Gay Gibson

From: Maurice Dale <Maurice.Dale@boffamiskell.co.nz>

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To: Mailroom Mailbox

Subject: TRIM: NZ King Salmon Submission on Variation to the Proposed Canterbury Land &

Water Plan

Attachments: C14031_02b_Final_V1_LWRP_Submission_20140318.pdf

Categories: Purple Category **HP TRIM Record Number:** C14C/43319

Please find attached a submission on behalf of NZ King Salmon on Variation 1 to the Proposed Canterbury Land & Water Plan.

Please acknowledge receipt of this submission.

Many thanks



Maurice Dale | Senior Planner

email: maurice.dale@boffamiskell.co.nz | ddi: 64 3 364 42 17 | tel: 64 3 366 88 91 | fax: 64 3 365 75 39 PO BOX 110 | GROUND FLOOR | 4 HAZELDEAN ROAD | CHRISTCHURCH 8140 | NEW ZEALAND www.boffamiskell.co.nz

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SUBMISSION ON VARIATION 1 TO THE PROPOSED CANTERBURY LAND & WATER REGIONAL PLAN

To: Freepost 1201

Environment Canterbury

PO Box 345

CHRISTCHURCH 8140

Submitter: New Zealand King Salmon Company Limited

PO Box 1180 **NELSON 7040**

Attention: Mark Gillard Phone: 03 548 6993 Mobile: 029 2452529

Email: Mark.Gillard@kingsalmon.co.nz

The New Zealand King Salmon Company Limited (NZ King Salmon) makes the submissions on Variation 1 to the Proposed Canterbury Land & Water Regional Plan ("Variation 1") in the **attached** document.

NZ King Salmon confirms its submission does not relate to trade competition or the effects of trade competition.

NZ King Salmon would like to be heard in support of its submission.

If other persons make a similar submission then NZ King Salmon would consider presenting joint evidence at the time of the hearing.



Mark Gillard

For and behalf of the New Zealand King Salmon Company Limited

Dated this 21st day of March 2014.

Introduction

The New Zealand King Salmon Company Limited (NZ King Salmon) is New Zealand's largest salmon producer. The company, and its predecessor companies, have been growing King Salmon in New Zealand since the mid-1980's.

Although NZ King Salmon is a very small player on the international salmon scene (less than 0.4% of total global salmon production), its represents approximately half of the world's production of King Salmon (sometimes referred to as Chinook Salmon). Currently, approximately 50% of the salmon produced by NZ King Salmon is exported. It has an annual turnover of approximately \$100 million and currently employs 415 staff.

NZ King Salmon has developed into a vertically integrated company, maintaining control of its production from hatchery to marketing and sales of processed product. It operates three hatcheries, eight salmon farms, four processing plants, and associated offices, depots and servicing facilities.

The existing salmon farms are all located in the Marlborough Sounds. NZ King Salmon currently produces approximately 6,500 tonnes of salmon per annum. It is currently looking to significantly increase its production, in order to meet increasing export and domestic demand, by developing four new salmon farms in the Marlborough Sounds. Concurrent plan change and resource consent applications to the Environmental Protection Authority were made for the farms in 2011. A decision from the Supreme Court is pending on these applications.

Tentburn Hatchery

Located within the Selwyn-Waihora catchment close to the mouth of the Rakaia River, the Tentburn hatchery is the location of NZ King Salmon's world class selective breeding programme. All eggs will pass through the hatchery before being on-grown on site, or transported to the other hatcheries at Takaka, Golden Bay and Waiau, North Canterbury. The hatchery produces several million smolt annually.

The hatchery has 60 raceways, with diverted water continuously pumped from the Tentburn and Lee Rivers. Three groundwater wells are also used at Tentburn to obtain better quality water for incubation and development of the smolt during the early stages of the lifecycle. The hatchery's current water and discharge consents expire in 2034/35.

Variation 1 to the Proposed Canterbury Land & Water Plan

Given the importance of the Tentburn hatchery to its overall operation, NZ King Salmon has a particular interest in Variation 1. The hatchery uses significant quantities of diverted surface water which is augmented by bore-sourced groundwater supplies. The hatchery is a non-consumptive use, and surface water and groundwater that is taken and passes through the hatchery raceways is discharged back to the Tentburn River.

NZ King Salmon's submission is intended to be high level, concentrating on what are the key issues for its operations. NZ King Salmon particularly wishes to ensure that the provisions of Variation 1 support good flows in low land streams which it relies upon for its operations. At the same time it wishes to ensure appropriate controls are placed on land based diffuse discharges of nutrients into low land streams, thereby maintaining or improving water quality. While NZ King Salmon supports restrictions on stream depleting groundwater takes, it believes there needs to be some recognition of non-consumptive takes such as those it operates where the taken water is directly returned to the affected surface water body.

Taking the above matters into consideration, this submission is separated into the key policies and rules which are of significance to NZ King Salmon. These are outlined in the **attached** Table 1.

Table 1 - Submissions

Plan Provision	Discussion	Submission/Comment
Policies		
Policies 11.4.6 – 114.17 inclusive (Managing Land Use to Improve Water Quality)	Policies 11.4.6 – 11.4.17 provide the means to control land based farming activities, industrial and trade processes, and community wastewater treatment systems so as to meet the catchment target and Limits for nitrogen losses so as to improve catchment water quality.	Retain policies 11.4.6 – 11.4.17 unchanged.
	NZ King Salmon relies on good quality upstream surface water and ground water to supply its hatchery, hatch eggs, and grow smolt. NZ King Salmon therefore supports greater controls on managing land based diffuse discharges of nutrients so as to protect lowland streams such as the Tentburn and Lee Rivers and groundwater, from greater water quality degradation.	
Policy 11.4.21 (Sustainable Use of Water and Improved Flows)	Policy 11.4.21 seeks to manage all water resources together as an integrated resource, to ensure flows in lowland streams are improved, taking into account introduction of stored water into the catchment as part of the Central Plains Water Irrigation Development.	Retain policy 11.4.21 unchanged.
	NZ King Salmon supports policy 11.4.21 insofar that it seeks better management of catchment water resources to improve flows in lowland streams that NZ King Salmon relies upon for its operations.	
Policy 11.4.29 (Sustainable Use of Water and Improved Flows)	Policy 11.4.29 provides that where the minimum flow and restriction regime will result in a significant loss of reliability, a staged increase in the minimum flow will be enabled where a consent applicant can demonstrate significant investment in infrastructure to take water has been made.	Retain policy 11.4.29 unchanged.
	NZ King Salmon supports policy 11.4.29 insofar that it provides flexibility for current abstractors to transition its operations to meet the minimum flow and restriction regime over time where there is a demonstrated significant loss of reliability.	

Plan Provision	Discussion	Submission/Comment
New Policy (Sustainable Use of Water and Improved Flows)	NZ King Salmon considers that the abstraction policies and rules are intentionally targeted at consumptive groundwater takes (i.e. for irrigation). They do not take into account those non-consumptive groundwater takes which may be stream depleting, but where the water is discharged back to the water body after use, thereby having no effect on the minimum flow within the water body. The groundwater takes for the Tentburn hatchery operate in this way. Water is taken from three bores which is discharged into the fish race system and then eventually back into the Tentburn Stream. While those takes are stream depleting, there is little overall effect on the flows within the stream. NZ King Salmon considers there should be policy recognition of non-consumptive groundwater takes despite the requirements of any minimum flow regime.	Add the following new abstraction policy: 'Enable groundwater takes which have a direct or high stream depletion effect greater than 5 L/s where the water taken is directly returned to the surface water body.'
Rules		
Rules 11.5.6 – 11.5.18 inclusive, 11.5.18, 11.5.21, 11.5.22, 11.5.23, 11.5.25, 11.5.26, and 11.5.29	These rules provide the methods to control land based farming activities, industrial and trade processes, and community wastewater treatment systems so as to meet the catchment target and limits for nitrogen losses so as to improve catchment water quality. NZ King Salmon relies on good quality upstream surface water and groundwater to supply its hatchery, hatch eggs, and grow smolt. NZ King Salmon therefore supports greater controls on managing land based diffuse discharges of nutrients so as to protect lowland streams such as the Tentburn and Lee Rivers and groundwater, from greater water quality degradation.	Retain rules 11.5.6 – 11.5.18 inclusive, 11.5.18, 11.5.21, 11.5.22, 11.5.23, 11.5.25, 11.5.26, and 11.5.29.
Rule 11.5.32	Rule 11.5.32 provides that taking and use of groundwater (and consumptive surface water takes) is a restricted discretionary activity, subject to compliance with conditions. Condition 3 requires that groundwater takes with a direct or high stream depletion effect greater than 5L/s complies with the minimum flow and restriction regime for the relevant water body. Non-compliance with condition 3 is to be considered as a non-complying activity under rule 11.5.35. The rule intentionally appears targeted at consumptive groundwater takes (i.e. for irrigation), and does not take into account those groundwater takes which may be stream depleting, but where the water is discharged back to the water body after use, thereby having no effect on the minimum flow within the water body. The groundwater takes for the Tentburn hatchery operate in this way. Water is taken from three bores which is discharged into the fish race system	Retain rule 11.5.32 with the exception that condition 3 is amended as follows: 'A surface or groundwater take with a direct or high degree of stream depletion effect greater than 5 l/s determined in accordance with Schedule 9, complies with the minimum flow and

Plan Provision	Discussion	Submission/Comment
	and then eventually back into the Tentburn Stream. While those takes are stream depleting, there is little overall effect on the flows within the stream.	restriction regime in Tables 11(c) and 11(d) <u>, except for</u>
	NZ King Salmon considers there should be recognition within condition 3 of rule 11.5.32 to allow for non-consumptive groundwater takes despite the requirements of any minimum flow regime. If deemed required, It would be appropriate to include a distance limitation between the take and discharge points so as to ensure no significant loss of flow for any significant reach of the surface water body.	non-consumptive groundwater takes where the water taken is returned directly to the surface water body; and'
Table 11(e) (Groundwater and Surface Water Allocation Limits)	Table 11(e) specifies a total combined surface and ground water allocation limit for the Little Rakaia Allocation Zone of 85.9 million m³/year, which equates to the existing total of water allocation within the zone (i.e. the zone is 100% allocated). NZ King Salmon supports this allocation limit insofar that it does not provide for additional allocation of water within the zone, thereby providing for low land stream flows and protecting existing allocations.	Retain the total combined water and groundwater allocation limit for the Little Rakaia allocation zone in table 11(e).