of the Ashburton River is of vital importance to the Company and the water users it supplies. The notified version of the pL&WRP creates a great deal of uncertainty in this respect and, as such, has the potential to stifle innovation and to generate adverse economic and social effects. RDRML takes the development of the pL&WRP and its goals seriously and, as a result, has engaged proactively with the Canterbury Regional Council on several occasions. While the Company supports many of the principles of the pL&WRP, some of its key concerns remain unresolved. In summary, these concerns are as follows:

- (a) Ensuring that required increases in short to medium-term minimum flows within the South Branch of the Ashburton River south the RDR intake do not come at the expense of the RDRML's reliability or electricity generation;
- (b) The establishment of medium and long-term minimum flows are based on sound scientific evidence.

- 8.2 I thank the Commissioners for their consideration of this statement of evidence and indeed the issues raised by Rangitata Diversion Race Management Limited in its submissions and further submissions to the pL&WRP.

**Benedict Rodney Curry**

14th of May 2013