### **Janel Hau**

**From:** Nigel Bryce <n.bryce@ryderconsulting.co.nz>

**Sent:** Friday, 21 March 2014 4:23 p.m.

To: Mailroom Mailbox

**Cc:** Gavin Kemble; Nigel Sadlier; Warwick Catto

**Subject:** TRIM: Ballance Agri-Nutrient Limited Submission to Variation 1 to the proposed

Canterbury Land & Water Regional Plan

**Attachments:** Final T2014-28 GDKNB 210314 BAN Submission to Variation 1.pdf

**Categories:** Purple Category **HP TRIM Record Number:** C14C/43922

To whom it may concern,

Please find enclosed a submission lodged on behalf of Ballance Agri-Nutrient Limited to Variation 1 to the proposed Canterbury Land & Water Regional Plan.

If you would kindly confirm receipt of this email that would be appreciated.

# Regards Nigel Bryce

#### **Nigel Bryce**

Associate Director / Planner

C 027 482 9190 T 03 477 2119 F 03 477 3119 Email n.bryce@ryderconsulting.co.nz

http://ryderconsulting.co.nz/

Ryder Consulting Ltd 195 Rattray Street

PO Box 1023 Dunedin 9054



# SUBMISSION TO PROPOSED VARIATION 1 TO THE PROPOSED CANTERBURY LAND & WATER REGIONAL PLAN (FEBRUARY 2013)

| TO:                  | Proposed Variation 1 to the Proposed Canterbury Land & Water Regional Plan (February 2014) Environment Canterbury PO Box 345 CHRISTCHURCH 8140 |
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| BY E-MAIL:           | nsadlier@ballance.co.nz  |
| SUBMISSION ON:       | Proposed Variation 1 to the Proposed Canterbury Land & Water Regional Plan (February 2014)   |
| NAME OF SUBMITTER:   | Ballance Agri-Nutrients Limited  |
| ADDRESS FOR SERVICE: | Ballance Agri-Nutrients Limited Hewletts Road, Mt Maunganui Private Bag 12 503 Tauranga Mail Centre Tauranga 3143 Attention: Mr Nigel Sadlier  |
| Phone:               | (07) 572 7874  |

# 1.0 INTRODUCTION

Ballance Agri-Nutrients Ltd (hereafter referred to as 'Ballance', or 'the Company') is a farmer-owned co-operative with over 18,000 shareholders and approximately 800 staff throughout New Zealand. We own and operate super-phosphate manufacturing plants located in Tauranga and Invercargill, as well as New Zealand's only ammonia-urea manufacturing plant located at Kapuni, South Taranaki. The Company also owns and operates the agricultural aviation company 'SuperAir', 'SealesWinslow' (a high-performance compound feed manufacturer), and the farm technology company 'AgHub' (which was previously called Farmworks Systems Limited'). Ballance places a strong emphasis on delivering value to its shareholders and on the use of the best science to inform sustainable nutrient management.

This submission is made to the provisions of Variation 1 ('Variation 1') to the Canterbury Land & Water Regional Plan ('pLWRP'). In preparing its submission Ballance has had regard to the National Policy Statement for Freshwater Management 2011 ('NPS FM'), the operative Canterbury Regional Policy Statement ('the RPS'), the proposed Canterbury Land & Water Regional Plan (decisions version), the Canterbury Water Management Strategy ('the CWMS'), Hazardous Substances and New Organisms (HSNO) Act 1996 (the 'HSNO Act') (including the Fertilisers Group Standards) and the Resource Management Act 1991 (the 'Act').

We note, for completeness, that this submission has been prepared by experienced planners from Ryder Consulting Limited ('Ryder'). Ryder is an environmental consultancy with a considerable experience in all facets of resource management, including in plan and policy reviews, submission and further submission preparation, and in the preparation and presentation of expert planning evidence before Councils, Boards of Inquiry and the Environment Court. Of note is that Ryder has been actively involved in development of the Canterbury Natural Resources Regional Plan, the RPS and the pLWRP. That experience has been drawn upon in the preparation of this submission.

Key themes within Ballance's submission are:

- a. Variation 1 must be supported by a robust, comprehensive and practicable 'Implementation Plan'. The Implementation Plan must map out how the Council and the Selwyn Waihora community are to collectively give effect to the nutrient baseline approach promulgated within Variation 1; and
- b. The nutrient budget requirements must be staged such that they are practicable and readily able to be effectively implemented. This should include:
  - (i) Drawing a distinction within the new Schedule 24 Nutrient Budgets 'review' process versus an 'update', whereby in the absence of any significant farm system change, Nutrient Budgets should remain valid for a period of three years and not require 'updating'; and
  - (ii) The importance of Farm Environment Plans and associated Nutrient Budgets being progressively produced between the 1<sup>st</sup> of July 2015 and the 1<sup>st</sup> of January 2022.

#### 2.0 SUBMISSIONS

# 2.1.1 Nutrient Management & Implementation of the Nitrogen Baseline Approach within Variation 1

- (a) The specific provision of Variation 1 that Ballance's submission relates to is the approach that is advanced to implementing the 'nitrogen baseline' within the regulatory context that is established by Variation 1.
- (b) Ballance considers that Variation 1 should be supported by a more detailed, robust and transparent Implementation Plan. The Implementation Plan needs to clearly and logically set

out how the nitrogen baseline approach will be implemented within this catchment and, just as importantly, who is responsible for implementing what parts of the nitrogen baseline approach. The Company notes that Appendix 9 to the section 32 report supporting Variation 1 includes the Working Group's recommended framework for managing water quality that was adopted by the Selwyn Waihora Zone Committee. Importantly, Action 7 of this Framework sets out the need for a comprehensive 'support package' to be developed, for both the Council (consents and compliance) and farmers. Unfortunately, the 'support package', which we assume will be an Implementation Plan, is not promulgated within Variation 1. Without this document, it is not possible to discern a transparent approach to the implementation of Variation 1, and how effectively and efficiently it is to be implemented. Equally, the preparation of the Implementation Plan would have, the Company expects, informed the Council's assessment of the true impacts of implementing the Variation and the practicability of some of the approaches that the Variation advances.

- (c) The Company notes that as with the farming provisions contained within pLWRP, Variation 1 requires all farming activities to demonstrate compliance with their nitrogen baseline and (under Rule 11.5.7(3)) requires each property to be assessed in accordance with Schedule 24 supporting Variation 1, in the short term, and for the implementation of Farm Environment Plans beyond 2017. Ballance is concerned that without a robust, transparent and practicable Implementation Plan supporting Variation 1, the constraints facing the implementation of the nitrogen baseline approach under Variation 1 (both in terms of the Council's ability to administer and monitor the information requirements that flow out of this approach and the primary sectors ability to prepare, update, review and then audit the nutrient budgets and Farm Environment Plans) may prevent the achievement of the nutrient management outcomes that are being sought for the Selwyn Waihora catchment.
- (d) The Company is particularly concerned about the lack of guidance relating to implementation requirements associated with preparing nutrient budgets for properties contained within this catchment. This is compounded by the fact that there is a greater requirement for nutrient budgets to be prepared for a more diverse range of farming types than has historically been Ballance's experience. As set out above, Variation 1 requires 'nitrogen baselines' to be established for all farms. There are 1,393 'farms' in Selwyn [Lilburne, 2014], which equates to 5,572 nitrogen budgets. At an average of 4 hours each (straight dairy through complex arable) this equals 22,288 hours, or 2,786 (8 hour) working days. This means 20 people are required to be employed full-time doing only nutrient budgets in the Selwyn-Waihora catchment. Presently, Variation 1 provides no guidance as to the timeframes and support mechanisms that will be employed to support the development of, and the auditing requirements of nutrient budgets that accord with Schedule 7 of the pL&WRP and Schedule 24 of Variation 1. In the Company's opinion, this is a significant shortcoming and should be remedied through the adoption of an Implementation Plan.
- (e) Ballance is also aware (from the nutrient budgeting service that it provides to its customers) of the types of expertise that are needed to effectively and appropriately prepare robust Farm Environment Plans. While its experience is that the expertise is building, it questions if sufficient capacity exists to produce Farm Environment Plans for all 'farms' and 'lifestyle' farms that are recorded on Table 1 of Lilburne's January 2014 memorandum in a short period. As with the Company's concerns relating to lack of an implementation plan guiding the development of nutrient budgets, the Company raises similar concerns relating to implementing Farm Environment Plans in the Selwyn-Waihora catchment.
- (f) Given the foregoing, Ballance believes that Variation 1 must establish (as a non-regulatory method, or methods) an Implementation Plan to support the policy and rule frameworks for both the primary sector and the Council itself. As we have already mentioned, the Implementation Plan must guide the implementation phase. This will include setting out (in a transparent, practicable and robust manner) the logical steps and timeframes that the

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<sup>&</sup>lt;sup>1</sup> As per the requirements of rules 11.5.8(3) and 11.5.9(2)

Council will employ to implement Variation 1. The Company considers that this should include the following key provisions:

- (i) The process (and associated timeframes) for establishing an independent technical advisory panel for the purpose of:
  - a. confirming a phased implementation timeline
  - b. appropriate use of OVERSEER within the Selwyn-Waihora catchment and any associated development requirements
  - c. considering any prioritisation of land management practices in relation to not only nitrogen management, but also phosphorus, sediment and E.Coli
  - d. consideration of adaptive management process for reducing nitrogen leaching from affected farming properties where implementation of progressively more stringent on-farm management practices are required.
  - e. reviewing the effectiveness of any mitigation technologies.

    The panel would recognise the difference between tactical farm management decisions that would need to be made in response to phosphorus, sediment and E.Coli management, versus strategic management decisions in response to nitrogen management.
- (ii) The timeframes and support mechanisms that will be employed to support the development, and auditing requirements, of Nutrient Budgets that accord with Schedule 7 of the L&WRP and Schedule 24 of Variation 1. Including the protocols, or detail, necessary to ensure consistency of input data gathering/collation, input data integrity, and the resultant preparation of Nutrient Budgets, irrespective of the service provider. The protocols would also need to consider the assumptions that would apply in situations where there is an absence of input data and how such assumptions would be recorded.
- (iii) The process (with the associated timeframes) that will be implemented to approve the 'Farm Environment Plan Auditor'. <sup>2</sup> We expect that this process would be developed by the Council and primary sector, but implemented by the Council. It is important that those auditors that are ultimately approved by the Council are listed on the Council's website, with their contact details. The objective here is to both develop a resource, and then to make that resource readily accessible by those that are looking to employ their services; and
- (iv) The timeframes and support mechanisms (such as education forums and services) that the Council will make available to the primary sector/farmers, so that all parties working within the bounds of Variation 1 are adept at identifying issues, management options and 'smart decision-making processes' to inform nutrient budget processes. This would also need to include effective stakeholder engagement methodologies to include, for example, the banking/financing sector in a manner that would likely also assist with any prioritisation/phased implementation programmes. The objective here is to ensure that those who stand to be most affected by Variation 1 are well aware of its provisions, implications and what they need to do (by when) to comply with the obligations that it establishes.
- (v) The process (and associated timeframes) for establishing an independent technical advisory panel to advise consent officers on the appropriateness of farm management plans as part of any resource consent applications. We expect that the panel will be notified to the public, and will be included, for instance, in any pre-lodgment meetings between the Council and any parties seeking to lodge a resource consent application involving nitrogen and/or phosphorus losses. The objective here is to ensure that the advice provided to the Council is consistent, and that the parties approving it are known

<sup>&</sup>lt;sup>2</sup> The pLWRP defines 'Farm Environment Plan Auditor' to mean a person who can provide evidence of at least 5 years' professional experience in the management of pastoral, horticulture or arable farm systems and holds either:

a Certificate of Completion in Advanced Sustainable Nutrient Management in New Zealand Agriculture from Massey University: or

<sup>2.</sup> a Certificate of Completion in Sustainable Nutrient Management in New Zealand Agriculture from Massey University

<sup>3.</sup> such other qualification that has been approved by the Chief Executive of the Canterbury Regional Council as containing adequate instruction and assessment on agricultural sciences and nutrient management.

and respected and have a good understanding of the issues facing the Selwyn Waihora catchment.

- (g) As highlighted previously, Ballance considers that these measures should be appropriately reflected as methods supporting the underlying policy framework for the catchment, which will guide the development of these interventions by the primary sector and the Council itself. We note that the Council sought to provide such guidance in the Canterbury Natural Resources Regional Plan. Examples of the guidance provided by the NRRP are attached as Annexure A to this submission.
- (h) Given the foregoing, Ballance opposes the lack of a robust, appropriately detailed, transparent and practicable Implementation Plan that supports implementation of Variation
- (i) Notwithstanding the issues raised by Ballance in paragraphs (a) to (g) above, the Company supports the staged introduction of Farm Environment Plans. In this regard, the Company's experience is that the production of Farm Environment Plans cannot, and should not be rushed. To do so would likely result in documents that are not as robust as they could be. Such documents are unlikely to achieve positive environmental outcomes they could, while at the same time enabling farmers to operate their businesses in a manner that provides a reasonable return to them, and by doing so, continue to provide the social and economic benefits that stem from agricultural endeavour in the Selwyn-Waihora catchment.
- (j) It is pleasing, therefore, that the Council seems to have recognised this challenge within Variation 1, which is advancing a regime whereby Farm Environment Plans will be progressively produced between the 1<sup>st</sup> of July 2015 and the 1<sup>st</sup> of January 2022. This is, in the Company's opinion, appropriate.

#### **RELIEF SOUGHT**

- (a) That the policy framework supporting Variation 1 be amended to include non-regulatory methods to guide the implementation process for the nitrogen baseline for Selwyn-Waihora. More specifically, the Company requests the following amendments to Policy Section 11.4:
  - (i) The insertion of a method that establishes the process (with the associated timeframes) for establishing an independent technical advisory panel for the purpose of:
    - a. confirming a phased implementation timeline;
    - b. appropriate use of OVERSEER within the Selwyn-Waihora catchment and any associated development requirements;
    - c. considering any prioritisation of land management practices in relation to not only nitrogen management, but also phosphorus, sediment and E.Coli;
    - d. consideration of adaptive management process for reducing nitrogen leaching from affected farming properties where implementation of progressively more stringent on-farm management practices are required; and
    - e. reviewing the effectiveness of any mitigation technologies.

      The panel would recognise the difference between tactical farm management decisions that would need to be made in response to phosphorus, sediment and E.Coli management, versus strategic management decisions in response to nitrogen management.
  - (ii) The insertion of a method that establishes the timeframes and support mechanisms that will be employed to support the development, and auditing requirements, of Nutrient Budgets that accord with Schedule 7 of the L&WRP and Schedule 24 of Variation 1. This shall include the protocols, or detail, necessary to ensure consistency of input data gathering/collation, input data integrity, and the resultant preparation of Nutrient Budgets, irrespective of the service provider. The protocols will also need to

consider the assumptions that would apply in situations where there is an absence of input data and how such assumptions would be recorded.

- (iii) The insertion of a method that establishes the process (with the associated timeframes) that will be implemented to approve the 'Farm Environment Plan Auditor' 3, which is to be developed by the Council and primary sector, but implemented by the Council. The method shall set out the process for those auditors that are ultimately approved by the Council to be listed on the Council's website, with their contact details, so that the auditors are readily accessible by those that are looking to employ their services;
- (iv) The insertion of a method that establishes the process (with the associated timeframes) for the development of support mechanisms (such as education forums and services) that the Council will make available to the primary sector/farmers, so that all parties working within the bounds of Variation 1 are adept at identifying issues, management options and 'smart decision-making processes' to inform nutrient budget processes. This would also need to include effective stakeholder engagement methodologies to include, for example, the banking/financing sector in a manner that would likely also assist with any prioritisation/phased implementation programmes. The objective here is to ensure that those who stand to be most affected by Variation 1 are well aware of its provisions, implications and what they need to do (by when) to comply with the obligations that it establishes.
- (v) The insertion of a method that establishes the process (with the associated timeframes) for establishing an independent technical advisory panel to advise consent officers on the appropriateness of farm management plans as part of any resource consent applications. The method shall set out the process for the panel to be notified to the public, and will be included, for instance, in any pre-lodgment meetings between the Council and any parties seeking to lodge a resource consent application involving nitrogen and/or phosphorus losses. The objective here is to ensure that the advice provided to the Council is consistent, and that the parties approving it are known and respected and have a good understanding of the issues facing the Selwyn Waihora catchment.
- (b) That the staged introduction of Farm Environment Plans set out within policies 11.4.12(c), 11.4.13(a), and 11.4.14, and rules 11.5.7(4), 11.5.8(2), 11.5.8(3), 11.5.8(4) and 11.5.9(2) be retained without change; and
- (c) Any similar relief with like effect.
- (d) Any consequential amendments arising from paragraphs 2.1.1 (a) and (b).

#### 2.1.2 Proposed Schedule 24(a)(i)

- (a) The specific provision of Variation 1 that Ballance's submission relates to is Schedule 24(a)(i).
- (b) Ballance is concerned that Schedule 24(a)(i) refers to nutrient budgets being 'reviewed annually'. While the Variation is silent on what a review will entail, the Company assumes that it is intended to involve checking the integrity of the input data, which is necessary to generate a nutrient budget for the property in question. Should the input data not accurately reflect what is conducted on the farm, the Company also assumes that the review will require that the nutrient budget be refreshed and updated.

<sup>&</sup>lt;sup>3</sup> The pLWRP defines 'Farm Environment Plan Auditor' to mean a person who can provide evidence of at least 5 years' professional experience in the management of pastoral, horticulture or arable farm systems and holds either:

<sup>4.</sup> a Certificate of Completion in Advanced Sustainable Nutrient Management in New Zealand Agriculture from Massey University; or

<sup>5.</sup> a Certificate of Completion in Sustainable Nutrient Management in New Zealand Agriculture from Massey University

<sup>6.</sup> such other qualification that has been approved by the Chief Executive of the Canterbury Regional Council as containing adequate instruction and assessment on agricultural sciences and nutrient management.

- (c) While the Company has few concerns with the concepts set out in the preceding paragraph, there is no certainty that they are what Schedule 24(a)(i) intends. In this regard the phrase 'reviewed annually' is not defined, and the accompanying section 32 assessment provides no insight as to what was anticipated when this provision was being drafted, and what is needed to implement it. This is a matter that should, in the Company's opinion, be rectified.
- (d) Should the input data not accurately reflect what is conducted on the farm such that the nutrient budget is unlikely to be accurate, then it would be appropriate, in the Company's opinion, to require that the nutrient budget be updated using OVERSEER<sup>TM</sup> or an 'approved equivalent model'. The Company is also of the opinion that any 'updating' of the nutrient budget should be conducted by an appropriately qualified and experienced person.
- (e) It follows, however, that should the annual review of input data determine that it is accurate, then it would be appropriate, in the Company's opinion, for Variation 1 to enable a nutrient budget to stay in place for at least three years, at the end of which it would be formally revisited, updated and remodelled using the most appropriate model available. As such, the annual review should only apply to the input data and an update to the nutrient budget would only be triggered in the event that input data was determined to be inaccurate.
- (f) Lastly, and in a similar vein to the argument set out in submission 2.1.1, Ballance records, for completeness, its experience that updating the nutrient budget normally takes one person a day for a straightforward operation. The more complex the farming system, the greater the resource that has to be committed. It follows, therefore, that were annual nutrient budget updates required for all farms and a portion of lifestyle properties greater than 10 hectares that would amount to 1,393 days work. As has already been noted, while Ballance has every confidence that the market will respond to this area of work, the need to resource sufficiently, up-skill and train / re-train will create some lag. It is critical, in the Company's opinion, that these practical requirements be reflected in Variation 1. It sees its requested approach as being a practicable response to the challenges faced.

#### **RELIEF SOUGHT**

- (a) That Schedule 24(a)(i) be amended so as to define exactly what the phrase 'reviewed annually' applies to; and
- (b) That the phrase 'reviewed annually' be defined such that it is constrained to, in the first instance, an assessment of the input data necessary to run OVERSEER for the property in question. Should the review of input data not accurately reflect what is happening on farm then the definition should require that the nutrient budget be updated using OVERSEER<sup>TM</sup> or an 'approved equivalent model'. Should, however, the input data be accurate, the definition should enable a nutrient budget to stay in place for at least three years, at the end of which it would be formally revisited, updated and remodelled using the most appropriate model available. All updating of the nutrient budgets should be conducted by an appropriately qualified and experienced person.
- (c) Any similar relief with like effect; and
- (d) Any consequential amendments arising from paragraphs (a) and (b).

# 2.1.3 Definitions - Definition of Good Management Practice Nitrogen and Phosphorus Loss Rates

(a) The specific provision of Variation 1 that Ballance's submission relates to is the definition of the phrase 'Good Management Practice Nitrogen and Phosphorus Loss Rates'.

- (b) Ballance supports, in principle, the notion underlying, and application of the principle of 'Good Management Practice Nitrogen and Phosphorus Loss Rates'. The absence of an adequate, robust definition in Variation 1, however, causes the Company to call into question the definition's usefulness, especially when applied in the context of both policy and rules framework supporting Variation 1.
- (c) A table of nitrogen loss rates under good management practice, for application at a property level, has not been developed and does not support Variation 1, pLWRP or the operative Hurunui Waiau Rivers Regional Plan. Indeed, Policy 4.11 of the pLWRP (decisions version) states that good management practice will be codified and introduced into this Plan by way of a plan change on or before 30 October 2016.
- (d) The section 32 report supporting Variation 1 sets out<sup>4</sup> that the Council is leading a Matrix of Good Management Project (the 'MGM') with a wide range of industry and other organisations, the objective of which is to develop and set outcome agreed table of nitrogen losses for farm systems across Canterbury. Ballance understands that the MGM is to be completed by mid-2015 and will be used to support a planning framework whereby it will be used to set conditions on nitrogen leaching loss rates across Canterbury (for 2017 then apply percentage reductions to derive a loss rates from 2022). It seems counter intuitive and an inefficient use of resources to promote a variation when a key means of achieving the outcomes sought by the variation is still under development. It also makes understanding the implications of Variation 1, and the way in which it will impact on those implementing it exceedingly difficult. Lastly, it also suggests that further resources will need to be expended revisiting this matter once the MGM is complete and its outcomes are encapsulated within a further variation (or plan change) to the sub-regional chapter of the Selwyn Waihora catchment.
- (e) Notwithstanding the concerns expressed in paragraph (d), should the Council wish to retain reference to the concept of 'good management practice' in the definitions section (and other areas of the Variation where this definition is included, such as Policy 11.4.13(b), a matter of discretion under Rule 11.5.9 and is referred to within Schedule 24), it is beholden on the Council to ensure that this term is appropriately and robustly defined. Even if the definition is also likely to be revisited at the completion of the MGM. Such an approach provides much needed transparency and is fundamental if the implications and ramifications of Variation 1 are to be fully understood by those who are to implement it within Council and in the community.
- (f) The Company considers that the phrase 'good management practice' should be defined so as to ensure that the reader is able to better determine, with reasonable certainty, what constitutes good management practice and what does not. As a consequence, Ballance asks that the existing definition of the phrase 'Good Management Practice Nitrogen and Phosphorus Loss Rates' be amended to better reflect a suite of good management practices set out in Schedule 24 should also be referenced within the definition of 'Good Management Practice Nitrogen and Phosphorus Loss Rates'.
- (g) Given the foregoing, Ballance opposes the definition of Good Management Practice Nitrogen and Phosphorus Loss Rates.

#### **RELIEF SOUGHT**

(a) That the definition of Good Management Practice Nitrogen and Phosphorus Loss Rates be amended as follows:

"means nitrogen and phosphorus loss rates (in kilograms per hectare per annum) from a

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<sup>4</sup> at page 79

property (including losses below the root zone of a property) for different soils, rainfall and farm type operating at good management practice as set out in Schedule 24."

- (b) Any similar amendments with like effect.
- (c) Any consequential amendments that stem from the amendments in paragraph 2.1.3(a).

#### 2.1.4 Rule 11.5.6

- (a) The specific provision of Variation 1 that Ballance's submission relates to is Rule 11.5.6.
- (b) The Company notes that Rule 11.5.6 provides for farming activities in the catchment as permitted activities where the property is less than 5 hectares in area **and** where the nitrogen loss calculation for the property does not exceed 15kg/ha/annum.
- (c) Rule 5.41 of the pLWRP is similar in its approach, but is supported with an 'or' as opposed to the 'and' that is a feature of Rule 11.5.6. Ballance, considers that Rule 11.5.6 be amended so that it reflects a similar outcome to Rule 5.41 and that the 'and' between conditions 1 and 2 be replaced with an 'or'. There is little or no reasoning for requiring both conditions to be met in this case. In this regard, when considered on its face, the Company believes that there is no difference between nitrogen loss calculation of 15kg/ha/annum for a 5ha or a 50 ha property. Put another way, where a property demonstrates compliance with this nitrogen loss calculation the size of the property has little or no bearing on whether it should be defined as a permitted activity. The key issue is that it complies with the threshold that has been determined as being acceptable by the Council. As a consequence, Ballance considers that the rule should be subject to a greater level of flexibility and seeks amendments to the rule to reflect this outcome.
- (d) Given the foregoing, Ballance opposes (in part) Rule 11.5.6.

## **RELIEF SOUGHT**

(a) That Rule 11.5.6 be amended as follows:

"Rule 11.5.6 Despite any of Rules 11.5.7 to 11.5.13, the use of land for a farming activity in the Selwyn Waihora catchment is a permitted activity provided the following conditions are met:

- 1. The property is less than 5 hectares; and or
- 2. The property is greater than 5 hectares but less than 50 hectares; and
- The nitrogen loss calculation for the property does not exceed 15 kg per hectare per annum."
- (b) Any similar amendments with like effect.
- (c) Any consequential amendments that stem from the amendments in paragraph 2.1.4(a).

# 2.1.5 Need for Better Guidance on What Constitutes Good Management Practices for Phosphorus and Sediment Loss for the Selwyn Waihora catchment

(a) The specific provision of Variation 1 that Ballance's submission relates to is the need for Variation 1 to better inform what constitutes good management practice for phosphorus and sediment loss for the Selwyn Waihora catchment.

- (b) Ballance notes that the section 32 report identifies that the four key contaminants in the Selwyn Waihora catchment are nitrogen, phosphorus, sediment and microbial contaminants. The Company notes that Variation 1 primarily focuses on nitrogen discharges.
- (c) The section 32 report<sup>5</sup> notes that there is currently not sufficient information and/or knowledge to set a phosphorus discharge allowance in the Selwyn catchment and as such this approach was discounted. The section 32 report sets out that Variation 1 (incorporating option 2 and 4) are considered to be the most effective in achieving the freshwater outcomes and catchment limits (TLI for Te Waihora/Lake Ellesmere) as they address the issue of managing phosphorus, sediment and microbial contamination alongside proposed management of nitrogen.<sup>6</sup> As such, the Company understands that Variation 1 ensures farming activities manage their discharges / losses via the application of good management practices in the Farm Environment Plans and a schedule of practices (proposed within Schedule 24).
- (d) While Ballance broadly supports the initiatives embodied within Variation 1 to manage phosphorus and sediment losses, the Company is, nonetheless, concerned that presently good management practice, as this relates to phosphorus and sediment loss, is not defined. Ballance, therefore, considers that the Council should advance further work to define what constitutes good management practice as this relates to phosphorus and sediment loss within the catchment. This will ensure that Farm Environment Plans are more effective in managing these contaminants and providing for management outcomes that are specifically tailored to address phosphorus and sediment losses across the catchment.

#### **RELIEF SOUGHT**

(a) That the policy framework supporting Variation 1 be amended to include non-regulatory method to further guide good management practice for phosphorus and sediment loss for the Selwyn Waihora catchment. More specifically, the Company requests the following amendment to Policy Section 11.4:

### "Method

- (a) By mid 2015, Environment Canterbury will further investigate, as part of the Matrix of Good Management Project, good management practices for phosphorus and sediment discharges within the Selwyn Waihora catchment and that, where necessary, that any outcomes of this further work is included in Section 11 Selwyn Waihora of the Canterbury Land & Water Regional Plan by way of a variation or plan change in accordance with Schedule 1 of the RMA."
- (b) Any similar amendments with like effect.
- (c) Any consequential amendments that stem from the amendments in paragraph 2.1.5(a) and (b).

<sup>&</sup>lt;sup>5</sup> at page 105

<sup>&</sup>lt;sup>6</sup> at page 106

# 3.0 CONCLUSION

Ballance wishes to thank the Council for the opportunity to submit on Variation 1. The Company, notes, for completeness that it would be happy to meet with the Council and other submitters who raise similar issues to Ballance, to discuss its submission and the suggestions it makes within the same.

Ballance wish to be heard in support of this submission.

If others make a similar submission Ballance would consider presenting a joint case with them at any hearing.

Ballance cannot gain an advantage in trade competition through this submission.

| Signature: | Sall |
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Nigel Sadlier, for and on behalf of Ballance Agri-Nutrients Limited

Date: 21<sup>st</sup> March 2014.

Address for Service: Ballance Agri-Nutrients Limited

Hewletts Road, Mt Maunganui Private Bag 12 503 Tauranga

Attention: Mr Nigel Sadlier

**Telephone:** (07) 572- 7874

E-mail: nsadlier@ballance.co.nz

# Annexure A – Examples of Methods Supporting Diffuse Discharges under the Natural Resources Regional Plan

#### Methods

The methods used or to be used to implement Policy WQL10 are:

#### Method WQL10(a) Information and promotion

Environment Canterbury will work with landowners and other parties, to develop, publicise and disseminate information on the use of:

- (a) best management practices to minimise the amount of leaching of contaminants through the soil profile.
- (b) whole farm nutrient planning to manage nutrient inputs and outputs under different land uses to minimise nutrient losses to groundwater.
- (c) codes of practice, including the Code of Practice for Nutrient Management (2007), the Code of Practice for Placement of Fertiliser in New Zealand: the Spreadmark Code of Practice, Part 1 Groundspread Application (2001), or subsequent versions or additions to these codes.
- (d) New Zealand Standard 8409: 2004 Management of Agrichemicals, or subsequent versions.

Methods of information transfer will include on-farm assessments, field days, workshops, demonstration sites, media items, Environment Canterbury's website, fact sheets, community water monitoring programmes.

#### Method WQL10(b) Investigations

Environment Canterbury, in consultation with Ministry for the Environment and other organisations, will support, and where appropriate, undertake investigations on the impact of non-point source discharges from land use activities on the groundwater quality of unconfined and semi-confined aquifers. The topics for these investigations include the following:

- the linkages between nitrogen transformations and transporting processes within and beyond the root zone, and the concentrations expected to be found in the underlying groundwater.
- (b) the total nitrogen inputs to groundwater under different land uses in order to determine the implications for groundwater quality of different land use changes, at paddock, farm and catchment scales.
- (c) the concentrations of micro-organisms that are of human health significance in the upper unconfined aquifers under different agricultural and residential land uses, the pathways by which they reach groundwater, and measures to minimise the entry of micro-organisms into groundwater.
- (d) the awareness, acceptance and implementation by landholders of land management practices to reduce the effects of non-point source contamination on groundwater quality.
- the use and effectiveness of nutrient management tools for farm nutrient budgeting and catchment scale nutrient management.
- (f) the validity of the "piston effect" model of groundwater movement, and the implications for future groundwater quality if there is a delay of several decades between contaminants leaching from the soil and being detected in groundwater.

Upon completion of these investigations, Environment Canterbury will review the results of this work to determine whether changes are required to the provisions of the Canterbury Natural Resources Regional Plan.