From: Sue Ruston To: Mailroom Mailbox

Brigid Buckley; Carolyn Mortland; Stuart Gray; James Caygill Cc:

Plan Change 5 LWRP Further Submission Subject: Friday, 13 May 2016 4:08:12 p.m. Date:

Attachments: CLWRP - PC5 - Further Submission - Fonterra - FINAL.pdf

Please find attached Fonterra Co-operative Group Limited's further submission on Plan Change 5 to the Canterbury Land and Water Regional Plan.

If you have any queries with respect to this document please contact the undersigned directly. Best regards

Sue Ruston

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FONTERRA CO-OPERATIVE GROUP LIMITED PROPOSED PLAN CHANGE 5 TO THE CANTERBURY LAND AND WATER REGIONAL PLAN FURTHER SUBMISSIONS

To: Environment Canterbury

Submitter: Fonterra Co-operative Group Limited

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INTRODUCTION

- This is a further submission by Fonterra Co-operative Group Limited ("Fonterra") on proposed Plan Change 5 ("Plan Change 5") to the Canterbury Land and Water Regional Plan ("CLWRP").
- Fonterra is a person who has an interest in the proposal that is greater than the interest the general public has. Fonterra's shareholders produce, and Fonterra collects and processes, over 3.5 billion litres of milk annually from the Canterbury Region. The region makes up near on 20% of Fonterra's total milk supply and Fonterra has a number of milk processing plants within the region. The provisions of Plan Change 5 will affect on-farm and milk processing practices in the region. Fonterra made a primary submission on Plan Change 5.

SUBMISSIONS SUPPORTED AND OPPOSED

- The submissions supported or opposed are set out in the table attached as an **Appendix** to this submission.
- 4 For the submissions that Fonterra supports, those submissions should be allowed as they:
 - a) promote sustainable management of resources, achieve the purpose of the Resource Management Act 1991 ("RMA") and give effect to Part 2 and other provisions of the RMA;
 - b) enable the economic well-being of the community in the Canterbury region;
 - c) meet the reasonably foreseeable needs of future generations;

- d) represent the most appropriate means of exercising ECan's functions, having regard to the efficiency and effectiveness of the provisions relative to other means; and
- e) are appropriate and consistent with the relief sought in Fonterra's original submission.

5 For the submissions that Fonterra opposes, those submissions should be disallowed as they:

- a) will not promote sustainable management of resources, will not achieve the purpose of the RMA and are contrary to Part 2 and other provisions of the RMA;
- b) will not enable the economic well-being of the community in the Canterbury region;
- c) will not meet the reasonably foreseeable needs of future generations;
- d) will not achieve integrated management of the effects of the use, development or protection of land and associated resources of the Canterbury region;
- e) do not represent the most appropriate means of exercising ECan's functions, having regard to the efficiency and effectiveness of the provisions relative to other means; and
- f) are inappropriate and inconsistent with the relief sought in Fonterra's original submission.

6 The **Appendix** sets out:

- (a) The submissions or parts of submissions that Fonterra supports or opposes, divided (as per its original submission) between:
 - (i) **Table A** Region wide provisions; and
 - (ii) **Table B** Waitaki.
- (b) In each table, Fonterra also sets out:
 - the specific reasons for support or opposition, without limiting the generality of the reasons above; and
 - (ii) the relief sought by Fonterra in relation to those submissions or parts of submissions.
- Fonterra wishes to be heard in support of the further submission points listed in the **Appendix** and would be prepared to consider presenting a joint case with submitters raising similar concerns.
- I confirm that I am authorised on behalf of Fonterra Co-operative Group Limited to make this submission.

Sue Ruston

ME

Environmental Policy Manager SI

Fonterra

13 May 2016

Fonterra's Further Submission Points on Plan Change 5

Table A - Region wide provisions

The text included in the "Submission" column of the following table that is italics, underlined and in <u>red</u> font is text proposed by the submitter. Text in *italics* only is text proposed by Plan Change 5 as notified.

Submitter Name	Submission Number	PC 5 reference	Submission	Support/ Oppose	Reasons	Relief Sought
North Canterbury Fish and Game Council	PC5LWRP-690	Definition of Winter grazing	Amend to: Means the grazing of cattleor supplementary feed that has been brought onto the property or from another part of the property	Oppose	This submission seeks to broaden a definition that is already too broad. The definition as notified in Plan Change 5 fails to distinguish between high risk winter grazing (being winter grazing on bare soil) and winter grazing of low risk (including, for example, supplementary feed fed out on pasture or the break feeding of cereal crops that does not involve bared soil). Fonterra filed a submission in relation to this definition expressing concern with its breadth. The North Canterbury Fish and Game Council's submission further broadens the definition. Break feeding on pasture or cereal crops where soils are not left bare allows plants to continue to take up nutrients and reduces potential for sediment loss.	Reject the submission
North Canterbury Fish and Game Council	PC5LWRP- 691	Policy 4.34	Insert new clause (d): Identify where Overseer assumed practices are or are not being met, and quantify against comparative	Oppose in part	Fonterra agrees with the submitter that there should be no double counting of gains from projected nutrient management improvement. However, the wording proposed by the submitter is	Reject the submission

Submitter Name	Submission Number	PC 5 reference	Submission	Support/ Oppose	Reasons	Relief Sought
			improvements or projected improvements in GMP nutrient reductions		insufficiently clear (and probably poorly located) and would likely lead to greater confusion.	
Nga Runanga, Ngai Tahu Farming Limited and Te Runanga o Ngai Tahu	PC5LWRP-792	Policy 4.37	Amend Policy by adding new (b) as follows: Where as at 13 February 2016, a properties [sic] nitrogen loss is greater that 15kgs per hectare per annum in the Lake Zone there are further reductions in nitrogen loss over time (relatives to the properties [sic] Baseline GMP loss Rate or the Good Management Practice Loss rate which ever is lesser) of not less than (i) 15% by January 2025 (ii) 25% by 1 January 2030 (iii) 35% by 1 January 2035 provided that these nitrogen loss reductions do not require the property's nitrogen loss calculation to reduce below the permitted nitrogen baseline in the Red Nutrient Allocation Zone and the Lake Zone	Oppose	Fonterra appreciates that some reductions in nitrogen losses will be needed to meet community expectations within the sub-regional Zones within Canterbury. Fonterra understands that in accordance with ECan's land and water planning programme (including the Canterbury Water Management Strategy), specific sub-regional freshwater outcomes, and the limits and associated measures to ensure sub-regional outcomes are met, are to be developed through specific catchment processes and incorporated into the CLWRP by plan change. Indeed Variations 1 and 2 and Plan Change 3 have done just that. Fonterra endorses this local collaborative approach. On that basis, Fonterra considers that nitrogen loss reduction targets such as those proposed by the submitter, to apply generally across all catchments not already subject to sub regional provisions, would be both premature and unrelated to the nature and extent of water quality issues in specific catchments.	Reject the submission
Nga Runanga,	PC5LWRP- 812	Policy 4.38	An additional clause (b) repeating in large part the	Oppose	For the reason given in relation to Policy 4.37 above.	Reject the submission

Submitter Name	Submission Number	PC 5 reference	Submission	Support/ Oppose	Reasons	Relief Sought
Ngai Tahu Farming Limited and Te Runanga o Ngai Tahu			amendment proposed for Policy 4.37			
Combined Canterbury Provinces, Federated Farmers of New Zealand	PC5LWRP- 2264	Policy 4.38B	Amend policy 4.38B to provide an alternative pathway for farm systems and individual situations where the portal is not capable or produces aberrant results	Support	Fonterra considers that the Portal, while a useful addition to the management regime, will not be able to reliably generate a GMP rate for some farm systems and an alternative consenting pathway where a farmer can demonstrate GMP is essential.	Accept the submission
Combined Canterbury Provinces, Federated Farmers of New Zealand	PC5LWRP- 2425 & 2305 2429 2433 2434 2435 2436 2440 2441	Rules 5.44A, 5.44B, 5.54B, 5.55A, 5.56AA, 5.57B, 5.58A, 5.58B.	Provide an alternative pathway for farm systems and individual situations where the portal is not capable or produces aberrant results	Support	For the reason given above in relation to Policy 4.38B	Accept the submission

PART B – Waitaki

The text included in the "Submission" column of the following table that is italics, underlined and in <u>red</u> font is text proposed by the submitter. Text in *italics* only is text proposed by Plan Change 5 as notified.

Submitter Name	Submission Number	PC 5 reference	Submission	Support/ Oppose	Reasons	Relief Sought
Central South Island Fish and Game	Not referred to in Summary of Submissions document	Policy 15B.4.10	Amend bullet (c) c) farming activities with the potential for more significant nutrient losses being subject to causing or contributing to degraded ecological health of freshwater habitats and exceedence of water quality limits will be managed through a resource consent process, and will be required to reduce contaminant discharges overtime to achieve water quality limits and freshwater outcomes.	Oppose	The proposed amendment fails to acknowledge the scale of contribution resulting from the activity. For example it may not be effective or efficient to require resource consent, and nutrient loss reductions, from activities with very small nutrient losses. Good management practices and reduced nutrient losses may be better achieved by other methods for small dischargers.	Reject the submission
Central South Island Fish and Game	PC5LWRP- 748	Policy 15B.4.13	Add additional requirement (c) the exceedance will not result in the water quality limits in Tables 15B (c), (d), and (e) being exceeded.	Oppose	The policy as notified appropriately allows for a consent to be granted to an existing discharge already authorised under the recently developed Canterbury Land and Water Plan (provided the discharge represents GMP). Making that subject to water quality limits not being exceeded is unreasonable in the circumstances.	Reject the submission
Central South Island Fish and Game	PC5LWRP- 770	Table 15B(c)	Proposes new nitrate-nitrogen concentration limits for the water bodies in Table 15B(c)	Oppose	Achieving such annual medians and 95 th percentiles would require major nitrogen loss reductions, which would be of a scale that far exceeded the community derived objectives for the Zone and are	Reject the submission

Submitter Name	Submission Number	PC 5 reference	Submission	Support/ Oppose	Reasons	Relief Sought
					unnecessary to maintain ecosystem health.	
Nga Runanga, Ngai Tahu Farming Limited and Te Runanga o Ngai Tahu	PC5LWRP- 877	Policy 15B.4.xx	Include a new policy that would require those properties with a nitrogen loss greater than 15kgs per hectare per year to reduce the discharge rate by: 15% by 1 January 2025 25% by 1 January 2030 35% by 1 January 2035	Oppose	There is no evidence that reductions of the magnitude suggested are required in the Waitaki sub-region (and certainly not in all parts of that sub-region).	Reject the submission
Nga Runanga, Ngai Tahu Farming Limited and Te Runanga o Ngai Tahu	PC5LWRP- 925 928 929 932 938 939 940 942 989 994 996 1000 1002 1005	Rules 15B.5.15, 15B.5.16, 15B.5.20, 15B.5.25, 15B.5.26, 15B.5.30, 15B.5.31, 15B.5.34, 15B.5.35, 15B.5.39, 15B.5.40, 15B.5.44, 15B.5.45	Include a new matter of discretion linking to the proposed reductions required by Policy 15B.4.xx as proposed by the submitter	Oppose	For the reason given in relation to Policy 15B.4.xx above	Reject the submission
Director General of Conservation	PC5LWRP- 1568	Rule 15B.4.18	Within the Waitaki subregion, water and freshwater habitat quality is maintained by requiring Include a new b) i. Provision of riparian buffer	Oppose in part	It is unclear how this policy is expected to be given effect to. It is listed under the heading of "irrigation schemes" but it is not clear whether it is intended to be given effect to by imposing conditions on discharge consents granted to irrigation schemes. Fonterra suggests	Reject the submission

Submitter Name	Submission Number	PC 5 reference	Submission	Support/ Oppose	Reasons	Relief Sought
			strips on water ways ii. Native planting where appropriate		that such intention would likely be outside the ability of the irrigation scheme to deliver.	
			iii. Fencing of springheads and spring-fed waterways iv. Use of artificial wetlands where appropriate		The policy lacks genuine decision-making guidance, for example iv is qualified by the term "where appropriate"	
Combined Canterbury Provinces, Federated Farmers of New Zealand	PC5LWRP- 2558	Policy 15B.4.26	Amend policy to provide an alternative pathway for use in situations where the Farm Portal is not capable (for farm systems such as arable) or produces aberrant results.	Support in part	Fonterra considers that the Portal, while a useful addition to the management regime, will not be able to reliably generate a GMP rate for some farm systems and an alternative consenting pathway where a farmer can demonstrate GMP is essential.	Accept the submission
Combined Canterbury Provinces, Federated Farmers of New Zealand	PC5LWRP- 2527 2577 2581 2579 2376 2613 2614 2615 2616 2617 2619 2762 2620 2621 2624 2625 2626	Rules 15B.5.14 15B.5.15 15B.5.18 15B.5.19 15B.5.24 15B.5.25 15B.5.26 15B.5.27 15B.5.27 15B.5.29 15B.5.31 15B.5.33 15B.5.34 15B.5.39 15B.5.40 15B.5.41 15B.5.41	Provide an alternative pathway for farm systems and individual situations where the portal is not capable or produces aberrant results	Support	For the reason given above in relation to Policy 15B.4.26.	Accept the submission