

Sharrie Campbell

From: David Williams <david@farmright.co.nz>
Sent: Friday, 24 October 2014 4:15 p.m.
To: Mailroom Mailbox
Subject: Proposed variation 2 to the LWRP
Attachments: proposed variation 2 submissio.pdf

Categories: Orange Category

EC294905

Hi

I sent this submission in yesterday, but would like to include the page attached please.

Cheers

David Williams

FIM Support

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Submission on Proposed Variation 2 to the Proposed Canterbury Land and Water Regional Plan

FOR OFFICE USE ONLY

Submitter ID:
File No:

Form 5: Submissions on a Publicly Notified Proposed Policy Statement or Regional Plan under Clause 6 of Schedule 1 of the Resource Management Act 1991

Return your signed submission by 5.00pm Friday 24 October 2014 to:

Freepost 1201 Variation 2 to pLWRP
Environment Canterbury
P O Box 345
Christchurch 8140

Full Name: Cameron Glass Phone (Hm): _____
 Organisation*: NSF Rural Investments (No1) Ltd Phone (Wk): 03 325 7105
* the organisation that this submission is made on behalf of
 Postal Address: P.O. Box 16147, christchurch, 8441 Phone (Cell): 021 745 840
 _____ Postcode: 8441
 Email: David@farmright.co.nz Fax: 03 325 7115
 Contact name and postal address for service of person making submission (if different from above):
David williams - same address

Trade Competition

Pursuant to Schedule 1 of the Resource Management Act 1991, a person who could gain an advantage in trade competition through the submission may make a submission only if directly affected by an effect of the proposed policy statement or plan that:

- a) adversely affects the environment; and
- b) does not relate to trade competition or the effects of trade competition.

Please tick the sentence that applies to you:

- I could not gain an advantage in trade competition through this submission; or
- I could gain an advantage in trade competition through this submission.

If you have ticked this box please select one of the following:

- I am directly affected by an effect of the subject matter of the submission
- I am not directly affected by an effect of the subject matter of the submission

Signature: Rachael Hopinall Date: 22/10/2014

(Signature of person making submission or person authorised to sign on behalf of person making the submission)

Please note:

(1) all information contained in a submission under the Resource Management Act 1991, including names and addresses for service, becomes public information.

- I do not wish to be heard in support of my submission; or
- I do wish to be heard in support of my submission; and if so,
- I would be prepared to consider presenting your submission in a joint case with others making a similar submission at any hearing

(1) The specific provisions of the Proposed Plan that my submission relates to are:		(2) My submission is that: <i>(include whether you support or oppose the specific provisions or wish to have them amended and the reasons for your views.)</i>		(3) I seek the following decisions from Environment Canterbury: <i>(Please give precise details for each provision. The more specific you can be the easier it will be for the Council to understand your concerns.)</i>
Section & Page Number	Sub-section/ Point	Oppose/support (in part or full)	Reasons	
		Oppose	We support Federated Farmers submission in its entirety.	
13, pg 19	13.7.3	Oppose	See attached.	

Add further pages as required – please initial any additional pages.

I am opposing the ruling in the proposed variation of the LWRP, specifically relating to section 13.7.3 on page number 19, and in particular the required nitrogen loss rates beyond good management practice - Table 13(h). This submission is in relation to the farm under FarmRight Ltd management located at 216 Lloyds Rd, Coldstream. I believe the required nitrogen loss rates applicable to this proposed plan are financially unsustainable.

In a recent presentation given by Lincoln University (Dairy Farming – But not as we know it, Pellow and Edwards, 2014), work conducted on the Lincoln University Dairy Farm (LUDF) was used to provide a quantifiable example of the practical approaches required to drop nitrogen leaching to water, by 7 kgN/ha. At LUDF a drop of 7 kgN/ha was equal to a 17% reduction of N loss (from 42 kgN/ha to 35 kgN/ha). Our farm in the 2012-2013 season was shown by overseer (version 6.1.1) to have 43 kgN/ha lost to water. LUDF and our farm share similar management practises, and similar leaching levels. Based on this I would assume that the financial impacts of reducing our level of leaching would bear a similar trend, as the approaches we make to reduce our nutrient loading would be similar.

As a result of reducing the nitrogen leaching at LUDF, their milk production was reduced by 8%. This reduced their profitability by \$525/ha. This can be translated to a mitigation cost of \$75/kgN (based on the 2013-14 season payout of \$8.40). Adjusting this to a \$6.00 payout would result in a mitigation cost of \$54/kgN.

The current ruling in variation 2 states that a farms nitrogen leaching must drop 45% below that of good management practise by 2035. This is likely to have a much greater financial implication for our business than the example above showing 17% drop of N leaching. As the nutrient levels at good management practices are currently unknown, it is impossible to understand the scale or potential challenges a drop of 45% could have on our business. Assuming that our farm is currently operating at good management practice levels, this ruling would require our farm to reduce its nitrogen leaching by 19.35 kgN/ha (down to 23.65 kgN/ha). Based on the \$54/kgN explained above, this could cost our business \$365,700 annually. It is likely the total cost would realistically be greater than this. The rule of diminishing marginal return would suggest that to get from a 17% reduction, to a 45% reduction, the cost incurred would be greater than \$54/ha stipulated above.

Further to this, detrimental social implications would begin to arise, as staff numbers would fall due to the number of stock. To reduce N leaching, reducing the number of stock on farm is assumedly the most immediate that would be taken as it would have the most significant effect. However, as a rule of thumb, we only require 1 staff number per every 200 animals.

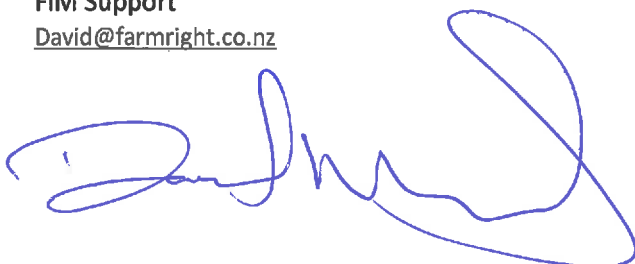
Due to the developing nature of science amongst Overseer and nutrient mitigation fields, the above is and can only be a speculation. We do expect changes to our understanding, and the modelling used by Overseer to evolve over time. However, as yet it is not possible to base such significant decisions on mere speculation. Our greatest concern with the current proposed changes is that the 45% stipulated is not based on anything current, as there currently is no indication of what the good management practice N leaching to water will be. Without this it is impossible to determine the financial impact this will have on our business, and in no way can I support such a proposal.

Yours sincerely

David Williams

FIM Support

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C/O FarmRight Ltd.

