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To: [Mailroom Mailbox](#)
Cc: [Richard Timpany](#)
Subject: Variation 3 pLWRP - Hunter Downs Development Limited
Date: Monday, 25 May 2015 2:44:56 p.m.
Attachments: [25.05.15 HDDCL submission Variation 3 pLWRP.pdf](#)

Ecan Planning,

Please find attached Hunter Downs Development Company Limited's submission on Variation 3 to the pLWRP.

Kind regards

Brian Ellwood

Brian Ellwood

Technical Support
Hunter Downs Development Company Limited
021 676 052

**SUBMISSION ON PROPOSED VARIATION 3 TO THE PROPOSED CANTERBURY LAND WATER
REGIONAL PLAN – SECTION 15 – WAITAKI AND SOUTH COASTAL CANTERBURY”
(VARIATION 3) DATED 16 APRIL.**

To: Freepost 1201
Proposed Variation 3 to the proposed Canterbury Land Water Regional Plan .
Section 15 . Waitaki and South Coastal Canterbury+
Environment Canterbury
PO Box 345
CHRISTCHURCH 8140

Submitter: Hunter Downs Development Company Limited
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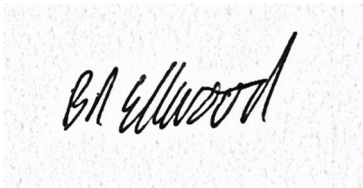
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Hunter Downs Development Company Limited makes this submissions on proposed Variation 3 to the proposed Canterbury Land Water Regional Plan . Section 15 . Waitaki and South Coastal Canterbury (*Variation 3*)

Hunter Downs Development Company Limited confirms its submission does not include matters that relate to trade competition or the effects of trade competition.

Hunter Downs Development Company Limited would like to be heard in support of its submission.

If other persons make a similar submission then Hunter Downs Development Company Limited would consider presenting joint evidence at the time of the hearing.



Brian Ellwood

For and behalf of Hunter Downs Development Company Limited

Dated this 25th day of May 2015.

OUTLINE OF SUBMISSION

INTRODUCTION

- 1 Hunter Downs Development Company Limited (HDDCL) is the entity that has been incorporated for the purposes of developing the Hunter Downs Irrigation (HDI) scheme. The HDI scheme already holds resource consent to take and use up to 20.5 cumecs of water from the Waitaki River at Stonewall for the purposes of irrigating up to 40,000 hectares (within a command area of approximately 60,000 hectares) in South Canterbury

GENERAL SUBMISSION POINTS

- 2 HDDCL supports the intent of the plan to:
 - 2.1 enable irrigation development to progress; and
 - 2.2 at the same time, provide for improvement in the water quality of Wainono lagoon (along with the setting of limits on water quality in the river, streams and groundwater of the area).
- 3 In this regard, reference to the *Scenario 2b solutions package* presented and agreed through the Zone Committee process assists:

The solutions package aims to reduce the trophic level for Wainono Lagoon to a Trophic Level Index (TLI) score of 6, improve Waihao and other tributary flows and habitat over time, and provide a protection level of 90% for nitrate toxicity for the streams, while the irrigated land area increases by 27,000ha via the consented WDIS and HDIS. For the Northern Streams, the package aims to improve flows and habitat over time while maintaining a protection level of 90% for nitrate toxicity, and providing for development at Good Management Practice. For Morven Drain and Sinclairs Creek, the package aims to protect the current quality of groundwater.
- 4 It is clear from Scenario 2b solutions package and the wider Zone Committee process that the development of the Hunter Downs Irrigation Scheme (*HDIS*) is essential if the anticipated environmental outcomes are to be met.

Key issues not addressed in Variation 3

- 5 There appear to be 3 key matters that are currently not addressed or are lacking in Variation 3:
 - 1) A clear statement of outcomes**
 - 5.1 Although there are a number of outcomes envisaged by the Scenario 2b solutions package, these are not well articulated in proposed Variation 3. What has instead been included is a very general discussion of the outcomes sought [at page 15-2, bottom para] (also supported by a number of *key actions* [at page 15-3] - presumably aimed at achieving the outcomes sought).
 - 5.2 HDDCL considers the actions and the actual outcomes sought have not been fully and appropriately brought through to the policy framework. It is therefore unclear from reading the policy framework as to what is actually being sought under Variation 3.
 - 5.3 We suggest the following amendments:
 - (a) Amend policy 15.4.8:

- 15.4.8 Improve water quality within the Waihao-Wainono Area by:
- (a) enabling the development of irrigation in the Waihao-Wainono Area using consented Waitaki River water to facilitate the augmentation of Wainono Lagoon; and
 - (b) enabling farming activities to access the higher flexibility caps in Table 15(l) only once augmentation of Wainono Lagoon has occurred

- (b) Include a new policy 15.4.14A (prior to policy 15.4.14):

15.4.14A Enable the development of new irrigation in the Waihao-Wainono Area and Northern Streams Area for the purposes of giving effect to:

- (a) the consented HDIS and WDIS schemes, which are intended to take water from the Waitaki River for the irrigation of a further 27,000 hectares; and
- (b) the augmentation of Wainono Lagoon

- 5.4 In the alternative, HDDCL considers that the overall vision of the Zone Committee (as currently included at the bottom of page 15-2), should be included in an objective.

2) Contribution to augmentation

- 5.5 It is clear that existing water quality in Wainono Lagoon and other surface waterbodies are currently not meeting the water quality outcomes envisaged by Variation 3.
- 5.6 In this regard, policy 15.4.8 currently provides that:

15.4.8 Improve water quality within the Waihao-Wainono Area by enabling farming activities to access the higher flexibility caps in Table 15(l) only once augmentation of Wainono Lagoon has occurred.

- 5.7 HDDCL supports the intent within the policy. There is however no direct connection between augmentation and the rights of an individual to access the higher flexibility caps in Table 15(l). This is contrary to the recommendation of the Zone Committee which anticipated land users outside an irrigation scheme contributing to augmentation as a part of accessing any higher flexibility cap:

1.16 The Sub Regional Section enables land users outside an irrigation scheme to increase their N losses **if they are a dry shareholder in the scheme**, have a portion of the scheme load, and the catchment load limit is not breached. [Emphasis added]

- 5.8 Ensuring that some contribution is made is an important aspect of ensuring augmentation actually occurs. Although in a narrow sense the absence of a contribution would mean that irrigation scheme members needs to pay for augmentation, in a practical sense HDDCL considers that there would be a much greater risk that both augmentation and the development of the irrigation scheme are prevented outright (through the cost of augmentation being prohibitive if the cost is not able to be shared). There are accordingly strong resource management reasons as to why Variation 3 should provide a mechanism that either directly or indirectly requires a contribution from all those that benefit from augmentation (and not just the members of the irrigation scheme).

5.9 HDDCL seeks the following amendments:

(a) Amend Rule 15.5.2:

15.5.2 The use of land for a farming activity, except any land that is part of a Nutrient User Group or Farming Enterprise, or land that is within the command area of an Irrigation Scheme where the nutrient loss from the farming activity is being managed by the scheme, is a permitted activity provided the following conditions are met:

1. The nitrogen loss calculation does not exceed the greater of either the nitrogen baseline or the flexibility cap for the respective area as set out in:
 - (a) column A of Table 15(m) for any land within the Waihao-Wainono Plains; or
 - (b) ~~column B or C for any land within the Waihao-Wainono Plains and~~ Columns E or F of Table 15(m) for any land within the Northern Streams Plains; and
 - (c) column D of Table 15 (m) for any land within the Waihao-Wainono Hill, or Column G of Table 15(m) for any part of the property within the Northern Streams Hill.
2. The nitrogen loss calculation for any part of the property within the Morven-Sinclairs Area does not exceed the nitrogen baseline; and
3. In the Northern Streams Area and Waihao-Wainono Area the use of land is for an existing farming activity and the property nutrient loss is less than the maximum cap for the relevant soil type of that property, as set out in Table 15(n) is not exceeded; or
4. In the Northern Streams Area and Waihao-Wainono Area the use of land is for a new farming activity and the property nutrient loss is less than the maximum cap as set out in Table 15(n) for the relevant soil type of that property is not exceeded; and
5. The farming activity is operating at good management practice as set out in Schedule 24b.

(b) Include a new Rule 15.5.3A:

15.5.3A Following the augmentation of Wainono Lagoon, the use of land for a farming activity, except any land that is part of a Nutrient User Group or Farming Enterprise, or land that is within the command area of an Irrigation Scheme where the nutrient loss from the farming activity is being managed by the scheme, that does not comply with condition (1)(a) of rule 15.5.2 is a controlled activity provided the following conditions are met:

1. The nitrogen loss calculation does not exceed the greater of either the nitrogen baseline or the flexibility cap for the respective area as set out in:
 - (a) column B or C for any land within the Waihao-Wainono Plains; and

2. In the Waihao-Wainono Area the use of land is for an existing farming activity and the property nutrient loss is less than the maximum cap for the relevant soil type, as set out in Table 15(n) is not exceeded; or
3. In the Waihao-Wainono Area the use of land is for a new farming activity and the property nutrient loss is less than the maximum cap as set out in Table 15(n) for the relevant soil type is not exceeded; and
4. A Farm Environment Plan has been prepared in accordance with Schedule 7 Part A, and is submitted with the application for resource consent; and
5. The farming activity is operating at good management practice as set out in Schedule 24b; and
6. The nitrogen loss on the property does not exceed the greater of:
 - (a) that subject to a targeted rating under the Local Government (Rating) Act 2002 to contribute to the provision and operation of Wainono Lagoon augmentation; or
 - (b) that described in any relevant Nitrogen Loss Agreement with the provider of Wainono Lagoon augmentation water, where a copy of that agreement has been submitted with the application for resource consent.

(c) Amend Rule 15.5.4:

15.5.4 The use of land for a farming activity except any land that is part of a Nutrient User Group or Farming Enterprise, or land that is within the command area of an Irrigation Scheme where the nutrient loss from the farming activity is being managed by the scheme, that does not meet condition 1 of 15.5.3 or rule 15.5.3A, is a non-complying activity.

- 5.10 This series of amendments along with the new Rule 15.5.3A would also need to be included with the equivalent rules for the establishment of farm enterprises and nutrient user groups (which are currently treated separately under Rules 15.5.6 to 15.5.10). Alternatively, a single rule could be included to address individual farming activities, nutrient user groups and farming enterprises (noting that given the existing approach of Variation 3 to treat the various nutrient management systems separately, this has been what is suggested above).
- 5.11 In regard to proposed Rule 15.5.3A, condition 6 it is further noted that there are likely to be a number of options in terms of how the Wainono Lagoon augmentation might be funded. This might affect the final options set out in the condition.
- 5.12 More generally, HDDCL considers that reference to a requirement to show evidence of an agreement with the provider of Wainono Lagoon augmentation or targeted rating are legitimate matters to be included in a plan. Targeted rating is consistent, for example, with the rules relating to the requirement for the payment monitoring fees and other charges.
- 5.13 Further examples include:
 - (a) *Augmentation Affiliated* takes in the Opihi River Regional Plan (which provides differing minimum flows depending on the irrigation scheme shares held) and notes, for example that at page 27:

The taking of water in terms of an A+Permit or an B+permit shall only occur if the shares in the Opuha Dam Augmentation Scheme are uniquely identified by the consent holder applying to the permit and to no other permit and the details of those shares are advised in writing in advance to Environment Canterbury

- (b) a requirement to hold Mackenzie Irrigation Company shares and the need to provide evidence of a derogation approval from Meridian in the Waitaki Catchment Water Allocation Regional Plan (see footnote 23A and supporting material); and
- (c) the register concept included in the National Water Conservation Order (Rakaia River) 1988 as amended on 7 March 2013, which requires a consent holder to demonstrate written approval from the holder of the consents for the Lake Coleridge Hydroelectric Power Scheme prior to being placed on the Register.

3) OVERSEER version control

- 5.14 Variation 3 specifies maximum nitrogen loss loads at both the paddock and at the catchment level. These loads have been created using OVERSEER® based on a range of assumptions around future landuse mix, soil types and rainfall/drainage.
- 5.15 HDDCL is concerned that a number of nitrogen loss limits have been included within Variation 3 without reference to either:
- (a) the version of the source model; and/or
 - (b) any ability to update the nitrogen loss limits as versions of the model change.
- 5.16 In this regard, HDDCL considers that the appropriate use of OVERSEER® in a regulatory context is as a relative tool rather than an absolute tool. or to put that another way OVERSEER outputs are:
- (a) not necessarily reflective of actual real life N losses (but if the same version of OVERSEER is used it is a useful tool in terms of assessing land use change); and
 - (b) if different versions of OVERSEER are used the N-losses from an individual farm might vary considerably under each version of the model with no actual change to the real-life activities on farm.
- 5.17 Given the concerns set out, HDDCL suggests there needs to be a rule within Variation 3 that provides that:

[x] When considering compliance with any nitrogen loss limit included in rules 15.5.1 to 15.5.40 (along with supporting tables), version [X] of OVERSEER® shall be used. If OVERSEER® is updated:

(a) the most recent version of OVERSEER® shall be used to calculate an equivalent nitrogen loss limit (the Equivalent Limit) using the same input parameters as were used to calculate the nitrogen limit calculated using version [X] of OVERSEER®; and

(b) the Equivalent limit shall be used for the purposes of determining compliance.

- 5.18 Alternatively, each individual table could include a footnote (which would form part of the table and therefore the relevant rule) to the effect that:

^[x] If OVERSEER is updated, the most recent version shall be used to recalculate the nitrogen loss limit in [Table X] using the same input data (at which point the new loss limit will apply).

FURTHER POLICY AND RULE SUBMISSIONS

The table below details further submissions on specific policies and Rules of Variation 3

Relevant Provision	Support or Oppose	Reason	Decision sought
Policies			
15.4.1	Support	Stock exclusion and enabling the Wainono restoration project are both critical to ensuring that water quality outcomes are met.	Retain policy as notified
15.4.2	Oppose in part	HDDCL supports the general intent of the policy to deliver water quality outcomes . however the policy needs to be amended to reflect the Zone Committee understanding relating to future land use mix and instream nitrate water quality not exceeding 90%.	<p>Include in the policy:</p> <p><i>Achieve the water quality outcomes for the Northern Streams Area, Waihao-Wainono Area and the Morven-Sinclairs Area by not exceeding the nitrogen load limits in Tables 15(o) and 15(p) taking into account:</i></p> <ul style="list-style-type: none"> a) <u><i>an estimated landuse mix of 70% Dairy, 10% Sheep, Beef and Deer, 10% dairy support and 10% intensive seasonal cropping; and</i></u> b) <u><i>an instream nitrate toxicity level of 90%</i></u>
15.4.4	oppose	The meaning of <i>good management practice or better+</i> in terms of informing the actual level of farming practice required in a given circumstances is unclear.	Remove <i>or better+</i>

Relevant Provision	Support or Oppose	Reason	Decision sought
		HDDCL understands that consultation and the modelling of loads was based on all farms operating at good management practice.	
15.4.5	Support	Creates certainty	Retain policy as notified
15.4.6	Support	Provides time and certainty for existing land users to change their practices while protecting the capital investment made over the short to medium term	Retain policy as notified
15.4.8	Oppose in part	HDDCL supports the intent within the policy but has made a number of comments on it in its <i>General Submission Points</i> . Those are repeated here.	Amend to include amendments set out in the <i>General Submission Points</i> In addition, include (as per <i>General Submission Points</i>): <ul style="list-style-type: none"> • a further policy (Policy 15.4.14A); • further Rule amendments to Rules 15.5.2 and 15.5.4; and • new rule Rule 15.5.3A
15.4.10	Support	HDDCL supports the matters set out in this policy (including reference to an irrigation scheme+)	Retain policy as notified
15.4.14	Support	HDDCL supports the intent of this policy . provided that the policy continues to reflect the development of, and consent requirements relating to, the Hunter Downs Irrigation Scheme.	Retain policy as notified
15.4.15	Support	HDDCL supports this policy (especially in regard to the enablement of augmentation).	Retain policy as notified

Relevant Provision	Support or Oppose	Reason	Decision sought
		Were augmentation not to occur, the extent of nutrient loss reductions to all sources of Nitrogen should be based on the measure of TLI.	
15.4.16	Oppose in part	The policy requires certain effects on people and property from raising groundwater and land inundation to be avoided. Avoid does not provide for the opportunity for the activity to occur with the provision of mitigation for the effects.	Amend: (e) <i>adverse effects on people and property from raised groundwater levels and land inundation are avoided <u>or mitigated</u>;</i>
15.4.20	Support in part (subject to submission on reasonable use below)	Creates certainty of resource availability	Retain policy as notified.
15.4.21	Support in part (subject to submission on reasonable use below)	Creates certainty of resource availability	Retain policy as notified.
15.4.22 (and 15.4.20, 15.4.21, 15.4.23)	Oppose in part	HDDCL is concerned around the reference to demonstrated use. This period may not allow for annual volume in a drought year if an equivalent drought period has not occurred in the recent past. It might also	Amend to only refer to % <i>reasonable use</i> +, calculated in accordance with Schedule 10.

Relevant Provision	Support or Oppose	Reason	Decision sought
		unreasonably represent what might occur on the property in the future under normal farming operations.	
15.4.23	Support in part / Oppose in part	HDDCL supports the intent of the policy to improve surface water flows. HDDCL opposes the use of common expiry dates - especially in the case of large infrastructure where the full consented 35 period will be required for investment to be recovered	Amend Policy 15.2.23 by deleting reference to “demonstrated” in (c) and all of (d).
15.4.24	Support	HDDCL also notes the use of “reasonable” only in this policy.	Retain policy as notified
15.4.25	Support	Irrigation scheme water can be sustainably supplied from the Waitaki River to reduce pressure on in-catchment streams.	Retain policy as notified.
15.4.32	Support	Augmentation water is important and should not be reallocated. Policy should not be limited to Morven Glenavy and should include any augmentation water, as further augmentation is clearly contemplated under Variation 3.	Retain as notified with addition of “Environmental benefits from the discharge of water for augmentation and environmental purposes from the Morven Glenavy Irrigation Scheme into the lower reach of the Waihae River, a surface water body are protected by avoiding the allocation of that discharged water for abstraction.
15.4.35	Oppose	Consent duration greater than 10 years is needed for investment certainty.	Delete policy
Rules			

Relevant Provision	Support or Oppose	Reason	Decision sought
15.5.2 15.5.3 and 15.5.4	Oppose	Does not fairly provide for the cost of augmentation to those which benefit from it. HDDCL repeats the comments made in respect of this in its <i>General Submission Points</i> .	HDDCL repeats the relief sought in respect of this in its <i>General Submission Points</i> .
15.5.11A	New rule	These rules are currently irrigation-scheme focused. A parallel rule (relating to the properties receiving water from the Irrigation Scheme) would assist. HDDCL considers that the use of land for farming should be a permitted activity where the nitrogen loss is authorised by a resource consent held by an Irrigation Scheme and that property holds an agreement with the Irrigation Scheme	Include a new rule: <u>The use of land for a farming activity on a property that is supplied with water by an irrigation scheme, is a permitted activity provided the following conditions are met:</u> <ol style="list-style-type: none"> <u>The irrigation scheme holds a nitrogen discharge consent for the area where the property is located.</u>
15.5.11	Oppose	The requirement in the rule that the application for resource consent by the irrigation scheme does not include Nutrient user Group or Farming Enterprise is not practical as not all property in the irrigation scheme will subscribe initially in the scheme but will join over time. The proposed rule would require the consent to be altered or new consent applied for when a property enters the scheme (if that property had previously been in a Nutrient user Group or Farming Enterprise). Only Condition 1 of the rule is the important for managing catchment nitrogen load.	Amend the rule to provide: The discharge of nutrients onto or into land within the command area of an Irrigation Scheme in circumstances which may result in contaminants entering water and where the property is supplied with water by an irrigation scheme is a discretionary activity provided the following conditions are met: <ol style="list-style-type: none"> The nitrogen load limits in Table 15(p) are not exceeded; and The application for resource consent does not include any land that is part of a Nutrient User Group or Farming Enterprise.

Relevant Provision	Support or Oppose	Reason	Decision sought
15.5.20, 15.5.21 and 15.5.23	Support	HDDCL supports express provision being made for the augmentation of Wainono Lagoon	Retain rules as notified
15.5.24	Oppose in part	HDDCL supports express provision being made for the augmentation of Wainono Lagoon but is concerned that condition 5 is overly restrictive in the discharge of flow to provide augmentation and flushing flows.	Delete condition 5 Retain balance of rule as notified.
15.5.25	Support	HDDCL supports express provision being made for the augmentation of Wainono Lagoon	Retain rule as notified
15.5.26	Oppose	<p>The prohibited status is unnecessarily restrictive. The list of water bodys in Table 15 (g) and (j) is not extensive and does not cover all drains or potential water sources in the plan area.</p> <p>Of specific interest is the abstraction of groundwater or surface water in the tributarys near Wainono lagoon for environmental enhancement. The prohibited nature of the rule would, for example, exclude the abstraction of water for nitrogen removal treatment and the return of that water to the lagoon.</p>	Amended rule to non-complying
Tables			
Table 15 (a)	Oppose	The heading row of the QMCI column requires clarification that the numeric value relates to 80% of samples of a 5yr period to provide for natural variation.	Amend the heading of the QMCI indicator column to read QMCI [min <u>80% of samples in 5 year period</u>]

Relevant Provision	Support or Oppose	Reason	Decision sought
		In relation to Cyanobacteria mat cover, there is no qualification of the thickness of mat. E.coli concentration is specified to be <260 E.coli per 100ml to for meeting the Band A under the National Objective Framework. The requirement for all streams to meet the Band A water quality criteria is too high a threshold.	Amend the heading row in relation to Cyanobacteria cover to read <u>Cyanobacteria mat cover >3mm thick [max. cover of bed] (%)</u> E.coli, amend table E.coli numbers to relate to the current National Objective Framework Classification Band derived from the current water quality standards and modelled water quality outcomes with the implementation of Zone Committee Scenario 2 land-use changes for that water way.
Table 15 (c)	Oppose	The DIN median limits are set too low, The public consultation and community agreement on effects was based on a 90% nitrogen toxicity threshold.	Amend The DIN concentration figures to reflect 90% toxicity. Retain 95% annual percentile
Table 15 (d)	Oppose	The main target is a TLI 6.0 or better. The table should reflect that individual components of the TLI measurement may exceed the maximum median concentration provided the combined analysis creates an annual median TLI of 6.	Amend the table to reflect the annual median TLI target is 6. Delete concentrations Targets for TP, TN and <i>chl a</i>
15.7.6 Water quality Limits and Targets Tables m, n, o and p	Oppose	The limits and targets must reflect the measurement using the same version of OVERSEER. HDDCL is also concerned that changes to Overseer input like SMAP soil data classifications will have an impact on loads, limits and Caps The example of a change to the input classification of soils changes the modelled loads. Flexibility to update, baselines, max cap limits, and catchment loads to accommodate	HDDCL repeats the relief sought in respect of this in its <i>General Submission Points</i> . Specifically for table (p) Delete the (*) foot note relating to Irrigation scheme load

Relevant Provision	Support or Oppose	Reason	Decision sought
		<p>these type of input changes is needed to have functional plan and landuse.</p> <p>Specifically for Table (p) the foot note (*) is unworkable as scheme under policy 15.4.14 is required to manage all scheme property loads not just the top-up load. This added note is not necessary to manage the catchment load</p> <p>HDDCL repeats the comments made in respect of this in its <i>General Submission Points</i>.</p>	

