From: <u>Laura Hull</u>
To: <u>Mailroom Mailbox</u>

Subject: Submission on proposed Air Plan - Synlait Milk

Date: Friday, 1 May 2015 3:57:07 p.m.

Attachments: Submission form - Synlait Milk Limited.pdf

Submission on proposed Canterbury Regional Air Plan - Synlait Milk Limited.pdf

Hi,

Please find attached Synlait Milk's submission on the proposed Canterbury Air Plan.

Thanks,

Laura Hull

Environmental Manager

Synlait Milk Ltd 1028 Heslerton Road RD13, Rakaia 7783 Canterbury, New Zealand

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Submission on the Proposed Canterbury Air Regional Plan

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Submitter ID:
File No:

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

Return your signed submission by 5.00pm, Friday 1 May 2015 to:

Freepost 1201
Proposed Canterbury Air Regional Plan.
Environment Canterbury
P O Box 345
Christchurch 8140

A Full Name: Laura Hull	Phone (Hm):				
Organisation*: Synlait Milk Limited * the organisation that this submission is made on behalf of	Phone (Wk): 373 3149				
Postal Address: 1028 Hesterton Road	Phone (Cell): <u>027 2800 179</u>				
Rakaia	Postcode: <u>7783</u>				
Rakaia Email: laura. hull@synlait.com	Fax:				
Contact name and postal address for service of person making submi	ission (if different from above):				
Trade Competition					
Pursuant to Schedule 1 of the Resource Management Act 1991, a person who could gain an advantage in trade competition through the submission may make a submission only if directly affected by an effect of the proposed policy statement or plan that: a) adversely affects the environment; and b) does not relate to trade competition or the effects of trade competition.					
Please tick the sentence that applies to you:					
I could not gain an advantage in trade competition through this submissions of the following:	on. If you have ticked this box please				
 I am directly affected by an effect of the subject matter of 					
I am not directly affected by an effect of the subject matte	4				
Signature: Da	ate: 01/05/15				
(Signature of person making submission or person authorised to sign on behalf of person making the submission)					
Please note: (1) all information contained in a submission under the Resource Management Act 1991, including names					
R					
I do not wish to be heard in support of my submission; and if so					

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



1 May 2015

Environment Canterbury
PO Box 345
Christchurch 8140

Submission on proposed Canterbury Regional Air Plan

Synlait Milk is a value-added ingredient, infant and adult nutritional milk processing company. Since operations began in 2008, Synlait has grown to become one of Canterbury's largest companies, processing 500 million litres of milk a year from around 160 Canterbury farms, and employing 300 staff. In 2013 Synlait launched Australasia's only ISO 65 farm certification system called Lead With Pride™. This certification recognises and financially rewards dairy farmers who achieve excellence in milk quality, environmental management, animal health and welfare and demonstrate social responsibility. Lead With Pride was the first programme to be recognised by Environment Canterbury as a Farm

Environment Plan.

Along with maintaining world-class processing facilities, Synlait maintain control over the quality of milk supply, milk processing and market distributions to guarantee our global customers with absolute food safety, security and traceability. The purity of our natural environment is central to Synlait's brand and

we place importance on protecting it.

Synlait welcomes the opportunity to provide input on the proposed Air Plan. Both the operation of our manufacturing plant in Dunsandel and our 160 suppliers across the region stand to be affected by the

proposed plan.

While Synlait largely supports the objectives of the plan, we consider the provisions as notified do not provide sufficient balance between social, economic and environmental factors to achieve the objectives. Our submission suggests a number of changes which will better give effect to the objectives, providing for ongoing operation and development of our manufacturing site while ensuring ambient air quality is not unacceptably degraded. Our primary concerns are the inappropriate use of the AAGQ guideline values, the lack of distinction between ambient and localised air quality and the

failure to protect existing industry against reverse sensitivity.

Synlait's operations that affect issues raised by the Air Plan are largely concerned with:

1. The operation of an energy centre for the overall plant operations – run using coal as the energy source in accordance with specifications set out in resource consents CRC084325 and

CRC142611.

Synlait Milk Ltd

synlait[™] making more from milk

2. Emissions principally from the dryer towers and packing lines, but also from other localised emissions, as a result of manufacturing and processing operations, also authorised under resource consents CRC084325 and CRC142611...

Synlait's site was chosen for a number of factors – but those relevant to the Air Plan are:

• The relatively sparse population base surrounding the processing base; and

• Its centralised location to the Synlait suppliers – thereby reducing road transportation of

primary milk and supplier product to the site; and

A recognition that a processing plant, of regional significance, could not in all cases contain all
effects on site, and that an appropriate placement of this facility was in a rural setting where

any immediate effects on environment, could be minimised to the greatest extent possible.

As an overall position, Synlait is of the view that the drivers for the plan appear to be based around air quality issues around urban/living environments. Examples of this are found in the plan's direction to cure "Gelita" type issues where air quality issues in an urban environment, are perceived to

compromise living air quality standards.

However the plan needs to proactively recognise, the needs of industry that have established sensibly away from urban population bases – while still requiring those industries to adhere to best industry practice and air quality rules. However, the plan should not have as its focus, any policies which require processing plants to relocate, where changes to living patterns encroach over time, on that rural based

industry.

To do so, will only lead to adversarial "protection-based" strategies to be adopted by those industries.

The pCARP fails to recognise the distinction made in the RPS between ambient and localised air quality. Uniform application of the pCARP provisions across the region, regardless of effect will unnecessarily constrain industrial and trade processes. As stated above, one of the reasons Synlait chose to locate at the Dunsandel site was the ability to manage localised air quality effects on the sparsely populated rural receiving environment. Ambient air quality over the region in which Synlait operates is, in its opinion, very high. Synlait submits that the rules and policies, require careful drafting to ensure the because of the high air quality, that the policies do not act as a bar to the co-location of

industries which promote and sustain the Canterbury rural economy.

The more specific matters addressed in relation to the air plan are attached.

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Page	Provision	Support / Oppose	Issue	Relief sought
Objective				
5-1	Objective 5-8	Support in part.	Synlait agree it is important to recognise that air quality expectations differ throughout the region depending on location and the receiving environment, and we support this as an objective.	Provide a stronger focus on achieving this objective in the relevant policies and rules, as suggested further in our submission.
			However the subsequent policies and rules do little to achieve this objective, with the rigid application of AAQG as a prohibited activity limit doing quite the opposite by applying a blanket threshold across the whole region, irrespective of the characteristics of the local environment.	
			The section 32 report states in its assessment of this objective on page 4-40 that 'The pCARP provides a framework for consideration of the receiving environment, while ensuring the AAQG and NESAQ are met." It is not evident however how the consideration of the receiving environment is provided for in policies and rules.	
5-1	Objective 5-9	Support in	We support inclusion of this objective seeking that activities	Amend Objective 5-9:
		part.	locate in appropriate areas. The policies and rules supporting this objective are focused however on preventing activities from locating in inappropriate areas; there is little provision to support activities that are seeking to locate in appropriate areas.	New activities are spatially located so that they result in appropriate air quality outcomes being achieved both at present and in the future.
			Where an activity is proposed for a suitable location this should be recognised in the consent process.	Provide a stronger focus on achieving this objective in the relevant policies and rules, as suggested further in our
			Further the objective should provide protection from reverse sensitivity for existing discharges to air that have	submission.



			been appropriately located, by preventing sensitive activities moving close to them.				
Policies	Policies						
6-1	Policies 6.2 and 6.3	Oppose	These policies set the guideline values of the Ambient Air Quality Guidelines 2002 Update as absolute thresholds. While Synlait agree AAQG is an important tool for managing air quality, it is inappropriate to use the guideline values in this manner.	Amend Policy 6.2: <u>Manage Minimise</u> adverse effects on <u>ambient</u> air quality where concentrations of contaminants are between 66% and 100% of the guideline values set out in the Ambient Air Quality Guidelines 2002 Update, so that			
			The AAQG are intended to be values above which further investigation into effects on air quality is warranted; setting an absolute limit of 100% of the guideline value will be unduly constraining for some circumstances and fails to achieve Objective 5.8.	concentrations do not exceed 100% of those guideline values. Amend Policy 6.3:			
			As it stands this policy would force industry to create new greenfields sites rather than expand existing sites where localised air quality may exceed AAQG guideline values, but without causing significant adverse effects on ambient air quality. This is undesirable from a district planning perspective.	Where <u>ambient</u> concentrations of contaminants exceed 100% of guideline values set out in the Ambient Air Quality Guidelines 2002 Update, <u>and adverse effects are demonstrated to be more than minor</u> , action is taken to improve air quality.			
			Exceeding guidelines values in rural areas won't necessarily mean adverse effects occur due to the sparse and distant location of sensitive receptors.				
			Recognition of the infrastructure associated with industry needs to be provided for in the plan – where the adverse effects (if any) are not experienced, due to the population patterns in rural Canterbury.				
			Greenfields site development would place an impossible burden, on the needs of industry				
			This would lead to a perverse outcome where air quality may be degraded over a greater area with the				



establishment of further industrial sites, rather than enabling existing sites to expand where appropriate.

The RPS does not support the sporadic development of Greenfields sites for industrial purposes.

AAGQ Section 3.7 Assessing individual discharges to air, clearly states it would be inappropriate to apply the guidelines as suggested by the proposed Air Plan. In particular they should not be used without taking into account the sensitivity of the receiving environment or considering background concentrations and potential cumulative effects.

The guideline values reflect either the lowest adverse effect level, or no adverse effect level, and in some instances have a safety factor applied. For example the Nitrogen Dioxide guideline value has safety factor of 50% applied to the lowest observable adverse effect level, to ensure adequate protection of more vulnerable sub-groups in the population.

It is more appropriate to use the guideline values as a tool to trigger further investigation; taking into consideration the sensitivity of the receiving environment, background concentrations, cumulative effects and community aspirations. Where it can be demonstrated that a discharge will not cause more than minor adverse effects and will not cause an airshed to become polluted, it should be enabled.

The Section 32 report asserts that the pCARP will provide for future industrial development and growth both inside and outside of polluted airsheds by reserving space (Page 4-35). Synlait disagree that the proposed provisions will achieve this, with no sign as yet of the technology required to achieve enough capacity within the limits proposed.



6-1	Policy 6.5	Support in part	This policy sends a clear signal that offensive and objectionable odour is unacceptable and requires the characteristics of odour to be known and managed.	
			Synlait agree that offensive and objectionable odour is not acceptable. Odour is extremely subjective and we welcome the guidance the pCARP provides to consent applicants, council staff and the community on how to assess odour.	
			It is critical that the plan provisions detailing how odour is to be assessed are fair and robust, striking a balance between ensuring truly offensive and objectionable odour doesn't occur, without unduly penalising an activity should someone take an unfairly sensitive positon toward it.	
6-1	Policy 6.7	Oppose	This policy requires that where land use has been authorised that results in new activities being significantly adversely affected by an existing discharge, that discharge is expected to reduce its effects or relocate. Synlait strongly oppose this policy as it penalises existing activities which have been failed by district planning processes if sensitive activities have been allowed to establish within their area of effects. This policy essentially authorises reverse sensitivity in these cases; it is unfair and unlawful to require the original activity to reduce or relocate at significant cost.	Amend Policy 6.7 to direct consideration of land use changes to have regard to buffer distances appropriate to ensure that activities adopting best industry practice to internalize effects are not compromised by authorised land use change.
			There is no guidance in the RMA for determining if an activity is 'significantly adversely affected'.	
			This policy is inconsistent with the RPS.	
			Case law developed under the RMA, lends support to the principle that parties choosing to co-locate in close proximity to industrial activities, should not then be permitted to "drive" controls on that activity to the levels	



			required by the more sensitive activity. The principle of reverse sensitivity developed by the Courts, is not a carte blanche for the industrial activity to operate without adherence to plan standards and rules and without measures to internalise the effects, to reasonable levels. Industry best practice guidelines will continue to apply.	
			However, the thrust of Policy 6.7 is to reverse the principles developed over time by the Courts, in response to pragmatic issues involving co-location of urban areas where there is "encroachment" on the air space of the industrial activity.	
			RPS Policy 5.3.2, Policy 5.3.12 and Objective 5.2.1 relate specifically to the optimal location of primary industry and avoidance of reverse sensitivity effects.	
6-1	Policy 6.8	Support in part	Synlait support longer consent duration for activities that have been appropriately located, but suggest this policy is too narrow in linking it to the potential for reverse sensitivity.	Amend Policy 6.8 to include the matters for discretion listed in section 1.3.5 of the NRRP for consent duration.
			Consent duration must take into consideration a wider set of factors, including the level of investment and available means to control effects, and the degree to which best practice is achieved.	
6-1	Policy 6.10	Support in	We support encouraging use of the best practicable option	Amend Policy 6.10:
		part	but consider the words 'at least' are unnecessary. This implies there may be something better than best practicable option that could be applied.	All activities that discharge into air apply, at least, the best practicable option so that cumulative effects are minimised.
6-1	Policy 6.11	Support in part	Nationally and regionally significant infrastructure is recognised and its operation and development provided for under this policy. This is logical and supported by Synlait –	Carry over into the pCARP the definition of Regionally Significant Infrastructure from the RPS, and amended to include primary sector manufacturing.



			however there is no definition of 'nationally and regionally significant infrastructure' in the pCARP. Synlait is regionally significant as processor of the region's milk. The policy should ensure the contribution of primary sector manufacturing to the national and regional economy is recognised in consent processing, along with the service role provided to our farmers.	
6-1	Policy 6.12	Support in part	Synlait are supportive of new and improved technology being adopted over time and as consents are renewed. However we note it is highly important that requirements to upgrade infrastructure is subject to a robust best practicable option assessment to ensure requirements are reasonable.	
6-2	Policy 6.19	Support	Support policy enabling industrial and trade activities where they are appropriately located.	
6-2	Policy 6.21	Oppose	As set out for Policies 6.2 and 6.3, the use of AAQG guideline values as absolute thresholds above which discharges are not allowed is inappropriate. Where it can be demonstrated that the adverse effect on air quality from a discharge will be minor, it should be allowed, regardless of if it exceeds guideline values or not. A prohibited threshold above which discharges are not allowed is provided by NESAQ. The guideline values of the AAQG must be applied at sensitive receptors, it is inappropriate and unduly constraining to measure at the property boundary.	Amend Policy 6.21: Avoid Manage the localised adverse effects from the discharge of contaminants into air from any large scale burning device or industry or trade premise, where the discharge will result in the exceedance, or exacerbation of an existing exceedance, of the guideline values set out in the Ambient Air Quality Guidelines 2002 Update at sensitive receptors, except where it is demonstrated the adverse effect of the discharge will be minor.



6-3	Policy 6.26	Support in part	Synlait support the intent of this policy, however consider the wording 'property of origin' is confusing and open to interpretation.	Amend Policy 6.26: The discharge of contaminants into air associated with rural activities do not cause offensive or objectionable effects beyond the boundary of the property of origin the discharge occurs on.
Rules				
7-1	Rule 7.3		Synlait support the intent of this rule however note it is critical that the assessment mechanism set out in Schedule 2 is robust and fair, given the non-complying status. The wording 'property of origin' is open to interpretation.	Amend Rule 7.3: The discharge of odour, dust or smoke into air that is offensive or objectionable beyond the boundary of the property of origin the discharge occurs on when assessed in accordance with Schedule 2 is a non-complying activity.
7-4	Rules 7.17 and 7.18	Oppose	As discussed for Policies 6.2 & 6.3, the use of AAQG guideline values as absolute thresholds is inappropriate. AAQG are intended to manage air quality in air sheds, not for controlling individual discharges. Assessments of effects should give consideration to AAQG, in context of each case, enabling consent to be granted if adverse effects on air quality are minor in respect of the receiving environment. As a discretionary activity Council has the ability to decline consent if guideline values are exceeded and the effects more than minor. The Section 32 report on page 4-34 states "Discharges exceeding guideline values outside of polluted airsheds are given non-complying status, indicating that the exceedance is still be to avoided but accepting that it may	Amend Rule 7.17: The discharge of contaminants into air from a large scale solid fuel burning device or from an industrial or trade premise established prior to 28 February 2015, outside a Clean Air Zone being exceeded is a non-complying discretionary activity. Amend Rule 7.18: The discharge of contaminants into air from a large scale burning device or from an industrial or trade premise established either inside a Clean Air Zone; or outside a Clean Air Zone after 28 February 2015, that will likely result in ambient air quality exceeding guideline values, set out in the Ambient Air Quality Guidelines 2002 Update, being exceeded is a prohibited non-complying activity.



			better promote the purpose of the act to allow for these discharges where the effects are minor." This is not reflected in the rules as notified, however recognises that exceeding the guideline values may be appropriate in some circumstances. It is important that guideline values are measured at sensitive receptors and limited to where people will be exposed rather than the property boundary to provide a fair assessment of effects. Exceedances of NESAQ are prohibited and provide a backstop.	
7-10	Rule 7.27	Support	Synlait support the discretionary activity status of this rule.	
7-10	Rule 7.28	Support in part.	The wording 'property of origin' is open to interpretation.	Amend Rule 7.28: The discharge of odour, beyond the boundary of the property of origin the discharge occurs on, from an industrial or trade premise is a restricted discretionary activity
7-10	Rule 7.29	Oppose in part	Suggest a controlled activity status is more appropriate than restricted discretionary for managing dust emissions beyond the boundary of ITP premises. There are mechanisms to manage dust so it is not offensive or objectionable, a controlled activity consent will enable Council to ensure the measures contained in the dust management plan are appropriate to the activity and receiving environment.	Amend Rule 7.29: Except where otherwise permitted or prohibited by rules 7.30 to 7.59 below, the discharge of dust, beyond the boundary of the property of origin-the discharge occurs on is a restricted discretionary controlled activity.



			We note that dust is also managed by district plans through earthworks controls and there is potential to require consents from both district and regional Councils for the same activity.	
7-21	Rule 7.68	Oppose in part	We oppose conditions 4 and 5 of the permitted activity rule. These parameters cannot easily be determined, to the extent it is inappropriate to include them as a condition for a permitted activity. We consider these limits to be unnecessary. The benefit of requiring a record be kept for 3 months under condition 6 is somewhat unclear. We suggest this overlaps significantly with the farm environment plan required for the associated discharge to land of effluent; it would be more appropriate to leave this data to be recorded as part of the	Delete conditions 4, 5 and 6 of Rule 7.68.
			The paperwork requirements on farmers have increased dramatically in recent years, across all aspects of their business. To promote efficiency we suggest CRC requirements should be streamlined wherever possible and the FEP is the logical way to do this.	