From:	Chris Hansen
To:	Mailroom Mailbox
Cc:	Shaun Burkett; Sarah Drummond
Subject:	Submission on Variation 3 to the PCLWRP
Date:	Monday, 25 May 2015 3:00:45 p.m.
Attachments:	Ravensdown Submission - Var 3 CLWRP - FINAL 250515.doc

Please find attached a submission on behalf of Ravensdown Fertiliser Co-operative Ltd to Variation 3 to the PCLWRP.

Please contact me in the first instance if you have any questions or concerns.

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SUBMISSION ON PROPOSED VARIATION 3 TO THE PROPOSED CANTERBURY LAND AND WATER REGIONAL PLAN

То:	Chief Executive Officer Environment Canterbury P O Box 345, Christchurch 8140
Submission on:	Proposed Variation 3 to the Proposed Canterbury Land & Water Regional Plan (PCLWRP) – Section 15 – Waitaki and South Coastal Canterbury
Name of Submitter:	Ravensdown Fertiliser Co-operative Limited PO Box 1049 CHRISTCHURCH
Address of Submitter:	C/- CHC Ltd P O Box 51-282 Tawa WELLINGTON 5249 Attention: Chris Hansen Phone: 021 026 45108 Email: <u>Chris@rmaexpert.co.nz</u>

1. The specific provisions of the proposed plan change that Ravensdown's submission relates to are:

Proposed Variation 3 to the Proposed Canterbury Land & Water Plan as included in the attached submission below.

2. Trade Competition

Ravensdown could not gain an advantage in trade competition through this submission.

3. Ravensdown's submission is:

Refer to submission points below. The relief sought by Ravensdown are also outlined in the submission points below.

4. **Ravensdown wishes to be heard in support of this submission.**

Ravensdown would be prepared to present a joint case with others that have made similar submissions at a hearing.

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Chris Hansen Authorised Agent for Ravensdown Fertiliser Co-operative Ltd 25 May 2015

SUBMISSION ON PROPOSED VARIATION 3 TO THE PROPOSED CANTERBURY LAND & WATER REGIONAL PLAN

1 Ravensdown's interest in the Canterbury Region

The following submission is made on behalf of Ravensdown Fertiliser Co-operative Ltd (Ravensdown) to Proposed Variation 3 to the Proposed Canterbury Land & Water Regional Plan (PCLWRP) – Section 15 – Waitaki and South Coastal Canterbury. The period for submission closes on 25 May 2015.

Ravensdown owns and operates three fertiliser-manufacturing plants in Ravensbourne (Dunedin), Hornby (Christchurch) and Awatoto (Napier). Ravensdown also operates 46 bulk fertiliser stores throughout NZ, and has an interest in a further 70 consignment fertiliser stores which are operated by third parties in which Ravensdown products are stored. In the Waitaki – South Coastal Canterbury area, Ravensdown has a Company Fertiliser Store at Kurow, and a Consignment Fertiliser Store at Waimate.

In addition to these facilities, Ravensdown operates a number of quarries that mine and process agriculture lime in various parts of New Zealand.

Ravensdown takes an interest in regional and district plans from two perspectives – how plan provisions affect their own manufacture and storage activities, and how the plan provisions may affect the users of their products. When considering plans Ravensdown wishes to ensure planning provisions are enabling and are not unduly restrictive.

In this context, Ravensdown is mindful that the purpose of the Resource Management Act 1991 (RMA) is to promote the sustainable management of natural and physical resources, while achieving a number of outcomes, including avoiding, remedying or mitigating the actual or potential adverse environmental effects of an activity. Ravensdown therefore seeks for policies and plans to recognise that the RMA enables activities and anticipates environmental effects will occur, so long as these effects are managed to levels considered acceptable by the community. The RMA does not anticipate no development or zero effects from activities.

2 General Comment on Variation 3 to the Proposed Plan

Ravensdown has had a close involvement in the preparation of the Proposed Canterbury Land & Water Regional Plan (PCLWRP), and has more recently followed the Zone Committee process for the preparation of provisions to be included (through Variation 3) in the Sub-regional Section 15 – Waitaki and South Coastal Canterbury.

Ravensdown has divided its submission into Two Parts: Part I addresses more general matters that are relevant to the overall Variation, and the approach Council is taking to the management of nutrients in the three areas. The matters raised in Part I are of a more general nature and relate to approaches and principles that underlie Variation 3. The relief sought

therefore often seeks Council to review its approach in light of the CWMS Vision and the ZIP outcomes and recommendations, to determine whether implementation of these instruments is appropriate and necessary.

Part II addresses specific matters relating to the Variation 3 provisions. The relief sought to address these matters are often directive and identify specific amendments or deletions to the Variation 3 provisions.

3 General Submission Points

Ravensdown has assessed Variation 3 and wishes to raise the following 'General Matters' that apply to a number of provisions or are matters that raise questions that require some consideration.

The Intentions of the CWMS and Waitaki – South Coastal Canterbury ZIP Vision for the Canterbury Water Management Strategy (CWMS)

Ravensdown supports the CWMS that was prepared through a robust community consultation process, and reflects the water outcomes sought for the region by the people.

In particular Ravensdown supports the Vision of the CWMS which is:

"To enable present and future generations to gain the greatest social, economic, recreational and cultural benefits from our water resources within an environmentally sustainable framework."

This balance of gaining community outcomes while achieving the sustainable environmental outcomes provides the context for the ZIP and subsequent plan changes to the PCLWRP to implement the relevant ZIP. The Vision (and principles) of the CWMS are required to be given *particular regard to* when making decisions on Variation 3 by the Environment Canterbury (Temporary Commissioners and Improved Water Management) Act 2009.

Ravensdown has strong reservations that this Vision has not been given *particular regard to* when considering a number of the provisions contained in Variation 3 which do not support the vision. These concerns are identified in specific submission points below.

Relief Sought: Ravensdown seeks for the Vision of the CWMS to be given *particular regard to* when making a decision on the provisions of Variation 3, as highlighted below in this submission.

South Coastal Canterbury ZIP Addendum (September 2014)

The ZIP for the South Coastal Canterbury outlines the outcomes sought by the Zone Committee for the three areas identified: Waihao-Wainono; the Northern Streams; and Morven Drain and Sinclairs Creek that include:

• Wainono Lagoon is a healthy ecosystem;

- A vibrant economy with sustainable growth;
- Coastal Streams have high water quality.

Ravensdown fully supports these outcomes for the South Coastal Canterbury Area.

The ZIP then outlines the water quality of these three areas, with the following outcomes sought:

- Waihao-Wainono to hold the line at the current water quality and improve over time the TLI score to 6.0 (or better) [currently 6.5] and provide for a 90% protection level for nitrate toxicity in the system;
- Northern Streams to provide for a 90% protection level for nitrate toxicity further development based on Good Management Practice (GMP) – GMP is sufficient to meet water quality outcomes;
- Morven Drain and Sinclairs Creek to hold the line at current groundwater quality, which will require GMP and FEPs GMP is sufficient to meet water quality outcomes.

The ZIP includes a range of mechanisms to achieve these outcomes including;

- Catchment Groups;
- Farm Environment Plans (FEPs);
- On-farm actions sediment traps; stream battering; wetland rehabilitation etc.;
- Set GMP requirements for agricultural, urban and industrial discharges;
- Use a **simple framework** to support limits implementation (emphasis added);
- Augment Wainono Lagoon;
- Cap current water allocation and reduce over-allocation over time;
- Secure future functioning of the Waihao Box.

Ravensdown fully supports the outcomes and mechanisms recommended by the ZIP for the management of water quality in the three areas. Ravensdown also notes that there is a clear intention in the ZIP (which recommends the sub-section adopt a *flexibility cap* and a *maximum cap* for the Waihao-Wainono and Northern Streams areas) that the findings of the Matrix of Good Management (MGM) Project would replace the numbers included in Table A of Appendix 2¹. The ZIP also anticipates GMP numbers for farming systems for all three areas would be updated in 2015 at the completion of the MGM project.

Ravensdown is concerned that the outcomes sought by the ZIP, which are pragmatic and responsible responses to the water quality issues facing the three areas, are not being accurately implemented through the provisions of Variation 3, as discussed further in this submission. As highlighted above, the ZIP seeks a <u>simplistic framework</u> to support the implementation of limits. As outlined in its submission below, Ravensdown considers the

¹ See note at the bottom of Table A; Appendix 2; Page 22 of ZIP

policy and rule regime incorporated into Variation 3 is complex and confusing, and not the simplistic framework anticipated by the Zone Committee who prepared the ZIP.

Relief Sought: Ravensdown seeks for Council to:

- Ensure the outcomes and intentions of the ZIP to be clearly followed through into the provisions of Variation 3, as sought below in specific submission points;
- Provide a clear statement to be included in Variation 3 that outlines the process by which the GMP numbers that result from the MGM Project will be incorporated into Variation 3 to replace the current flexibility cap and maximum cap numbers;
- Review the policy and rule regime to introduce a simplistic framework to implement the limits set.

Section 32 Report

GMP and Consents Regime

Ravensdown has reviewed closely the s.32 Report (dated 16 April 2015) and supports the key premise that the overarching expectation in Variation 3 is that all farming practices will operate at GMP². Ravensdown also notes that farming activities are required to gain resource consent if their nitrogen leaching loss exceeds the greater of the nitrogen baseline or flexibility cap for the respective areas, or if they exceed the maximum cap. Farming activities also require consent if they form part of a Nutrient User Group or Farming Enterprise³.

Ravensdown has two concerns regarding these points. Firstly, Variation 3 adopts 'interim' GMP numbers without a mechanism to incorporate the GMP numbers for farming systems that will eventuate from the MGM Project, as anticipated by the ZIP. Secondly, the consents regime that has been set up does not reference the fact that some farming activities are prohibited activities (and resource consent cannot be applied for), and Variation 3 develops a complex set of terms and circumstances that mean a number of consents may be required for a farming activity.

In other words, the resource user is faced with a number of 'hurdles' that need to be negotiated – exceeding the nitrogen baseline OR flexibility cap OR maximum cap OR is part of a Nutrient User Group OR a Farming Enterprise; and load limits for farming – all of these scenarios result in a consent being required (or in some cases no consents can be applied for). It is also noted that some of the mechanisms relate to different matters. For example, a flexibility cap relates nitrogen losses to an area while a maximum cap relates to a soil type – these different approaches may cause additional challenges for resource users creating uncertainty and confusion and add additional layers of complexity for the implementation of Variation 3.

² Section 32 Report; Section entitled Improving Water Quality and Ecological Health; paragraph one; page ii

³ Section 32 Report; Section entitled *Improving Water Quality and Ecological Health*; paragraph five/six; pages ii/iii

These complexities are further highlighted as the flexibility cap and maximum cap are both assessed against an Overseer nutrient budget (nitrogen loss calculation). However, the flexibility cap limit is determined by the location of the property (that is, in the Waihao/Wainono Plains and Hills, Northern Streams Plains and Hills), while the maximum cap limit is determined by soil texture and is not location dependent (except that it only applies to the Northern Streams and Waihao/Wainono).

Ravensdown questions whether this vigorous regulatory approach is anticipated from the implementation of the ZIP which clearly envisaged water quality in two of the three areas being managed by GMP and FEPs adopting a simplistic framework.

Introducing MGM Project Numbers into Variation 3

Ravensdown notes the s.32 Report makes a clear statement that Variation 3 does not anticipate how the outputs of the MGM Project will be brought into the planning framework of the PCLWRP, or the interface with the nutrient policies, rules and limits within Variation 3 itself⁴. This matter has been discussed above, and is a significant concern to Ravensdown.

Efficiency of Variation 3: Nitrogen Limits

Ravensdown notes the evaluation of the efficiency of Variation 3 Nitrogen Limits in Table 21⁵. Ravensdown is concerned that the economic costs and benefits evaluation determines that a small cost is anticipated from the nitrate-N limits and suggests the costs reflects the requirement for high leachers to operate at GMP / meet the maximum cap for nitrogen loss. While the commentary centres on the costs of mitigation to meet the limits (which is not questioned by Ravensdown), there seems to be no consideration of the costs associated with the complex consenting regime that is included in Variation 3 which would fall on the resource user and Council, and the lost opportunity costs to the region of adopting non-complying and prohibited activity status. Ravensdown questions the robustness of the economic assessment of the efficiency of the nitrogen limits adopted in this context.

Effectiveness of Variation 3: Meeting Nitrogen Limits for Northern Streams, Waihao River and Wainono Lagoon

In Table 36 of the s.32 Report⁶, there is an assessment of the proposed nutrient allocation and management framework (Rule 15.5.1 - 15.5.19) that states in relation to Objective 3.7 of the PCLWRP: "*The nutrient allocation and management framework in Variation 3 (rules 15.5.1 to 15.5.19) provides a clear path to meeting the catchment nitrogen load limits within the Northern Streams and Waihao-Wainono areas. The rules provide a good balance between*

⁴ Section 32 Report; Section entitled *Variation 3 and the Matrix of Good Management Project;* paragraph 2; page iv; Section 1.2 entitled *About Variation 3;* paragraphs 4/5; page 1-2

⁵ Section 32 Report; Section 7.3.3 Efficiency of Variation 3: Nitrogen Limits; Table 21; pages 7-19/7-20

⁶ Table 36 - Effectiveness of Variation 3 for Managing to Nitrogen Limits in Northern Streams and Waihao - Wainono Areas; Section 8.2.2; Page 8-15

being permissive and regulation.... Overall, the rules to achieve the nitrogen limits in Variation 3 contribute positively to achieving in-stream and out-of-stream values required under this objective although there remain some concerns around the quality of shallow groundwater."

Ravensdown questions the above assessments and does not agree that a clear pathway is provided to meeting catchment nitrogen load limits, as discussed below in this submission. Ravensdown is concerned the s.32 Report has not assessed the real economic costs and benefits of adopting a complex and confusing rule regime.

Relief Sought: Ravensdown seeks the Council to:

- Review of the regulatory approach developed in Variation 3 to better reflect the intentions of the ZIP;
- Include a mechanism within Variation 3 to incorporate GMP numbers once the findings of MGM Project are available;
- Review the complex nutrient management regime adopted in Variation 3;
- If a review is rejected, re-evaluate the economic costs and benefits of the complex regime currently included in Variation 3.

Use of Nitrogen Baseline; Flexibility Cap and Maximum Cap to determine activity status

In previous submissions on Variation 1 and 2 to the PCWRP, Ravensdown has expressed concern that the nitrogen baseline is being used in the plan as a 'default mechanism' to determine the activity status of land use for farming activities, and in particular prohibited activity status if the nitrogen baseline is exceeded. Ravensdown understands that the purpose of the nitrogen baseline is to provide a benchmark for farms to be measured against, but the focus was on MGM numbers to be introduced for the different sectors, and the GMP be implemented to achieve the MGM numbers.

While Variation 3 has also adopted the same approach, albeit with some scenarios where the nitrogen baseline may be exceeded, it also uses the newly introduced flexibility cap and maximum cap to also determine activity status (including prohibited activity status for exceedence). Ravensdown continues to oppose the use of these mechanisms to determine the activity status of land uses. Their purpose is to assist with managing nutrient losses, not to determine activity status.

Ravensdown considers that Variation 3 underplays the importance of the nitrogen baseline in the policies⁷. The nitrogen baseline is a key mechanism in the Variation 3 regime because in accordance with Rule 15.5.2 (1) and (2) every resource user needs to know what their nitrogen baseline is as they have the option of ensuring that the nitrogen loss calculation does not exceed the greater of the flexibility cap or the nitrogen baseline, hence it is important in case it is higher than the flexibility cap.

⁷ In particular Policies 15.4.7(b); 15.4.9(b), 15.4.10, and 15.4.12(b)(ii)

In addition, Ravensdown questions why the maximum cap has been introduced into the nutrient management regime. While it accepts that the ZIP flags the possibility that a maximum cap be introduced, Ravensdown considers that Variation 3 should adopt MGM numbers which would effectively take the place of the maximum cap. This would mean that a resource user could not exceed their MGM number, as well as not exceeding their nitrogen baseline, as in Variation 1 and 2. Ravensdown considers this approach would be in accordance with the ZIP as all farms are required to meet GMP. Ravensdown therefore seeks the deletion of the maximum cap mechanism from Variation 3.

Relief Sought: Ravensdown would seek for Council to:

- Change the activity status that apply to the use of land for farming activities that exceed the nitrogen baseline, flexibility cap from prohibited to non-complying Activity;
- Delete all provisions in Variation 3 that incorporates a maximum cap mechanism; and
- Ensure the relevant policies identify the importance of the nitrogen baseline in the rule regime.

Adoption of Prohibited Activity Status

Ravensdown notes that the policies of Variation 3 are generally enabling and look to: improve; achieve; meet; manage; enable etc. water quality in the Waitaki - South Coastal Canterbury Area. Ravensdown particularly notes that only Policy 15.4.3 and Policy 15.4.11 uses the terms avoided/avoid. In the case of Policy 15.4.3, Ravensdown seeks an amendment that would replace this term, as outlined below in Part II of its submission. Ravensdown generally supports the enabling intent of the policies on Variation 3.

Ravensdown therefore does not expect that Variation 3 would adopt prohibited activity status for activities that cannot meet conditions of permitted (in the case of Rule 15.5.5) or discretionary activities (in the case of Rule 15.5.8 and Rule 15.5.10). While Ravensdown accepts that Council can adopt a prohibited activity status if it has been through a robust assessment of options process, it considers there is no justification in the water quality outcomes sought through the ZIP, and the evaluation of options in the s.32 Report, that would justify prohibited activity status being adopted.

Relief Sought: Ravensdown would seek Council to delete the prohibited activity status included in Rules 15.5.5; 15.5.8 and 15.5.10, as discussed in detail in Part II of this submission below.

4 Specific Submission Points

Plan Provision: Definitions (Page 15-4)

"Existing farming activity - means a farming activity in existence on the property at 1 May 2015."

"New farming activity - means a farming activity that was not in existence on the property at 1 May 2015."

"Flexibility cap – means the allowable nitrogen loss rate in an area as set out in Table 15(m)."

"Maximum cap - means the maximum nitrogen loss rate allowed for the listed soil type in Table 15(m)."

Submission: As discussed above, Ravensdown is concerned about the number of terms and the complexity of the regulatory regime included in Variation 3. From this perspective, and adopting a first principles planning approach, properly defining these terms is critical for the resource user to determine how or whether the plan affects them. Properly defined terms also provide guidance to the Council officers implementing the plan provisions.

Ravensdown is concerned that while 'existing' and 'new' farming activities are defined, this is only by way of a date being before or after 1 May 2015. As submitted by Ravensdown on the PCLWRP (including Variations 1 and 2), there is a need for a 'farming activity' to be clearly defined. The 'existing' and 'new' farming activities definitions do nothing to address this concern and create uncertainty. For example, cropping may exist on a property prior to 1 May, but winter grazing after 1 May. Are both farming activities?

Another example in relation to the definition of 'new farming activity' would be crop rotations where the crop rotation is part of a long term programme and is not a new activity for the catchment, even though it is not being grown on a specific property on 1 May 2015. Ravensdown considers the definition of 'existing farming activity' should provide for seasonal activity and crop rotations which might not occur on a property at 1st May 2015, but are not a new land use activity for the catchment when introduced on rotation.

In relation to the 'flexibility cap' definition, Ravensdown considers there is a need to amend this definition to ensure it is modelled by an Overseer nutrient budget, using the latest version of Overseer available.

In relation to 'maximum cap', as discussed above Ravensdown seeks this mechanism to be deleted from Variation 3.

Ravensdown also considers that because the definition of nitrogen baseline has been amended to be applicable to four distinct areas, there is a need to also include an amended definition of 'nitrogen loss calculations' that are also applicable to the same four areas, to ensure the right nitrogen loss rates are applied to the right areas. The current definition of 'nitrogen loss calculation' in S2 of the PLWRP will apply across the four distinct areas in Variation 3 and therefore the comparison between the historical losses and current losses may not be accurate. While Ravensdown accepts this adds further work (and possibly complexity) to the nutrient management regime (which it is seeking through this submission to avoid), it considers this is a necessary amendment to respond to the approach being taken.

Relief Sought: Ravensdown seeks for Council to:

- Define the term 'farming activity' as follows (or similar): "*farming activity means the use of land for the production of primary products including agricultural, pastoral, horticultural and forestry products.*";
- Add the term 'existing farming activity' the following (or similar): "*and includes all activities undertaken during the period of period 01 July 2009 30 June 2013 whether seasonal or rotational.*"
- Add the term 'new farming activity' the following or similar: ""<u>this excludes routine</u> rotational land use activity within a Farming Enterprise, Nutrient User Group or Irrigation Scheme when there is no significant increase in land area used for that activity within a catchment""
- Amend the definitions of 'flexibility cap' by adding the term: 'as modelled with *OVERSEERTM*, or equivalent model approved by the Chief Executive of Environment Canterbury. If OVERSEERTM is updated, the most recent version is to be used.";
- Delete the term 'maximum cap'; and
- Provide a new definition of nitrogen loss calculation that applies specifically to the four areas in order to be consistent with the nitrogen baseline definition amendment."

Plan Provisions: Policy 15.4.2 (Page 15-5)

"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(0) and 15(p)."

Submission: As it is currently written, Ravensdown considers the policy is poorly written and does not read well.

Ravensdown considers Policy 15.4.2 could be improved by amending it to read (or similar):

"Achieve the water quality outcomes for the Northern Streams Area, Waihao-Wainono Area and the Morven-Sinclairs Area by not exceeding <u>ensuring</u> the nitrogen load limits in Tables 15(0) and 15(p) 15p <u>are not exceeded in accordance with the timeframes listed</u>."

Relief Sought: Ravensdown seeks for Council to amend Policy 15.4.2 as requested above.

Plan Provision: 15.4.3 (page 15-5)

"Meet the nitrogen load limits for the Northern Streams Area, Waihao-Wainono Area and Morven-Sinclairs Area by avoiding the movement of nitrogen between the Plains Areas and the Hill Areas."

Submission: Ravensdown notes that Policy 15.4.3 applies to the same areas as Policy 15.4.2, but takes a different approach which is confusing. Policy 13.5.3 requires the nitrogen load limit to be 'met' while Policy 15.4.2 requires the nitrogen load to not be exceeded. In addition, Policy 15.4.3 includes a mechanism of 'avoiding the movement of nitrogen between the hills and plains areas'. Ravensdown presumes Policy 15.4.3 relates to how the plan

seeks to separate the nitrogen baseline in the hill and plains areas (as per the definition of nitrogen baseline) and Rules 15.5.2 - 15.5.5 (and Table 15(m)) that have different minimum nitrogen loss figures (flexibility caps) for hill areas and plains areas.

Ravensdown opposes Policy 15.4.3 for a number of reasons. Firstly, it is impracticable to avoid the movement of nitrogen between the Plains Area and Hill Area, as this is exactly what happens in the environment. Nutrients travel down the catchment through the movement of water, and this movement cannot simply be 'avoided'. In addition, it is not clear to Ravensdown what mechanisms Council would expect the resource user to use to avoid this naturally occurring event.

Secondly, this separation of the Plains and Hills areas means that implementing the rules could be quite difficult for properties that span both of these areas. In particular there are issue regarding which property the nitrogen might originate from, and it may not be from the property adjoining the Plains Area.

Overall it is considered that Policy 15.4.3 is unworkable and unnecessary as the water quality outcomes are required to be achieved under Policy 15.4.2, and should be deleted.

Relief Sought: Ravensdown seeks council to delete Policy 15.4.3.

Plan Provision: Policy 15.4.4 (Page 15-5)

"Improve water quality in the South Coastal Canterbury Area by requiring: (a) all farming activities to operate at good management practice or better; and (b) the preparation and implementation of a Farm Environment Plan for the use of land for any farming activity subject to a resource consent."

Submission: Ravensdown supports Policy 15.4.4 and the requirement that all farming activities operate at GMP and the preparation and implementing of a FEP when resource consent is required. Notwithstanding this support, Ravensdown does not support all farming activities to operate at GMP or better. This requirement is not stated in the s.32 Report on page 8-5 where it assesses the Variation 3 nitrogen limits and allocation framework – it simply says "...*all farming activities to meet nitrogen loss rates under good management practice*...". Ravensdown considers this additional requirement is unnecessary and can be deleted.

In addition, Ravensdown notes that the s.32 Report requires that all farms need to meet the GMP nitrogen loss rates, not just operate at GMP as it says in this policy. Ravensdown considers the policy should reflect the s.32 Report requirement.

Relief Sought: Ravensdown seeks Council to retain the intent of Policy 15.4.4, while amending (a) to read:

"(a) all farming activities to operate at meet nitrogen loss rates under good management practice-or better; and"

Plan Provision: Policy 15.4.5 (Page 15-5)

"Improve water quality in the Northern Streams Area and Waihao-Wainono Area by requiring:

(a) all existing farming activities, except those on extremely light soils as shown on the Planning Maps, to comply with the maximum cap by 1 January 2030; and
(b) all new farming activities to comply with the maximum cap from 1 May 2015."

Submission: While Ravensdown generally supports the intent of Policy 15.4.5, as discussed above, Ravensdown does not accept the maximum cap mechanism is a valid approach, and seeks for it to be deleted. Instead, Ravensdown considers that Variation 3 should adopt MGM numbers which would effectively take the place of the maximum cap. This would mean that a farm could not exceed their MGM number, as well at not exceeding the nitrogen baseline, as in Variation 1 and 2. As 1 May 2015 has past, it may be more appropriate to apply the policy after 2017.

In addition, as Policy 15.4.5 distinguishes between existing and new farming activities, Ravensdown considers there is still a need to define what a farming activity is so it can be determined if it is new or existing, as discussed above.

Relief Sought: Ravensdown seeks for Council to retain the intent of Policy 15.4.5 while amending it to read as follows:

- "Improve water quality in the Northern Streams Area and Waihao-Wainono Area by requiring:

 (a) all existing farming activities, except those on extremely light soils as shown on the Planning Maps, to comply with meet the maximum cap good management practice value by 1 January 2030; and
 (b) all new farming activities to comply with meet the maximum cap good management practice value from 1 May 2017."

 Defining 'farming activity' 'existing farming activity' and 'new farming activity' as
- Defining 'farming activity', 'existing farming activity' and 'new farming activity' as discussed above.

Plan Provision: Policy 15.4.6 (Page 15-5)

"In the Northern Streams Area and Waihao-Wainono Area, improve water quality while allowing for the continued operation of existing farming activities on extremely light soils, provided the farming activity is operated in accordance with a Farm Environment Plan that sets out actions to be implemented to ensure long-term compliance with the maximum cap in Table 15(n)."

Submission: While Ravensdown supports the overall intent of Policy 15.4.6, the current way it is written is more like a condition on a rule rather than a clause in a policy. Ravensdown

also seeks the replacement of the maximum cap with GMP. Overall it is considered the policy should have a similar structure to the other policies.

Ravensdown also considers that Policy 15.4.6 demonstrates the importance of clearly defining terms used such as 'existing farming activity' and 'farming activity' to fully understand the implications of the policy, and implementation through the rules.

Relief Sought: Ravensdown seeks Council to retain the intent of Policy 15.4.6 while:

- Amending Policy 15.5.6 to read as follows (or similar): "<u>Improve water quality Fin</u> the Northern Streams Area and Waihao-Wainono Area, improve water quality while: (a) allowing for the continued operation of existing farming activities on extremely light soils; provided
 - (b) the farming activity is operated in accordance with a Farm Environment Plan that sets out actions to be implemented to ensure long-term compliance with the maximum cap in Table 15(n)good management practice values to be determined by MGM."
- Defining 'farming activity', 'existing farming activity' and 'new farming activity' as discussed above.

Plan Provision: Policy 15.4.7 (Page 15-5)

"Manage nitrogen losses from land within Northern Streams Plains, Northern Streams Hill, Waihao-Wainono Plains and Waihao-Wainono Hill by:

(a) farming activities operating in accordance with maximum caps and relevant flexibility cap; and

(b) enabling farming activities to operate in accordance with the greater of the nitrogen baseline or the flexibility cap relevant to the respective area."

Submission: While Ravensdown generally supports the intent of Policy 15.4.7, it considers some of the policy direction is not appropriate and requires amendment. In addition, Ravensdown seeks the replacement of the maximum cap with good management practice.

In particular, Ravensdown considers the policy should:

- Be aimed at <u>controlling</u> nitrogen losses, rather than managing them;
- Condition (a) should apply to <u>all</u> farming activities; and
- Condition (b) should <u>require</u> rather than enable activities to operate, to be consistent with other policies (e.g. Policy 15.4.9).

In addition, Ravensdown considers that Policy 15.4.7 should also provide for economic development similar to Policy 15.4.9 (discussed below). Making this provision would be consistent with the intention of the CWMS and ZIP for the area which seeks to balance economic development with sustainable environmental outcomes.

Relief Sought: Ravensdown seeks Council to amend Policy 15.4.7 to read:

"Manage-Control nitrogen losses from land within Northern Streams Plains, Northern Streams Hill, Waihao-Wainono Plains and Waihao-Wainono Hill <u>while providing for</u> <u>economic development</u> by:

(a) <u>Requiring all farming activities operating in accordance with maximum caps good</u> <u>management practice values</u> and relevant flexibility cap; and

(b) *enabling <u>Requiring all</u> farming activities to operate in accordance with the greater of the nitrogen baseline or the flexibility cap relevant to the respective area.*"

Plan Provision: Policy 15.4.9 (Page 15-6)

"Manage nitrogen losses within the Morven-Sinclairs Area while providing for economic development by:

(a) providing for farming activities to increase their nitrogen loss calculation above the nitrogen baseline only if the nitrogen load limit in Table 15(p) is not exceeded; and
(b) requiring any proposal for a farming activity to increase the nitrogen loss calculation above the nitrogen baseline to be considered through a resource consent process."

Submission: Ravensdown notes that this is the only policy that provides for economic development in Variation 3 and is consistent with the vision of the CWMS and the ZIP. Ravensdown is aware that Policy 15.4.9 applies only to the Morven-Sinclairs Area which is the only Green Zone in the variation area, and it is acknowledged that water quality outcomes are being met.

This would imply that economic development is not specifically provided for in the other two areas. This is contrary to the intention of the CWMS and ZIP for the area which seeks to balance economic development with sustainable environmental outcomes. Ravensdown has sought an amendment to Policy 15.4.7 above to address this matter.

While overall Ravensdown supports the intent of Policy 15.4.9, it considers that the policy should <u>control</u> nitrogen losses, rather than manage them. This amendment is consistent with Ravensdown's submission on Policy 15.4.7 above.

Relief Sought: Ravensdown seeks for Council to retain the intent of Policy 15.4.9 as it is currently written, and amend the start of the policy to read: "*Manage-Control nitrogen losses within the...*"

Plan Provision: Policy 15.4.10 (Page 15-6)

"Flexibility in nitrogen management is enabled by allowing an increase in nitrogen loss beyond the respective nitrogen baseline, except for any land within the Northern Streams Hill and Waihao-Wainono Hill areas, provided the property is part of:

- (a) a Nutrient User Group, or
- (b) an irrigation scheme; or
- (c) a Farming Enterprise."

Submission: Ravensdown generally supports the intent of Policy 15.4.10. Notwithstanding this support, Ravensdown has a concern that the rules do not implement this intent. Policy

15.4.10 provides for an increase in nitrogen loss above the nitrogen baseline for a farming enterprise. However, condition 3 of Rule 15.5.6 provides for a discretionary activity where the nitrogen baseline is not exceeded and a prohibited activity where it is exceeded. Ravensdown seeks the rules to be amended below in this submission to be consistent with Policy 15.4.10.

Relief Sought: Ravensdown seeks Council to retain the intent of Policy 15.4.10 as it is currently written.

Plan Provision: Policy 15.4.11 (Page 15-6)

"Avoid catchment nutrient load limits being exceeded by only allowing Farming Enterprises or Nutrient User Groups to establish and operate where all the properties are located in the same Surface Water Allocation Zone."

Submission: Ravensdown opposes the intention of the policy to <u>avoid</u> catchment nutrient load limits being exceeded. Ravensdown notes that Policy 15.4.11 is the only policy that has this directive regarding exceeding nutrient load limits. Such a directive is considered unnecessary and could lead to onerous consent requirements, or not being able to apply for consent. Ravensdown considers Policy 15.4.11 should be amended to be more enabling, consistent with the other policies.

In addition, Ravensdown notes that Policy 15.4.11 refers to 'Surface Water Allocation Zones' (which is a term also used in Rules 15.5.6 and 15.5.9, and footnote 1 to Table 15(g)) for guiding where a Farm Enterprises can establish and operate. Looking at Figure 14 of the s.32 Report (page 3-3), there are at least 16 different Surface Water Allocation Zones identified. Ravensdown considers this is yet another layer of requirement that adds to an already complex nutrient management regime that is not defined. If Council intends to retain reference to this allocation zone, a definition is required.

Relief Sought: Ravensdown seeks Council to amend Policy 15.4.11 to read: "*Avoid <u>Ensure</u>* <u>the</u> catchment nutrient load limits <u>being are not</u> exceeded by only allowing..." and define the term 'Surface Water Allocation Zone'.

Plan Provision: Policy 15.4.12 (Page 15-6)

"Maintain water quality by restricting the movement of nitrogen between properties unless: (a) the property is part of a Farming Enterprise or Nutrient User Group; and (b) the combined nitrogen loss calculation from all properties forming the Nutrient User Group does not exceed the sum either:

(i) the flexibility cap for the respective area; or

(ii) the nitrogen baselines for the respective area whichever is the greater; and (c) the maximum cap is not exceeded on any individual property."

Submission: Similar to Policy 15.4.3 above, Ravensdown considers it is not possible to restrict the movement of nitrogen between properties. The movement of nutrients is not dependent on what a nutrient budget says or whether the farm is part of a collective as

nitrogen will move down the catchment and down the soil profile. It is not clear how Council expects a resource user to restrict the movement of nitrogen between properties.

In addition, Policy 15.4.12 applies to Nutrient User Groups and Farming Enterprises in all 3 areas of the South Coastal Canterbury area, which does not reflect the intent of the ZIP and the policies included for managing land use to maintain or improve water quality. The policy also refers to the maximum cap which is opposed by Ravensdown.

For the above reasons Ravensdown seeks Policy 15.4.12 to be deleted.

Relief Sought: Ravensdown seeks Council to delete Policy 15.4.12.

Plan Provision: Policy 15.4.13 (Page 15-6)

"Manage nutrient losses by requiring applications for a resource consent to establish a Nutrient User Group to describe: (a) the procedures and methods for recording nitrogen losses from properties within the Nutrient User Group; and (b) the methods for redistributing nitrogen when a property joins or leaves the Nutrient User Group; and (c) the annual reporting requirements; and (d) how compliance with the actions set out in each Farm Environment Plan will be achieved."

Submission: While in principle Ravensdown supports the concept of a nutrient user group being able to 'trade' nitrogen among it's constitute members, it is considered that the policy is poorly written and the concept being proposed is not clear. Ravensdown considers the conditions in the policy have an administrative focus rather that providing direction on how such a scheme may be implemented or utilised by the NUG.

Relief Sought: Ravensdown seeks Council to amend the policy to clarify the purpose of the NUG, how aspects identified are to be implemented, and how an NUG can utilise the scheme proposed.

Plan Provision: Policy 15.4.14 (c) (Page 15-7)

"Nutrient discharges within the command area of an irrigation scheme are managed by requiring any discharge permit granted to an irrigation scheme to include conditions that: (c) prevent the maximum caps in Table 15(n) being exceeded on any property; and"

Submission: Ravensdown notes the Policy 15.4.14(c) states that any property getting water from an Irrigation Scheme is not able to exceed the maximum cap. As well as opposing the adoption of the maximum cap mechanism, Ravensdown considers this is not consistent with other PCLWRP Variations which allows the Irrigation Scheme to allocate the nutrient losses how they see fit on a property, so long as the scheme loads are met.

Relief Sought: Ravensdown seeks for Council to delete Policy 15.4.14(c) and for the provisions for irrigation schemes included in Variation 3 to be consistent with the provisions contained in Variations 1 and 2.

Plan Provision: Rule 15.5.1 (Page 15-10)

"Despite any of rules 15.5.2 to 15.5.12, the use of land for a farming activity on a property that is less than 5 hectares, except any land that is part of a Nutrient User Group or Farming Enterprise, or a property that is supplied with water by an irrigation scheme, is a permitted activity."

Submission: Ravensdown supports the intent and permitted activity status of Rule 15.5.1.

Relief Sought: Ravensdown seeks Council to retain the intent and permitted activity status of Rule 15.5.1.

Plan Provision: Rule 15.5.2 (Page 15-10)

"The use of land for a farming activity, except any land that is part of a Nutrient User Group or Farming Enterprise, or a property that is supplied with water by an irrigation 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 of Table 15(m) for any land within the Waihao-Wainono Plains; or columns E or F of Table 15(m) for any land within the Northern Streams Plains; or (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; and

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 maximum cap for the relevant soil type, 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 maximum cap as set out in Table 15(n) for the relevant soil type is not exceeded; and

5. The farming activity is operating at good management practice as set out in Schedule 24b."

Submission: Ravensdown supports the permitted activity status of Rule 15.5.2 if the nitrogen loss calculation does not exceed the nitrogen baseline, as this is in general accordance with the nutrient management framework in the PCLWRP, and Variation 1 and Variation 2. This concept is supported as the comparison is between historical nitrogen losses and current nitrogen losses and, by proxy, actual effects on the environment, and is based on the actual land uses during those periods that are currently well defined in the provisions.

However, Ravensdown has the following concerns regarding the mechanisms adopted in the rule, and how these mechanisms are applied:

Firstly, as discussed in the General Submission Points section above, Ravensdown is concerned that Rule 15.5.2 (and the subsequent rules) include many terms and concepts that are complex and make it difficult to determine whether an activity is permitted. This complexity is contrary to first principles where a resource user should be able to look at a plan and determine if the activity the proposed is permitted or requires consent. The complexity in this rule is brought about by the exceptions, flexibility cap, nitrogen baseline, nitrogen loss limits, location, and reference to 'land' in one instance and 'property' in another.

Secondly, in terms of the introduction of the flexibility cap, it is not clear what impact this mechanism has on a resource user. On one hand it may benefit the farmer as the value could be higher that the nitrogen baseline. However, it is not based on actual land uses (like the nitrogen baseline is) and seems to be a 'blanket' approach to deriving a nitrogen loss figure a farm can leach up to. This raises questions about its appropriateness, accuracy and need.

A critique of the accompanying reference material indicates that only the flexibility cap for the Northern Streams Hill area and the Waihao-Wainono Hill area has been determined by modelling and ground-truthing⁸. The results of which show that the nitrogen losses on hill country soils used for pasture is estimated by Overseer to be in the range of 4.3 to 9.2 kg N/ha/yr, yet Table 15 (m) lists the flexibility cap for the hill areas at 5 kg N/ha/yr. Page 8-12 of the Section 32 report states that "*the framework assumes that the steep hill country users can average their 'steep hill' losses across their steep hill area (but not outside that area) and remain within the 5 kg/ha/yr as an average, given that the typical losses in the hill country are less than 5 kg/ha/yr"*.

Furthermore, the Landcare Research report on estimating nitrogen losses⁹ contains a simplified version of the nitrogen loss lookup table (Appendix 2) that was used in the modelling which shows that the estimates of nitrogen loss from sheep and beef farming systems, prevalent in the SCCS hill areas, are in the range of 4 - 9 kg N/ha/yr.

It is Ravensdown's understanding that the flexibility cap "*provides flexibility for low emitters allowing them to change (intensify) land use and increase nitrogen losses up to the cap level*"¹⁰. However if a farm in the aforementioned hill area has a nitrogen baseline of 8 kg N/ha/yr (using the example in the Appendix 5 report) then there appears to be no room for that farm to intensify or change land use as it will exceed its nitrogen baseline, it will have already exceeded the flexibility cap of 5 kg N/ha/yr, and that farm will default into being a

⁸ Appendix 5: Estimating nitrogen loss from land uses in the hill country of the South Canterbury Coastal Streams (SCCS) area

⁹ Appendix 4: Estimating nitrogen loss under rural land use and informing nitrogen allocation options

¹⁰ Section 32 Report, page 8-11

prohibited activity (under Rule 15.5.5), meaning that the nutrient management framework in Variation 3 provides for no flexibility and only enables the status quo.

Ravensdown found no evidence in the supporting documents for the justification of the 10 kg N/kg/yr and 15 kg N/ha/yr in the Waihao-Wainono Plains and Northern Streams Plains areas respectively as the flexibility cap. Ravensdown is unsure of the implications of these limits compared to an existing farms nitrogen baseline, and is questioning if these values have simply been taken from Environment Canterbury's other regional plans (the PCLWRP permitted activity threshold is 10kg N/ha/yr and the permitted activity threshold in Variation 1 is 15 kg N/ha/yr).

Furthermore, the application of the flexibility cap is inconsistent. For example, it seems possible that in the Northern Streams and Waihao-Wainono areas a farm can potentially exceed its nitrogen baseline (as long as the flexibility cap is higher) and remains a permitted activity (in areas where it is accepted that the water quality outcomes are not being met and are in danger of not being met). Whereas, nitrogen loss from farms in the Morven-Sinclairs area (where water quality outcomes are currently being met) that exceed their nitrogen baseline are not permitted activities (condition 2) and require restricted discretionary consent (Rule 15.5.3).

Finally, Ravensdown notes Rule 15.5.2 does not have any reference to meeting MGM at any date, even though the ZIP and s.32 Report mentions the need to adopt GMP values from the MGM Project after 2015. As discussed, Ravensdown considers the maximum cap is meant to act as a proxy for the farms MGM value until those values are available, and seek its deletion from Variation 3.

Overall, as a result of this uncertainty and the complexity it brings, Ravensdown considers it would be better to adopt a similar approach as Variations 1 and 2 which relies on the nitrogen baseline and GMP.

Relief Sought: Ravensdown seeks Council to retain the permitted activity status of Rule 15.5.2, with the following amendments:

- Review the flexibility cap so that it achieves the intent of providing flexibility, particularly in the Hill Areas;
- If the flexibility cap is retained, review Rule 15.5.2 to ensure it is implemented consistently to reflect the red, orange, green zoning of the PCLWRP;
- Delete the reference to the maximum cap in Rule 15.5.2 and include reference to the not exceeding the nitrogen baseline and adoption of MGM values and the meeting of nitrogen loss rates under good management practices within a specified time frame;
- Define 'farming activity', 'existing farming activity' and 'new farming activity' as discussed above.

Plan Provision: Rule 15.5.3 (Page 15-11)

"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 any of the conditions of Rule 15.4.2 excluding conditions 1(a),1(c) or 4 of Rule 15.5.2, is a restricted discretionary activity provided the following condition is met: 1. A Farm Environment Plan has been prepared in accordance with Schedule 7 Part A, and is submitted with the application for resource consent.

The exercise of discretion is restricted to the following matters:

 Whether the nitrogen loss from the farming activity will result in the total catchment load limits as per Table 15(p) or the flexibility caps in Table 15(m) being exceeded; and
 The quality of, compliance with and auditing of the Farm Environment Plan; and
 The proposed management practices to avoid or minimise the discharge of nitrogen, phosphorous, sediment and microbiological contaminants to water from the use of land; and
 The potential effects of the land use on surface and groundwater quality and sources of drinking-water; and

5. The appropriateness of the actions and time frames described in the Farm Environment Plan in achieving the maximum cap loss rates in Table 15(n); and

6. The quality and appropriateness of any soil mapping carried out for the property; and

7. The potential adverse effects of the activity on Ngāi Tahu cultural values."

Submission: Ravensdown supports the restricted discretionary activity status provided for in Rule 15.5.3. Notwithstanding this support, Ravensdown wishes to make the following submission points.

Firstly, there is a typo in the fourth line of the rule where 15.4.2 should read 15.5.2.

Secondly, Ravensdown considers that one of the conditions of discretion available to council is if the farm activity meets MGM values. This would be consistent with the ZIP and s.32 Report with identifies compliance with the MGM values as a key nutrient management approach.

Thirdly, the first matter of discretion of Rule 15.5.3, which states that discretion is restricted to seeing whether the nitrogen loss from the farm will result in the flexibility cap being exceeded, is confusing. This is because a reason why restricted discretionary activity consent might be required is because the flexibility cap is exceeded in the permitted activity condition (Rule 15.5.2 1(b), if the flexibility cap is higher than the nitrogen baseline). The matter of discretion should be the appropriateness of actions and timeframes to meet the flexibility caps in Table 15(m), and this should be incorporated into the fifth matter of discretion, discussed below.

Finally, the sixth matter of discretion relates to the quality and appropriateness of any soil mapping for the property. It is not clear what this matter of discretion intends to address and it is assumed the soil mapping will inform the nutrient budget. However, Canterbury is mapped using S-Map which is what is used in an Overseer nutrient budget, and is the first option in the best practice inputs standards. This matter of discretion is therefore redundant.

Relief Sought: Ravensdown seeks Council to retain the restricted discretionary activity status provided for in Rule 15.5.3, and amend the rule as follows:

- Correct the reference in the fourth line; amend Rule 15.4.2 to read 15.5.2;
- Include a new matter of discretion which would require the farming activity to comply with MGM values by a specified timeframe;
- Delete the first matter of discretion in Rule 15.5.3;
- Amend the fifth matter of discretion to read: "The appropriateness of the actions and time frames described in the Farm Environment Plan in achieving the <u>nitrogen</u> baseline; the flexibility cap loss rates in Table 15(m); or the <u>maximum cap loss rates</u> good management practice values in Table 15(n)(to be included at a later date) (whichever is relevant); and"
- Delete the sixth matter of discretion.

Plan Provision: Rule 15.5.4 (Page 15-11)

"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 is a non-complying activity."

Submission: Ravensdown considers Rule 15.5.4 should require a discretionary activity consent if Condition 1 of Rule 15.5.3 is not met. While Ravensdown accepts that not submitting a FEP with a resource consent application is undesirable and consent is required, a full discretionary consent provides the Council with the opportunity to consider the proposed activity under s.104 of the RMA and decline the application if it does not meet the objectives and policies of the plan.

Relief Sought: Ravensdown seeks for Council to amend Rule 15.5.4 to be a discretionary activity.

Plan Provision: Rule 15.5.5 (Page 15-11)

"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 one or more of conditions I(a), I(c) or 4 of Rule 15.5.2, is a prohibited activity."

Submission: Ravensdown considers Rule 15.5.5 should require non-complying activity consent if the activity does not meet one or more of conditions 1(a), 1(c) or 4 of Rule 15.5.2. Ravensdown does not consider it prohibited activity status is justified in implementing the objectives of the PCLWRP, or policies of Variation 3, or the directions of the CWMS and ZIP. The way the rules are currently written a minor increase in nitrogen loss that may have no of little environmental effects can move an activity from permitted to prohibited activity which is opposed.

Ravensdown considers non-complying activity status is appropriate as any application has to demonstrate whether the environmental effects will be minor and the activity is consistent with the objectives and policies of the (relevant) plan, before it can be assessed under s.104 of the RMA. This provides an opportunity to fully assess the implications of the proposed activity, and decline consent if the application does not meet the thresholds set.

Relief Sought: Ravensdown seeks for Council to amend Rule 15.5.5 to be a non-complying activity.

Plan Provision: Rule 15.5.6 (Page 15-11)

"The use of land for a farming activity as part of a Farming Enterprise is a discretionary activity provided the following conditions are met.

 A Farm Environment Plan for the Farming Enterprise has been prepared in accordance with Schedule 7, and is submitted with the application for resource consent; and
 In the Northern Streams and Waiho-Wainono Areas the maximum cap for the relevant soil type, as set out in Table 15(n), is not exceeded on any land comprising part of the Farming Enterprise; and

3. The nitrogen loss calculation for the Farming Enterprise does not exceed the respective nitrogen baseline for each land area forming part of the Farming Enterprise; and4. The properties comprising the Farming Enterprise are located in the same Surface Water Allocation Zone."

Submission: Ravensdown considers the use of land for a farming activity as part of a farming enterprise should be a restricted discretionary activity, with Council restricting is discretion to the conditions included in Rule 15.5.6.

Furthermore, Ravensdown considers Rule 15.5.6 is not consistent with the policies for Farming Enterprises (including Policies 15.4.10, 15.4.11, 15.4.12) for the following reasons:

- Condition 3 stipulates that the nitrogen loss calculation for a Farm Enterprise cannot exceed the respective nitrogen baseline for each land area that forms part of the Farm Enterprise. This implies that a nitrogen loss calculation is required for each of those areas where a separate nitrogen baseline was done. Therefore a new definition of nitrogen loss calculation (as discussed above in this submission) is required.
- Furthermore, Condition 4 uses the term '*Surface Water Allocation Zone*' which is a term also used in Policy 15.4.11 for guiding where a Farm Enterprises can establish and operate. Looking at Figure 14 of the s.32 Report (page 3-3), there are at least 16 different Surface Water Allocation Zones identified. Condition 4 of this rule is not required and can be deleted as a Farm Enterprise can only establish in the same Surface Water Allocation Zone, so it should not be a condition of being a discretionary consent.
- Policy 15.4.10 implies that a farm that is part of a Farm Enterprise and is not in the Northern Streams Hill or Waihao-Wainono Hill Areas (i.e. is in the Morven-Sinclairs Area, or the Northern Streams and Waihao-Wainono Plains Areas) can increase their nitrogen loss beyond the nitrogen baseline. However, Rule 15.5.6 (3) states that a

farming activity is discretionary if it does not exceed the nitrogen baseline (in any area), and is a prohibited activity if the activity exceeds the nitrogen baseline. Ravensdown considers these provisions are not consistent and are contradictory.

• Overall, as discussed above in the General Submission Points section of this submission, this rule package establishes a very complicated framework which Ravensdown has difficulty in following (due to some of the inconsistencies identified above) and would imagine a resource user will have similar difficulties. In this case it appears as if each Farm Enterprise needs to have a nitrogen baseline done, but is separated into zones (Northern Stream Hill, Northern Stream Plains, Waihao-Wainono Plains, Waihao-Wainono Hill etc.) as this corresponds with the flexibility cap. However, a nitrogen loss calculation is required as well, and this would need to be undertaken using the same framework and be separated into the same zones as the nitrogen baseline. Ravensdown considers this is potentially a lot of extra work involved and starting to get beyond the scope of Overseer. It does not appear as if the extent of this work, and associated costs, have been identified in the s.32 Report.

Relief Sought: Ravensdown seeks Council amend the Rule 15.5.6 as follows:

- Amend Rule 15.5.6 to make it a restricted discretionary activity, with the matters of discretion those matters already listed;
- Amend the intent of Rule 15.5.6 to be in accordance with Policies 15.4.10 to 15.5.12, in that flexibility in nutrient management is enabled if a farm is part of a Farming Enterprise where nitrogen losses can exceed their nitrogen baselines subject to a resource consent application and FEP;
- Delete Condition 4;
- Review the complexity of the rule regime in light of the ZIP request for a simple framework.

Plan Provision: Rule 15.5.7 (Page 15-11)

"The use of land for a farming activity as part of a Farming Enterprise that does not comply with condition 1 of Rule 15.5.6 is a non-complying activity."

Submission: Ravensdown considers Rule 15.5.7 should require a discretionary activity consent if Condition 1 of Rule 15.5.6 is not met. While Ravensdown accepts that not submitting a FEP with a resource consent application is undesirable and consent is required, a full discretionary consent provides the Council with the opportunity to consider the proposed activity under s.104 of the RMA and decline the application if it does not meet the objectives and policies of the plan.

Relief Sought: Ravensdown seeks for Council to amend Rule 15.5.7 to be a discretionary activity.

Plan Provision: Rule 15.5.8 (Page 15-11)

"The use of land for a farming activity as part of a Farming Enterprise that does not meet one or more of conditions 2, 3 or 4 of Rule 15.5.6 is a prohibited activity." **Submission:** Ravensdown considers Rule 15.5.8 should require non-complying activity consent if the activity does not meet one or more of conditions 2, 3 or 4 of Rule 15.5.6. Ravensdown does not consider it prohibited activity status is justified in implementing the objectives of the PCLWRP, or policies of Variation 3, or the directions of the CWMS and ZIP.

Ravensdown considers non-complying activity status is appropriate as any application has to demonstrate whether the environmental effects will be minor, and the activity is consistent with the objectives and policies of the (relevant) plan, before it can be assessed under s.104 of the RMA. This provides an opportunity to fully assess the implications of the proposed activity, and decline consent if the application does not meet the thresholds set.

Relief Sought: Ravensdown seeks for Council to amend Rule 15.5.8 to be a non-complying activity.

Plan Provision: Rule 15.5.9 (Page 15-12)

"The use of land for a farming activity that forms part of a Nutrient User Group is a discretionary activity provided the following conditions are met:..."

Submission: Ravensdown accepts that the Nutrient User Group is a new concept and it is considered appropriate for the use of land for a farming activity as part of a farming enterprise to be a discretionary activity.

Relief Sought: Ravensdown seeks for Council to retain the intent and discretionary activity status of Rule 15.5.9.

Plan Provision: Rule 15.5.10 (Page 15-12)

"The use of land for a farming activity that forms part of a Nutrient User Group that does not comply with one or more of the conditions in Rule 15.5.9 is a prohibited activity."

Submission: Ravensdown considers Rule 15.5.10 should require non-complying activity consent if the activity does not meet one or more of conditions of Rule 15.5.9. Ravensdown does not consider it prohibited activity status is justified in implementing the objectives of the PCLWRP, or policies of Variation 3, or the directions of the CWMS and ZIP.

Ravensdown considers non-complying activity status is appropriate as any application has to demonstrate whether the environmental effects will be minor, and the activity is consistent with the objectives and policies of the (relevant) plan, before it can be assessed under s.104 of the RMA. This provides an opportunity to fully assess the implications of the proposed activity, and decline consent if the application does not meet the thresholds set.

Relief Sought: Ravensdown seeks for Council to amend Rule 15.5.10 to be a non-complying activity.

Plan Provision: Rule 15.5.11 (Page 15.11)

"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:

1. The nitrogen load limits in Table 15(p) are not exceeded; and

2. The application for resource consent does not include any land that is part of a Nutrient User Group or Farming Enterprise."

Submission: Ravensdown has a number of concerns regarding Rule 15.5.11. Firstly, it is concerned that any individual farm that is part of an Irrigation Scheme will still require knowledge of their nitrogen baseline. In particular, the asterisk at the bottom of Table 15(p) says that while 1105 T of N/yr is allocated to the Waihao-Wainono catchment, there is a further 178 T available above the farms nitrogen baseline, and that scheme members are not permitted to increase above the property nitrogen baseline before accessing scheme load.

It is not clear to Ravensdown what this note means, and what the legality of it is (as it is not included in a rule per se). The note implies that an individual farm needs to know their nitrogen baseline if they are in an Irrigation Scheme.

Secondly, Ravensdown is concerned about the lack of consistency between Variations 1 and 2 and the provisions of Variation 3. In particular, Rule 15.5.11 states that if a farm is part of an Irrigation Scheme, discretionary consent is required operate. Ravensdown understands that in Variation 1 and 2 to the PCLWRP, this is a permitted activity as the scheme was allocated a nitrogen load to distribute as they see fit. There is no apparent reason for this inconsistency between variations.

Relief Sought: Ravensdown seeks for Council to review the intent and need for Rule 15.5.11, and adopt a consistent approach with Variation 1 and 2 by either making the activity permitted, or deleting the rule.

Plan Provision: Rules 15.5.13 (Page 15.12)

"The discharge of nitrogen, phosphorous, sediment and microbial contaminants onto or into land in circumstances that may result in a contaminant entering water that would otherwise contravene section 15(1) of the RMA, is a permitted activity, provided the following condition is met:

1. The land use activity associated with the discharge is authorised under Rule 15.5.1 to Rule 15.5.12."

Submission: Ravensdown supports the permitted activity status for the activities listed.

Relief Sought: Ravensdown seeks for Council to retain the permitted activity status of the activities listed in Rule 15.5.13.

Plan Provision: Rule 15.5.14 (Page 15-13)

"The discharge of nitrogen, phosphorous, sediment and microbial contaminants onto or into land in circumstances that may result in a contaminant entering water that would otherwise contravene section 15(1) of the RMA that does not meet condition 1 of Rule 15.5.13 is a noncomplying activity."

Submission: Ravensdown considers Rule 15.5.14 should require a discretionary activity consent if Condition 1 of Rule 15.5.13 is not met. Ravensdown considers a full discretionary consent provides the Council with the opportunity to consider the proposed activity under s.104 of the RMA and decline the application if it does not meet the objectives and policies of the plan.

Relief Sought: Ravensdown seeks for Council to amend Rule 15.5.14 to be a discretionary activity.

Plan Provision: Tables 15(m); (n); (p) (Pages 15-32; 15-33)

Submission: In relation to Table 15(m), while Ravensdown understands the flexibility cap limits have been derived from modelling by Landcare Research and Council, it cannot see a clear description of how they have derived the justification for the flexibility cap figures for the Plains Areas. Appendix 5 prepared by Council planner Mr Leo Fietje estimates the Hill area losses through Overseer using help from Ravensdown staff. The nitrogen losses estimates Mr Fietje comes up with are that the Kakahu, Hurunui and Class 7 soils in the Hill Areas range from 4.3 kg N/ha/yr to 9.2 kg N/ha/yr depending on rainfall (the cropping areas on the Hills Area lost between 36 - 64 kg N/ha/yr). Ravensdown cannot therefore understand how the flexibility cap is set at 5 kg N/ha/yr. While Ravensdown accepts the rules are staged so that a resource user can choose the higher of the nitrogen baseline or the flexibility cap, but if the flexibility cap and nitrogen baseline are roughly the same, there's no room to move and if either is exceeded, a prohibited activity status results.

In addition, Ravensdown considers that there seems to be no justification for a limit of 10 kg N/ha/yr in the Waihao-Wainono Plains Area or the 15 kg N/ha/yr in the Northern Streams Plains area. These are fundamental questions regarding the accuracy and usefulness of the flexibility cap that are supposed to assist the farmer and provide certainty.

In relation to Table 15(n), as discussed above, Ravensdown considers the maximum cap mechanism should be deleted and replaced with MGM numbers when available. Ravensdown considers Table 15(n) should be deleted with the table number held as a place setter for MGM numbers when they are available.

In relation to Table 15(p), Ravensdown considers that the catchments/stream that need to achieve a zero or 1 T N/yr load limit should be deleted from this table, as this will trigger the prohibited activity status. Furthermore, Ravensdown questions how Council will monitor the nitrogen load in each of the areas/catchments in Table 15(p). Similar to the Hurunui-Waiau River Regional Plan, it is a 4 year average or something taken at a certain point in the

catchment. Council has not specified how the load limit will be measured, frequency, from where, and how results will be notified to ensure that farms in catchment know what the load status is. There also seems to be the assumption that this is nitrogen load from farming determined by Overseer, or is it actual instream nitrogen load measuring similar to the Hurunui-Waiau River regional Plan?

Ravensdown also notes in relation to the tables and nitrogen loss figures that the modellers state that: "the methods used to generate the target loads should be reapplied when there is a new release of Overseer to ensure that the derived target load and consequent nutrient discharge allowance are compatible with the farm-scale nutrient budgets that land managers might be required to produce for compliance purposes."¹¹. This point needs to be included as a footnote to the tables.

Relief Sought: Ravensdown seeks for Council to amend the tables as follows:

- In relation to Table 15(m), Ravensdown supports in part the table and retaining the flexibility cap, but seeks for Council to reassess the numbers included in Variation 3 to ensure they actually allow for some flexibility, particularly in the Hill Areas;
- In relation to Table 15(n), Ravensdown seeks Council to delete the maximum cap numbers and retain the table as a place setter for MGM numbers when available;
- In relation to Table 15(p), Ravensdown seeks Council to delete the catchments/stream that need to achieve a zero or 1 T N/yr load limit; provide clarity regarding how Council will monitor the nitrogen load in each of the areas/catchments; and specified how the load limit will be measured, frequency, from where, and how results will be notified to ensure that farms in catchment know what the load status is;
- Add a footnote to the tables that states: "the methods used to generate the target loads should be reapplied when there is a new release of Overseer to ensure that the derived target load and consequent nutrient discharge allowance are compatible with the farm-scale nutrient budgets that land managers might be required to produce for compliance purposes."

Plan Provision: Schedule 24b – Farm Practices (Page 3-1)

"(a) Nutrient Management:

(i) A nutrient budget based on soil nutrient tests has been prepared, using OVERSEER in accordance with the OVERSEER Best Practice Data Input Standards [2013], or an equivalent model approved by the Chief Executive of Canterbury Regional Council, and is reviewed annually.

(ii) Fertiliser is applied in accordance with the Code of Practice for Nutrient Management [2007].

(iii) Records of soil tests, nutrient budgets and fertiliser applications are kept and provided to the Canterbury Regional Council upon request."

 $^{^{11}}$ SCCS limit setting process: estimating nitrogen loss under rural land use and informing nitrogen allocation options – Landcare Research Feb 2015

Submission: Ravensdown is concerned that a nutrient budget is required to be prepared and reviewed annually. Ravensdown has previously raised this issue with Variations 1 and 2 to the PCLWRP, and the recent s.42A Report relating to Variation 2 has accepted the concern, and has recommended a set of words to give a clear direction to the preparation and review of nutrient budgets in Schedule 24a Farm Practices¹². Ravensdown supports the wording proposed in the Variation 2 s.42A Report.

Relief Sought: Ravensdown seeks for Council to amend Schedule 24b – Farm Practices as follows:

"(a) Nutrient Management:

(i) A nutrient budget based on soil nutrient tests has been prepared, using OVERSEER in accordance with the <u>latest version of the</u> OVERSEER Best Practice Data Input Standards [2013], or an equivalent model approved by the Chief Executive of Canterbury Regional Council, and is reviewed annually.

(ia) Where a material change in the land use associated with the farming activity occurs (being a change exceeding that resulting from normal crop rotations or variations in climatic or market conditions) the nutrient budget shall be prepared at the end of the year in which the change occurs, and also three years after the change occurs:

(*ib*) Where a material change in the land use associated with the farming activity does not occur, the nutrient budget shall be prepared once every three years;

(ic) An annual review of the input data used to prepare the nutrient budget shall be carried out by or on behalf of the landowner for the purposes of ensuring the nutrient budget accurately reflects the farming system. A record of the review shall be kept by the landowner.

(ii) Fertiliser is applied in accordance with the Code of Practice for Nutrient Management [2007].

(iii) Records of soil tests, nutrient budgets and fertiliser applications are kept and provided to the Canterbury Regional Council upon request."

¹² Variation 2 to the proposed Land and Water Regional Plan; Section 42A Report; 23 April 2015; Paragraph 9.416; Page 118