Gay Gibson

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

Sent: Friday, 24 October 2014 1:02 p.m.

Subject: Ballance Agri-Nutrient Limited Submission to Variation 2 to the proposed Canterbury

Land & Water Regional Plan

Attachments: Final_Submission to Variation 2 of the proposed LWRP.pdf; ATT00001.htm;

PastedGraphic-1.tiff; ATT00002.htm; facebook_icon.png; ATT00003.htm;

linkedin_icon.png; ATT00004.htm

To whom it may concern,

Please find enclosed a submission lodged on behalf of Ballance Agri-Nutrient Limited to Variation 2 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 / Environmental Planner

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

http://ryderconsulting.co.nz/



TO:

Phone:

SUBMISSION TO VARIATION 2 OF THE PROPOSED CANTERBURY LAND & WATER REGIONAL PLAN

Variation 2 to the proposed Canterbury Land &

	Water Regional Plan Environment Canterbury PO Box 345 CHRISTCHURCH 8140
BY E-MAIL:	mailroom@ecan.govt.nz
SUBMISSION ON:	Variation 2 proposed Canterbury Land & Water Regional Plan
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

(07) 572 7874

1.0 INTRODUCTION

Ballance Agri-nutrients Limited (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. Ballance owns and operates super-phosphate manufacturing plants located in Tauranga and Invercargill, as well as New Zealand's only ammonia-urea manufacturing plant located at Kapanui, South Taranaki. The Company also owns and operates the agricultural aviation company 'SuperAir', 'SealesWinslow', 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 2 of the proposed Canterbury Land and Water Regional Plan ('pL&WRP'). In preparing its submission, Ballance has had regard to the National Policy Statement for Freshwater Management 2014 ('NPS FM'), the operative Canterbury Regional Policy Statement ('the RPS'), the pL&WRP decisions version, proposed Variation 1 to the L&WRP, the Canterbury Water Management Strategy ('the CWMS'), Hazardous Substances and New Organisms Act 1996 ('HSNO Act') and the Resource Management Act 1991 ('RMA').

We note, for completeness, that this submission has been prepared by Ryder Consulting Limited ('Ryder'). Ryder is an environmental consultancy with considerable experience in all facets of resource management, including 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. We understand that Ryder has draw upon that experience when preparing this submission.

The key themes within Ballance's submission are:

- a. Variation 2 must be supported by a robust, comprehensive and practicable 'implementation plan'. The implementation plan must set out how the Council and the Hinds/Hekeao Plains community are to collectively give effect to the nutrient baseline approach promulgated within Variation 2;
- b. The nutrient budget requirements must be staged such that they are practicable and able to be effectively implemented; and
- c. Key terms should be clearly defined.

2.0 SUBMISSIONS

1.1 SUBMISSION 1 – Nutrient Management & Implementation of the Nitrogen Baseline Approach within Variation 2

- (a) Ballance's first submission point to Variation 2 stems from the approach advanced to implement the 'nitrogen baseline'.
- (b) The nitrogen baseline forms the basis of the regulatory framework advanced through Variation 2. This baseline essentially, requires farms to model nitrogen discharges below the root zone using OVERSEER and to average the same between the period of 1st of July 2009 to the 30th of June 2013. This average forms the baseline.
- (c) The Company considers that the nitrogen baseline approach advanced through Variation 2 should be supported by a detailed, robust and transparent implementation plan. The implementation plan should clearly set out how the nitrogen baseline approach will be implemented within the Hinds/Hekeao Plains catchment. The Company notes that in accordance with the farming provisions contained in the pL&WRP, Variation 2 requires all farming activities to demonstrate compliance with the nitrogen baseline. Further, under Rule 13.5.9, Rule 13.5.15 and Rule 13.5.16 farming activities are required to either implement the practices in schedule 24a or prepare and implement a Farm Environment Plan ('FEP's'). This option is removed in rules 13.5.10, 13.5.14, 13.5.17 and 13.5.18 where farms are required to prepare FEPs. We note an inconsistency between these rules where in one instance farms have the option to 'prepare and implement' a FEP, and in the other case farms are required to 'prepare' a FEP. Ballance consider that to give effect to a FEP it also needs to be a requirement that this is implemented. Subsequently, the Company request that Rules 13.5.10, 13.5.14, 13.5.17 and 13.5.18 be amended.
- (d) Further, Ballance consider that the rule framework advanced in Variation 2 will be constrained in terms of Council's ability to administer and monitor the information requirements, while difficulties will also most certainly arise from the primary sectors ability to prepare, update and then audit the nutrient budgets and Farm Environmental Plans required. Without a robust, transparent and practicable implementation plan supporting Variation 2 the constraints facing the nitrogen baseline approach may prevent the achievement of the nutrient management outcomes sought for the Hinds/Hekeao Plains catchment.
- (e) The Company is particularly concerned with the capacity issues associated with the increased requirement to produce nutrient budgets. As set out above, Variation 2 requires nitrogen baselines to be established for all farms. In total there are 529 farms in the Hinds/Hekeao Plains catchment (Bower, 2014, pge. 100¹). Given this, it would take approximately 2116 hours to prepare nutrient budgets for all farms in the Hinds/Hekeao Plains catchment, on the basis of nutrient budgets taking on average 4 hours to prepare. To put in context further, this equates to 265 full eight hour days. Given the number of farms in the Hinds/Hekeao Plains catchment, significant resourcing will be needed to meet this requirement. Presently, Variation 2 provides

-

¹ Bower, R. (2014). Hinds/Hekeao Plains Technical Overview – Subregional Plan Development Process. Christchurch: Environment Canterbury Regional Council.

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 in accordance with Schedule 7 of the pL&WRP and Schedule 24a of Variation 2. In the Company's opinion, this is a significant shortcoming and should be remedied through the adoption of an implementation plan.

- (f) From experience, Ballance also has an understanding of the types of expertise that are needed to effectively and appropriately prepare robust FEPs. Expertise in this area has increased in recent years. However, Ballance question whether there is sufficient capacity to produce FEPs for all farms and lifestyle farms in the Hinds/Hekeao Plains area as required by Variation 2. As with the Company's concerns relating to the need for an implementation plan guiding the development of nutrient budgets, the Company raises similar concerns relating to implementing FEPs in the Hinds/Hekeao Plains catchment.
- (g) Given the foregoing, Ballance believe that Variation 2 should establish, as a non regulatory method, an implementation plan that supports the policy and rule framework for both the primary sector and the Council itself. The intention of the implementation plan will be to guide the practical operation and introduction of the regulatory framework proposed. This will include setting out the steps and timeframes that the Council will employ to implement Variation 2. The Company considers that this should include the following key provisions:
 - a. The process and associated timeframes for establishing an independent advisory panel for the purpose of:
 - i. Confirming a phased implementation timeline.
 - ii. Appropriate use of OVERSEER within the Hinds/Hekeao Plains catchment and any associated development requirements.
 - iii. Considering any prioritisation of land management practices in relation to nitrogen management, phosphorus management and the management of sediment and E.Coli.
 - iv. Consideration of adaptive management processes for reducing nitrogen leaching from affected farming properties where implementation of progressively more stringent on-farm management practices are required.
 - v. Reviewing the effectiveness of any mitigation technologies.
 - b. 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 pL&WRP and Schedule 24a of Variation 2. 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 applicable in situations where there is an absence of input data and how such assumptions would be recorded.
 - c. The process (with the associated timeframes) that will be implemented to approve the 'Farm Environment Plan Auditors'. 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
 - d. 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 2 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 2 are well aware of its provisions, implications and what they need to do (by when) to comply with the obligations that it establishes.

- e. 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 application. 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 and respected and have a good understanding of the issues facing the Hinds/Hekeao Plains catchment.
- (h) 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.
- (i) Given the foregoing, Ballance opposes the lack of a robust, appropriately detailed, transparent and practicable implementation plan supporting Variation 2.

Relief Sought

(a) That Rule 13.5.10 be amended as follows:

"The use of land for a farming activity as part of a farming enterprise in the Upper Hinds/Hekeao Plains Area is a discretionary activity, provided the following conditions are met:

- 1. The nitrogen loss calculation for the farming enterprise does not increase above the nitrogen baseline; and
- 2. The farming enterprise is solely in the Upper Hinds/Hekeao Plains Area; and
- 3. A Farm Environment Plan has been prepared <u>and implemented</u> in accordance with Schedule 7 Part A, and supplied to the Canterbury Regional Council on request."
- (b) That Rule 13.5.14 be amended as follows:

"Despite any of Rules 13.5.15 to 13.5.20 the use of land for a farming activity or farming enterprise in the Lower Hinds/Hekeao Plains Area is a discretionary activity, provided the following conditions are met:

1. The future nitrogen loss calculation for the area of land subject to any application for resource consent made under this rule will be less than or equal to 27kg per hectare per annum for the activity applied for; and

- 2. The total area of the land subject to any resource consent granted under this Rule and any area of land subject to Row B of Table 13(i) does not exceed 30,000 hectares; and
- 3. The farming activity or farming enterprise is solely in the Lower Hinds/Hekeao Plains Area; and
- 4. A farm Environment Plan has been prepared <u>and implemented</u> in accordance with Schedule 7 Part A<u>, and supplied to the Canterbury Regional Council on request;</u> and
- 5. The Farm Environment Plan identifies the area of land subject to any application for a resource consent made under this Rule."

(c) That Rule 13.5.17 be amended as follows:

"From 1 January 2017, the use of land for a farming activity in the Lower Hinds/Hekeao Plains Area is a restricted discretionary activity, provided the following conditions are met:

- 1. The nitrogen loss calculation for the property is greater than 20kg per hectare per annum; and
- 2. The nitrogen loss calculation for the property, excluding any area of land subject to a resource consent granted under Rule 13.5.14, does not increase above the nitrogen baseline; and
- 3. A Farm Environment Plan has been prepared <u>and implemented</u> in accordance with Schedule 7 Part A, <u>and supplied to the Canterbury Regional Council on request.</u>"

(d) That Rule 13.5.18 be amended as follows:

"The use of land for a farming activity as part of a farming enterprise in the Lower Hinds/Hekeao Plains Area is a discretionary activity, provided the following conditions are met:

- 1. The farming enterprise is solely in the Lower Hinds/Hekeao Plains Area; and
- 2. The nitrogen loss calculation for the farming enterprise, excluding any area of land subject to a resource consent granted under Rule 13.5.14, does not increase above the nitrogen baseline; and
- 3. A farm Environment Plan has been prepared <u>and implemented</u> in accordance with Schedule 7 Part A, <u>and supplied to the Canterbury Regional Council on request.</u>"
- (e) That the policy framework supporting Variation 2 be amended to include non-regulatory methods to guide the implementation process for the nitrogen baseline for the Hinds Plains area. More specifically, the Company requests the following amendments to Policy Section 13.4:

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 Hinds/Hekeao Plains catchment and any associated development requirements;
- c. considering any prioritization of land management practices in relation to not only nitrogen management, but also phosphorus, sediment and E.Coli;

- d. consideration of adaptive management processes 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.

- (f) Any similar relief with like effect.
- (g) Any consequential amendments arising from the amendments sought above.

1.2 SUBMISSION 2 – Good Management Practices for Phosphorus and Sediment Loss

- (a) Ballance's second submission point relates to the need for Variation 2 to provide better guidance as to good management practice for phosphorus and sediment loss in the Hinds/Hekeao Plains catchment.
- (b) Ballance notes that the section 32 report identifies the four key contaminants in the Hinds/Hekeao Plains catchment: nitrogen, phosphorus, sediment and microbial contaminants (page 20). The Company notes that Variation 2 primarily focuses on nitrogen discharges.
- (c) The section 32 report also makes the point that there is insufficient information and knowledge to set a phosphorus discharge allowance in the Hinds/Hekeao Plains catchment and, as such, this approach was discounted (page 113). The section 32 report sets out that option 2, to use good management practices and farm plans, is considered to be the most effective in achieving the freshwater outcomes. As such, the Company understands that Variation 2 ensures farming activities manage phosphorus, sediment and microbial contamination alongside the management of nitrogen via the application of good management practices established through Farm Environment Plans and Schedule 24a.
- (d) While Ballance broadly supports the initiatives embodied within Variation 2 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 FEPs 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 Variation2 be amended to include a non-regulatory method to further guide good management practice for phosphorus and sediment loss in the Hinds/Hekeao Plains catchment. More specifically, the Company requests the following amendment to Policy Section 13.4:

"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 Hinds/Hekeao Plains catchment and that, where necessary, any outcomes of this further work be included in Section 13 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 sought above.

1.3 SUBMISSION 3 – Section 13.1A: Definition of Good Management Practice

- (a) The specific provision of Variation 2 that Ballance's submission relates to is the definition of 'Good Management Practice Nitrogen Loss Rates'.
- (b) Variation 2 proposes to include a number of definitions into section 13 of the pL&WRP. Ballance broadly accepts those definitions proposed, however, amendments are sought to the definition of 'Good Management Practice Nitrogen Loss Rates' to assist in the implementation of the Plan. It is noted that the absence of an adequate, robust definition of 'Good Management Practice Nitrogen Loss Rates' in Variation 2, causes the Company to question the usefulness of this definition. This is especially relevant when applied to both the policy and rule framework supporting Variation 2.
- (c) A table of nitrogen loss rates for good management practice at the property level has not been developed to support Variation 2. Indeed, Policy 4.11 of the pL&WRP (decisions version) states that good management practice will be codified and introduced into the Plan by way of a plan change on or before the 30th of October 2016.
- (d) The section 32 report supporting Variation 2 acknowledges that 'good management practice' may not have been adequately defined (page 119). According to the authors of this report, the Canterbury Regional Council and a number of other key stakeholders are currently working together on a Matrix of Good Management Practices ('MGMP'). It is intended that the outcome of this project will include information on nitrogen loss rates for different land uses with different soil types and climate under good management practice. Ballance understands that the MGMP will 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.
- (e) In the Company's opinion, it seems counter intuitive and an inefficient use of resources to promote a variation when the key means of achieving the outcomes sought by the Variation are still under development. It also makes understanding the implications of Variation 2 exceedingly difficult. For instance, Table 13(h) of Variation 2 sets Nitrogen Loss reduction rates beyond good management practice. As good management practice has not been adequately defined, these rates cannot be assessed or fully understood. Further resources will need to be expended revisiting those provisions that refer to good management practice and their implications,

following the completion of the MGMP and the notification of the proposed Plan Change under policy 4.11 of the pL&WRP.

- (f) Further, Ballance notes that Variation 1 to the L&WRP contained a similar definition and because of the considerable concern with the definition of Good Management Practice Nitrogen and Phosphorus Loss Rates raised during the submission period for Variation 1 and the fact that there is already a commitment in Policy 4.11 such that "...good management practice will be codified and introduced into this Plan by way of a plan change on or before 30 October 2016", the section 42a planning report for Variation 1 concluded that "it is potentially more efficient and effective to wait for that process to develop a cohesive set of provisions, rather than introduce a definition ahead of the plan change." As part of this process, the 42a reporting officer recommended the deletion of the definition of Good Management Practice Nitrogen and Phosphorus Loss Rates. The Company supports this approach, however notes that should it be retained it is beholden on the Council to ensure that this term is appropriately and robustly defined. Such an approach will assist in providing a greater level of transparency and will be fundamental to understanding the implications and ramifications of Variation 2.
- (g) The Company considers that the definition of 'Good Management Practice Nitrogen Loss Rates' should be defined so as to ensure that the reader is able to better determine, with reasonable certainty, what would constitute good management practice. It is also considered that the definition of 'Good Management Practice' should provide for change, as developments in farming practices occur. As a consequence, Ballance request that the proposed definition be amended to better reflect a suite of good management practices, as set out in Schedule 24a; that the definition be amended so that it is clear that nitrogen loss rates are intended to be measured from the root zone of a property in accordance with the application of OVERSEER; and that an adaptive management approach be applied to ensure that the definition of 'Good Management Practice' remains up-to-date with current farming practices.
- (h) Given the foregoing, Ballance opposes the definition of Good Management Practice Nitrogen Loss Rates.

Relief Sought

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

"means nitrogen loss rates (in kilograms per hectare per annum) from the root zone of a property to water from different soils, rainfall and farm type operating at good management practice as set out in Schedule 24a and in accordance with developments in farming practices."

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

1.4 SUBMISSION 4 – Section 13.1A: Definition of Dairy Support

- (a) Submission point four to Variation 2 relates to the level of ambiguity surrounding the term 'dairy support'.
- (b) Variation 2 refers to 'dairy support' in policy 13.4.13 and Table 13(h). These provisions relate to nitrogen loss rates for dairy support land use activities.
- (c) Ballance note that neither Variation 1, Variation 2 nor the pL&WRP define 'dairy support'. The section 32 report also provides little guidance as to the land use activities that 'dairy support' includes. The Company consider that such ambiguity will constrain the application and intent of Variation 2, particularly as this relates to the implementation of nitrogen loss rates. It is therefore, important, that this term is defined and the Company consider that the Zone Committee should provide a definition for the same.
- (d) Ballance seek that Section 13.1A of Variation 2 be amended to include a definition of 'dairy support' and consider that this will give clarity to Policy 13.4.13 and Table 13(h).

Relief sought

- (a) That section 13.1A be amended to include a definition of 'dairy support'.
- (b) Any similar amendments with like effect.
- (c) Any consequential amendments that stem from the amendments sought above.

1.5 **SUBMISSION 5 – Rule 13.5.8**

- (a) The specific provision of Variation 2 that Ballance's submission relates to is Rule 13.5.8 and Rule 13.5.13.
- (b) Rule 13.5.8 and Rule 13.5.13 relate to the use of land for farming in the Upper and Lower Hinds/Hekeao Plains Areas. These rules provide for farming as a permitted activity subject to certain conditions, which include a property area of less than five hectares and a nitrogen loss limit of 20 kg per hectare per annum.
- (c) The Company notes that Rule 5.41 of the pL&WRP is similar in its approach to Rule 13.5.8 and Rule 13.5.13. Rule 5.41 provides for farming as a permitted activity within all nutrient allocation zones, provided that the property is less that 5 hectares in area or the nitrogen loss limit is not exceeded. The key difference between Rules 13.5.8, Rule 13.5.13 and Rule 5.41, however, is that Rule 13.5.8 and 13.5.13 require both permitted conditions to be achieved, whereas Rule 5.41 only requires compliance with either standard.
- (d) Ballance considers that Rule 13.5.8 and Rule 13.5.13 should be amended in line with the outcome sought through Rule 5.41 and that the 'and' between conditions 1 and 2 be replaced with an 'or'.

- (e) In the Company's opinion the permitted conditions imposed through Rule 13.5.8 and 13.5.13 are unnecessary. This opinion is formed on the basis that provided a property demonstrates compliance with the nitrogen loss calculation, the size of the property has little or no bearing on whether it should be defined as a permitted activity. For instance, where a 20kg nitrogen loss limit is set, there is no difference whether this applies to a 5ha or 50ha property. In either case, the same nitrogen loss rate must not be exceeded.
- (f) Further, we note that nitrogen discharges associated with properties less than 5ha in area are restricted by the size of the property. Properties less than 5ha in area will typically be used as lifestyle blocks, and are not likely to exceed the nitrogen baseline or a limit of 20kg of nitrogen loss per hectare per annum. Equally, the definition of 'farming enterprise' in section 2 of the pL&WRP captures separate parcels of land aggregated to operate as one farm unit. This means that large farms cannot use the 5ha permitted baseline as a means to avoid resource consent or more stringent permitted performance conditions. Consequently, Ballance considers that Rule 13.5.8 and 13.5.13 should be amended to incorporate a greater level of flexibility.
- (g) Given the foregoing, Ballance opposes (in part) Rule 13.5.8 and Rule 13.5.13.

Relief Sought

(a) That Rule 13.5.8 be amended as follows:

"Despite any of Rules 13.5.9 to 13.5.12 the use of land for a farming activity in the Upper Hinds/Hekeao Plains Area 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; and
- 3. The nitrogen loss calculation for the property does not exceed 20 kg per hectare per annum or the nitrogen baseline, whichever is the greater."
- (b) That Rule 13.5.13 be amended as follows:

"Despite any of Rules 13.5.15 to 13.5.20 the use of land for a farming activity in the Lower Hinds/Hekeao Plains Area 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; and
- 3. The nitrogen loss calculation for the property does not exceed 20 kg per hectare per annum or the nitrogen baseline, whichever is the greater.
- (c) Any similar amendments with like effect.
- (d) Any consequential amendments that stem from the amendments sought above.
- 1.6 SUBMISSION 6 Schedule 24a(a)(i)
- (a) The specific provision of Variation 2 that Ballance's submission relates to is Schedule 24a(a)(i).

- (b) Schedule 24a(a) sets out farm practices for nutrient management. Specifically provision (i) relates to the preparation of nutrient budgets, the use of OVERSEER and the annual review of the same.
- (c) Ballance has concerns with regard to the nutrient budget annual reviews as proposed under Schedule 24a(a)(i). The Company recognises that Variation 2 is silent on what an annual review will entail. Given Ballance's knowledge on the use of nutrient budgets in other regions, it is expected that the intention of an annual review will be to check the integrity of the input data necessary to generate a nutrient budget for the property in question. In the event that the input data does not accurately reflect what is conducted on the farm, Ballance also anticipates that the review will require the nutrient budget to be updated.
- (d) The Company's concern relates to the level of certainty as to the intention of Schedule 24a(a)(i). The phrase 'reviewed annually' is not defined in the Variation or the Plan, and the accompanying section 32 assessment provides no insight as to its implementation. This is a matter that should, in the Company's opinion, be rectified.
- (e) Further, the Company considers that it would be appropriate to require the update of nutrient budgets found to be inaccurate using OVERSEER or an 'approved equivalent model'. The Company is also of the opinion that any updating of a nutrient budget should be conducted by an appropriately qualified and experienced person.
- (f) Further, in the Company's opinion, should an annual review of input data determine that a nutrient budget is accurate, then it would be appropriate to enable a nutrient budget to stay in place for at least three years. At the end of the three-year period, the nutrient budget could be formally revisited, updated and remodelled using the most appropriate model available. As such, the Company considers that any annual review should only apply to the input data and an update to the nutrient budget should only be triggered in the event that input data was determined to be inaccurate.
- (g) Lastly, in Ballance's experience considerable time is required to update a nutrient budget. Typically, it would require 4 hours to complete this task. However, the more complex the farming system, the greater the resource necessitated. It follows, therefore, that to complete annual nutrient budget updates for all farms, including a portion of lifestyle properties greater than 10 hectares, a total of 265 full eight hour work days would be required. As has already been noted, Ballance is confident that the market will respond to the increase in demand in this area of work. However, the need to resource sufficiently, to up skill and train will take some time. It is critical, in the Company's opinion, that these practical requirements be reflected in Variation 2.
- (h) Given the foregoing, Ballance opposes (in part) Schedule 24a(a)(i).

Relief Sought

(a) That Schedule 24a(a)(i) be amended as follows:

"A nutrient budget based on soil nutrient tests has been prepared, using OVERSEER in accordance with the OVERSEER Best Practice Data Input Standards [2013], or an equivalent model approved by the Chief Executive of Canterbury Regional Council and shall only need to be is-reviewed annually where;

- (a) The use of land for a farming activity results in a material change defined as an increase in modelled nitrogen or phosphorus losses over a property which exceed 10% over the previous years nutrient budget;
- (b) Where the use of land for a farming activity results in a material change as set out in clause (a)(i)(a) above, the nutrient budget shall be updated using OVERSEER or an approved equivalent model in accordance with clause (a)(i);
- (c) In the event that the use of land for a farming activity does not result in a material change as set out in clause (a)(i)(a) above, then the nutrient budget shall remain in place for a period of three years, and only require an annual review of input data to confirm the integrity of this information;
- (d) Following the three year period set out in (c)(i)(a) above, the nutrient budget shall be formally reviewed in accordance with clause (a)(i).
- (e) All updating of nutrient budgets should be conducted by an appropriately qualified and experienced person."
- (b) Any similar amendments with like effect.
- (c) Any consequential amendments that stem from the amendments sought above.

3.0 CONCLUSION

Ballance thanks the Council for the opportunity to submit to Variation 2 of the pL&WRP. The Company notes, for completeness, that it would willingly agree 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 at hearing.

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

Signature:

Nigel Sadlier, for and on behalf of Ballance Agri-Nutrients Limited

Date: 24th October 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