

Before the Independent Commissioners

In the Matter of the Resource Management Act 1991

And

In the Matter of the hearing of submissions and further submissions on
Proposed Variation 1 to the Proposed Canterbury Land
and Water Regional Plan

Evidence in Chief of
Timothy Alistair Deans Ensor
on behalf of **ANZCO Foods Limited**
(Submitter ID 52274)

Dated: 29 August 2014

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Introduction

1. My full name is Timothy Alistair Deans Ensor.
2. I hold a Bachelor of Science and a Bachelor of Arts with honours majoring in Geography, obtained from the University of Canterbury in 2002. In 2012 I graduated with a Post Graduate Diploma in Planning from Massey University. I am an associate member of the New Zealand Planning Institute.
3. I am currently an Associate Environmental Planner with URS New Zealand Limited (**URS**) and have been employed by the company for approximately six years. Prior to starting with URS I was employed by Environment Canterbury for approximately two and a half years as a consents planner.
4. I have worked throughout the South Island assisting private and public sector clients with obtaining statutory approvals, undertaking environmental impact assessment and policy analysis for projects where water quality and quantity issues are a major component. These clients include the NZ Transport Agency, Environment Canterbury, the Dunedin City Council and Fulton Hogan Limited.
5. I have been asked by ANZCO Foods Limited (**ANZCO**) to provide evidence in relation to the Canterbury Regional Council's Variation 1 to the proposed Land and Water Regional Plan (**pLWRP**). I also contributed to submissions and further submissions lodged on behalf of ANZCO.
6. I have read the Code of Conduct for Expert Witnesses in the Environment Court Consolidated Practice Note 2006. I agree to comply with this Code of Conduct. This evidence is within my expertise, except where I state I am relying on what I have been told by another person. I have not omitted to consider material facts known to me that might alter or detract from the opinions I express.
7. In preparing my evidence I have reviewed:
 - 7.1. the evidence of Mr Mark Clarkson;
 - 7.2. the evidence of Mr Dallas Woodford;

- 7.3. the evidence of Mr Douglass;
- 7.4. the s32 Report for Variation 1 (dated February 2014) (**s32 Report**);
and
- 7.5. the s42A Officers Report for Variation 1 (dated July 2014) (**Officers Report**).

Scope of Evidence

- 8. My evidence covers the provisions of Variation 1 relating to discharges of contaminants to land generated through livestock processing activities and water abstraction for use for livestock processing. In particular, my evidence addresses:
 - 8.1. Policies 11.4.6 and 11.4.10, Rules 11.5.25 and 11.5.26 and Table 11(i) concerning nutrient limits for industrial and trade processes;
 - 8.2. Rules 11.5.16 and 11.5.17 concerning “incidental nutrient discharges”;
 - 8.3. Rules 11.5.6 to 11.5.15 concerning nutrient losses from farming activities;
 - 8.4. Policy 11.4.23 and Rule 11.5.32 concerning reallocation of water;
and
 - 8.5. Policy 11.4.22 and Rule 11.5.37 concerning water transfers.

ANZCO’s Submission

Introduction

- 9. ANZCO is a multinational company, whose core purpose is to procure, process and market New Zealand beef and lamb products to the world. ANZCO is one of New Zealand’s largest exporters, has sales of NZ\$1.3bn and employs over 3,000 staff worldwide.
- 10. Each of the businesses which collectively make the ANZCO Group, makes up a separate part of the supply chain in Canterbury. These businesses include ANZCO’s two Canterbury meat processing plants: ANZCO Foods Rakaia (formerly CMP Rakaia) and ANZCO Foods Canterbury (formerly

CMP Seafield). These plants process lamb, mutton, cattle and bobby calves on a year round basis and process the cattle from ANZCO's Five Star Beef feedlot at Wakanui.

11. ANZCO Foods Rakaia is located in the area affected by Variation 1.

Background

12. ANZCO relies on a range of resource consents to enable them to operate throughout the region. In relation to their Rakaia plant which sits within the Selwyn Te Waihora Sub-Regional Area these include resource consents to discharge contaminants to land, consents to abstract groundwater for use within the processing facilities, to irrigate surrounding land and for stock and staff drinking water.
13. Because of this extensive involvement in regional planning issues, ANZCO recognise the need for a comprehensive and integrated regional plan addressing the wide range of issues associated with land and water resources.
14. As ANZCO's other witnesses will explain, the livestock processing industry is reliant on the success of the agricultural industry and the agricultural industry is reliant on the livestock processing industry to convert livestock into a saleable product.
15. One does not exist without the other and this relationship is extremely important for realising the economic benefits that can be gained from farming and from the associated use of natural resources such as water used for irrigation.
16. The relationship between supplier and processor means that expansion of livestock processing capability either to meet an overall increase in demand or a more pronounced processing peak follows slightly behind any expansion in agriculture. This creates significant difficulties for the livestock processing industry when securing new water and obtaining authorisations to discharge processing related nutrient especially in areas of over allocation where competition for available resources is strongest.
17. It is important for livestock processing to be located close to both product supply and market. However, due to land use compatibility constraints and

associated environmental issues such as odour, livestock processing facilities are necessarily located in rural areas.

18. A consequence of being located in a rural setting is that there is no access to reticulated water and trade waste facilities. Disposal to land or water is therefore the only option with land disposal being the most efficient, effective and sustainable option.
19. In addition, livestock processing facilities including land required for wastewater disposal are not easily relocated to other areas within the region.

Submissions

20. ANZCO's original submission and further submissions on Variation 1 commented on a range of provisions. However, the submissions focus on two main areas:
 - 20.1. How Variation 1 treats discharges associated with livestock processing activities amongst rules and limits addressing farming and nutrient discharges generally; and
 - 20.2. How Variation 1 provides for water abstraction for livestock processing activities.

Industrial and Trade Process Discharges

Nutrient Limits

21. The notified version of Policies 11.4.6 and 11.4.10 and Rules 11.5.25 and 11.5.26 rely on Table 11(i), which contains a Nitrogen load limit for activities that include: farming, community sewerage systems and industrial or trade processes. Wastewater discharges from industrial or trade processes are forced into a non-complying activity status under Rule 11.5.26 if they, in conjunction with all lawfully established existing discharges, exceed the limit in Table 11(i).
22. ANZCO submitted that there was significant uncertainty in the method used to set the Nitrogen limit of 106 T/year for industrial or trade processes

in Table 11(i), and therefore that the table and any reference to it in Variation 1 should be removed until a more robust limit can be developed¹.

23. There is an allowance in the notified version of Policy 11.4.11 for the limits set within Table 11(i) to be exceeded by a discharge from an industrial or trade process provided the discharge replaces an existing farming activity and the discharge shall not result in losses exceeding 15kg Nitrogen per hectare per year. ANZCO submitted that this discharge limit was too low to be a reasonable alternative for livestock processing discharges².
24. There are three concerns I have with the nutrient limit approach as proposed through the notified version of Variation 1. These are:
 - 24.1. The policy direction relies on a limit based on what I understand to be a “best guess” estimate of the current cumulative consented discharge of Nitrogen for the Selwyn – Te Waihora Sub-Regional Area and therefore contains significant errors;³
 - 24.2. The alternative to compliance with Table 11(i) provided through Policy 11.4.11 and Rule 11.5.25 requires Nitrogen loss not to exceed 15kg nitrogen per hectare per year, which I understand from Mr Douglass is unachievable for livestock processing facilities; and
 - 24.3. Both the Table 11(i) limit and the discharge limit in Policy 11.4.11 refer to a discharge (loss of nutrient below the root zone) as opposed to a loading rate. In Canterbury, land based industrial wastewater discharges are generally managed through consent conditions that set a maximum loading rate rather than by a cap on the loss of nutrient. This is certainly the case for the resource consents held by ANZCO⁴.
25. I address each of these concerns in detail below.

¹ V1pLWRP-1474

² V1pLWRP-1508

³ Lowe, B. (2013) *Selwyn-Waihora Catchment - Estimating nitrogen and phosphorus contributions to water from discharges of sewage effluent from community sewerage systems, and milk processing wastewater*. Environment Canterbury, February 2013.

⁴ For example CRC082192, CRC960218.1 and CRC962111.

Table 11(i) – Uncertainty in Nitrogen Load Limit

26. I understand that the Nitrogen load limit for discharges associated with industrial or trade processes contained in Table 11(i) has been derived from Environment Canterbury Report No. R13/8⁵. This report provides estimates of “*nitrogen and phosphorus loads from each site [...] derived from information contained on Environment Canterbury databases and electronic file record systems, including documents associated with applications for, or changes to, resource consents, compliance monitoring reports, and best estimates of nitrogen and phosphorus leaching and discharge rates for the various authorised discharges.*”⁶
27. A submission on Variation 1 by others⁷ has identified errors in the information used to calculate the contribution of specific consent holders to the overall Nitrogen load limit. In addition, I understand from the evidence of Mr Douglass that there is significant uncertainty surrounding the method used for the estimation of Nitrogen loss associated with the consented load limits used in the calculation.
28. The uncertainty and possible errors are acknowledged at paragraphs 11.294 through to 11.296 of the Officer’s Report. I agree with the comments made by the Reporting Officer in that regard.
29. At Paragraph 11.297, the Reporting Officer identifies an additional issue in that no accounting system exists that allows a prospective consent applicant to determine whether or not any headroom exists within the Table 11(i) Nitrogen limit. As Mr Douglass points out, the absence of such a system also prevents parties such as ANZCO from determining how much of the 106 T N /year limit is attributed to its existing operations.
30. I acknowledge that having complete certainty when setting limits such as those proposed under Variation 1 is rare. However, I am of the view that the level of uncertainty identified by Mr Douglass and the Reporting Officer in the development of the 106 T/year Nitrogen load limit for industrial or trade processes justifies its deletion from Table 11(i).

⁵ Lowe, B.(2013) *Selwyn-Waihora Catchment - Estimating nitrogen and phosphorus contributions to water from discharges of sewage effluent from community sewerage systems, and milk processing wastewater*. Environment Canterbury, February 2013.

⁶ Lowe, B.(2013) pg i

⁷ Fonterra V1pLWRP-1224

31. From this perspective I also agree with and support the recommended changes outlined in pages 204 and 205 of the Officers Report to remove reference to Table 11(i) in Policy 11.4.10 and Rule 11.5.25 as this removes the uncertainty surrounding the method used to develop the limit completely.
32. The Officer's recommended changes to Policy 11.4.10 and Rule 11.5.25 retain the requirement for industrial or trade process dischargers to: "*adopt the best practicable option to manage the treatment and discharge of contaminants*".
33. This is consistent with management practices already successfully employed at ANZCO Rakaia and ensures environmental, cultural and economic costs remain low while retaining the environmental, social and cultural benefits associated with managing Nutrient discharges
34. On this basis it is my view that this approach is the most appropriate (including in terms of efficiency and effectiveness) for achieving the objectives of Variation 1 and the pLWRP, the National Policy Statement for Fresh Water Management 2014 (**NPS Freshwater**), the Canterbury Regional Policy Statement 2013 (**RPS**) and the purpose of the RMA.

Policy 11.4.11 and Rule 11.5.25 – 15 kg N/ha/year Limit

35. As outlined in Mr Douglass' evidence, the 15kg/ha/year limit introduced through Policy 11.4.11 and Rule 11.5.25 is not practicably achievable by livestock processing discharges.
36. The s32 report gives no consideration to the practicalities of this limit in relation to livestock processing discharges in its cost benefit assessment and in my view overstates the benefits by describing the contamination arising from industry as "significant".⁸
37. No consideration is given to the significance of potential future livestock processing expansion relative to the expansion of other contaminant sources, notably intensive agriculture. As outlined in Mr Douglass'

⁸ Proposed Variation 1 to the Proposed Canterbury Land and Water Regional Plan - Section 32 Evaluation Report pg 114.

evidence, industrial discharges are estimated to be less than 1%⁹ of the total estimated nitrogen discharge from farming activities within the Selwyn Te Waihora Sub-Regional Area.

38. In my view the 15kg/ha/year Nitrogen limit appears to have been developed without reasonable consideration of livestock processing discharges at all. This is demonstrated in the s32 report which states that: *“The plan provisions have been developed as a result of discussions with Selwyn District Council and early conversations with Fonterra and Synlait over current nutrient loss estimates and development plans, and with the Zone Committee.”*¹⁰
39. As Mr Douglass has described in his evidence, discharges from milk processing activities have a different nitrogen composition and therefore industrial dischargers such as Synlait and Fonterra may have a different view on the proposed policy and rule.
40. At paragraph 11.298, the Reporting Officer identifies that the 15kg/ha/year threshold will not be of assistance to the majority of industrial dischargers. The Officer goes on to recommend that Policy 11.4.11 is removed, and that Rule 11.5.25 is modified to remove any reference to a 15kg/ha/year threshold, instead enabling new discharges *“only where the nitrogen loss from the discharge is less than the lawfully permissible nitrogen loss from the farming activity that is replaced.”*
41. It is my view that these recommended changes go some way to address the issue with the approach that I have identified earlier. However I am of the view that there are two remaining issues. These are:
- 41.1. The Officer’s recommended changes to Policy 11.4.10 and Rule 11.5.25 only enable new industrial discharges where they replace an existing farming activity with a lesser potential water quality effect; and
- 41.2. The approach taken in those provisions manages Nitrogen based on Nitrogen loss as opposed to Nitrogen loading.

⁹ The s32 Report estimates the contribution to overall nutrient losses from industrial and trade processes and community sewerage in the Selwyn Te Waihora Sub-Regional Area is less than 5%.

¹⁰ Proposed Variation 1 to the Proposed Canterbury Land and Water Regional Plan - Section 32 Evaluation Report pg 113

42. I address these issues below.

Replacement of Existing Farming Activity

43. As I have noted earlier, the Officer recommends that in place of a nitrogen discharge threshold, Policy 11.4.10 and Rule 11.5.25 enables new discharges “*only where the nitrogen loss from the discharge is less than the lawfully permissible nitrogen loss from the farming activity that is replaced*”¹¹. A new discharge unable to comply with this requirement in Rule 11.5.25 is forced into non-complying activity status under Rule 11.5.26.
44. This recommendation is likely to be of limited use to industrial dischargers such as livestock processors. From Mr Douglass’ evidence I understand that livestock processing discharges are similar to that occurring from a dairy farming operation. On this basis, for ANZCO to obtain authorisation for a new wastewater discharge activity under recommended Rule 11.5.25, the discharge would need to replace a dairy farming activity.
45. The difficulty with this is the availability of an adjacent dairy farming operation to purchase or lease, or the cost associated with piping it to the nearest appropriate land. In reality this leaves very few options open to ANZCO for expansion.
46. The introduction to the s32 Report, chapter 10.3, acknowledges that “*the contribution from community sewerage and industrial and trade processes to overall nutrient losses from the catchment is small*”¹². The Report goes on to state that despite this both the NPS Freshwater and the RPS require methods to be implemented to meet freshwater objectives and avoid any additional discharge of contaminants where water quality standards are not met.
47. The main benefit of the Officer’s recommended changes to Policy 11.4.10(c) and Rule 11.5.25(2) is that Nitrogen losses will not increase as a result of new industrial wastewater discharges. This helps to achieve overall Nitrogen limits for the catchment set in Table 11(i) and water quality objectives.

¹¹ Variation 1 to the Proposed Land and Water Regional Plan, Section 42A Report, Environment Canterbury July 2014, pg 204.

¹² Proposed Variation 1 to the Proposed Canterbury Land and Water Regional Plan - Section 32 Evaluation Report pg 110.

48. However, as I will now discuss, it is my view that restricting new industrial discharge activities to areas of specific land use such as dairying, which is the practical effect of the Policy and Rule, is not necessary to achieve the RPS or pLWRP objectives or give effect to the NPS Freshwater as is assumed in the s32 Report¹³.
49. Firstly, livestock processors already manage Nitrogen through consent conditions that restrict loading rates. Therefore, the water quality gains to be made by restricting new industrial discharges may not be all that significant.
50. In addition, as other ANZCO witnesses will explain, a modest level of livestock processing expansion is forecast to occur over the life of the pLWRP. On this basis, providing a reasonable consenting option for new livestock processing discharges will have a negligible impact on achieving the overall nitrogen limits set for the catchment. I will discuss this consenting option below.
51. In reality, the proposed controls on intensive agricultural land use in Variation 1 are the most efficient method of achieving the objectives of the RPS (e.g. Objective 7.2.1, 7.2.4)¹⁴ and the pLWRP (e.g. Objective 3.7, 3.8)¹⁵ and give effect to the NPS Freshwater. This is simply because there have been limited controls placed on such activity to date, and the percentage contribution to the nutrient input for the catchment from industrial and trade process discharges is very small relative to agricultural land use.
52. Finally I note that the s32 evaluation separates the assessment for provisions associated with community sewerage systems and industrial and trade processes from the assessment of farming provisions. In my opinion, this has the potential to skew the benefit / cost ratio for a particular approach by not looking at the activities contributing to water quality issues, and the benefits they provide as a whole.

¹³ Proposed Variation 1 to the Proposed Canterbury Land and Water Regional Plan - Section 32 Evaluation Report pg 112

¹⁴ The full text of Objectives 7.2.1 and 7.2.4 of the RPS are reproduced in **Annexure A** to my evidence.

¹⁵ The full text of Objectives 3.7 and 3.8 of the pLWRP are reproduced in **Annexure A** to my evidence.

“Nitrogen Loss” vs “Nitrogen Load”

53. Both Policy 11.4.10 and Rule 11.5.25 refer to ‘nitrogen loss’. ANZCO’s submission sought that both this policy and rule refer to a Nitrogen loading rate rather than a Nitrogen discharge¹⁶. All ANZCO’s current wastewater discharge consents contain a Nitrogen loading limit to manage effects on water quality. For the Rakaia Plant, this loading limit is set at 150 kg N/ha/year measured as a two year rolling average.
54. This management method involves direct monitoring of the wastewater to determine Nitrogen levels in the discharge so as to comply with a loading rate based on the particular environmental conditions in the discharge area.
55. This can be contrasted with the approach taken under Variation 1, which manages Nitrogen as a discharge (below the root zone) through the modelling of Nitrogen losses using OVERSEER or an equivalent model. As described in Mr Douglass’ evidence and at paragraph 11.302 of the Officers Report, OVERSEER is not well suited to managing livestock processing discharges.
56. To avoid the reliance on OVERSEER and to better integrate with current management practices, I am of the view that Policy 11.4.10 and Rule 11.5.25 can enable new wastewater discharges based on a net Nitrogen loading rate. Mr Douglass considers that 150 kg/N/year would be an appropriate loading rate threshold.
57. I also consider that a loading rate threshold for new discharge activities is appropriate as it will ensure the livestock processing industry is contributing to meeting catchment wide Nitrogen targets in Table 11(i), the RPS objectives and the requirements of the NPS Freshwater.
58. This approach would also avoid the issue that I noted earlier of consent applicants having to find appropriate adjacent land or pipe wastewater potentially significant distances to appropriate land. Adopting a loading rate threshold would ensure that new wastewater discharges are enabled regardless of the previous land use. In my view, from an economic perspective, this approach is more appropriate and equitable than the

¹⁶ V1pLWRP-1484

approach proposed under Variation 1 (as notified) and the modifications proposed by the Reporting Officer.

Proposed Amendments to Policy 11.4.10 and Rule 11.5.25

59. Based on the foregoing, it is my view that Policy 11.4.10 and Rule 11.5.25 as recommended in the Officers Report should be amended as follows (tracked changes from the Officers Report accepted for clarity):

“Policy 11.4.10

Require any person discharging wastewater, liquid waste or sludge waste from an industrial or trade process into or onto land to:

- (a) adopt the best practicable option to manage the treatment and discharge of contaminants; and*
- (b) comply with the terms of any discharge permit that existed as at 13 February 2014, for the term of that discharge permit; and*
- (c) enable new discharges only where the net nitrogen loss load from the discharge is less than the lawfully permissible nitrogen loss from the farming activity that is replaced does not exceed 150 kg nitrogen per hectare per annum.”*

“Rule 11.5.25

~~Despite Rules 11.5.6 to 11.5.15, w~~Within the Selwyn Te Waihora catchment the discharge of any wastewater, liquid waste or sludge waste from an industrial or trade process, including livestock processing, excluding sewerage, into or onto land, or into or onto land in circumstances where a contaminant may enter water is a discretionary activity where the following conditions are met:

- 1. The discharge was lawfully established prior to 13 February 2014; or*
- 2. ~~Where the nitrogen loss from the discharge is less than the lawfully permissible nitrogen loss from the farming activity that is replaced~~ The net nitrogen load does not exceed 150 kg nitrogen per hectare per annum; and*

3. *For all discharges, the best practicable option is used for the treatment and discharge.”*

60. In my opinion, these amendments will allow livestock processors to continue to support the primary agricultural sector so as to fully realise the economic and social benefits associated with livestock production, while contributing to meeting the objectives of the NPS Freshwater (Objective A1 and A2),¹⁷ RPS (Objectives 7.2.1, 7.2.2 and 7.2.3)¹⁸ and pLWRP through Variation 1 (Objective 3.7 and 3.8).¹⁹
61. I am also of the view that the efficiency of the revised policy and rule will be greater than had they remained in their notified form. This is due to a reduction in economic costs by better enabling new discharges and removing reliance on an additional management process (OVERSEER modelling).
62. Finally, I note that the environmental benefits will not be substantially reduced by the revised policy and rule. This is due to the small Nitrogen contribution from livestock processors within the catchment, the modest expansion forecast for the livestock processing industry for the life of Variation 1 and the level of the proposed Nitrogen load limit.
63. For these reasons, I consider that the amendments I have suggested are the most appropriate for achieving the purpose of the RMA and the objectives of Variation 1 and the pLWRP.

Incidental Nutrient Discharges

64. ANZCO submitted that Rules 11.5.16 and 11.5.17 could be interpreted as applying to all discharges of nitrogen, phosphorous, sediment and microbial contaminants,²⁰ not just those related to farming activities. It therefore sought amendments to clarify that this was not the case, and in particular, to ensure the Rules did not add another layer of consenting requirements for discharges from industrial and trade processes.

¹⁷ The full text of Objectives A1 and A2 of the NPS are reproduced in **Annexure A** to my evidence.

¹⁸ The full text of Objectives 7.2.1, 7.2.2 and 7.2.3 of the RPS are reproduced in **Annexure A** to my evidence.

¹⁹ The full text of Objectives 3.7 and 3.8 of the pLWRP are reproduced in **Annexure A** to my evidence.

²⁰ V1pLWRP-1508

65. At paragraph 11.330, the Officers Report implies that the amendment proposed by ANZCO in their submission is unnecessary. Provided Variation 1 recognises that irrigating land with an industrial wastewater discharge is not a farming 'land use', then I agree with the view of the Reporting Officer. This point is addressed below.

Industrial Discharges not Farming Activities

66. The pLWRP including Variation 1 focusses on controlling land uses that have the potential to affect water quality. Consequently the plan has a strong focus on farming activities. The risk with this focus is that non-farming activities unintentionally become affected by policy and rules intended for farming activities only.
67. Rules 11.5.6 to 11.5.15 are intended to control farming activities to manage water quality effects. ANZCO submitted that clarification was required so as to ensure that these farming rules would not be applied to industrial wastewater discharges²¹.
68. I agree with the point raised in ANZCO's submission that there is ambiguity in Variation 1 which may lead to varying interpretations of which activities the farming activity rules apply to. Without specific clarification as to whether Rules 11.5.6 to 11.5.15 apply, a debate may be required at the time a consent application is lodged to resolve this. This is not efficient nor does it meet the pLWRP's aim "*to provide clear direction on how land and water are to be managed*"²².
69. ANZCO's submission suggested a new rule specifically stating that Rules 11.5.6 to 11.5.15 do not apply to the use of land for the land based disposal of wastewater from industrial processing plants, including livestock processing plants²³. The suggested rule is:

"11.5.X Rules 11.5.6 to 11.5.15 do not apply to the use of land for the land based disposal of wastewater from industrial processing plants, including livestock processing plants."

²¹ V1pLWRP-1507

²² <http://ecan.govt.nz/our-responsibilities/regional-plans/regional-plans-under-development/lwrp/pages/default.aspx>, accessed 19 August 2014.

²³ V1pLWRP-1507

70. I am of the view that the inclusion of such a rule in Variation 1 will provide the clarity required to avoid any discussion regarding the application of rules intended for farming activities to industrial discharges. In addition, this clarification will also remove any ambiguity regarding the application of Rules 11.5.16 and 11.5.17 noted earlier in my evidence.
71. This additional rule will have no impact on how the plan gives effect to the NPS Freshwater or the RPS as it simply clarifies how the rules are intended to be applied.
72. For similar reasons, I also consider it appropriate that the Officer's recommended inclusion of the words "*Despite Rules 11.5.6. to 11.5.15...*" at the beginning of Rule 11.5.25 be deleted²⁴. In my view, the addition of these words provides further unnecessary confusion.

Water Abstraction

Reallocation of water

73. The relationship between farmers and livestock processors means that they rely on each other to realise the economic benefit of their individual activities. Because of this relationship, the expansion of meat processing facilities sits behind the development curve for the wider agricultural sector.
74. Where there is pressure on natural resources such as fresh water, livestock processing activities are often left to attempt to gain authorisation to use an over allocated resource. Consequently when water is obtained, the volumes applied for need to be forward looking to ensure future capacity increases are accounted for. This may mean that at the time a resource consent is renewed, a volume of water may be held that has not yet been utilised. This is certainly the case for ANZCO's consents for the Rakaia plant, which include a portion of allocation to cover projected future expansion in its processing operations.
75. ANZCO submitted that re-allocating water based on existing use as outlined in Policy 11.4.23 does not account for water users providing support to growth in the wider agricultural sector for the preceding

²⁴ Variation 1 to the Proposed Land and Water Regional Plan, Section 42A Report, Environment Canterbury July 2014, pg 205.

reasons²⁵. ANZCO suggested a change to Policy 11.4.23 to re-allocate water based on reasonable projections of use. I agree that reallocating water to livestock processing facilities based on demonstrated use (as proposed under Policy 11.4.23) may limit the overall economic and social benefits to be gained from the allocation of water by restricting staged expansion to meet supplier demand.

76. At paragraph 13.95, the Reporting Officer recognises that an exemption for industrial and trade processes from Policy 11.4.23 is appropriate and goes on to recommend an amendment to this Policy that provides this exemption and looks at reallocation based on 'reasonable use' as opposed to demonstrated use.
77. In my view the Officer's recommended amendment to Policy 11.4.23 is appropriate and allows industrial abstractors to plan ahead while ensuring that water is efficiently allocated and not tied up unnecessarily. This is consistent with Objective 7.2.4 and Policy 7.3.8 of the RPS²⁶ which direct that water be managed sustainably between activities considering among other things, the net benefits of using water while ensuring the quantities of water allocated are no more than necessary for the proposed use.

Water transfers

78. ANZCO submitted that requiring the surrender of 50% of groundwater transferred will eliminate the motivation to transfer water. It therefore sought amendments to Policy 11.4.22 and Rule 11.5.37 to remove this requirement and to provide for case by case assessment.
79. I agree requiring that water be surrendered in the volumes specified by Policy 11.4.22 and Rule 11.5.37 will be a significant deterrent to transfers taking place. I therefore agree with the amendments sought by ANZCO.
80. However, in my view, ANZCO's submission could equally be addressed by amendments to the "Community Water Supply" provisions in Variation 1, namely Policy 11.4.22 and Rule 11.5.38.
81. In its submission on the notified pLWRP, ANZCO submitted that water abstractions for livestock processing should be differentiated from other

²⁵ V1pLWRP-1493

²⁶ Set out in full in **Annexure A** to my evidence.

water abstractions such as for irrigation purposes²⁷. This submission was accepted by the Commissioners through the inclusion of industrial and processing water within the new definition of “Community Water Supply”.

82. I note that the recommendation in the Officers Report for Policy 11.4.22 provides an exception for Community Water Supplies in relation to surrendering water on transfer. This recommendation aligns with the relief given in relation to ANZCO’s submission on the pLWRP and would enable the transfer of water from site to site for livestock processing purposes. It is my view that this would be an appropriate direction to take as it ensures consistency between the approach taken by Section 4 and 5 of the pLWRP and the Selwyn Te Waihora Sub-Region chapter.
83. The Reporting Officer’s recommendation for Rule 11.5.37 at page 322 continues to require the surrender of 50% of allocated water on transfer through Condition 4. Recommended Rule 11.5.38 provides the exemption for Community Water Supplies that Policy 11.4.22 directs.
84. However, Rule 11.5.38 states that the exemption only applies if “*The take is to be transferred to a **local authority** and is to be used for community water supply*” (emphasis added). By ensuring this rule only applies to local authorities, the intent of the status given to Community Water Supply in the substantive pLWRP decision is eroded.
85. It is my view that this intent should be reinstated by adopting the Reporting Officer’s recommendation with the following amendments (tracked changes from the Officers Report accepted for clarity):

Despite Rule 11.5.37, the permanent transfer, in whole or in part, (other than to the new owner of the site at which the water is abstracted and where the location of the take and use of water does not change) of a water permit to take or use surface water or groundwater in the Selwyn Te Waihora catchment, is a discretionary activity provided the following condition is met:

1. The take is to be ~~transferred to a local authority and is to be~~ used for community water supply.

²⁷ pLWRP submission point 317.31

86. Regardless of this potential exemption for Community Water Supplies, I am of the view that a blanket 50% surrender on transfer as required by Policy 11.4.22 and Rule 11.5.37 as notified will not give effect to Policy B3 or B6 of the NPS Freshwater.
87. Policy B3 requires Regional Councils to change plans to state criteria by which applications for water transfers are to be decided including “to improve and maximise the efficient allocation of water”²⁸. By effectively eliminating the motivation to transfer water, Variation 1 does not provide an opportunity to improve and maximise the efficient allocation of water through transfers. In an over allocated catchment where new allocation is severely restricted, transfers are one of the main mechanisms for achieving this.
88. Policy B6 of the NPS Freshwater appears to be the main driver behind utilising transfers to phase out over allocation in the Selwyn Te Waihora Sub-Regional Area. As stated in the s32 report “*The surrender portion is high so as to act as a disincentive to the transfer of ‘surplus’ water, rather than provide a means of reducing over-allocation through claw-back*”.²⁹
89. Based on this rationale it is my view that this method will not phase out over allocation as directed by Policy B6 but will only assist in avoiding further over allocation. On this basis Policy 11.4.22 and Rule 11.5.37 as notified will not give effect to the NPS Freshwater. In addition, it is my view that as over allocation will not reduce under these transfer provisions the effectiveness of the provisions in achieving Objective 3.9 and 3.10 have been overstated in the s32 evaluation.
90. Significant discussion was had at the hearings for the pLWRP around transfers and the requirement to surrender a fixed proportion of allocated water. Submissions by Ngai Tahu Property Limited and evidence at the hearing by Dr Brent Cowie provided an alternative to the transfer rule as notified.³⁰
91. In relation to Variation 1 ANZCO submitted that this alternative provides a practical solution that will allow transfers in the Selwyn Te Waihora Sub-

²⁸ National Policy Statement for Freshwater Management 2014, Policy B3, pg 11

²⁹ Proposed Variation 1 to the Land and Water Regional Plan - Section 32 Report pg 176

³⁰ 209.30 NTPL

Regional Area to occur while giving effect to the NPS Freshwater³¹. I agree with this submission point. Consequently it is my view that Policy 11.4.22 and Rule 11.5.37 should be amended as submitted by ANZCO³².

92. By providing for transfers to occur as submitted by ANZCO, an assessment can be made as to the reasonableness of the water allocated to the existing activity, allocation efficiency gains can be made as required by Policy B3 of the NPS Freshwater and transfers can contribute to phasing out over allocation if appropriate as directed by Policy B6 of the NPS Freshwater.
93. If once the Central Plains Water irrigation scheme comes on-line insufficient progress is made to meeting NPS Freshwater objectives, RPS objectives³³ and the objectives of the pLWRP³⁴, other options such as initiating a review of existing water permits under s128 RMA could be undertaken to address situations where consent holders have a true surplus of water.

Consistency of Terminology

94. ANZCO submitted that Variation 1 uses terms and language that is inconsistent with the decisions version of the pLWRP.³⁵ The example quoted in the submission is the reference to 'Industrial and Trade Processes' throughout Variation 1. This term was removed from the decisions version of the pLWRP.
95. I agree with ANZCO's submission and it is my view that a review of Variation 1 should be undertaken so as to ensure language and especially terms that may require defining are consistent across the pLWRP as modified by Variation 1.

Conclusion

96. While the pLWRP through Variation 1 continues to make improvements to the NRRP and provides support for some of ANZCO's activities, there are still areas of concern.

³¹ V1pLWRP-1517

³² As per Rule 5.133 of the decisions version of the pLWRP

³³ Objective 7.2.1 and 7.2.2

³⁴ Objective 3.9, 3.10 3.11, and 3.12

³⁵ V1pLWRP-1513

97. In my opinion, the most significant issues are:
- 97.1. the uncertainty surrounding the Nitrogen limit in Table 11(i) for Industrial and Trade Processes and the lack of assistance that the alternative consenting option in Rule 11.5.25 provides;
 - 97.2. the focus on Nitrogen “loss” as opposed to Nitrogen “load”;
 - 97.3. the potential for livestock processing discharges to be affected by rules that in my view are not the most appropriate for the type and purpose of the discharge; and
 - 97.4. the requirement to surrender 50% of water allocated on transfer.
98. In my view, the Reporting Officer’s recommended amendments to Variation 1 go some way in addressing these issues. However, I consider that the additional amendments set out in my evidence (and reproduced in **Annexure B** to my evidence) are necessary to ensure that livestock processing activities will be able to help communities continue to realise the social and economic benefits from farming activities. They will also allow livestock processors to directly contribute to the local, regional and national economy through the sustainable use of water resources.
99. In doing so, I consider that the Reporting Officer’s recommended amendments as modified in the manner proposed in my evidence are the most appropriate for achieving the objectives of Variation 1, the pLWRP, the RPS and the purpose of the RMA.

Tim Ensor

29 August 2014

ANNEXURE A- TEXT OF PLANNING PROVISIONS

National Policy Statement for Freshwater Management 2014

Objective A1

To safeguard:

- a) the life-supporting capacity, ecosystem processes and indigenous species including their associated ecosystems, of fresh water; and
- b) the health of people and communities, at least as affected by secondary contact with fresh water;

in sustainably managing the use and development of land, and of discharges of contaminants.

Objective A2

The overall quality of fresh water within a region is maintained or improved while:

- a) protecting the significant values of outstanding freshwater bodies;
- b) protecting the significant values of wetlands; and
- c) improving the quality of fresh water in water bodies that have been degraded by human activities to the point of being over-allocated.

Policy B3

By every regional council making or changing regional plans to the extent needed to ensure the plans state criteria by which applications for approval of transfers of water take permits are to be decided, including to improve and maximise the efficient allocation of water.

Policy B6

By every regional council setting a defined timeframe and methods in regional plans by which over-allocation must be phased out, including by reviewing water permits and consents to help ensure the total amount of water allocated in the freshwater management unit is reduced to the level set to give effect to Policy B1.

Canterbury Regional Policy Statement 2013

Objective 7.2.1 – Sustainable management of fresh water

The region's fresh water resources are sustainably managed to enable people and communities to provide for their economic and social wellbeing through abstracting and/or using water for irrigation, hydro-electricity generation and other economic activities, and for recreational and amenity values, and any economic and social activities associated with those values, providing:

- (1) the life-supporting capacity ecosystem processes, and indigenous species and their associated freshwater ecosystems and mauri of the fresh water is safe-guarded; and
- (2) the natural character values of wetlands, lakes and rivers and their margins are preserved and these areas are protected from inappropriate

subdivision, use and development and where appropriate restored or enhanced; and

(3) any actual or reasonably foreseeable requirements for community and stockwater supplies and customary uses, are provided for.

Objective 7.2.2- Parallel processes for managing fresh water

Abstraction of water and the development of water infrastructure in the region occurs in parallel with:

(1) improvements in the efficiency with which water is allocated for abstraction, the way it is abstracted and conveyed, and its application or use;

(2) the maintenance of water quality where it is of a high standard and the improvement of water quality in catchments where it is degraded; and

(3) the restoration or enhancement of degraded fresh water bodies and their surroundings

Objective 7.2.3- Protection of intrinsic value of waterbodies and their riparian zones

The overall quality of freshwater in the region is maintained or improved, and the life supporting capacity, ecosystem processes and indigenous species and their associated fresh water ecosystems are safeguarded.

Objective 7.2.4 - Integrated management of fresh water resources

Fresh water is sustainably managed in an integrated way within and across catchments, between activities, and between agencies and people with interests in water management in the community, considering:

(1) the Ngāi Tahu ethic of Ki Uta Ki Tai (from the mountains to the sea);

(2) the interconnectivity of surface water and groundwater;

(3) the effects of land uses and intensification of land uses on demand for water and on water quality; and

(4) kaitiakitanga and the ethic of stewardship; and

(5) any net benefits of using water, and water infrastructure, and the significance of those benefits to the Canterbury region.

Policy 7.3.8 – Efficient allocation and use of fresh water

To improve efficiency in the allocation and use of fresh water by:

- (1) ensuring the infrastructure used to reticulate and apply water is highly efficient relative to the nature of the activity, for any new take or use of water;
- (2) ensuring the infrastructure used to reticulate and apply water is increasingly efficient (where not already highly efficient) for existing takes and uses of water, having regard to:
 - (a) the nature of the activity;
 - (b) the benefits and costs of achieving a higher level of efficiency;
 - (c) practicable options to implement any change required; and
 - (d) the physical environment in which the activity takes place.
- (3) ensuring the quantities of water allocated, as part of a water allocation regime or by grant of water permit, is no more than is necessary for the proposed use for all activities, including urban uses and municipal supplies;
- (4) recognising the importance of reliability in supply for irrigation;
- (5) recognising the potential for efficiency in infrastructure through combined uses of water and energy efficient infrastructure; and
- (6) promoting the integrated management and use of fresh water resources within or across catchments.

Proposed Canterbury Land and Water Regional Plan

Objective 3.7

Fresh water is managed prudently as a shared resource with many in-stream and out of-stream values.

Objective 3.8

The quality and quantity of water in fresh water bodies and their catchments is managed to safeguard the life-supporting capacity of ecosystems and ecosystem processes, including ensuring sufficient flow and quality of water to support the habitat and feeding, breeding, migratory and other behavioural requirements of indigenous species, nesting birds and, where appropriate, trout and salmon.

Objective 3.9

Abstracted water is shown to be necessary and reasonable for its intended use and any water that is abstracted is used efficiently.

Objective 3.10

Water is available for sustainable abstraction or use to support social and economic activities and social and economic benefits are maximised by the efficient storage, distribution and use of the water made available within the allocation limits or management regimes which are set in this Plan.

Objective 3.11

Water is recognised as an enabler of the economic and social wellbeing of the region.

Objective 3.12

When setting and managing within limited, regard is had to community outcomes for water quality and quantity.

ANNEXURE B – PROPOSED AMENDMENTS TO VARIATION 1

Variation 1 Provision:	The provisions of the Proposed Variation as notified:	Decisions sought by ANZCO through submissions:	Proposed amendments to Variation 1 incorporating changes resulting from review of the s42A report ¹ :																																										
Industrial and Trade Process Discharges / Nutrient Limits																																													
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Policies 11.4.6 and 11.4.10	<p><i>"Policy 11.4.6</i></p> <p><i>Limit the total nitrogen load entering Te Waihora/Lake Ellesmere by restricting the losses of nitrogen from farming activities, industrial and trade processes and community sewerage systems in accordance with the target (the limit to be met over time) and limits in Table 11(i)."</i></p> <p><i>"Policy 11.4.10</i></p> <p><i>Require any person discharging wastewater, liquid waste or sludge waste from an industrial or trade process into or onto land to adopt the best practicable option to manage the treatment and discharge of contaminants and meet the nitrogen load limit for industrial and trade processes in Table 11(i) unless Policy 11.4.11 applies."</i></p>	Delete Policies 11.4.6 and 11.4.10 until an appropriate Nitrogen limit can be developed for discharges from industrial or trade processes.	<p>Delete Policy 11.4.6.</p> <p>Amend Policy 11.4.10 as follows:</p> <p><i>"Policy 11.4.10</i></p> <p><i>Require any person discharging wastewater, liquid waste or sludge waste from an industrial or trade process into or onto land to:</i></p> <p><i>(a) adopt the best practicable option to manage the treatment and discharge of contaminants; and</i></p> <p><i>(b) comply with the terms of any discharge permit that existed as at 13 February 2014, for the term of that discharge permit; and</i></p> <p><i>(c) enable new discharges only where the <u>net nitrogen loss load</u> from the discharge is less than the lawfully permissible nitrogen loss from the farming activity that is replaced <u>does not exceed 150 kg nitrogen per hectare per annum.</u></i>"</p>																																										
Policy 11.4.11	<p><i>"Policy 11.4.11</i></p> <p><i>Enable the discharge of wastewater, liquid waste or sludge waste from an industrial or trade process into or onto land which cumulatively will result in the exceedance of the nitrogen load limit for industrial and trade processes in Table 11(i) only in circumstances where the activity is replacing a farming activity and the discharge will not exceed 15 kg nitrogen per hectare per annum."</i></p>	<p>Amend Policy 11.4.11 as follows (or similar):</p> <p><i>"11.4.11 Enable the discharge of wastewater, liquid waste or sludge waste from an industrial or trade process into or onto land which cumulatively will result in the exceedance of the nitrogen load limit for industrial and trade processes in Table 11(i) only in circumstances where the activity is replacing a farming activity and the discharge <u>net Nitrogen loading rate</u> will not exceed 45 <u>150</u> kg nitrogen per hectare per annum."</i></p>	Delete Policy 11.4.11.																																										

¹ Proposed amendments shown in tracked changes (proposed additions shown in underline; proposed deletions in ~~strike through~~).

Variation 1 Provision:	The provisions of the Proposed Variation as notified:	Decisions sought by ANZCO through submissions:	Proposed amendments to Variation 1 incorporating changes resulting from review of the s42A report ¹ :
Rules 11.5.25 and 11.5.26	<p><i>"Rule 11.5.25</i></p> <p><i>Within the Selwyn Waihora catchment the discharge of any wastewater, liquid waste or sludge waste from an industrial or trade process, including livestock processing, excluding sewerage, into or onto land, or into or onto land in circumstances where a contaminant may enter water (but excluding the renewal of any existing lawfully established discharge) is a discretionary activity where the following conditions are met:</i></p> <p><i>1 The discharge in addition to all lawfully established existing discharges does not exceed the nitrogen load limit in Table 11(i) for industrial or trade processes; or</i></p> <p><i>2 The activity is replacing an existing farming activity and the discharge does not exceed 15 kg nitrogen per hectare per annum; and</i></p> <p><i>3 The best practicable option is used for the treatment and discharge."</i></p> <hr/> <p><i>"Rule 11.5.26</i></p> <p><i>Within the Selwyn Waihora catchment the discharge of any wastewater, liquid waste or sludge waste from an industrial or trade process, including livestock processing, excluding sewerage, into or onto land, or into or onto land in circumstances where a contaminant may enter water that does not meet one or more of the conditions in Rule 11.5.25 is a non-complying activity."</i></p>	<p>Amend Rules 11.5.25 and 11.5.26 as follows (or similar):</p> <p><i>"11.5.25 Within the Selwyn Waihora catchment the discharge of any wastewater, liquid waste or sludge waste from an industrial or trade process, including livestock processing, excluding sewerage, into or onto land, or into or onto land in circumstances where a contaminant may enter water (but excluding the renewal of any existing lawfully established discharge) is a discretionary activity where the following conditions are met:</i></p> <p><i>1 The discharge in addition to all lawfully established existing discharges does not exceed the nitrogen load limit in Table 11(i) for industrial or trade processes; or</i></p> <p><i>2 1 The activity is replacing an existing farming activity and the discharge net Nitrogen loading rate does not exceed 45 150 kg nitrogen per hectare per annum;</i></p> <p><i>and</i></p> <p><i>3 2 The best practicable option is used for the treatment and discharge."</i></p> <p><i>"11.5.26 Within the Selwyn Waihora catchment the discharge of any wastewater, liquid waste or sludge waste from an industrial or trade process, including livestock processing, excluding sewerage, into or onto land, or into or onto land in circumstances where a contaminant may enter water (but excluding the renewal of any existing lawfully established discharge) that does not meet one or more of the conditions in Rule 11.5.25 is a non-complying activity."</i></p>	<p>Amend Rule 11.5.25 as follows:</p> <p><i>"Rule 11.5.25</i></p> <p><i>Despite Rules 11.5.6 to 11.5.15, w</i><i>Within the Selwyn Te Waihora catchment the discharge of any wastewater, liquid waste or sludge waste from an industrial or trade process, including livestock processing, excluding sewerage, into or onto land, or into or onto land in circumstances where a contaminant may enter water is a discretionary activity where the following conditions are met:</i></p> <p><i>1. The discharge was lawfully established prior to 13 February 2014; or</i></p> <p><i>2. Where the nitrogen loss from the discharge is less than the lawfully permissible nitrogen loss from the farming activity that is replaced The net nitrogen load does not exceed 150 kg nitrogen per hectare per annum; and</i></p> <p><i>3. For all discharges, the best practicable option is used for the treatment and discharge."</i></p> <hr/> <p>Retain notified version of Rule 11.5.26 as follows:</p> <p><i>"Rule 11.5.26</i></p> <p><i>Within the Selwyn Waihora catchment the discharge of any wastewater, liquid waste or sludge waste from an industrial or trade process, including livestock processing, excluding sewerage, into or onto land, or into or onto land in circumstances where a contaminant may enter water that does not meet one or more of the conditions in Rule 11.5.25 is a non-complying activity."</i></p>
Industrial Discharges/ Farming Activities/			
Policy 11.4.16	<p><i>"Policy 11.4.16</i></p> <p><i>Despite Policy 11.4.14 and 11.4.15, from 2037 no property or farming enterprise shall leach more than 80 kg of nitrogen per hectare per annum."</i></p>	<p>Amend Policy 11.4.16 as follows or similar:</p> <p><i>"11.4.16 Despite Policy 11.4.14 and 11.4.15, from 2037 no property or farming enterprise <u>undertaking a farming activity</u> shall leach more than 80 kg of nitrogen per hectare per annum."</i></p>	<p>Retain notified version of Rule 11.4.16 as follows, provided that a new rule 11.5.X (as outlined below) is included in the Variation.</p> <p><i>"Policy 11.4.16</i></p> <p><i>Despite Policy 11.4.14 and 11.4.15, from 2037 no property or farming enterprise shall leach more than 80 kg of nitrogen per hectare per annum."</i></p>
Rules 11.5.6 to 11.5.15	None	<p>Include a new Rule before Rule 11.5.6 which provides as follows (or similar):</p> <p><i><u>"11.5.X Rules 11.5.6 to 11.5.15 do not apply to the use of land for the land based disposal of wastewater from industrial processing plants, including livestock processing plants."</u></i></p>	<p>Include a new Rule before Rule 11.5.6 which provides as follows (or similar):</p> <p><i><u>"Rule 11.5.X</u></i></p> <p><i><u>Rules 11.5.6 to 11.5.15 do not apply to the use of land for the land based disposal of wastewater from industrial processing plants, including livestock processing plants."</u></i></p>
Rules 11.5.16 and 11.5.17	<p><i>"Rule 11.5.16</i></p> <p><i>The discharge of nitrogen, phosphorus, sediment and microbial contaminants onto or into land in circumstances that may result in a contaminant entering water that would otherwise contravene s15(1) of the RMA, in the Selwyn Waihora catchment, is a permitted activity, provided the following condition is met:</i></p> <p><i>1. The land use activity associated with the discharge is authorised under Rules 11.5.6 to Rule 11.5.14."</i></p>	<p>Amend Rule 11.5.16 as follows (or similar):</p> <p><i>"11.5.16 The discharge of nitrogen, phosphorus, sediment and microbial contaminants onto or into land in circumstances that may result in a contaminant entering water that would otherwise contravene s15(1) of the RMA, in the Selwyn Waihora catchment, is a permitted activity, provided the following conditions <u>is are</u> met:</i></p> <p><i>1. The land use activity associated with the discharge is authorised under Rules 11.5.6 to Rule 11.5.14; or</i></p> <p><i>2. The discharge is permitted by another rule authorising the discharge of <u>nitrogen, phosphorus, sediment and microbial contaminants onto or into land in circumstances that may result in a contaminant entering water that would otherwise contravene s15(1) of the RMA."</u></i></p>	<p>Retain notified version of Rule 11.5.16 as follows provided that a new Rule 11.5.x (as noted above) is included in Variation 1:</p> <p><i>"Rule 11.5.16</i></p> <p><i>The discharge of nitrogen, phosphorus, sediment and microbial contaminants onto or into land in circumstances that may result in a contaminant entering water that would otherwise contravene s15(1) of the RMA, in the Selwyn Waihora catchment, is a permitted activity, provided the following condition is met:</i></p> <p><i>1. The land use activity associated with the discharge is authorised under Rules 11.5.6 to Rule 11.5.14."</i></p>

Water Abstraction – Reallocation of Water			
Policy 11.4.23	<p>“Policy 11.4.23</p> <p>Only reallocate water to existing resource consent holders at a rate and volume that reflects demonstrated use.”</p>	<p>Amend Policy 11.4.23 as follows or similar:</p> <p>“11.4.23 Only reallocate water to existing resource consent holders at a rate and volume that reflects demonstrated use <u>unless, in the case of industrial processing, it can be demonstrated that the water usage has grown over time and/or the rate and volume is necessary to meet projected demand and/or is necessary to provide water in times of drought.</u>”</p>	<p>Amend Policy 11.4.23 as follows:</p> <p>“Policy 11.4.23</p> <p>Only reallocate water to existing resource consent holders at a rate and volume that reflects demonstrated <u>reasonable use as calculated in accordance with Schedule 10 to provide a volume required to meet demand conditions in eight and a half out of ten years for a system with an application efficiency of 80%.</u>”</p>
Rules 11.5.32 and 11.5.36.	<p>“Rule 11.5.32</p> <p>The taking and use of surface water from a river, lake or wetland or groundwater within the Selwyn Waihora catchment and including all areas within the Little Rakaia Combined Surface and Groundwater Allocation Zone is a restricted discretionary activity, provided the following conditions are met:</p> <ol style="list-style-type: none"> 1. The take in addition to all existing resource consented takes, does not result in any exceedance of any of the allocation limits in Table 11(e), 11(f) and 11(g); or 2. The proposed take is the replacement of a lawfully established surface water or groundwater take for which an application to continue the activity has been made under s124 of the RMA and there is no increase in the proposed rate of take or annual volume; and 3. A surface water or a 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 restriction regime in Tables 11(c) and 11(d); and 4. A groundwater take within the West Melton Special Zone as shown on the Planning Maps complies with the level restrictions in Table 11(h); and 5. Unless it is associated with the artificial opening of a hāpua, lagoon or coastal lake to the sea, the take is not from a wetland or hāpua; and 6. For the renewal of an existing irrigation take the annual volume and maximum rate of take has been calculated in accordance with method 1 in Schedule 10; and 7. The take is not a surface water or groundwater take with a direct or high degree of stream depletion effect greater than 5 L/s, determined in accordance with Schedule 9, within the Waikewai Creek and Taumutu Creek catchments; and 8. The bore interference effects are acceptable, as determined in accordance with Schedule 12.” 	<p>Amend Rule 11.5.32 as follows or similar:</p> <p>“11.5.32 The taking and use of surface water from a river, lake or wetland or groundwater within the Selwyn Waihora catchment and including all areas within the Little Rakaia Combined Surface and Groundwater Allocation Zone is a restricted discretionary activity, provided the following conditions are met:</p> <ol style="list-style-type: none"> 1. The take in addition to all existing resource consented takes, does not result in any exceedance of any of the allocation limits in Table 11(e), 11(f) and 11(g); or 2. The proposed take is the replacement of a lawfully established surface water or groundwater take for which an application to continue the activity has been made under s124 of the RMA and there is no increase in the proposed rate of take or annual volume; and 3. A surface water or a 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 restriction regime in Tables 11(c) and 11(d); and 4. A groundwater take within the West Melton Special Zone as shown on the Planning Maps complies with the level restrictions in Table 11(h); and 5. Unless it is associated with the artificial opening of a hāpua, lagoon or coastal lake to the sea, the take is not from a wetland or hāpua; and 6. For the renewal of an existing irrigation take <u>that is not associated with land based disposal of wastewater from industrial processing</u> the annual volume and maximum rate of take has been calculated in accordance with method 1 in Schedule 10; and 7. The take is not a surface water or groundwater take with a direct or high degree of stream depletion effect greater than 5 L/s, determined in accordance with Schedule 9, within the Waikewai Creek and Taumutu Creek catchments; and 8. The bore interference effects are acceptable, as determined in accordance with Schedule 12.” 	<p>Retain notified version of Rule 11.5.32 as follows:</p> <p>“Rule 11.5.32</p> <p>The taking and use of surface water from a river, lake or wetland or groundwater within the Selwyn Waihora catchment and including all areas within the Little Rakaia Combined Surface and Groundwater Allocation Zone is a restricted discretionary activity, provided the following conditions are met:</p> <ol style="list-style-type: none"> 1. The take in addition to all existing resource consented takes, does not result in any exceedance of any of the allocation limits in Table 11(e), 11(f) and 11(g); or 2. The proposed take is the replacement of a lawfully established surface water or groundwater take for which an application to continue the activity has been made under s124 of the RMA and there is no increase in the proposed rate of take or annual volume; and 3. A surface water or a 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 restriction regime in Tables 11(c) and 11(d); and 4. A groundwater take within the West Melton Special Zone as shown on the Planning Maps complies with the level restrictions in Table 11(h); and 5. Unless it is associated with the artificial opening of a hāpua, lagoon or coastal lake to the sea, the take is not from a wetland or hāpua; and 6. For the renewal of an existing irrigation take the annual volume and maximum rate of take has been calculated in accordance with method 1 in Schedule 10; and 7. The take is not a surface water or groundwater take with a direct or high degree of stream depletion effect greater than 5 L/s, determined in accordance with Schedule 9, within the Waikewai Creek and Taumutu Creek catchments; and 8. The bore interference effects are acceptable, as determined in accordance with Schedule 12.”
Transfer of Water Permits			
Policy 11.4.22 and Rules 11.5.37 and 11.5.39	<p>“Policy 11.4.22</p> <p>Restrict the transfer of water permits within the Rakaia-Selwyn and Selwyn-Waimakariri water allocation zones to minimise the cumulative effects on flows in hill-fed lowland and spring-fed plains rivers from the use of allocated but unused water, by requiring that:</p> <ol style="list-style-type: none"> (a) Irrigation scheme shareholders within the Irrigation Scheme Area shown on the Planning Maps do not transfer their permits to take and use groundwater; and (b) No permit to take and use groundwater is transferred from down-plains to up-plains; and (c) In all other cases 50% of any transferred water is surrendered.” 	<p>Amend Policy 11.4.22 as follows:</p> <p>“11.4.22 Restrict the transfer of water permits within the Rakaia-Selwyn and Selwyn-Waimakariri water allocation zones to minimise the cumulative effects on flows in hill-fed lowland and spring-fed plains rivers from the use of allocated but unused water, by requiring that:</p> <ol style="list-style-type: none"> (a) Irrigation scheme shareholders within the Irrigation Scheme Area shown on the Planning Maps do not transfer their permits to take and use groundwater; and (b) No permit to take and use groundwater is transferred from down-plains to up-plains; and (c) In all other cases 50% of any transferred water is surrendered.” <p>Amend Rule 11.5.37 as follows:</p> <p>“11.5.37 The temporary or permanent transfer, in whole or in part, (other than to</p>	<p>Amend Policy 11.4.22 as follows:</p> <p>“Policy 11.4.22</p> <p>Restrict the transfer of water permits within the Rakaia-Selwyn and Selwyn-Waimakariri water allocation zones to minimise the cumulative effects on flows in hill-fed lowland and spring-fed plains rivers from the use of allocated but unused water, by requiring that:</p> <ol style="list-style-type: none"> (a) Irrigation scheme shareholders within the Irrigation Scheme Area shown on the Planning Maps do not transfer their permits to take and use groundwater; and (b) No permit to take and use groundwater is transferred from down-plains to up-plains; and (c) In all other cases 50% of any transferred water is surrendered.”

	<p><i>“Rule 11.5.37</i></p> <p><i>The temporary or permanent transfer, in whole or in part, (other than to the new owner of the site to which the take and use of water relates and where the location of the take and use of water does not change) of a water permit to take or use surface water or groundwater within the Selwyn Waihora catchment, is a restricted discretionary activity, provided the following conditions are met:</i></p> <ol style="list-style-type: none"> <i>1. The reliability of supply for any other lawfully established water take is not reduced; and</i> <i>2. In the case of surface water, the point of take remains within the same surface water catchment and the take complies with the minimum flow and restriction regime in Tables 11(c) and 11(d); or</i> <i>3. In the case of groundwater:</i> <ol style="list-style-type: none"> <i>(a) the point of take is within the same groundwater allocation zone or combined surface and groundwater allocation zone; and</i> <i>(b) the bore interference effects as set out in Schedule 12 are acceptable; and</i> <i>(c) the transfer is not from down-plains to up-plains; and</i> <i>(d) the transfer is not from a person who holds shares in an Irrigation Scheme in the Irrigation Scheme Area as shown on the Planning Maps; and</i> <i>(e) In addition for stream depleting groundwater takes:</i> <ol style="list-style-type: none"> <i>(i) the transfer is within the same surface water catchment; and</i> <i>(ii) the take complies with the minimum flow and restriction regime in Table 11(c) and 11(d); and</i> <i>(iii) the stream depletion effect is no greater in the transferred location than in the original location; and</i> <i>4 If the transfer is within the Rakaia-Selwyn or Selwyn-Waimakariri Combined Surface and Groundwater Allocation Zones 50% of the volume of transferred water is to be surrendered.</i> <p>The exercise of discretion is restricted to the following matters:</p> <ol style="list-style-type: none"> <i>1. The nature of the transfer, whether short term, long term, partial or full, and the apportioning of the maximum rate of take and annual volume in the case of a partial transfer; and</i> <i>2. The appropriateness of conditions, including conditions on minimum flow, annual volume and other restrictions to mitigate effects; and</i> <i>3. The reasonable need for the quantities of water sought, the intended use of the water and the ability of the applicant to abstract and use those quantities; and</i> <i>4. The efficiency of the exercise of the resource consent; and</i> <i>5. The reduction in the rate of take in times of low flow; and</i> <i>6. The method of preventing fish from entering any water intake.”</i> 	<p><i>the new owner of the site to which the take and use of water relates and where the location of the take and use of water does not change) of a water permit to take or use surface water or groundwater within the Selwyn Waihora catchment, is a restricted discretionary activity, provided the following conditions are met:</i></p> <ol style="list-style-type: none"> <i>1. The reliability of supply for any other lawfully established water take is not reduced; and</i> <i>2. In the case of surface water, the point of take remains within the same surface water catchment and the take complies with the minimum flow and restriction regime in Tables 11(c) and 11(d); or</i> <i>3. In the case of groundwater:</i> <ol style="list-style-type: none"> <i>(a) the point of take is within the same groundwater allocation zone or combined surface and groundwater allocation zone; and</i> <i>(b) the bore interference effects as set out in Schedule 12 are acceptable; and</i> <i>(c) the transfer is not from down-plains to up-plains; and</i> <i>(d) the transfer is not from a person who holds shares in an Irrigation Scheme in the Irrigation Scheme Area as shown on the Planning Maps; and</i> <i>(e) In addition for stream depleting groundwater takes:</i> <ol style="list-style-type: none"> <i>(i) the transfer is within the same surface water catchment; and</i> <i>(ii) the take complies with the minimum flow and restriction regime in Table 11(c) and 11(d); and</i> <i>(iii) the stream depletion effect is no greater in the transferred location than in the original location; and</i> <i>4 If the transfer is within the Rakaia-Selwyn or Selwyn-Waimakariri Combined Surface and Groundwater Allocation Zones 50% of the volume of transferred water is to be surrendered.</i> <p>The exercise of discretion is restricted to the following matters:</p> <ol style="list-style-type: none"> <i>1. The nature of the transfer, whether short term, long term, partial or full, and the apportioning of the maximum rate of take and annual volume in the case of a partial transfer; and</i> <i>2. The appropriateness of conditions, including conditions on minimum flow, annual volume and other restrictions to mitigate effects; and</i> <i>3. The reasonable need for the quantities of water sought, the intended use of the water and the ability of the applicant to abstract and use those quantities; and</i> <i>4. The efficiency of the exercise of the resource consent; and</i> <i>5. The reduction in the rate of take in times of low flow; and</i> <i>6. The method of preventing fish from entering any water intake; and</i> <i>7. Where the surface water and/or groundwater allocation limits set in Section 11 are exceeded, any reduction in the rate or volume of take that may be required to assist with the phasing out of that exceedance.”</i> 	<p><i>Rule 11.5.37</i></p> <p><i>The temporary or permanent transfer, in whole or in part, (other than to the new owner of the site to which the take and use of water relates and where the location of the take and use of water does not change) of a water permit to take or use surface water or groundwater within the Selwyn Waihora catchment, is a restricted discretionary activity, provided the following conditions are met:</i></p> <ol style="list-style-type: none"> <i>1. The reliability of supply for any other lawfully established water take is not reduced; and</i> <i>2. In the case of surface water, the point of take remains within the same surface water catchment and the take complies with the minimum flow and restriction regime in Tables 11(c) and 11(d); or</i> <i>3. In the case of groundwater:</i> <ol style="list-style-type: none"> <i>(a) the point of take is within the same groundwater allocation zone or combined surface and groundwater allocation zone; and</i> <i>(b) the bore interference effects as set out in Schedule 12 are acceptable; and</i> <i>(c) the transfer is not from down-plains to up-plains; and</i> <i>(d) the transfer is not from a person who holds shares in an Irrigation Scheme in the Irrigation Scheme Area as shown on the Planning Maps; and</i> <i>(e) In addition for stream depleting groundwater takes:</i> <ol style="list-style-type: none"> <i>(i) the transfer is within the same surface water catchment; and</i> <i>(ii) the take complies with the minimum flow and restriction regime in Table 11(c) and 11(d); and</i> <i>(iii) the stream depletion effect is no greater in the transferred location than in the original location; and</i> <i>4 If the transfer is within the Rakaia-Selwyn or Selwyn-Waimakariri Combined Surface and Groundwater Allocation Zones 50% of the volume of transferred water is to be surrendered.</i> <p>The exercise of discretion is restricted to the following matters:</p> <ol style="list-style-type: none"> <i>1. The nature of the transfer, whether short term, long term, partial or full, and the apportioning of the maximum rate of take and annual volume in the case of a partial transfer; and</i> <i>2. The appropriateness of conditions, including conditions on minimum flow, annual volume and other restrictions to mitigate effects; and</i> <i>3. The reasonable need for the quantities of water sought, the intended use of the water and the ability of the applicant to abstract and use those quantities; and</i> <i>4. The efficiency of the exercise of the resource consent; and</i> <i>5. The reduction in the rate of take in times of low flow; and</i> <i>6. The method of preventing fish from entering any water intake; and</i> <i>7. Where the surface water and/or groundwater allocation limits set in Section 11 are exceeded, any reduction in the rate or volume of take that may be required to assist with the phasing out of that exceedance.”</i>
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Rule 11.5.38	<p><i>"Rule 11.5.38</i> <i>Despite Rule 11.5.37, the permanent transfer, in whole or in part, of a water permit to take or use surface water or groundwater in the Selwyn Waihora catchment, is a discretionary activity provided the following condition is met:</i></p> <p>1. <i>The take is to be transferred to a local authority and is to be used for community water supply."</i></p>	N/A	<p>Amend Rule 11.5.38 as follows:</p> <p><i>"Rule 11.5.38</i> <i>Despite Rule 11.5.37, the permanent transfer, in whole or in part, of a water permit to take or use surface water or groundwater in the Selwyn Waihora catchment, is a discretionary activity provided the following condition is met:</i></p> <p><i>The take is to be transferred to a local authority and is to be used for community water supply."</i></p>
Consistency of Terminology			
The terms and language of Variation 1	Variation 1 generally.	Review and amend Variation 1 to ensure consistency of language and terminology.	Review and amend Variation 1 to ensure consistency of language and terminology.