IN THE MATTER OF	The Resource Management Act 1991
AND	
IN THE MATTER OF	An application by Gelita (NZ) Limited under section 127 to change Condition (5) of Discharge Permit CRC921759 to discharge contaminants into air
BETWEEN	**GELITA (NZ) LIMITED** **Applicant**
AND	**CANTERBURY REGIONAL COUNCIL** **Respondent**

REPORT AND DECISION OF HEARINGS COMMISSIONERS

Sharon McGarry, David McLernon and David Caldwell

23rd April 2015

Heard on the 16th December 2014 at The Atrium, 455 Hagley Ave, Christchurch and 11-13th February 2015 at Wigram Manor, 14 Henry Wigram Drive, Christchurch.

Representations and Appearances

Applicant:

Ms J. Appleyard, Counsel (Chapman Tripp)
Mr G. Monk, General Manager (Gelita (NZ) Limited)
Mr R. Cudmore, Air Quality Consultant (Golder Associates (NZ) Limited)
Mr M. Copeland, Consulting Economist (Brown, Copeland and Company Limited)
Mr K. Bligh, Senior Planner (Golder Associates (NZ) Limited)

Submitters in support:

Mr T. Edwards
Mr N. Shewan
Hon. R. Dyson MP
Mr J. Reid, NZ Meat Workers and Related Trades Union
Mr B. Willoughby
Mr J. Walley
Mr A. Maclagan

Submitters in opposition:

Annex Developments Limited
- **Mr P. Rogers**, Counsel (Adderley Head)
- **Mr A. Cassels**, Director (Annex Developments Limited)
- **Mr A. Curtis**, Principal air quality engineer (AECOM New Zealand Limited)
- **Mr P. Osborne**, Economic Consultant (Property Economics Limited)
- **Mr S. Flewellen**, Senior Planner (Planz Consultants Limited)

Ms T. Hyde
Mr D. Collins
Mr A. Watson
- **Ms G. Barnes**

Mr M. Bushnell
- **Mr R. Edwards**

Section 42A reporting officers:

Mr S. Edwards, Consents Planner (Canterbury Regional Council)
Mr M. McCauley, Principal Consents Planner (Canterbury Regional Council)
Dr T. Brady, Air Quality Consultant (Terry Brady Consulting)

It is the decision of the Canterbury Regional Council, pursuant to sections 127, 104, 104B, 105 and 108, and subject to Part 2 of the Resource Management Act 1991, to GRANT the application by Gelita (NZ) Limited to change to Condition (5) of Discharge Permit CRC921759 to discharge contaminants into air, subject to the insertion of the new consent conditions in Annexure 1.

BACKGROUND AND PROCEDURAL MATTERS

1. This is the decision of independent Hearings Commissioners Ms Sharon McGarry (Chair), Mr David McLernon and Mr David Caldwell. We were appointed by the Canterbury Regional Council (**ECan**) to hear and decide an application by Gelita (NZ) Limited ('Gelita' or 'the applicant') to change Condition (5) of Discharge Permit CRC921759, pursuant to section 127 of the Resource Management Act 1991 (**RMA** or 'the Act').

2. This application was made in response to the issue of infringement notices and an abatement notice served by ECan for breaches of Condition (5) over the summer period of 2012-2013. The applicant's solicitor had written to ECan seeking some consent compliance relief and stated that the 2010 and 2011 Canterbury earthquakes, and the August 2011 snowfall had caused considerable damage to the plant which, subsequently contributed to Gelita breaching Condition (5) and the issue of infringement notices.

3. In response to this letter, Mr Kim Drummond (Director of Resource Management Group for ECan) identified the following two options for Gelita:
   (1) 'Control odour discharges so that they are no longer offensive beyond the site boundary, without delay; or
   (2) Use the appropriate Resource Management Act process to apply to vary the current resource consent to permit odour discharges until such time as effective controls are in place.'

4. The application was first lodged on 20th December 2013. Following a technical review of the proposed changes by ECan, a revised application and assessment of environmental effects (**AEE**) was lodged on 20th March 2014. The revised application incorporated a number of the technical report recommendations and addressed a number of matters outlined in ECan's section 92 request for further information (22nd January 2014).

5. The application was publically notified on 22nd March 2014, at the applicant's request.

6. On 4th June 2014, the applicant requested that the application be placed 'on hold' under section 37A of the Act. This request was made to give Gelita time to address unanticipated health and safety concerns associated with enclosure of the buildings. The applicant advised that works towards sealing the buildings had resulted in the build-up of potentially toxic gases (hydrogen sulphide, sulphur dioxide and ammonia) in the work environment, making it unsafe for workers. The request to place the application 'on hold' was granted until 1st September 2014.

7. A further revised application for the change of conditions was lodged on 2nd October 2014. This application was reviewed by ECan and it was determined that it was within the scope of the notified application.

8. The hearing commenced at 9.30pm on 16th December 2014 and was re-convened on 11-13th February 2015. We undertook two site visits on 16th December 2014 and 16th February 2015. On the first of those site visits, we were accompanied by Mr Rogers, Counsel for the submitter Annex Developments Limited (Annex). The operation was in shut down mode at the time of that visit.

9. On the second site visit, in addition to visiting the application site, we visited the Tannery complex and spent some time there. We also took the opportunity to acquaint ourselves with the wider environment.

10. The applicant provided further evidence from Mr Gary Monk and a revised set of proffered consent conditions dated 27 February 2015 (received on 2nd March 2015). This material was circulated to the parties for further comment. Formal responses dated 11th March 2015 were received from Mr Rogers & Mr Collins and by email from Mr Edwards on behalf of Mr Bushnell. A written right of reply by the applicant was received on 24th March 2015, and the hearing was closed on 2nd April 2015.

11. Prior to the hearing, a report was produced pursuant to section 42A of the Act by ECan's reporting officer, Mr Stuart Edwards, and with the input of Mr Myles McCauley. This 's42A report' included a technical review of the application by Dr Terry Brady, a consulting air quality expert. The report provided an analysis of the matters requiring consideration and recommended that the change to Condition (5) could be granted, subject to a number of recommended conditions.

THE APPLICATION

12. Discharge Permit CRC921759 is currently exercised by Gelita to operate a gelatine factory at 135 – 145 Connal Street, Woolston. Discharge Permit CRC921759 authorises the discharge of contaminants to air (including odorous compounds and products of combustion) from the process involved with the manufacture of gelatine and the operation of coal and oil fired boilers. The resource consent is subject to 13 conditions of consent and expires on 16th June 2029.

13. Condition (5) of Discharge Permit CRC921759 states:

> *'Following installation of the biofilter, there shall be no offensive odour, in the opinion of an Enforcement Officer of the Canterbury Regional Council, and as identified as originating from the biofilter or any other process carried out by the consent holder, beyond the property boundary of the site.'*

14. The applicant seeks removal of Condition (5) for three years to enable the implementation of extensive odour mitigation measures in its site, to achieve full compliance with consent conditions.

15. To give effect to this, the applicant proposes the following wording changes to Condition (5):

> *'Following installation of the biofilter, there shall be no offensive odour, in the opinion of an Enforcement Officer of the Canterbury Regional Council, and as identified as originating from the biofilter or any other process carried out by the consent holder, beyond the property boundary of the site. <u>This condition shall not apply during the 3 year period from [date consent granted] until [3 years from this date] to enable site upgrading works to take place. During this 3 year period, the consent holder will be required to take all practicable steps with the existing process and buildings to minimise fugitive odour emissions from the site, including the implementation of further engineering controls, or process changes to contain</u>*

sources of odour that may be identified through ongoing monitoring of the site performance.

The consent holder will take all practicable steps to ensure these works, and ongoing review of these measures, will take place in accordance with the schedule of works stated in Appendix 1. Appendix 1 shall only be amended in consultation with the Canterbury Regional Council.'

16. Appendix 1 of the revised application (as notified) stated:

Proposed Appendix 1

Schedule for implementing odour control measures and review

Activity Proposed	***Target Date for Completion***
Complete enclosure of acidulation building	~~*End of February 2014*~~ *End of June 2014*
~~*Install Biofilters over:*~~ • ~~*Raw Material Storage Drain*~~ • ~~*Lime Wash Drain*~~ • ~~*Acidulation room discharge sump and inlet channel*~~	~~*End of March 2014*~~
Implement recommended building ventilation scheme	~~*End of April 2014*~~ *End of June 2014*
Ongoing improvement of the management of raw materials and processes, including development of a formal procedure for ensuring the quality of incoming raw material.	*End of June 2014*
Identify the pressure drop being achieved for the raw materials building and identify all practicable measures using the existing bio-filter system and fan that could be applied to seek to achieve a similar pressure drop for the other process buildings. *Specify criteria for extracted drains and covered tanks to achieve, such as a target vacuum or air inlet velocity target.*	*End of June 2014*
Implementing ongoing building air pressure drop monitoring	*Commencing June 2014 and ongoing as modifications are completed*
Investigating options for point source extraction of odour would strengthen the application.	*Commencing June 2014 and ongoing*
Install bio-filters over: • *Raw Material Storage Drain* • *Lime Wash Drain* • *Acidulation room discharge sump and inlet channel*	*End of October 2014*
Review performance of odour control and report on results and recommend further measures	*End of October 2014*
Prepare progress update on longer term measures and assess how these address current issues	*End of November 2014*
Review performance of odour control and report on results and recommend further measures	*End of March 2015*
Prepare progress update on longer term measures and assess how these address current issues. This shall include a detailed assessment of the following 2 approaches to long term management of odour effects:	*End of April 2015*

Activity Proposed	*Target Date for Completion*
(a) an upgrade to the processes and buildings at the site including a reconfiguration of extraction ducting; and *(b) install increased air extraction and biofilter treatment capacity at the site as recommended by the Golder assessment.*	

17. We note Appendix 1 has been revised and amended over the course of the notification and hearing process, particularly in relation to 'target dates for completion'. The applicant clarified at the hearing that these target dates were to allow 12 months to enable enclosure of the acidulation building and progressive implementation of a number of other actions over three years from the date of granting the variation.

NOTIFICATION AND SUBMISSIONS

18. Pursuant to section 95A of the Act, and at the request of the applicant, the application was notified in the Christchurch Press on 22nd March 2014. 65 submissions were received in total. 24 four submissions were in support of the application and 9 submitters stated they wished to be heard. 40 submissions were in opposition to the application and 21 submitters stated they wished to be heard. One submission was neither in support of or opposed to the application and stated they wished to be heard.

19. The key issues raised in submissions supporting the application were summarised in the s42A report as follows:
    a) Allow the applicant time to effect changes to achieve compliance;
    b) Maintaining employment and economic benefit for local and region economy;
    c) Earthquake recovery and maintaining heavy industry, especially wet processing industries in an area designed to accommodate discharges;
    d) Reverse sensitivity compromising business viability in industrially zoned areas. Important to maintain areas (B5 zone) in which heavy industry can operate;
    e) Industrial zone environmental expectations are reduced and some adverse effect should be tolerated; and
    f) Net benefit of using waste products to create high value products.

20. The key issues raised in submissions opposing the application were summarised in the s42A report as follows:
    a) Air quality and amenity value compromised (main issue for residential property owners) and potential health effects of the odour discharges;
    b) Local businesses are affected, particularly retail and light commercial properties;
    c) Poor compliance with the existing consent conditions and questioning the legality of allowing continued offensive and objectionable odour discharges;
    d) The time frame for the consent condition variation was considered too long and lack of confidence in the applicant's ability or intent to mitigate the odour effect;
    e) Some submitters suggested that processing at the plant should be shut down while the modifications are made; and
    f) Some submitters expressed the desire for the area to lose its "industrial identity" and that the applicant's process was no longer fit for the area.

21. The neutral submission from the Ministry of Health stated concerns regarding that exposure to offensive odours for extended periods can lead to a number of health issues including anxiety and stress; there is considerable uncertainty over the implementation of odour control measures; and a shorter timeframe of one year should be considered.

THE HEARING

Applicant's case

22. **Ms Jo Appleyard**, Counsel for Gelita, conducted the applicant's case presenting legal submissions and calling four witnesses. In summary, she made the following key points:
    a) Gelita is a long established business (over 100 years) that employs about 60 people and provides positive benefits for its employees and the economy generally;
    b) Despite steady efforts to complete improvements, incidents of offensive odour remain and much of the delay in improvements derives from the damage to buildings from the Canterbury earthquakes and the 2011 snowfall;
    c) There is tension between the existing environment (Business 5 (General Industrial) Zone) and the wider city planning context;
    d) The planning framework contemplates that there will be times when there are effects beyond boundaries in the Business 5 (**B5**) zone;
    e) The Tannery complex was consented against this backdrop and with full knowledge of the actual odour environment in the area;
    f) A number of measures have been implemented which have reduced the number of times off-site odours were substantiated;
    g) No offensive odour beyond the property boundary is a high threshold to meet and sufficient time is required to implement and refine odour measures; and
    h) While Gelita must comply with the conditions of consent, total internalisation of effects is not expected within the zone to meet the expectations of 'out of zone' activities such as retail and dining activities.

23. In response to questions, Ms Appleyard accepted in principle the constraint of Condition (5) remaining if the mitigation measure were not progressively implemented. She considered it would be possible to draft the conditions to achieve this outcome. In relation to the scope of the variation, she advised additional conditions could be imposed so long as it did not enlarge the scope, or in other words having the effect of the conditions being more relaxed that what was applied for.

24. **Mr Gary Monk** is the General Manager for Gelita and has worked at the plant in a number of roles since 1989. His evidence covered the operations on the site, the damage suffered during the earthquakes and site improvements to date. Attached to his evidence was a revised Appendix 1 (labelled 'Appendix A'). In summary, he made the following key points:
    a) Prior to the earthquakes Gelita was working through environmental improvements, but the earthquakes and snow damage (costing approximately $20 million (M)) have resulted in the company going backwards many years in terms of environmental control;
    b) This has been exacerbated by the establishment of mixed use residential developments (Thackers Quay) and retail/commercial developments (Tannery)

which has changed the receiving environment and altered the threshold of what is considered 'offensive and objectionable odours' in the opinion of an enforcement officer;

c) A number of initial measures (costing approximately $1.5M) have been implemented resulting in a reduced number of substantiated complaints in 2013;

d) Given the damage to the buildings and plant, three years is needed to implement a range of upgrades;

e) Gelita have engaged with the community by holding meetings and through media statements;

f) Complete enclosure of the acidulation building and other ventilation scheme changes are dependent on the change from sulphurous acid to sulphuric acid as the process chemical and implementation of ion exchange technology;

g) There is provisional support from Gelita (AG) Limited in Germany for the technology change and if this change of conditions is successful, application for the capital to implement the project will be made;

h) Six months is needed to fully implement the new technology from the date of ordering to final commissioning;

i) Three years is needed because there is uncertainty regarding investment into the main technology change and the subsequent assessment the success of improvements, the 'fine tuning' of operations and the need for further site improvements; and

j) There are no reasonable alternatives to the proposal as it is not a viable option to close the plant because of the detrimental impact on employees and the need to dump 1200-1500 tonnes of raw material per month.

25. In response to questions, Mr Monk stated that recent changes had resulted in the use of chill containers onsite for daily deliveries of fresh raw material from around the South Island and that chill containers were also now used at meat work sites. He said that no fresh raw material comes from the North Island and it is cured/salted elsewhere before delivery.

26. Mr Monk also confirmed the earthquakes had caused $18M of damage and the snow had caused $2M of damage, and that insurance cover was approximately $9M. He advised $1-2M of the insurance money had already been used to get the plant up and running again.

27. **Mr Roger Cudmore** is an Air Quality Management Consultant employed by Golder Associates (NZ) Limited, and was engaged by Gelita in 2013 to provide advice on measures to minimise odours from the site. He has undertaken a number of assessments, attended community consultation meetings, analysed ECan records of odour complaints, evaluated options for short and long term odour control, revised recommendations in response to health and safety issues, and prepared technical aspects of the application. In summary, he made the following main points:

a) The vast majority of the process odours (and malodours occurring under abnormal lime pit conditions) are released due to leaks from the process buildings, (including the tumbler, lime pits, screws and acidulation buildings);

b) The raw material storage area also produces the most offensive odour, but odours can be controlled to a 'high level' by maintaining the building under negative pressure (via air extraction to the biofilter);

c) The increase in complaints following the Canterbury earthquakes was likely to be loss of control of the odours from the raw material storage building;

d) Various sumps, drains and the solids recover system are all potential sources of odour discharge, although this is considered to be a 'minor fraction';

e) In recent years, the sensitivity of the receiving environment has increased with commercial/retail developments and mixed residential/commercial buildings being established close to Gelita;

f) Assessments of substantiated odour complaints during 2013 and 2014 show a significant decrease in events;

g) Vast majority of the odour complaints originate within a few hundred metres of the site, including premises to the south, and southwest off Garlands Road (The Tannery development, The Brewery, Breads of Europe and Cycleways), and from residents in Garland Road, Rutherford, Barton, Tanner and Maunsell Streets;

h) Following the January 2015 start-up there was a significant increase in odour complaints over a week due to operating the lime pits under abnormal conditions;

i) Warm weather exacerbates odour emissions and the state of the raw material being processed has a direct impact on the extent of odour emissions;

j) The proposed building enclosure work combined with a revised building air ventilation scheme are the key odour mitigation measures and are proposed for completion by December 2015;

k) Implementation of these key odour mitigation measures will result in a substantial reduction of odour emissions (up to 80% reduction) and represent the Best Practicable Option;

l) A number of other additional mitigation measures are recommended and Mr Monk has confirmed some of these are now completed (improving lime pit process monitoring, point source emissions from process drums, and a small fan and biofilter system on the raw material sump);

m) Ambient odour monitoring conditions proposed in the s42A report combined with community feedback (complaints and/or Community Liaison Group (**CLG**) meetings) will help confirm the actual performance achieved by the mitigation measures;

n) Longer term measures such as the installation of a new protein recovery system, construction of a new, more sealed raw material storage building and construction of a dedicated air extraction and biofilter that targets the raw material storage building, may be necessary depending on the extent of investment in the short term upgrades and the extent of odour reductions achieved; and

o) There is agreement with Dr Brady on the substantive matters raised in his report, such as key odour sources and the need to establish current vacuum levels within the raw material storage building.

28. In response to questions, Mr Cudmore reiterated that the uncertainty related to whether the key measures to be implemented in the first 12 months would be enough to ensure full compliance with Condition (5) and what further mitigation measures would be required for secondary improvements.

29. **Mr Michael Copeland** is a Consulting Economist employed by Brown, Copeland and Company Limited. His evidence addressed the economic benefits and potential economic costs of the consent variation. In summary, he made the following main points:

    a) An estimated $18M cost of rebuilding the plant is dependent upon the new plant being capable of producing gelatine from bone;
    b) The $1M cost of implementing the new process technology will enable continuation of the plant's current operations for a period of five years;
    c) The annual value of the gelatine is $18M;
    d) Gelita pays $1.7M per annum for the raw material, which would otherwise be disposed of in landfills at a cost of $3M per annum;
    e) The net financial benefit of the operation to the meat processing industry is $4.7M per annum;
    f) The continued operation of the plant enables Gelita to benefit from significant sunk costs, optimised location (transportation, electricity supply and trade waste disposal infrastructure), proximity of a trained and experienced workforce, proximity of goods and service suppliers, and research into the use of bone material;
    g) The continued operation of the plant is a relevant consideration under Part 2 section 5(2) of the Act in that it enables the residents and businesses of Christchurch to provide for their social and economic wellbeing;
    h) The continued operation of the plant is consistent with the efficient use of resources under Part 2 section 7(b) of the Act by using significant existing assets and the use of raw material that would otherwise be disposed of at landfills;
    i) It is generally better not to attempt to estimate monetary values for 'intangible' costs and benefits such as amenity effects, but rather leave them to be part of the overall judgement under section 5 of the Act;
    j) Key economic drivers of the Canterbury economy are manufacturing and service provided to the agricultural sector, and Gelita's Woolston plant forms part of this;
    k) Direct economic impacts of the operation include $4.3M per annum in wages and salaries and $5.1M per annum spent on Christchurch City suppliers of goods and services;
    l) Indirect economic impacts arise from 'forward and backward' linkage effects and 'induced' effects;
    m) Total economic impacts (direct plus indirect impacts) are estimated to be 110 fulltime equivalent jobs and $8.6M per annum in wages and salaries for local Christchurch residents;
    n) The Gelita plant give Christchurch City a greater critical mass and as a consequence the residents and business benefit from economies of scale, greater competition, increased resource utilisation, better central government supplied services and greater economic resilience;
    o) Grouping similar heavy industries together in the Woolston B5 zone is more efficient than having them dispersed throughout the City;
    p) If the plant was to close the Christchurch City Council would lose $820,000 per annum in rates and trade waste services, and financial support to community initiatives would also cease;
    q) Woolston businesses whose customers may be deterred by environmental effects of the operation may suffer reductions in sales turnover, however there is greater flow on effect for the local economy from manufacturing activity than from retailing and bars, cafes and restaurants;

r) From a broad Christchurch City perspective, there is no net reduction in business turnover or profits, whereas the closure of the plant would reduce employment, incomes and economic activity in the City;

s) From a community perspective, any loss in property value 'nets out'; and

t) To include both any reduced amenity or business profitability and any loss in property value would involve 'double-counting' of the costs.

30. **Mr Kevin Bligh** is Senior Planner employed by Golder Associates (NZ) Limited. He was engaged by Gelita to prepare the application to change Condition (5) and was actively involved with the CLG. His evidence gave an overview of the application, the positive and negative effects from the proposal, an assessment of the statutory consideration under the Act, planning issues from submissions and comment on the s42A report and recommended conditions. In summary, he made the following main points:

a) The Gelita plant generates significant positive economic benefits for the local and wider economy, which contributes to people's economic and social well-being;

b) While there will be adverse odour effects during implementation of the odour mitigation measures, these will be limited in duration and frequency, and will overtime decrease;

c) There are positive effects which relate to the efficient use and development of natural and physical resources;

d) The application is consistent with the policy direction of the Canterbury Regional Policy Statement (**CRPS**), the Natural Resources Regional Plan (**NRRP**) and the Christchurch Recovery Strategy and the Land Use Recovery Plan (**LURP**);

e) Subject to Gelita implementing the proposed odour control measures proposed in Mr Monk's evidence, granting the application would be consistent with the principles set out in Part 2 of the RMA and would achieve the purpose of the Act;

f) When the application is looked at as a whole or over the long term, the adverse effects will be no more than minor;

g) Closing the plant would not achieve section 7(b) of the Act and would be a sub-optimal outcome;

h) In terms of section 105 of the Act, there is no practicable alternative location or method of discharging to air, and the discharges are located an area appropriately zoned for heavy industrial activity;

i) The B5 zone anticipates lower level of amenity from potentially significant effects relating to high levels of noise, odour, heavy traffic movements and the presence of hazardous substances, necessitating the separation of activities; and

j) There are very few (if any) locations that Gelita could relocate to within Christchurch which would be able to meet its operational needs.

Submitters in Support

31. **Mr Trevor Edwards** gave a submission in support of the application on behalf his company Superheat Ltd, located at 9 Radley Street, Woolston, which employs 23 people. In addition to the points made in the written submission, he made the following main points:

a) The odour mitigation measures outlined appear to be viable solutions from his perspective as a chemical engineer;

b) Gelita is a significant employer in the area and it is important manufacturers are not forced out of operating in their local areas (for example, up to 60% of Superheat employees come from the Woolston area);
c) Gelita is located in the appropriate B5 zone in accordance with the Christchurch City Plan;
d) There should be tolerance for businesses to re-establish after the earthquakes and a closure would send a very negative message to industry;
e) Christchurch will be a lesser city without industries such as Gelita and this also adversely effects critical mass; and
f) The ongoing encroachment of non-industrialised activity into the heavy industrial zone is creating conflict and is putting important industry at risk.

32. **Mr Neil Shewan** gave a submission in support of the application on behalf of G L Bowron located in the Bamford industrial area, which is part of the wider Woolston industrial area. In summary, he made the following main points:
a) It is essential that industries with 24 hour operations are located in heavy industrial areas where there are the necessary services;
b) The Woolston industrial area is unique in that it has a good electricity supply, good port access, easy truck access and access to trade waste disposal infrastructure;
c) Businesses do not exist in isolation from one another and rely on other similar manufacturing businesses to support the maintenance of this key infrastructure;
d) The nature of the Woolston industrial area is changing and the loss of industry use or the establishment of non-industry uses puts pressure on those industries remaining;
e) The loss of an industry is a loss to Canterbury and the wider New Zealand economy;
f) We need a more supportive environment for industry in the Woolston area (particularly in the B5 zone) and recognition that industrial effect cannot always be confined within the lines on planning maps;
g) Encroachment of non-industrial use into the B5 zone must be actively prevented; and
h) Gelita needs time and encouragement to address their current issues.

33. **The Honourable Ruth Dyson**, Member of Parliament for Port Hills, gave a submission in support of the application. Ms Dyson explained her office is in the Woolston neighbourhood and that she knows the area well. In summary, she made the following main points:
a) Gelita is well regarded as a good employer in the area, with a highly skilled and stable workforce;
b) The raw material used in the process would otherwise go to landfill and this is important if we are to be 'green';
c) The level of odour prior to the earthquakes was accepted by the community, but it is much worse since then and there are many new people in the area now with the Tannery development;
d) There needs to be a 'win-win' solution where the business can continue and the waste material is used, and odours are reduced to a level where it is noticeable but not offensive;
e) Gelita needs to engage with the community and help people understand what is happening and why;

f) A clear timetable of commitment and a CLG will work well;
g) A publically available timetable with milestones will give the community confidence and will enable progress to be monitored; and
h) A longer term realistic plan is better than a short term plan that is not achievable.

34. **Mr John Reid** gave a submission in support of the application on behalf of the Canterbury, Marlborough, Nelson and Westland Branch of the New Zealand Meatworkers and Related Trades Union Incorporated. In summary, Mr Reid made the following main points:
a) Gelita is an exceptional employer with a stable workforce;
b) Gelita has suffered significant damage from the earthquakes and 2011 snowfall, and substantial rebuilding is needed to contain odours and future proof the plant so it is compliant with its consent;
c) These issues have been compounded by new entrants to the area;
d) Co-operation and patience is needed to sustain the industry and ensure jobs are not lost; and
e) Gelita needs flexibility and time to undertake the repairs and should not be rushed at the expense of health and safety.

35. **Mr Brian Willoughby** gave a submission in support of the application on behalf Contex Engineers located at 1 Tanner Street, Woolston. In summary, he noted the following main points:
a) They have been neighbours with Gelita for 31 years and that over this time there had been continued gradual improvement to the point where Gelita was getting blamed for others odours;
b) Since the earthquakes, odours have been more frequent and more intense, but there was a noticeable reduction in 2014, especially over the winter;
c) The time needed to recover from the earthquakes is huge with insurance and investment problems to solve;
d) Noise complaints related to Contex Engineers normal operation illustrates the unrealistic expectations of some of the people in the industrial area;
e) Although the Brewery development was initially seen as positive, it has caused conflict in the area and should never have been allowed; and
f) The proposal will result in significant improvements, given time.

36. **Mr John Walley** gave a submission in support of the application on behalf of the New Zealand Manufacturers and Exporters Association (**NZMEA**). Mr Walley presented a PowerPoint presentation focussed on uniqueness of the Woolston industrial zone, the need to maintain economic complexity, and importance and value of the manufacturing industry to New Zealand. In summary, he made the following main points:
a) If Gelita find it too difficult to continue it will have significant negative economic and social impacts;
b) The further loss of industrial activity will negatively impact the City and New Zealand, and will dilute the Woolston B5 industrial zone leading to greater industrial loss in the future;
c) The community needs long term, viable, industrial businesses to support solid economic growth and a functioning B5 zone is a significant asset to the City;
d) Employment and amenity needs to be balanced and the community needs to recognise noise, dust and odours can be impossible to contain at times;

e) B5 zones need to be buffered by B4 zones, and reverse sensitivity must be avoided within the zone;
f) Scale is important and wet processing industries need to maintain a critical mass to be viable;
g) The Woolston B5 zone is unique and reverse sensitivity chips away at the edges of industrial zones;
h) If the community does not support the application, it is likely the parent company will not invest and this will result in the loss of jobs (60 directly and 300 indirectly); and
i) As a primary waste stream industry, Gelita have a structural long term position in New Zealand's supply chains and its closing would result in material going to landfill.

37. **Mr Aaron Maclagan** gave a heartfelt submission in support of the application. He has been employed by Gelita since 2012. In summary, he made the following main points:
a) The operation has a long history with the site and there are many people whose livelihood depend upon its continuation;
b) Gelita are a good employer offering people opportunities to advance and develop;
c) The management and staff work hard to make things work and to reduce odour problems;
d) Common sense is lacking, especially since the earthquakes and the operation needs support to implement the process changes and upgrades; and
e) Gelita supports the local community.

Submitters in Opposition

38. **Ms Tracy Hyde** gave a submission in opposition to the application. She lives in Chichester Street and owns two properties in Woolston with her husband. In summary, she made the following main points:
a) Gelita have a poor reputation and poor record of communicating with residents and acting on complaints;
b) Gelita have been breaching their consent for years and they cannot be trusted to do what that say they will do;
c) The plant should shut while the upgrades are undertaken and insurance money should be used to fix the odours. Shutting down will give them the incentive to get on with the work as fast as possible;
d) A three year reprieve it too long and is not necessary as they have already had four years since the earthquakes to plan and fix the problem;
e) There needs to be evidence they can fix the odour issues and it must not be able to get worse;
f) The smell is terrible and at times it is unbearable even with windows closed; and
g) Gelita should not be allowed to continue to adversely affect other local businesses and residents.

39. **Mr Paul Rogers**, Counsel for **Annex Developments Limited** presented legal submissions in opposition to the application and called four witnesses – Mr Cassels, Mr Curtis, Mr Osborne and Mr Flewellen. In summary, Mr Rogers made the following main points:
a) Annex owns and operates the Tannery complex at 3 Garlands Road, Woolston, which is directly opposite the Gelita site;

b) Gelita is causing significant adverse effects on nearby residents and businesses with odour discharges that are the result of poor management, a lack of investment and a complete disregard for the adverse effects of its activities on the surrounding environment;
c) There is consistent and compelling case law which confirms that an activity should not be allowed to discharge offensive and objectionable odour effects beyond the boundary of the site, and there is no justification for departing from this principle in this case;
d) To grant the application would be to force neighbouring residents and businesses to pay for Gelita's failure to manage the adverse effects of their activities;
e) There is no justification for allowing the discharge of offensive and objectionable odour beyond the boundary, as such effects must be internalised and this is a 'bottom line' that the Courts have consistently upheld;
f) Case law demonstrates that subjecting neighbouring property owners and occupiers to offensive and objectionable odour is not consistent with the sustainable management purpose of the Act;
g) Gelita have been given ample opportunity to arrange its affairs so it is not subjecting its neighbours to offensive and objectionable odour and it has failed to do so. This situation cannot continue;
h) There is no certainty that the measures proposed will eliminate offensive or objectionable odours beyond the site boundary;
i) It is clear that the earthquakes and subsequent snow storm are not the main cause of Gelita's non-compliance with Condition (5) or its consent, as there is a long history of non-compliance that pre-dates these events;
j) If raw material was properly cured before arrival at the site, and any rotting or sub-standard raw material was rejected, there would be no odour emanating from the storage of raw material;
k) The staged mitigation proposed is not new and ECan have given Gelita more than enough time to rectify its odour problems and it has failed to act;
l) The real cause of the offensive and objectionable odour is the poor practice employed by Gelita, particularly the lack of reinvestment and upgrading of the plant and its processes over time;
m) If Gelita was committed to reducing odour and was taking its obligations seriously, these mitigation measure would already be implemented;
n) The 'provisional support' from head office to go ahead with the implementation measures falls well short of providing certainty that the odour issues will be rectified;
o) Gelita is significantly overstating the situation as refusing the application will not force the plant to shut and the economic benefits are exaggerated by excluding the costs imposed on the surrounding community;
p) If Gelita does not want to bear the costs of the proposed work without variation to Condition (5) then it is choosing to close, it is not forced to do so;
q) The evidence of Mr Osborne confirms a total loss of revenue of $2.4M per annum to the Tannery from the discharge of offensive and objectionable odour and an overall capital loss to the 595 residential properties surrounding Gelita of $7.8 - $11.6M;
r) The $2.5M cost to Gelita for complying with its consent, which is required to do, should be compared with $7.2M cost to surrounding businesses if it continues to discharge offensive and objectionable odours;

s) The provisions of the LURP do not give special status to Gelita where it is given a licence to discharge offensive and objectionable odour beyond it boundary to the detriment of the surrounding community, who are also attempting to recover from the earthquakes;
t) The application is contrary to the fundamental provisions in the CRPS which seek that there be no significant localised effects and social and amenity values, and to avoid, remedy or mitigate localised effects on air quality;
u) Gelita has not complied with its consent and it is acting unlawfully, therefore reverse sensitivity effects do not arise and are merely a 'red herring' in this case;
v) Condition (5) must be retained in its current form because the proposed variation would affect the ability of neighbouring residents and business to take enforcement action or seek to recover the losses;
w) The application fails to meet the purpose and principles of the Act, as the positive benefits do not outweigh the adverse effects on the surrounding communities as a result of the continuing discharge of offensive and objectionable odour; and
x) In the event the application is granted, alternative consent conditions are suggested to address the inadequacies of the application; reduce the timeframe for implementation to one year, shut down the plant if the implementation date is not met, imposition of a maximum limit of three separate odour breaches in the one year timeframe, and financial penalties if more than three breaches occur.

40. **Mr Alasdair Cassels** is a Director of Annex Developments Limited, which owns and operates the Tannery complex. In summary, he made the following main points in opposition to the application:
a) Gelita has a history of non-compliance, it has had ample time to fix the problems, and there are no exceptional circumstances to be relied upon;
b) There is absolutely no certainty that the proposed remedial measures will work or any commitment to implementing them;
c) The expert advice about enclosing key component parts of the operation are not new, Gelita has simply not accepted or acted on that advice;
d) He doesn't want the Gelita plant closed, but wants Gelita to comply with its consent and stop harming others in the community;
e) His previous experience with the site in 1975 (when the plant was owned by Davis Gelatine) illustrates that adopting good practice in managing raw material can avoid offensive odours and this methodology (receiving only fresh material or properly cured hides) was used successfully until 1994;
f) In contrast to the Davis Gelatine operation, Gelita are receiving raw material that is not fresh (partly rotten and putrefied condition) and use hand salting, which is known to be ineffective and leads to problems;
g) Breaches of Condition (1) have occurred in December 2014 and January 2015 when rotten raw material was received by Gelita causing days of foul smells and significantly reduced turnover at the Tannery;
h) Under Condition (1) it is clear that raw material must either be fresh or cured ('wet salt cured'), pre-treatment material (i.e. de-haired hide) is not consented and such process occurring onsite should be stopped;
i) Gelita has claimed the most diabolical odour events (which can go on for days) have been caused by the lime pits 'going anaerobic'. Gelita should not be able to make *ad hoc* decision to the process and cause such significant breaches;

j) The appended Davis Botany paper indicates that the use of effectively cured hide is shown to be a key driver in odour control and that managing the raw material supply chain was crucial to staying in business;
k) The establishment of the Tannery development was made after undertaking due diligence and receiving assurances that odour from Gelita would not be issue if it complied with its consent;
l) ECan gave Gelita 18 months grace before any enforcement action was taken and since 2012, Annex have continued to be adversely affected by continual breaches of offensive and objectionable odours;
m) He has expended $19.5M on development costs (within $2M to go) and the site employees the equivalent of 300 people with a gross turnover of around $60M;
n) On most days Annex is adversely affected by some degree of odour from Gelita and the Golder report underestimates this;
o) A statistical analysis over a three year period indicates a loss in trade of 10-15%, equating to around $2M in gross profit that is accruing at $750,000 per annum;
p) Loss in gross profit affects tenants' ability to pay rent, grow their business, and pay themselves and look after their families;
q) Gelita's 'cashed up' position give it a range of options to comply with conditions now or within 12 months;
r) The reverse sensitivity argument is not accepted as Gelita should comply with its consent;
s) Earthquake damage to buildings cannot be blamed for odour issues and it has had four years to fix problems;
t) The de facto three year grace period given by ECan and drawn out consent process is an abuse of process;
u) The proposed consent conditions and promises by Gelita and ECan must be considered against the litany of empty promises from Gelita and ineffective enforcement from ECan, and the history of a company who has 'forgotten to comply'; and
v) The economic effect of the loss of the Tannery would far outweigh the prospect of losing Gelita.

41. **Mr Andrew Curtis** is an Air Quality Engineer with AECOM New Zealand Limited. His evidence addressed background information, the proposal, and the s42A report. In summary, he made the following main points:
a) Gelita has a long standing and well documented history of not complying with its air discharge consent condition over the last 20 years;
b) There have been approximately 1,181 complaints (to January 2015), of which 680 were followed up. Of the 200 site visits, 158 complaints were substantiated (i.e. 78% of the 200 site visits were validated);
c) Complaints come from a wide range of addresses around the plant, with a higher proportion occurring in nearby or adjacent streets and the most from Connal Street;
d) Despite this complaint history, Gelita have only received two verbal warnings, three infringement notices and one abatement notice;
e) An URS odour survey undertaken in 2008 for Independent Fisheries, shows strong odours at monitoring locations downwind of Gelita and it is noted this is before the earthquakes or snow damage;

f) In the 12 months preceding April 2010, there were 12 occasions where Gelita exceeded the sulphur dioxide limit of 350 micrograms per cubic metre in the National Environmental Standard (NES) and one occasion where the secondary one hour average secondary trigger was exceeded;
g) Approximately 60% of complaints are consistent with odour characteristics from decomposing or putrefying hides and this is in breach of Condition (1) of the consent;
h) There is not sufficient detail in the application to be certain the proposed mitigation measure will work or can be implemented in the timeframes;
i) It is agreed that all odorous operations must be fully enclosed and a negative pressure environment maintained, and that the existing biofilter may not be large enough to treat all odorous air extracted (particularly ammonia emissions);
j) Not all potential emission source have been assessed and not all potential options for mitigation have been explored;
k) There is no certainty around the time or success of developing a low or no sulphide process and there need to be some evidence they are likely to be successful;
l) Further measures identified by Mr Cudmore should be incorporated into the timeframe, and the upgrade to the hide store and a dedicated extraction system should be a key component of the short term mitigation;
m) For more certainty Gelita should provide a comprehensive 'Odour Mitigation Report' to provide technical background and support for the proposed mitigation measures and this should be independently reviewed;
n) The implementation of the mitigation measures should take no more than one year;
o) Councils have discretion when deciding whether to prosecute, if the company is genuinely trying to resolve issues this would be taken into account and does not require removal of Condition (5);
p) To avoid setting a dangerous precedent, any relaxation in compliance should be tied to exceptional events which cannot be avoided, and consider the imposition of a maximum number of events and some sort of compensation to affected parties; and
q) There must be a consequence or penalty for not meeting the obligations set out in the conditions and a shutdown of the plant maybe required.

42. **Mr Philip Osborne** is an Economic Consultant for Property Economic Ltd. His evidence addressed net economic benefits of Gelita's operation and the costs borne by the local community. In summary, he made the following main points:
a) Economic efficiency in the RMA relates to the overall value to the community and use of a resource should seek to provide the largest net benefit while utilising resources in a sustainable way;
b) True or technical externalities affect community wellbeing and are to be taken into account under the RMA;
c) There are difficulties in assessing the economic cost of odours as the impacts are not experienced equally amongst individuals nor are their values impacts the same, and there is limited data of effects on wellbeing and health;
d) 'Hedonic Pricing' and 'Contingent Valuation Method' are economic assessment methodologies to ascertain the true level of value impacts and give some relativity in comparing these against production gains;
e) The Hedonic Pricing methodology shows a capital loss from the odour of 595 households of between $7.8 - $11.6M;

f) Use of the Contingent Valuation Method in Europe indicated affected residents are willing to pay $2701 per annum to avoid odour impacts from a landfill. Using this 'price' for 2,500 houses within a 1 kilometre radius of Gelita would result in a comparable impact of $675,00 per annum;
g) The critical mass and unique form and function of the Tannery provides for businesses which would struggle to remain viable elsewhere in the City. Businesses specialise in selling New Zealand made products providing additional local jobs and income, and it is unlikely any loss in activity would be redistributed around the City;
h) The Tannery is a significant tourist 'draw-card' which attracts over $6.4M per annum of international spend and the flow on benefits are material, with the creation of additional jobs, income and general activity;
i) The key consideration with regard to the economic impacts of the offensive odours is the potential loss to the Tannery site compared to the costs of Gelita avoiding these adverse effects on the community;
j) The total annualised impact to the Tannery is estimated at nearly 10% of gross annual profit or $2.4M per annum, which can be translated into reduced rent levels of $1.95M per annum or a loss of income of $250,000, and a reduced capital value in excess of $3.75M;
k) The continued discharge of offensive odours (at the cost of others) without avoidance (or mitigation) has the potential to generate benefits for Gelita without reconciling these against costs by reduced production costs (avoiding the true cost of compliance) and increased production; and
l) The three year timeframe will result in significant and sustained costs which are likely to become more pronounced and have the potential to 'cascade'.

43. **Mr Samuel Flewellen** is a Senior Planner with Planz Consultants Limited. His evidence addressed background to the Tannery site, the receiving environment, the Christchurch City Plan review, economic effects, odour effects, objectives and policies of the relevant plans, precedent and plan integrity, Part 2 of the Act and the s42A report. In summary, he made the following main points:
a) Throughout various applications for resource consents for the Tannery, odour and the potential for reverse sensitivity effects were addressed and considered in detail. Reliance was placed upon the reasonable expectation that Gelita would comply with all consent conditions;
b) The B5 zone permits certain 'sensitive' activities and does not excuse any industrial activity from its obligations to comply with the Plan and its resource consents;
c) Mr Copeland did not provide a detailed analysis of the economic effects on the surrounding residents and businesses, whereas Mr Osborne has and this indicated significant costs which are likely to undermine the long term viability of businesses over three years;
d) There is uncertainty that the implementation of the mitigation measures will result in a dramatic reduction in the existing level of odours and there is no clear commitment to implementing these measures;
e) Mr Bligh's analysis of the objective and policies of the relevant plans has not considered the investment and employment provided within the Tannery site or it recovery and rebuilding;

f) To be consistent with the objectives and policies of the CRPS there would need to be absolute commitment to the 'best practicable option' and certainty in avoiding significant localised effects, and it would need to be achieved in a shorter timeframe;
g) This application could create a precedent for other activities in similar circumstances and could potentially undermine the integrity of the relevant planning documents;
h) There is too much uncertainty to conclude that the application is consistent with the principle and purpose of the Act; and
i) If the application is granted, additional conditions should be imposed to provide an increased level of commitment and certainty that Gelita will comply within the timeframe.

44. **Mr David Collins** presented a submission in opposition to the application. He has owned four rental properties in Rutherford Street for 20 years, which are in a family trust and are part of his retirement plan. In summary, he made the following main points:
a) He was a submitter on the original RMA application in 1994 and was surprised that the individual notification was quite limited. He did not appeal the decision because it included Condition (5);
b) The biofilter initially worked well, but the plant has always breached Condition (5) from time to time during summer and he has complained to ECan and Gelita directly;
c) Since the earthquakes the frequency and magnitude of the breaches has increased markedly and ECan appears to be incapable of enforcing the condition despite confirming ongoing consent breaches;
d) The proposal relies on Gelita acting in good faith and affected parties trusting ECan to enforce the condition, and he has no confidence in either;
e) The application is too vague to allow anyone to assess the outcome of the consent, and it is misleading to suggest a three year exemption is needed as there is no impediment to upgrading and never has been;
f) The first two items on Appendix 1 will be implemented 'if practicable' and all of the other measures just involve investigation, monitoring and reporting and are likely to lead to little improvement over three years;
g) The rental properties have below market valuations and return lower than market rents due to the odour issues;
h) The application does not promise compliance with Condition (5) after three years, therefore a consent cannot require it; and
i) The question for the Commissioners to determine is whether continuing to allow the discharge of offensive and objectionable odour for up to three years would meet the purpose of the Act.

45. **Mr Alan Watson** gave a submission in opposition to the application and was joined by his neighbour, Ms Gaylene Barnes. Mr Watson lives in Chichester Street with his wife, Ms Hyde, who presented a submission earlier in the hearing. He spoke about the frequency of the odours (2-3 time per week) and the foulness of the stench. He considered it was much worse since the earthquakes and that after four years it shouldn't be like that. He pointed out that the fines of $1,000 were not really of consequence to a large company and that there was no commitment to any capital investment. He questioned why the insurance money hadn't been reinvested, why a consent variation was needed to fix the problem and why the surrounding community should pay the cost of Gelita's odour

problems. He supported giving the company 12 months at a time so long as it committed to a 'road map' of works and a firm timeframe. If, Gelita could show significant progress overtime, then more time could be given.

46. In response to questions**,** Mr Watson stated the importance of measuring progress and the need to have more certainty in Appendix 1. He supported a CLG and welcomed being a part of such as group. He considered there should be an independent review of progress after 12 months.

47. **Mr Matthew Bushnell** gave a submission in opposition to the application. He is a Director of Bushnell Nominees Limited which owns and operates the site at 10-20 Garlands Road, immediately to the south of and across the river from the Gelita site. The Bushnell site is used for a variety of purposes including food preparation. Mr Bushnell was assisted in making his submission by Mr Ray Edwards. In summary, they made the following main points:
    a) Gelita has blatantly breached Condition (5) of its resource consent regularly since it was granted in July 1994 and this is evident by the number of substantiated complaints. The complaint record illustrates the type of neighbour Gelita actually is;
    b) There is no evidence to support the claim that the earthquakes and snowfall caused the consent breaches, as these breaches have been occurring regularly for 20 years;
    c) The B5 zone expectations are accepted, but Gelita must comply with its consent and not cause offensive and objectionable odours beyond the site boundary which are adversely affecting businesses and residents;
    d) Gelita have failed to comply with the abatement notice served in March 2013;
    e) Dr Brady is not confident the 'air change' approach to odour control proposed will achieve compliance with Condition (5) and his report indicates there are inadequacies in every aspect of the process to properly contain odour;
    f) Why would Gelita require relaxation of Condition (5) to implement the upgrades, when they have never abided by the requirement in the first place;
    g) What does undertake all 'practicable' measures really mean? It seems there is no certainty that Gelita will do anything or that any measures will be effective;
    h) There is not sufficient information to grant the application and it would give Gelita *carte blanche* to do whatever it wants for three years;
    i) It is obvious the odour effects generated by Gelita are more than minor and the RMA requires alternatives be considered and section 17 imposes a duty to mitigate adverse effects;
    j) Gelita need to come back with a more effective proposal, achievable in a shorter timeframe, with rigid and frequent monitoring controls; and
    k) ECan should enforce Condition (5).

Section 42A Report

48. **Dr Terry Brady** is an Air Quality and Air Pollution Consultant. Dr Brady provided a technical review of the application and his report was appended to the reporting officer's s42A report. In summary, he made the following main points:
    a) In February 2014, he concluded the proposed mitigation measures wouldn't work because at the time process changes weren't considered to be an option;
    b) The key mitigation measure is full enclosure of the building and since the September 2014 Golder's report, this has been accepted as the best approach;

c) There is general agreement with Mr Cudmore regarding the approach and any minor disagreement relates to engineering details;
d) It is agreed that raw materials are under control and that maintaining a negative pressure in the hide store will be effective in controlling odour;
e) Containment of the process areas is the only option and it is proven very effective elsewhere;
f) Targeting point source odours with retrofit solutions is difficult to get 100% right and it is always a balance between expenditure and effectiveness;
g) Dispersion modelling requires an enormous amount of data and is very expensive. It will tell you it smells and everyone acknowledges this already;
h) If Gelita commits to the first two items on Appendix 1, there will be a significant (80-90%) reduction in odour complaints;
i) Secondary mitigation measure such as targeting smaller point source odours might be needed to achieve full consent compliance;
j) Monitoring surveys once a week by trained people are useful and not unreasonable. If they are undertaken now Gelita can demonstrate improvements overtime;
k) In terms of the time needed, the difficult part is the process changes and potentially the need for a sulphur dioxide scrubber;
l) The uncertainty is in relation to the likely success of particular technology changes such as the ion exchange and process changes; and
m) There is confidence that enclosing the acidulation building and maintaining a vacuum will fix the problem.

49. **Mr Stuart Edwards,** Consents Planner for ECan, tabled his s42A report and addressed the key issues. In summary, he made the following key points:
a) There is no intention to give the applicant *carte blanche* for three years, as there is a strong expectation that significant reductions in substantiated complaints would be made in the first 12 months and this is the only real measure of improvements;
b) He is still of the mind to recommend the application be granted, however the conditions need to be revised to make definite targets, measure progress and impose consequences for not meeting them;
c) This is a pragmatic approach, as enforcement of Conditions (1) and (5) would likely take 12-18 months through Court action;
d) The application gives a real possibility for a positive outcome for the community in a short timeframe;
e) There is a high level of agreement between the air quality experts that full enclosure of the buildings will result in a 'substantial' reduction in offensive odours;
f) After hearing the discussion, it is apparent that there is a way to leave Condition (5) in place while allowing for the staged implementation programme;
g) There needs to be a focus on compliance with Condition (1) and incorporation of lessons learned from the rendering industry on curing and storage. Fast action is needed if timeframes for storage aren't met and an abatement notice might not achieve this;
h) There is enough certainty that the mitigation measures are feasible and that they will make a difference;
i) Point source solutions need to be applied in parallel and implemented together;
j) Submitter concerns and comments regarding the lack of commitment are warranted and the conditions need to be specific and key milestones must be achieved;

k) Dr Brady is confident the existing biofilter has capacity for the extra air treatment, but this depends on point source discharges and a scrubber may be needed;
l) There is merit in monitoring surveys and these need to be formal and structured. It is important to have a consistent assessor and a bench mark to measure improvement;
m) Modelling would only be of marginal benefit and setting odour limits is problematic; and
n) From the perspective that the mitigation measures will be effective, the application is consistent with Part 2 of the Act.

Further evidence and revised conditions

50. The applicant provided a supplementary statement of evidence and a revised set of conditions on 2nd March 2015 (dated 27 February 2015). Mr Monk stated the Gelita Board had provided 'approval in principle' to the capital expenditure and works subject to the consent variation. He said that depending on the conditions imposed, he would not have to return to the Board for approval unless significant additional costs were involved. If costs did not significantly increase, he would present detailed quotes to the German Head Office for approval and following this, could immediately order the necessary equipment.

51. The revised conditions addressed a number of the matters raised at the hearing and re-worded the conditions in such a way that Condition (5) would remain, but not apply for a period so long as the applicant was undertaking a number of prescribed steps towards the implementation of the proposed mitigation measures.

52. The supplementary evidence and revised conditions were circulated to the parties for further comment. Further comment was received from Annex Developments Limited, Mr Collins and Mr Bushnell.

Applicant's Right of Reply

53. Ms Appleyard provided a written right of reply on behalf of the applicant on 24th March 2015. In summary, she noted the following:
a) It was unclear whether it would be economically practical or possible (in the old buildings) to achieve an effective negative pressure differential of -7Pa;
b) Key physical works can be completed in 12 months, but three years is required to eliminate all potential sources and achieve full compliance;
c) A 90% reduction in the 'detection' of odours in the first year is not achievable, nor are quarterly reductions, as it will take 12 months to fully enclose the acidulation building;
d) A condition imposing penalties for breaches would be *ultra vires*;
e) Gelita will comply with Condition (1) and changing this is not within the scope of the application; and
f) The case law referred to by Mr Rogers does not establish a legal principle or set a 'bottom line' that effects categorised as offensive and objectionable must be internalised, as there are different circumstance in each case.

ASSESSMENT

54. In assessing the application, we have considered the application documentation and assessment of environmental effects (AEE), the s42A report and technical reviews, all submissions received and the evidence provided during and after the hearing.

55. Given the nature of the application, the number of parties involved and the protracted nature of the hearing process, we have included a reasonably detailed summary of the evidence presented. This approach has enabled us to avoid repeating who said what throughout our assessment. While our assessment does not specifically address all the points raised, we confirm we have considered all of the matters raised in making our determination.

56. In making our assessment, we are required to consider the actual and potential effects of the application on the existing environment, which includes existing activities, permitted activities and activities authorised by existing resource consents.

57. An accurate description of the affected existing environment was provided in the s42A report, which we adopt and will not repeat here. We discuss the sensitivity of the receiving environment under section 105 considerations.

Status of the Application

58. The starting point for our assessment of the application is to determine the status of the activity. Section 127 of the Act states the application should be considered as **discretionary activity.**

Statutory Considerations

59. In terms of our responsibilities for giving consideration to the application, we are required to have regard to the matters listed in sections 104, 104B, and 105 of the Act.

60. In terms of section 104(1), and subject to Part 2 of the Act, which contains the Act's purpose and principles, we must to have regard to-
    (a) *Any actual and potential effects on the environment of allowing the activity;*
    (b) *Any relevant provisions of a national environmental standard, other regulations, a national policy statement, a New Zealand coastal policy statement, a regional policy statement or a proposed regional policy statement, a plan or proposed plan; and*
    (c) *Any other matters the consent authority considers relevant and reasonably necessary to determine the application.*

61. In terms of section 104B, we may grant or refuse the application, and if granted we may impose conditions under section 108.

62. In terms of section 105, when considering a section 15 (discharge) matter, we must, in addition to section 104(1), have regard to-
    (a) *The nature of the discharge and the sensitivity of the receiving environment to adverse effects; and*
    (b) *The applicant's reason for the proposed choice; and*

(c) *Any possible alternative methods of discharge, including discharge to any other receiving environment.*

Actual and potential effects on the environment

63. This application is relatively unusual in that there is a high level of agreement between the parties on the nature of the effects. Everyone agrees that Gelita has been breaching Condition (5) of its consent on a regular basis for a number of years and most agree this has been much worse since the earthquakes. The evidence supports this and we accept Gelita has odour control issues prior to the earthquakes and that these have been much worse in both frequency and magnitude. We also accept that the loss of the raw storage building roof (due to snowfall) impacted on Gelita's ability to contain odours.

64. There was an acceptance that the discharge of offensive odours is having a significant adverse effect on the surrounding community's amenity, and people's health and well-being. While everyone also agrees this is having a negative economic impact on the surrounding businesses and residents, we note there is disagreement as to the scale of this economic impact.

65. There were differing views between the two economic experts as to the correct way to measure the economic impact, both positive and negative, on the applicant, residents and other businesses in the area. We have not tried to quantify or determine whose figures are correct, but accept that the ongoing breaches of Condition (5) are having significant negative economic impacts on surrounding businesses and residents. Similarly we accept that granting of consent will allow the applicant to continue to operate whilst it implements the improvements which provides positive economic benefits.

Mitigation of effects – Outcomes sought

66. There is also agreement in that all the hearing parties want the same outcome; they want Gelita to comply with Condition (5) of its consent. What is not agreed is whether the variation should be granted, whether the solution proposed will be effective and how long Gelita should be given to implement the mitigation measures.

67. None of the submitters stated they wished Gelita to close, they just want the offensive odours to stop. Not in three years' time, but now. A number of submitters acknowledge this is not realistic or possible, and consider 12 months is more than enough time to make changes.

68. Many submitters question why the Gelita has not implemented the mitigation measures anyway and why after four years since the earthquakes more progress hasn't been made. Many submitters appear to distrust Gelita and it is apparent that Gelita have lost the good will of many of their close neighbours. These submitters basically don't trust Gelita to do what it says it will do. They are frustrated at the lack of action and commitment, and question why Gelita needs this consent variation before it will act.

69. In contrast, other longstanding neighbours and local residents express the need to support Gelita and protect it and other industries in the area to remain in Woolston within the community where many employees live. They highlight the unique characteristics of the Woolston industrial area and the importance of supporting and retaining industries, particularly manufacturing industries such as Gelita.

70. In a nutshell, the key points of difference between the parties are whether the proposed mitigation measures represent the 'best practicable option', whether they will be effective, and, if granted, how long the applicant should be given to implement the measures.

71. There was agreement between the air quality experts that enclosure of the acidulation building and a revised ventilation systems for the process buildings are the key to controlling malodours. All agreed that the 'containment and extraction' approach is very effective and is proven at rendering plants around NZ. Overall, they agreed that maintaining a negative pressure of around -7 Pa was required to have any effective control, -10 Pa was ideal, and -15 Pa was an aspirational target level. All agreed that implementation of these key mitigation measures was likely to result in a substantial (80-90%) reduction in offensive off-site odours (reflected in a drop in the frequency of substantiated complaints).

72. However, Mr Curtis was of the view that upgrading of the raw storage building and a dedicated extraction system were also key mitigation measures and that this should be included as a key component in the short term mitigation. He was of the view that problems since the earthquakes indicated loss of control of this part of the process. He was concerned that not all emission source had been assessed and not all mitigation options had been explored. He considered an Odour Mitigation Report should be provided to give more certainty and that this should be independently reviewed.

73. In contrast, Dr Brady and Mr Cudmore considered the raw material storage building was under control. Mr Cudmore estimated it was currently maintained at a negative pressure of about -6 Pa and that this gave some level of effective control. Dr Brady considered that after implementing the enclosure and ventilation measures, the applicant could look at other point source discharges and assess secondary measures required to achieve compliance with Condition (5).

74. Dr Brady and Mr Cudmore were of the view that the applicant's revised proposal represented the best practicable option and that implementing this key mitigation measure within the first 12 months would 'break the back' of the odour issues. They agreed that any remaining uncertainty was not regarding the effectiveness of the mitigation measure, but related to engineering details and technical process changes.

75. Mr Edwards was of the view there would be progressive improvement in terms of duration, frequency and intensity as the modifications and upgrades were implemented. While he acknowledged there would continue to be a reduction in amenity, affecting both residents in the area and businesses, including the Tannery and those tenants of Mr Bushnell, he was of the view this would only be for a very limited time and that after 12

months the overall improvement would be substantial. He considered there was enough certainty to grant the application

Conclusion

76. We too are concerned by the applicant's apparent lack of commitment to reinvest in the infrastructure and we are concerned at the evidence suggesting the applicant's future depends on the future ability to process bone. We consider the applicant cannot continue for another five years awaiting the outcome of this research without committing to reinvesting significant funds to address odour issues now. We acknowledge this is a business risk the applicant needs to weigh up, but we consider it is unreasonable and unacceptable for the applicant to attempt to continue on for five years while only reinvesting small amounts to 'limp through' this period with the existing infrastructure. We accept it is the applicant's decision to either commit to re-investing in the site to meet the conditions of consent within a short and firm timeframe or not. But this decision must be made now, not in five years' time and it is untenable for the surrounding community that the current odour issues continue unabated.

77. In terms of evidence before us to demonstrate the applicant's commitment to the proposal, we accept it has implemented a number of progressive steps, such as introducing chill bins and raw material acceptance procedures, enclosing the sump from the raw materials building, and beginning to enclose the acidulation building. This gives us some confidence that the applicant is committed to implementing the key mitigation measures to address the offensive odours and is committed to the reinvesting in the site.

78. However, we note the continued problems over the summer months and consider this indicates the condition of raw materials accepted, the treatment of hides, and the adequacy of the effective containment of the current raw storage building are key areas for the applicant to monitoring and continue with progressive improvement. In this regard, we tend to agree with Mr Cassels that accepting substandard material will result in problems right through the entire process. However, we at satisfied that the applicant's operating procedures and required compliance, and if necessary enforcement of Condition (1) addresses this aspect.

79. On the basis of the evidence presented, we accept the approach of containment and extraction represents the best practicable option and that there is agreement it will be effective, resulting in a substantial reduction in off-site odours both in frequency and intensity. We are satisfied that there are a number of secondary mitigation measures that can be implemented after the success of the key mitigation measures implemented in the first 12 months has been assessed. In this regard, we note the critical importance of collecting base line information to enable the consent holder to measure and monitor odour events and demonstrate substantial improvements over time, and ultimately consent compliance.

80. We do not see the need for the applicant to provide an 'Odour Mitigation Report' before this consent is granted. We are satisfied we have enough technical information and expert advice to demonstrate the proposal is feasible and will be effective. We see this

requirement would further delay implementation of the proposal and consider it is time for action, not further assessments.

81. On the basis of the evidence presented, we accept that offensive odours are occurring beyond the boundary of the applicant's site and that this is impacting on both residents and businesses in terms of amenity and economically. However, we also accept that the proposed modifications will improve the situation in terms of reducing the duration, frequency and intensity of odour events and that is can be done relatively quickly.

82. The concern in relation to the lack of certainty expressed by a number of submitters can be met by a requirement for specific steps to be undertaken in specific timeframes. The uncertainty in our view arose primarily from the process changes required. Any uncertainty in that regard will simply have to be addressed by the applicant to meet the timeframes conditioned.

Relevant planning provisions

83. An analysis of the relevant planning provisions were provided by Mr Edwards in the s42A report, by Mr Bligh on behalf of the applicant and by Mr Flewellen on behalf of Annex Developments Ltd. The planning framework was also addressed in the legal submissions of Mr Rogers.

84. There is little dispute as to the relevant planning provisions. There were, as could be expected, a number of the differences that relate to timing and certainty and these differences are largely dependent on the perspective of whether the mitigation measures will be effective and whether this is viewed through a short or medium - long term lens.

Christchurch City Plan

85. Whilst this is an application to vary discharge consent, we consider that the zoning is of relevance in terms of the receiving environment. The site is zoned 'Business 5' (B5) in the operative Christchurch City Plan and 'Industrial Heavy' in the recently notified proposed Christchurch Replacement District Plan.

86. Mr Bligh's evidence was that the B5 zone anticipates a lower level of amenity, reflective of the area's industrial character. He noted the proposed 'Industrial Heavy' zone provides for industrial activities that generate potentially significant adverse effects and do not provide, or should not be required to provide, the same level of amenity or lack of nuisance that would be associated with zones appropriate for residential or a broad range of commercial activities.

87. Mr Flewellen identified a number of activities permitted under the current B5 zone provisions. He noted that whilst primarily providing for industrial activities, the provisions anticipate some other activities that are not just industrial. His principal point was that simply being located in the B5 zone did not excuse an industrial activity from its obligations in complying with the plan and/or the conditions of its resource consents and to address any adverse effects within the receiving environment.

88. We agree with Mr Flewellen's comments and accept the B5 zoning does not release or excuse an industrial activity from complying with its obligations. However, we acknowledge the B5 zone does anticipate a lower level of amenity and that is of course relevant to our assessment of the receiving environment and its sensitivity.

89. We also acknowledge that the receiving environment here is wider than the just the B5 zone in which the application site sits and that it includes B4 and Living Zones. In response to questioning, Mr Bligh also acknowledged this and agreed it was a complex receiving environment.

90. In response to Mr Bligh's comments on the recently notified proposed Christchurch Replacement District Plan, Mr Flewellen noted that much of the surrounding area including the Tannery site was proposed to be rezoned 'Industrial General'. This is more equivalent to the current B4 zone and it is anticipated to exhibit a high degree of amenity. However, given the early stages of the Christchurch Replacement District Plan process and we have therefore placed little weight on it in our assessment of the receiving environment.

Recovery Strategy for Greater Christchurch and the Land Use Recovery Plan

91. The applicant does not claim that earthquake damage has been the primary cause of its discharges of offensive odour, but it claims that these events have exacerbated the potential for odour to be released by significantly damaging buildings and infrastructure. While it is patently clear the applicant had a history of breaching Condition (5) prior to the earthquakes, there is general agreement that these discharges have increased in frequency and magnitude since this time. In that context, we accept that the Greater Recovery Strategy for Greater Christchurch (Recovery Strategy) and the Land Use Recovery Plan (LURP) are relevant documents for our consideration.

92. Mr Bligh stated that the Recovery Strategy prepared under the provisions of the Canterbury Earthquake Recovery (CER) Act 2011, includes the LURP as the key reference document to guide the reconstruction, rebuilding and recovery of greater Christchurch. He noted that the LURP looks at the impacts of the earthquakes on residential and business land use, and provides a pathway for the transition from rebuild to longer term planning.

93. Mr Bligh stated that in accordance with section 23 of the CER Act 2011, Councils are not to act inconsistently with the LURP including on any application for a resource consent (or change of conditions to a consent under section 127 of the RMA).

94. Mr Bligh noted that of particular relevance, that the LURP states:

> *'Earthquake affected industries that do not want to or cannot easily relocate such as high infrastructure users in Woolston and Bromley, need to be supported to remain and, where necessary, rebuild in existing industrial areas. This will help to maintain existing employment centres and avoid additional pressure on infrastructure capacity on new sites.'*

95. Mr Bligh highlighted the evidence that the applicant had been significantly impacted by the earthquakes and that the change of conditions sought was consistent with the direction of the LURP. In addition, he noted the evidence that there are very few (if any) locations Gelita could relocate to within Christchurch which would meet its operational needs. Mr Edwards stated that the LURP had been introduced to support Christchurch's recovery and that it has an equivalent standing to a National Policy Standard.

96. Mr Flewellen addressed the relevance of the Recovery Strategy and highlighted a number of 'Visions and Goals' for economic recovery and natural environment recovery. He stated the applicant's ongoing discharges would not achieve these economic goals or 'enhance' air quality. He noted the potential loss of employment and economic benefits from other surrounding businesses, and the need for recognition of the significant investment in the surrounding area by the Tannery complex.

97. Mr Flewellen also addressed the LURP and noted Action 24 to enable the rebuilding of existing business areas and maintaining employment centres. He noted that the Tannery and other businesses were rebuilding and recovering too, and that the adverse effects of the ongoing discharges were impacting on their ability to recover. Based on the evidence of Mr Osborne, he considered the maintenance of the wider employment centre is likely to be significantly compromised in the short to medium term at least.

98. Mr Rogers submitted that the reference in the LURP did not elevate the applicant's operation to a special status where it is given '…*licence to discharge offensive and objectionable odour beyond its boundary at the detriment of the surrounding community, who are also attempting to recover from the effects of the earthquakes*'.

99. Mr Edwards also addressed the LURP in his s42A report, highlighting Action 24 and Action 31. In response to questions, he noted the LURP had an equivalent standing to a National Policy Standard and that it overarched the CRPS.

100. Having considered all of the evidence presented and the issues raised, we agree with Mr Rogers that the Recovery Strategy and LURP do not give the applicant special status to pollute at the expense of others. However, we consider the documents specifically direct us to support and enable industry to rebuilding and recover, and to remain in the Woolston industrial area. We agree with Mr Bligh that it would be difficult for the applicant to relocate. We consider short term, progressive implementation of mitigation measures to mitigate and ultimately avoid any off site offensive odours is consistent with these documents.

Canterbury Regional Policy Statement

101. The analyses of Mr Bligh, Mr Flewellen and Mr Edwards noted the particular relevance of Chapter 6 and Chapter 14 to the application.

102. We note Chapter 6 of the CRPS addresses recovery and rebuilding of greater Christchurch. Objective 6.2.1 addresses the recovery framework. It provides:

> *'Recovery, rebuilding and development are enabled within Greater Christchurch through a land use and infrastructure framework that:…*

(6) maintains or improves the quantity and quality of water in the groundwater aquifers and surface water bodies, and quality of ambient air;…
(11) optimises use of existing infrastructure.'

103. Mr Bligh did not address objective 6.2.1(6), but Mr Flewellen did. He considered the proposal would not maintain or improve ambient air quality in the short to medium term. However, he noted that a higher level of long term certainty and commitment would be required for the proposal to be consistent with the intent of this objective.

104. Mr Bligh addressed Policy 6.3.6 (Business Land) and considered that enabling the recovery of the applicant's operations would be consistent with the policy direction of Chapter 6. He considered the application is consistent with the relevant air quality policy framework as the measures proposed constitute the best practicable option (BPO) that manage odour discharges from the site.

105. Mr Flewellen considered that given the significance of the issue, the best practicable option would provide greater levels of commitment and certainty, and would be achieved in a shorter time period than compared to the BPO proposed by the applicant.

106. We note the particular relevance of Chapter 14 to our consideration. This chapter identifies localised effects on air quality within the vicinity of a discharge to air, including odour, from industrial and trade premises, is one of the two principal regional air quality considerations.

107. We note Issue 14.1.2 addresses localised adverse effects of discharges to air, particularly localised health and nuisance effects on social, cultural and amenity values, caused by discharges of contaminants into air including (relevantly) odours generated from industrial or trade processes and premises.

108. Objective 14.2.2 enables the discharges of contaminants into air provided there are no significant localised adverse effects on social, cultural and amenity values and other resources.

109. Policy 14.3.3 is to set standards, conditions and terms for the discharges of contaminants into air to avoid, or mitigate localised adverse effects on air quality.

110. Policy 14.3.5 addresses the proximity of discharges to air and sensitive land uses. The policy distinguishes between:
    (i) Existing activities which are required to adopt the best practicable option to prevent or minimise any actual or likely adverse effect on the environment; and
    (ii) New activities which are to locate away from sensitive land uses and receiving environments unless adverse effects of the discharge can be avoided or mitigated.

111. The methods of the policy include, where appropriate, the serving of notice under section 128 of the RMA on consent holders of an intention to review the conditions of consent to establish that the best practicable options are being adopted to avoid or mitigate any adverse effects on the environment.

112. Mr Edwards stated that while the odour effects experienced by local residents are not consistent with these provisions, the application is an attempt to achieve that consistency and he considered there was enough certainty to ensure that the mitigation measures would achieve consistency.

113. Mr Flewellen agreed the assessment depended on whether the mitigation measures would be successful, but he was concerned the proposal was not robust and credible enough to ensure that consistency will be achieved.

114. Overall, we consider that the application can be consistent with the policy direction of Chapter 6 and 14 provided certainty of outcome is achieved and we are satisfied the proposal represents the best practicable option. We consider the proposal is consistent with the provisions of the CPRS with the imposition of certain and enforceable conditions that see the short term implementation of effective mitigation measures.

Canterbury Natural Resources Regional Plan

115. The planners identified essentially the same provisions of the Canterbury Resources Regional Plan (NRRP), including Objective AQL1 (localised air quality) and Policy AQL5 (odour nuisance).

116. We note the NRRP identifies localised air quality as Issue 1. Objective AQL1 states that localised contaminant discharges into air do not, either on their own or in combination with other discharges, result in significant adverse effects on the environment including, relevantly, offensive or objectionable odours.

117. Policy AQL5 appears to distinguish between the discharges to air and odour for new activities and that from existing activities (where appropriate). There is little guidance in the explanation to determine what the words "*where appropriate*" mean, nor has any guidance been provided in evidence by any of the planners.

118. Mr Bligh's evidence considered clause (b) of policy AQL5 was of specific relevance to the application. The odour control measures proposed would constitute the best practicable option to avoid and remedy offensive or objectionable effects. Mr Bligh considered the proposal to be consistent with the policy framework of NRRP.

119. We consider the issue is more complex than Mr Bligh states. The issue here is that the consent presently contains a condition that there be no offensive odour.

120. It is clear on the evidence, and we understand this is not disputed, that the applicant and its predecessors have, over a significant period of time, failed to comply with that condition. It is also clear on the evidence that has been at a significant cost to the community and to their enjoyment of amenity.

121. It is our view there is nothing in Policy AQL5 which in anyway relieves the applicant of its obligation to meet its consent conditions. However, we do consider that provided the proposal is certain, subject to strict and enforceable conditions, and for a limited period of time it may be said to be consistent with that policy. That is to achieve, ultimately, compliance.

122. Mr Flewellen noted offensive and objectionable odour effects would continue to be significant in the short term. He considered there was another option which would be considered to be the best practicable option and that this was outlined in the evidence of Mr Curtis. He noted this alternative best practicable option would achieve greater consistency with the above mentioned NRRP provisions than that proposed and would include a far more robust and committed approach to provide greater assurance that routine compliance would be achieved in a reduced timeframe.

123. We have addressed the matter of the best practicable option in our assessment of environmental effects, and we accept that the applicant's proposal is the best practicable option in the circumstance. Having considered all of the evidence and issues raised, we consider the application can be consistent with the objectives and policies of the NRRP provided clear and enforceable conditions, and a more limited duration, are imposed.

Proposed Canterbury Air Regional Plan

124. We note on the 28th February 2015, the proposed Canterbury Air Regional Plan was notified and that submissions close on 1st May 2015.

125. The Proposed Plan includes objectives addressing the maintenance of amenity values of the receiving environment, recognising that air quality expectations throughout the Region differ depending on the location and the characteristics of the receiving environment. Objectives also include that activities are spatially located so they result in appropriate air quality outcomes being achieved both at present and in the future.

126. A number of "central" policies (which apply to all activities) include 6.7. This provides:

> *'Where as a result of authorised land use change, land use activities within the neighbourhood of a discharge into air are significantly adversely affected by that discharge, it is anticipated that within a defined timeframe the activity giving rise to the discharge will reduce effects or relocate'.*

127. We considered whether to seek further submissions on the relevance or otherwise of the proposed Air Plan. However, given that it has only recently been notified, and submissions have not closed, we do not consider that necessary and we give it no weight.

Conclusion on relevant plans

128. Overall, having considered all of the evidence and submissions, we are of the view that the proposed variation can be said to be consistent with the objectives and policies in the relevant planning documents, subject to the conditions we impose.

Other matters

Reverse sensitivity

129. The issue of reverse sensitivity arising from an 'encroachment' of non-industrial activity into the B5 zone was raised, expressly or implicitly, in a number of the submissions in opposition. It was also addressed in legal submissions and evidence presented.

130. Ms Appleyard, addressed this issue in her opening submissions. She acknowledged that the Tannery development - rightly, or wrongly - now forms part of the existing environment against which the effects of this application for a change of condition must be assessed.

131. Ms Appleyard referred to reverse sensitivity in a 'narrower' context - aligned with the general position taken on the overall zone expectations. Her submission was -

> *'… reverse sensitivity should not now be used a [sic] 'planning tool' to require the pre-existing activity to totally internalise or fundamentally change its operations beyond what might have been properly lawfully occurring and what is permitted to occur in the zone'.*

132. Mr Monk commented on the Tannery development and the changing mixed use nature of parts of the Woolston heavy industrial area. He deposed this had altered the threshold of what is considered offensive and objectionable in the opinion of enforcement officers as well as impacting on the applicant from a 'reverse sensitivity' effects perspective.

133. Mr Rogers addressed this issue in his legal submissions, describing any perceived reverse sensitivity 'a red herring'.

134. Mr Cassels, in his comprehensive statement of evidence on behalf of Annex Developments, addressed the steps taken as part of the due diligence, prior to the redevelopment of the Tannery complex. Without listing each of the steps taken, his evidence made it clear there were are a number of discussions with ECan and Gelita as part of the due diligence process. Further, he provided a copy of expert advice received from Golder Associates (NZ) Limited on the likely effects from Gelita assuming compliance with conditions of consent.

135. Overall we consider that any issue of 'reverse sensitivity' is of little, if any, relevance. As accepted by Ms Appleyard, the Tannery development – rightly or wrongly – now forms part of the existing environment against which the effects of this application must be assessed.

136. Further, even if we were of the view that Annex Developments somehow came to an accepted and existing known risk, which we do not, a large number of the receivers of the offensive odour are the occupiers of residential properties which have been part of the environment for a good many years, and are appropriately zoned. We do not consider the B5 zoning of the application site mandates that those in adjacent living zones should accept a reduced level of amenity.

137. On a related issue, there are a number of submissions addressing problems arising from incompatible uses. The question of compatibility of uses is not a matter within our jurisdiction to address, nor, in these circumstances, do we consider it one of any particular relevance. The reality is that the applicant has for many years regularly breached conditions of its consent. The submitters in opposition are seeking compliance with the conditions of consent.

Precedent and plan integrity

138. The issue of precedent or consistency of decision making was addressed by Mr Rogers in his written submissions and particularly at paragraphs 87-90. Mr Rogers' submissions related to the erosion of confidence in decision making under the Act where there are no clear and obvious reasons to depart from decided cases, particularly cases which have clear similarities and factual circumstances. He submitted –

> *'There has to be in my submission clear and obvious reasons to depart from the cited cases, particularly cases that have clear similarities and factual circumstances and clearly enunciate a principled position. To do otherwise simply erodes confidence in decision making under the Act. And simply like should be treated with like.'*

139. Ms Appleyard, in her reply, agreed with that submission, but noted that none of the cases cited involved the following circumstances particular to this application:
   a) An established business wishing to continue its operation i.e. not to expand;
   b) An established business which has faced an exacerbating situation of the Canterbury earthquakes;
   c) The consent variation sought is for a very short time; and
   d) The industry is in an appropriately zoned location.

140. Having considered these submissions, and having read the cases provided, we agree that there appears to be sufficient factual differences from the cases cited by Mr Rogers to avoid a risk of the erosion of confidence.

141. Further, Mr Rogers submitted that, in essence, it was a bottom line '…*that any effects that are categorised as offensive and objectionable **must** be internalised*'. We consider that it may overstate the position. We accept that as a general principle there may however be exceptions to this when assessed on a case by case basis. In some circumstances, it may be appropriate to allow a level of tolerance or temporary relaxation to enable mitigation or remediation measures to be implemented, with the ultimate aim of avoidance. In some situations, this may include a staging where it can be demonstrated that mitigation measures are available and can be effective given time. This was identified in the *Meadow Mushrooms interim decision – Waikato Environmental Protection Society Inc V Waikato Regional Council [2008] NZRMA 431 at para [204]* case.

142. From a planning perspective, Mr Flewellen noted that there are many other businesses and properties affected by the earthquakes that have faced potential obstacles, but that they have continued to operate and rebuild. In his opinion, other businesses could argue similar circumstances to Gelita in terms of difficulties to comply with air or water discharge whilst repair works are investigated and undertaken. In this regard, he considered approval of this application could create a precedent for other activities in similar circumstances.

143. Mr Bligh did not address this issue in his written brief of evidence, but commented on Mr Flewellen's evidence orally. His position was that taking into account what he considers to be minor effects (give the short term nature of the consent change), and the fact that it is an existing activity occurring within a heavy industrial zone, there was limited potential for a precedent to be set.

144. Whilst it is difficult to accept that the discharge of offensive odours could in any circumstances be seen to be a ‘minor’ effect, after considering the submissions and evidence on this issue, we do not consider the issue of precedent to be one of particular moment in this case. Certainly it is not decisive.

Section 105

145. In terms of our responsibilities under section 105, we have had particular regard to the sensitivity of the receiving environment. We accept that the B5 zone anticipates a lower level of amenity associated with heavy industrial activity. However, we note that not all of the B5 zone is buffered by B4 zone and that Living Zones are very close to the application site.

146. We agree with some submitters that the establishment of more sensitive land use activities such as retail and hospitality has resulted in a change in expectations for the zone and has increased the sensitivity of the zone. There appears to be substance in some submitter’s view that the unique Woolston industrial zone is under threat and needs active protection.

147. While we accept the applicant is required to comply with the conditions of its consent, we acknowledge that the heavy industrial zone anticipates that some off-site adverse effects will occur from time to time. In this regard, we consider the surrounding community must tolerate odours that may be noticeable or in fact even unpleasant, but that these odours may not be deemed ‘offensive’. In other words, it is not expected that there will be no effect beyond the boundary. We agree that this would be unrealistic in a heavy industrial zone. For example, on our site visit we ‘noticed’ other chemical odours, which were unpleasant, but are acceptable given the zone.

148. In terms of the applicant’s reasons for the proposed choice, we accept that some form of air discharge is inherent in the nature of the operations and agree with the applicant’s position that a temporary exemption may be appropriate. This is however subject, in our view, to there being the appropriate degree of certainty and enforceability of conditions.

149. In relation to the alternative means of discharge, we accept that moving operations to another location is impractical.

Part 2 of the Act

150. All the considerations we have described are subject to Part 2 of the Act. In accordance with Part 2, we must determine whether the application achieves the purpose of the Act and is consistent with the principles of the sustainable management of natural and physical resources, as defined in section 5.

151. We accept the economic value of Gelita’s operations to Christchurch, Canterbury and New Zealand. The operation has significant benefits through direct employment and downstream job creation, the generation of export revenue, and the environmental benefits of converting waste material into a valuable product, rather than having to

dispose of it in a landfill. Overall, we are satisfied that the evidence showed Gelita generates significant positive economic benefits for the local and wider economy, particularly the agricultural sector.

152. We also accept the evidence of Annex and Mr Bushnell, that the applicant's failure to comply with Condition (5) is having significant negative impacts on sales revenue for their tenants and flow on effects on rents. We agree that this failure to comply is having a negative impact on surrounding property owners and residents, through reduced amenity and direct economic losses.

153. These positive and negative economic effects impact directly on people's health and well-being and are at the core of achieving sustainable management. Our assessment requires us to weigh up and balance these matters, and in doing so we find that this application is extremely finely balanced.

154. However, overall we accept that the evidence supports the view that the adverse effects on the surrounding community can be mitigated and ultimately avoided and that this can be achieved relatively quickly. We note the applicant's duty to actively avoid, remedy and mitigate adverse effects and consider the application represents a firm commitment to the community to do this in a timely manner.

155. We record that we consider there are no relevant section 6 matters that we must have recognise and provided for.

156. In making our decision we have had particular regard to section 7(b), (c) and (f).

157. We no evidence or submissions to indicate the application is not consistent with the principles of the Treaty of Waitangi (Te Tiriti o Waitangi).

Conclusion

158. The principal issue on this application is whether, in all the circumstances, authorising offensive odours for a limited amount of time whilst steps to avoid or remedy adverse effects are undertaken meets the purpose of the Act.

159. This has been a very difficult and finely balanced decision. Overall, in terms of effects there is little dispute other than the level of economic effects. The principal points of difference between the parties very much depend on people's faith in the commitment of the applicant and whether they believe the mitigation measures will work and be implemented on time. The commitment, certainty and likelihood of success is the crux of the matter and has been the focus of our assessment.

160. As we have already discussed in our assessment, any determination of consistency with the statutory requirements is very much dependent on whether we accept the proposal is the best practical option, that it will work (i.e. compliance with the consent can be achieved) and that it can be achieved in a relatively short time frame.

161. In this regard, we accept the evidence of Dr Brady and Mr Cudmore that the mitigation measures proposed in the first 12 months are the best practicable option and that they will result in substantial (up to 80%) reductions in the frequency and magnitude of offensive odours.

162. We have sufficient evidence to conclude that these mitigation measures will be effective provided a negative pressure of at least -7 Pascals is achieved and maintained. While we hear the applicant's submission that the cost of this may be too high, we consider the experts agree this is a minimum level for effective control.

163. On the basis of the evidence presented, we are satisfied that 12 months is an appropriate and reasonable timeframe to implement the key mitigation measures. While we acknowledge the ongoing impacts on the surrounding residents and businesses, we accept that any enforcement action would be likely to take 12-18 months and that the outcome of that could be a staged process of some length.

164. We are extremely conscious of the protracted nature of this process and that the applicant has effectively benefited from the time it has taken to determine this application.

165. We are somewhat perplexed, as are many of the submitters, as to why Gelita have not just progressively implemented the proposal, as on the face of it there seems little risk of financial penalties or enforcement action if Gelita can demonstrate progress towards addressing its odour issues. In this regard, we agree with many submitters that the applicant needs to commit and 'get on with it'.

166. On the basis of the above assessment of effects on the environment, our evaluation of consistency with the objectives and policies of the relevant planning provisions, and subject to Part 2 of the Act, we are of the view that the purpose and principles of the Act can be best achieved by granting the application, subject to the insertion of new consent conditions.

Conditions

167. The original application to remove Condition (5) for a period of three years, was to us completely untenable. However, the revised proffered conditions from the applicant indicated an acceptance of Condition (5) remaining, but not applying so long as a number of actions were being taken within a set timeframe. This approach gives us and submitters certainty that, the applicant will do what it says it will do, within the set timeframe, or else Condition (5) will apply, and must be enforced. For the record, without the certainty of this provision and the 'back stop' of Condition (5) remaining, we would have refused the application.

168. We have used the revised conditions and the further comments from the parties to rework the conditions into what we consider are clear, practicable, enforceable and appropriate conditions. We have endeavoured to translate the applicant's proposal into clear actions and timeframes including the incorporation of Schedule A into specific conditions with appropriate timeframes for implementation. We consider that should the

applicant not implement the key mitigation measures within the first 12 months, or not meet the milestones over the first 12 months, Condition (5) should be enforced.

169. We believe these revised conditions meet the concerns expressed in Mr Collins and Mr Bushnell's submissions dated 11 March 2015 and those of Mr Rogers' in his closing submission and his comments on Gelita's proposed set of conditions, apart from the suggestion of penalties. We believe that to impose penalties would be *ultra vires* as Ms Appleyard noted in her written right of a reply. We concur and have not included such a penalty condition.

170. Mr Rogers also sought a six month review of the Odour Management Plan (OMP) but we believe this is too frequent given the additional provision for amendment at any time and have retained the 12 month review period proposed by the applicant.

171. We have paid particular attention to monitoring requirements both in terms of compliance with the new conditions and measuring performance of the mitigation measures. We see value in the collection of baseline data commencing within three months and ongoing monitoring data through surveys undertaken by the applicant, ECan, community diaries and complaint investigations.

172. We have listened to submitters and have imposed conditions that are prescriptive and timeframes that are realistic. We consider the evidence supports the requirements represent the best practicable option, that they will be effective, and that they can be implemented relatively quickly.

Decision

173. **It is the decision of the Canterbury Regional Council, pursuant to sections 127, 104, 104B, 105, and 108, and subject to Part 2 of the Resource Management Act 1991, to GRANT the application by Gelita (NZ) Limited to change Condition (5) of Discharge Permit CRC921759 to discharge contaminants into air, subject to the insertion of new consent conditions in Annexure 1.**

Dated at Christchurch this 23rd day of April 2015

Sharon McGarry
Hearings Commissioner (Chair)

David McLernon
Hearings Commissioner

David Caldwell
Hearings Commissioner

Annexure 1

Condition (5) remains unchanged.

Insert new conditions:

(5A) For a period of 24 months from the date of commencement of this consent Condition (5) shall not apply provided that the consent holder:

(i) Manages the operation of the site in accordance with the Best Practicable Option (BPO) having regard to the progressive improvements being undertaken;

(ii) Implements all the measures set out in Conditions (6A), (6B), (6C), (6D) and (6E) of this consent in accordance with the timeframes specified; and

(iii) After 15 months, demonstrates a substantial and validated reduction in the frequency and intensity of off-site offensive odours to the satisfaction of the Manager Compliance and Enforcement Canterbury Regional Council (the Manager).

For the avoidance of doubt, this condition does not authorise any offensive or objectionable odour attributable to activities under Condition (1) in relation to raw materials.

(5B) For the purposes of Condition (5A)(iii), a 'substantial and validated' reduction in the frequency and intensity of off-site offensive odours shall be demonstrated through analysis of the data collected under the Odour Management Plan established by Condition (6C) over the 15 month period from the date of commencement of this consent. The results shall be validated by the peer review of a suitably qualified and experienced independent air quality expert.

(6A) (a) Within a period of 12 months from the date of commencement of this consent, the consent holder shall complete full enclosure of the acidulation building and undertake the necessary process changes for maintaining a safe working environment and an effective negative pressure differential.

(b) An effective negative pressure differential will be a consistent measurement of less than -7 Pa (negative 7 Pascal) as measured in accordance with Condition (6B)(d) of this consent during calm conditions (less than 1 metre per second (m/s) wind speed).

Advice Note:

Differential pressure is a measure of the pressure difference between the air pressure in a process room and the outside air. A negative differential pressure indicates that the air pressure in the process room is lower than that of ambient air and therefore air is being drawn through the treatment system. A baseline reading should be measured at times when external wind speed is less than one metre per second (1 m/s).

(6B) To demonstrate progress towards the milestone stated in Condition (6A)(a), the consent holder shall undertake engineering and other modifications in accordance with the timeframes noted below:

(a) Within one month from the date of commencement of this consent, the consent holder shall provide written confirmation to the Manager Compliance and Monitoring Canterbury Regional Council that sufficient funding has been approved and made available by the consent holder's Head Office in Germany to implement

the works necessary to achieve compliance with this consent.

(b) Within two months from the date of commencement of this consent, the consent holder shall provide written evidence confirming:
   (i) The placing of orders and target delivery dates for major equipment items associated with the change to a sulphuric acid based process and caustic soda ion exchange technology to enable the acidulation building to be enclosed and a safe working environment maintained;
   (ii) The engagement of suitably qualified consulting engineer(s) for the design and contract documentation of associated civil, mechanical, electrical and other necessary work; and
   (iii) A detailed critical path programme (GANTT Chart) to demonstrate the design, construction and commissioning periods for equipment and buildings to meet the 12 month timeframe for complete enclosure of the acidulation building required under Condition (6A).

(c) As soon as practicable, but not later than three months from the date of commencement of this consent, the consent holder shall achieve, and thereafter maintain, an effective negative differential pressure in the raw materials, tumbler, lime pits, and screws buildings.

(d) Within three months from the date of commencement of this consent, the consent holder shall install and operate instruments capable of accurately measuring the differential air pressure between the inside of the factory and the outside air:
   (i) The instruments shall have an operational resolution better than, or equal to, 2 Pascal.
   (ii) Install differential pressure measurement points and tubing at locations within the raw materials, tumbler, lime pits and screws buildings and in due course (but within 12 months) the acidulation building, such that a fair estimation of the differential air pressure between the inside of each building and the outside air can be measured.
   (iii) Once Condition (6B)(d)(ii) has been actioned, undertake daily measurements and recording of wind speeds and building pressure drops at the designated locations within each building between the hours of 7.00 am and 8.00 am. Also undertake repeat measurements over three consecutive month periods that record at least three pressure drop values for each building during light (2 to 3 m/s) and moderate wind conditions (4 to 6 m/s).
   (iv) All data recorded under Condition (6B)(d)(iii) shall be made available to the Canterbury Regional Council on request.
   (v) The differential pressure measurements shall be undertaken by a suitably trained person.
   (vi) At no less than six monthly intervals, the consent holder shall obtain written confirmation from a suitably qualified organisation that the instrument used to measure the differential pressure is validated by comparisons to measurements produced by another calibrated differential pressure measuring instrument.

(e) Within three months from the date of commencement of this consent, the consent

holder shall develop a formal procedure for ensuing the quality of incoming raw material as part of ongoing improvement in the management of raw materials and processes. This procedure shall identify trigger points for the implementation of remedial actions or for disposal off-site and record as a minimum:

(i) A summary of the age and condition of raw materials received during the reporting period;
(ii) A record of the age, source and condition of substandard raw materials received and the action taken;
(iii) A summary of material deemed unusable/not suitable for processing and disposed of elsewhere including source and off-site curing process;
(iv) Time in storage of any untreated materials held in store and details of any treatments applied while in storage; and
(v) Average quantity and time in storage of raw skins during the report period.

(f) (i) Within six months from the date of commencement of this consent, the consent holder shall provide a written report to the Canterbury Regional Council with evidence of progress towards full enclosure of the acidulation building against the critical path programme referred to in Condition (6B(b)(iii) including confirmation of the delivery status of major plant items and award of a construction contract(s) for associated work.

(ii) The report shall also identify, with an implementation timeframe, the next steps to be undertaken in terms of Point Source Treatment Initiatives to further improve odour control in months 13-24 following the date of commencement of this consent for:

I. Potential new technologies to neutralise odour in the Raw Materials area;
II. Alkaline and acid process wash process development to minimize hydrogen sulphide odours;
III. Direct air extraction and treatment from the acid process vessels during filling and draining [acidulation];
IV. Acidulation drain, waste solids collection area;
V. Sulphide aeration pit;
VI. Liming to acidulation transfer screws;
VII. Lime pits covering and aeration installation; and
VIII. Scraper pit and waste disposal skip.

(g) Within 11 months from the date of commencement of this consent, the consent holder shall provide written confirmation to the Manager Compliance and Monitoring Canterbury Regional Council of the satisfactory commissioning of all equipment necessary to enable a safe working environment and effective negative pressure to be maintained such that full enclosure of the acidulation building can be implemented in accordance with Condition (6A(a).

(6C) (a) Within one month of the date of commencement of this consent, the consent holder shall provide the Canterbury Regional Council with an Odour Management Plan for certification and to enable modifications to be required if requested.

For the purposes of this consent, "Certification" means that the OMP contains all information specified in Condition (6C)(d).

(b) The purpose of the Odour Management Plan is to achieve the best practicable option with respect to odour management and to set out how odours will be managed and measured to determine the level of improvement over time and to demonstrate compliance with the conditions of this consent

(c) The Odour Management Plan will require the consent holder to undertake regular monitoring of odour in ambient air in the vicinity of the site including the requirement for an Odour Monitoring Regime (OMR) in accordance with Condition 6 (D) and shall set out:
  (i) The frequency of monitoring and methods to be used, which shall be agreed in consultation with the Canterbury Regional Council; and
  (ii) The training for monitoring which shall be agreed in consultation with the Canterbury Regional Council.

(d) In accordance with the Odour Management Plan, the consent holder will accurately record all monitoring, management and operational procedures, methodologies and contingency plans required to comply with the conditions of this consent. The Odour Management Plan shall include, but not be limited to, the following:
  (i) inspection, maintenance, monitoring and recording of emissions control equipment (bio-filters and all ducting, pipework, fans and associated equipment);
  (ii) maintenance and monitoring of building integrity;
  (iii) process equipment inspection, maintenance, monitoring and recording;
  (iv) procedures for responding to process contingencies;
  (v) housekeeping and management procedures;
  (vi) ambient odour monitoring and training for the odour monitors;
  (vii) OMR in accordance with Condition (6D);
  (viii) complaints investigation, monitoring and reporting including steps to be undertaken when an offsite offensive odour is detected during ambient odour monitoring;
  (ix) details of Community Liaison Group meetings: notification, protocols and procedures; and
  (x) the identification of staff and contractor responsibilities.

(e) The Odour Management Plan shall be reviewed at least once every twelve months in consultation with the Canterbury Regional Council. Any proposed changes to the Odour Management Plan shall be submitted to the Manager at least 10 working days before any changes are implemented. The Odour Management Plan may be amended at any time. Any amendments shall be:
  (i) Only for the purpose of improving the efficacy of Odour Management Plan control measures and shall not result in reduced air quality; and
  (ii) Consistent with the conditions of this resource consent; and
  (iii) Submitted in writing to the Canterbury Regional Council, prior to any amendment being implemented.

(6D) (a) Within three months of the date of commencement of this consent, the consent holder shall establish an Odour Monitoring Regime. The Odour Monitoring Regime will comprise two elements:
   (i) Odour diaries compiled by community members; and
   (ii) Consent holder odour assessment.

(b) Odour Diaries (Community members): Odour diary panel members are to be identified/established in three houses to the west-southwest and another three houses to the east-northeast, in close proximity to the consent holder site to record observations of odour. Procedures are to be in accordance with the 'Good Practice Guide for Assessing & Managing Odour in New Zealand, Ministry for the Environment, Air Quality Report 36' (MfE, 2003), or revisions agreed in consultation with the Canterbury Regional Council. Odour diary panelists shall be trained to help ensure their rating of odour intensity is as per the 'VDI standard method' (Ministry for the Environment, 2003).

(c) Downwind Odour Assessments (consent holder personnel): The consent holder is to utilise employees to undertake daily ambient odour assessments at the eight cardinal compass points surrounding the application site at pre-defined locations opposite the nearest residential dwellings (preferably at least one occupied by an odour diary panel member). The odour assessors are to be assessed for odour detection sensitivity and trained for rating odour as per the 'VDI standard method' (Ministry for the Environment, 2003).

(d) The consent holder shall obtain meteorological data from the Canterbury Regional Council met-station in Woolston to provide wind speed and direction data for each event of offensive odour that was recorded by an odour diary panellist or consent holder personnel. The wind information and status of the tumblers, lime pits, screws and acidulation drums are to be confirmed for each recorded offensive odour event.

(e) Recording and Reporting: An 'Access Data base' or similar programme is to be used to record information obtained from the Odour Monitoring Regime and report the percentage hours of offensive odour, frequency, character, intensity for each location occupied by an odour panellist as well as VDI assessment data from consent holder odour assessors. This information is to be submitted to the Canterbury Regional Council as part of the reporting required under Condition 6F.

Advice Note:
General
The odour monitoring programme will use a mix of local residents who are rewarded in some way for completing an odour diary outside of their house. This information would complement the consent holder's own odour monitoring via regular downwind assessments of odour at pre-defined locations. For the diary programme the locations would ideally be in line with the most prevalent easterly and southerly wind frequencies. Meteorological data from the Canterbury Regional Council met-station at Woolston would provide wind speed and direction data for each offensive odour event recorded.

The odour panel members would be identified/established via consultation with the Community Liaison Group and offered some reward for their contribution of time and effort. For example, a supermarket food voucher after three month periods. Odour panel members would be assessed to ensure they have not got an impaired ability to sense odours. The methodology for assessment of odour panel members should be discussed with the Canterbury Regional Council as there is no olfactometer service currently available in Canterbury to undertake "nose calibrations".

For the consent holder's personnel, it would be preferred that the assessment be carried out by an employee that is not involved in the processing of the hides to gelatine. This is to prevent the assessor being desensitised. It would be desirable if a regular assessment is carried out with a Canterbury Regional Council Compliance and Monitoring officer to calibrate the assessment of odour effects.

(6E) Within three months of the date of commencement of this consent, the consent holder will establish a Community Liaison Group to facilitate communication and dialogue between the consent holder, Canterbury Regional Council and the local community on effects on the community arising from plant operations, in particular matters relating to offensive odour. The consent holder shall ensure:

(a) The Community Liaison Group remains in place for at least the duration of the period specified in Condition (5A);

(b) The Community Liaison Group comprises of two consent holder representatives and at least six local persons of whom at least three should be residential property occupiers in the local Woolston community in close proximity to the site. The composition of the Community Liaison Group may be varied in consultation with the Canterbury Regional Council;

(c) An Officer of the Canterbury Regional Council and a Health Protection Officer Community & Public Health are invited to be a participant in any community communication meetings/Community Liaison Group meeting and/or consultation meeting by providing at least five working day notice;

(d) The Community Liaison Group meets at least every three months, with the purpose of the meeting being to consider the following, but not be restricted to, matters:

(i) any odour emissions or other air quality nuisance issues associated with the site;

(ii) the performance of emission control equipment;

(iii) any upcoming or completed upgrade works; and

(iv) any recommendations to the consent holder for changes to, or amendments of, the Odour Management Plan; and

(e) Minutes of Community Liaison Group meetings are kept and distributed to all meeting attendees within one month of the date of the meeting. Copies of Community Liaison Group meeting minutes shall be held, and made available for public viewing, at the consent holder's reception office.

(6F) Starting three months from the date of commencement of this consent, and thereafter quarterly before the last day of June, September, December and March in each year between June 2015 and June 2017, and thereafter annually the consent holder shall provide the Canterbury Regional Council with a report that includes the following:

(a) Details of progress against the schedule of the works outlined in this consent,

including explanations as to why any of the completion dates were not achieved.

(b) Description of any proposed or actual process or plant modifications, in addition to those described in this consent that could affect odour discharges and effects beyond the site boundary.

(c) An assessment of odour impacts during the reporting period, including but not limited to:
   (i) a summary of odour impacts during the period, and methods used to assess them;
   (ii) the extent of adverse odour impacts, reasons for them and measures taken in response; and
   (iii) any odour management improvements applied as a result of complaints and the reasons for them.

(d) Raw materials management report including but not limited to:
   (i) A record of the age, source and condition of substandard raw materials received and the action taken;
   (ii) Time in storage of any untreated materials held in store and details of any treatments applied while in storage;
   (iii) Average time in storage of raw skins during the report period;
   (iv) A summary of the age and condition of raw materials received during the reporting period; and
   (v) A summary of material deemed unusable/not suitable for processing and disposed of elsewhere including source and off-site curing process.

(e) A summary of the daily measured negative differential air pressure including graphs as appropriate, for the raw materials, tumbler, lime pits, screws and acidulation buildings and the outside air. The summary should include maximum, minimum and average values, and include details for wind conditions at the time of measurement.

(f) Date and time of any odour complaints received by the consent holder during the report period, including details of investigations into the complaint and any remedial action taken in response to complaints received during the report period.

(g) Following the completion of the June reports in 2015, 2016 and 2017 as required by this Condition, the consent holder and the Canterbury Regional Council shall agree upon a suitably qualified person to review the quarterly reports for the previous 12 month period. This review shall identify areas within the Odour Management Plan that may need amending for the following 12 month period or the need for additional odour control measures to those specified in this consent.

   The consent holder shall advise the Canterbury Regional Council in writing of any actions taken in response to these recommendations no later than the 30 June each year. The costs of this review shall be paid by the consent holder.

(12A) Following consultation with the consent holder, the Canterbury Regional Council may annually, on the last working day of June 2016, 2017 and 2018, serve notice of its intention to review the conditions of this consent for the purposes of addressing any non-compliance with the items in Conditions (5A), (5B) and (6A) – (6F) of this consent. These reviews should include consideration of which conditions should be ongoing beyond the 24 month period for implementation as set out in Condition (5A).