

From: [Josie | Pye Group](#)
To: [Mailroom Mailbox](#)
Cc: [Michelle Pye | Pye Group](#)
Subject: Proposed Plan Change 7 Submission to the Canterbury Land and Water Regional Plan
Date: Friday, 13 September 2019 1:20:40 PM
Attachments: [image002.png](#)
[Pye Group - Submission on Proposed Plan Change 7 to CLWRP.pdf](#)

Hi,

Please see attached submission on Proposed Plan Change 7 to the Canterbury Land and Water Regional Plan made from Pye Group.

If there are issues, please let me know.

Thanks,
Josie

Josie Hampton | Environmental Compliance and Enhancement Manager | **Pye Group Limited** | 251 Rise Road | RD 26 | TEMUKA 7986 | Mobile 0210 266 9919 | www.pyegroup.co.nz



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Submission on Proposed Plan Change 7 to the Canterbury Land and Water Regional Plan

Clause 5 First Schedule, Resource Management Act 1991

To: Proposed Plan Change 7 to the Canterbury Land and Water Regional Plan
Environment Canterbury
PO Box 345
Christchurch 8140
By email: mailroom@ecan.govt.nz

Name of submitter:

1. Barnscroft Dairy Ltd, Cloverdene Dairy Ltd, Dialan Dairy Ltd, Grantlea Dairy Ltd, Long Lane Farm Ltd, Pye Group Ltd, South Park Farm Ltd, South Stream Dairy Ltd, Straven Dairy Ltd, collectively known as Pye Group.

Address: 251 Rise Road
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Temuka 7986
Phone: 03 615 0120
Contact: Josie Hampton
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Trade competition stated:

2. Pye Group could not gain an advantage in trade competition through this submission.

Proposal this submission relates to is:

3. This submission is on proposed Plan Change 7 to the Canterbury Land and Water Regional Plan (PC7).

Wish to be Heard:

4. Pye Group wishes to be heard in support of this submission.
5. Pye Group would be prepared to consider presenting a joint case with others making similar submissions at the hearing.

Signed



Leighton and Michelle Pye - Directors of all submitting companies

Background:

Pye Group is a family owned agricultural business comprising of contracting, dairying, cropping, grazing and transport operations. Pye Group is owned by Leighton and Michelle Pye who, through different ownership structures, have farmed in Canterbury for the last 17 years. Prior to this Leighton farmed some of the same land in a family partnership for nearly 15 years and his parents before that. Pye Group is made up of different legal entities with numerous consents held by different companies with land in different nutrient allocation zones. One of the strengths of Pye Group is the scale of our operation with land owned in various parts of Canterbury which enables us to have a diversified farming operation and crop rotations that best suit location, soil types, irrigation, climate etc.

We are deeply concerned about some of the definitions and the lack of detail in Proposed Plan Change 7 of the Canterbury Land and Water Regional Plan. We fail to see how some of the proposed changes in relation to commercial vegetable growing are going to be applied in a practical manner and even staff at Environment Canterbury have been unable to explain how different policies will be applied in practice. This is especially concerning when taking into consideration commercial vegetable growers that form part of much larger farming operations that; own land in different nutrient allocation zones; have crop rotations across farms in different nutrient allocation zones; lease land on an annual basis for specific crops; have different legal ownerships of land and consents; and have changed legal ownership due to structural or entity changes which are the result of succession planning or normal business practice. We also have concerns about why commercial vegetable growing has been targeted in this plan change when all of our vegetable growing operations are covered by individual farm management plans, nutrient budgets and land use consents and therefore will be part of reductions in environmental impact through existing policy. It also seems to be at odds with Central Government's policies for farming to move away from dairy farming into more diverse operations like horticulture. We propose that growth in vegetable growing operations is promoted, provided they are managed to Good Management Practice.

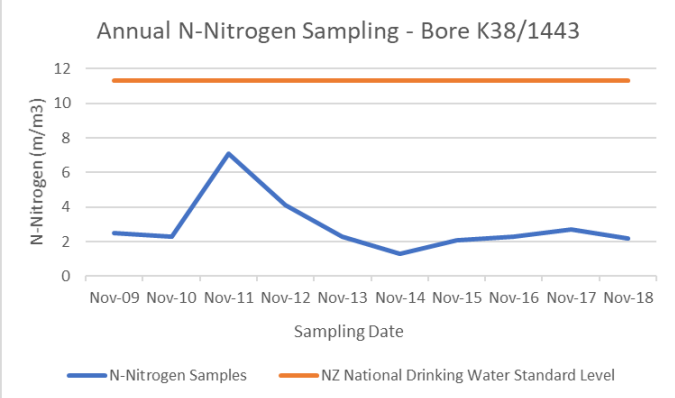
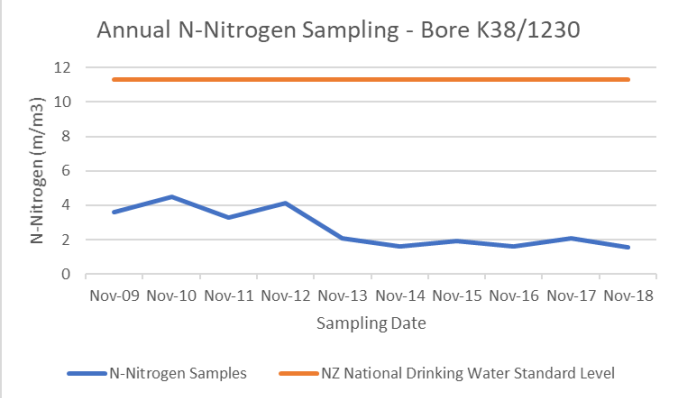
We accept that all New Zealanders, including farmers, need to play a part in protecting and enhancing water quality. However, under current Environment Canterbury policies we have already made substantial changes, are highly regulated and have nutrient reduction targets and/or nutrient limits to meet. The effect of these changes on water quality has not yet been seen and won't be for some time. On top of this the proposed National Policy Statement for Freshwater will mean further cost, compliance and regulation of farming. Maintaining compliance with Environment Canterbury and Central Government policies has become so complex that no farmer can navigate this on their own without the assistance of a consultant adding further cost, complexity and management of any farming business. This substantially diminishes the amount of resource available to apply to enhancing environmental outcomes.

Plan Change 7 – Reasons for Submission and Decision sought by Pye Group

(1) The specific provisions of PC7 that Pye Group's submission relates to are:		(2) Pye Group's submission is that:		(3) Pye Group seeks the following decisions from Environment Canterbury:
Section & Page Number	Sub-section/ Point	Oppose/ support (in part or full)	Reasons	
	Commercial Vegetable Growing	Oppose in full	We strongly oppose having specific rules relating to commercial vegetable growing where the operation forms part of a farming operation that has environmental impacts already regulated and managed by existing policy, land use consents, nutrient budgets and farm environment plans.	That in this order of preference: any reference to commercial vegetable growing be removed from Plan Change 7; or the definition of commercial vegetable growing specifically exclude any commercial vegetables grown as part of a farming operation that has an existing land use consent; or specific changes to definitions and policies be as detailed in the rest of this submission.
Section 2.9 - Definition, Translation and Abbreviations (Word and Definition Table)				
Page 11	Commercial vegetable growing operation definition	Oppose in full	<p>We recognise that a specific definition needs to be established to define commercial vegetable operations but believe the proposed definition lacks clarity to what defines a 'commercial vegetable growing operation'.</p> <p>There needs to be clarity around what define an 'operation' and how it aligns with the 'Baseline commercial vegetable growing area' in regards to a single grower or enterprise. How will this be required to be demonstrated to Environment Canterbury (ECan)? Will it be based on a per legal company basis, person in charge or contract with processing company? This needs to be reflected in the definition as it will determine what areas form a single grower or an enterprise.</p> <p>There is a large variety of 'vegetable growing' operations that produce food for human consumption including market gardening on a small scale and larger scale vegetable production as part of a mixed farm system. Each production operation varies in the level of land use intensity and nutrient inputs due to limitations of concentrated area land they have to rotate vegetables through. We have concerns that these differences are not reflected in the current proposed PC7 and believe it is very important for these to be address.</p> <p>The differences between the sensitivity of the natural environment that an operation is using for vegetable production also needs to be considered.</p> <p>The "full sequences of crops and pasture used as part of that rotation" statement within the proposed definition is unclear to what this actually includes. A typical vegetable rotation such as potatoes can have a rotation period of up to 10 years therefore what pasture within the definition does it include?</p> <p>The definition of 'vegetable crops' is unclear to if it includes "all" types of vegetables including legume vegetables such as peas or non-root vegetables such onions.</p>	<p>This definition needs to be reviewed and adjusted to provide a clear understanding of what defines a single or enterprise 'operation'. This could include providing examples or a flow chart to work through to understand what classification each grower or enterprise comes under.</p> <p>There should be a difference between the level of regulatory framework between intensive market gardening on a small scale and commercial vegetation production as part of a larger scale mixed farming system.</p> <p>There needs to be consideration for areas which are more sensitive to nutrients losses and this needs to be included in the regulatory framework.</p> <p>There needs to be a clearer explanation of what land area is included in the "full sequences of crops and pasture used for that rotation".</p> <p>The 'vegetable' definition needs to emphasis what vegetables are included.</p>
Page 11	Baseline commercial vegetable growing area definition	Oppose in full	We recognise that a specific definition needs to be established for the nutrient management of vegetable production but believe this definition is left open to individual interpretation resulting in a vague understanding of what is trying to be defined.	The definition needs to be reviewed and altered to so it is clearly understood. This definition needs to focus on the most recent years, not the baseline period of 2009 – 2013 and recognise that difference in areas of a single enterprise under irrigation scheme water or individual land use consents.

			<p>Too many questions remain unanswered as to how this area would be demonstrated, how it would be managed at a farm level and how it would be monitored from a regulatory compliance perspective. From our point of view, we cannot see how this would work.</p> <p>How would the baseline area be required to be demonstrated to Environment Canterbury (ECan) and what evidence defines this? Would the area be a rolling average of this area during 2009 – 2013 or the largest area within one of those baseline years?</p> <p>The recently proposed Action for Healthy Waterways (AHW) discussion documents proposes “that any grower wanting to increase the area of land they use for commercial vegetable growing in a freshwater management unit (beyond their highest area over the past five years) would have to get a consent”. It is common sense to use an existing starting point to describe ‘commercial vegetable area’ rather than resorting back to inaccurate historical data which has many variables, to define this area. This gives us an accurate reference point to start with where we can start developing provisions to manage the environmental impacts of the current area, not the area 10 years ago.</p> <p>What provisions would be in place if an enterprise has areas of land under a nutrient discharge consented irrigation scheme and area under an individual land use consent to farm? It needs to be clearly defined that under the current proposed regulatory framework the area receiving irrigation scheme water would be a permitted activity therefore would need to be separated out from the main enterprise. It needs to be clearly understood what pathway is taken for this situation which is not demonstrated in the currently proposed Plan Change 7 (PC7).</p>	
Section 4 – Policies (Nutrient Management)				
Page 17	Policy 4.36A	Oppose in part	<p>We recognise that there is a need for nutrient management framework to encompass vegetable growing but believe that the points stated within this policy will have a negative economic and social impact at a rural community level and will pose a food security risk at a national level.</p> <p>Farmers are encouraged to diversify their farming operations but proposed PC7 generates land use limitations for farmers due to the reduced amount of options left to diversify their farming system. First, no dairy farm development then no more vegetable expansion, what will be next?</p> <p>What cost/benefit analysis of these proposed changes has been completed to ensure NZ remains a prosperous country to live in? These issues are not reflected in the proposed PC7 and will have seriously negative economic and social implications for the future of our country and the people who live here.</p>	This policy needs to be reviewed and the nutrient management framework redeveloped to reflect the negative impacts the current proposed policy will have on the economic and social aspects of NZ.
Page 17	Policy 4.36A Sub point (a)	Oppose in part	<p>We agree that commercial vegetable growing should be operating at Good Management Practices but are concerned about the limitations within Overseer to be used to determine nutrient limits. Due to the lack of scientific modelling for vegetables within Overseer there is an absence of confidence in the actual numbers produced through the farm portal against what is actually happening within the farm system. This creates a feeling of uncertainty among the rural community as they are being limited to a ‘false’ nutrient loss number.</p>	<p>A national based system to determine how Good Management Practices are met across the range of different farming practices.</p> <p>Overseer needs to better reflect the cropping system losses through improved scientific research.</p>
Page 17	Policy 4.36A Sub point (b)	Oppose in full	<p>We oppose this point as it limits production of vegetables for the domestic and international market which will impact not only rural communities but also urban communities. As population is forever increasing how are we going to ensure Kiwis have access to readily available fresh vegetables? We don't want to be importing the majority of our vegetables from foreign countries, we want to be eating NZ grown and trusted vegetables.</p> <p>This also puts limitations in place for land owners with lease agreements as area is limited to baseline area and there are nitrogen loss restrictions in place for certain areas of land. This</p>	<p>Option 1: Remove point</p> <p>Option 2: Most recent 5-year area for existing operations.</p> <p>Allocation system of new vegetable production area within refined areas of Canterbury taking into consideration the natural sensitivity of that environment.</p>

			will affect land value and land owner options which will have a seriously negative impact on the livelihood of those people.	
Page 17	Policy 4.36A Sub point (c)	Oppose in full	We oppose that further reductions need to be applied. How will the N loss limit at the new or expanded land be monitored? Will a year end nutrient budget be required or a scenario before the vegetables are sown? How would on going monitoring occur to ensure that the current area and N losses are within the limited area or N loss rate limits?	Further reductions not be required due to vegetable growing producers already being restricted by land area and N loss rates associated to certain land locations.
Page 17	Policy 4.36A Sub point (d)	Oppose in full	We opposed that operations will be held to a single nutrient allocation zone or sub region due to the fact of this limiting mitigation options of relocating rotation land to less environmentally sensitive locations. It will also impact on land owners options to who they can lease land out to and it limits potential land buyers' options for their farming operations.	Remove point of restricting vegetable growing operations to a single nutrient allocation zone or sub region.
Section 5 Region – wide Rules (Commercial Vegetable Growing Operations)				
Page 30	Rule 5.42CA	Oppose in part	We oppose this as this rule allows for intensive vegetable production to occur which will have a still high nutrient loss per farm which contributes to the overall amount of nutrients being lost to the environment.	All small-scale farming operation required to gain consent or at least have a management plan that requires external on going monitoring of their farming practices. A different framework needs to be in place for larger scale vegetable production operations which are part of a mixed farm system.
Page 30	Rule 5.42CB	Oppose in full	We oppose that the baseline area be used and that the growing operation should be limited to one sub region and nutrient allocation zone.	The area should be based on the most recent years of vegetable production which reflects an accurate starting point. Operations should not be restricted to sub regions and nutrient allocation zones.
Page 30	Rule 5.42CC	Oppose in full	We oppose this rule due to the fact of putting a nitrogen loss rate to a certain area of land will limit options for land owners and growers. This will have negative impacts on both the land owner and the individual farming business. Other questions arise when considering how this nitrogen loss limit will be monitored when considering that nutrient budgets include the whole farm area not just the area that has vegetable crops growing in it. How will this be managed when it comes to demonstrating that the nitrogen loss rate can be met or not?	Remove this rule.
Page 30	Rule 5.42CD	Oppose in part	We recognise that this information needs to be recorded in a Farm Environment Plan (FEP) but there are too many issues arising around how this would work for each farmer. Is the FEP just for the land included as the growing operation or is it taken out of full farm system FEP and added to new one? How does that work with lease land FEPs?	Provide a clear understanding of how this area would be managed within FEPs.
Page 31	Rule 5.42CE	Oppose in full	How will it be determined that the discharge of nutrients from a particular vegetable operation is a prohibited activity? Will this involve completing a scenario nutrient budget before vegetables are sown to see it wouldn't exceed N loss rate or would it be completed after the vegetables have been harvested as a Year End nutrient budget?	Provide a clear direction of how this would be monitored at farm level and by Environment Canterbury.
Section 12 - Introductory Narrative				
Page 110	Figure unknown (Alpine River Sub-region)	Require more detail	We oppose the proposed amendment to the boundary between the Central Canterbury Alpine River sub-region and the Orari-Temuka-Opihi-Pareora sub region. This is on basis of not viewing supporting evidence for this change.	Leave boundary as is in the current LWRP until more detail is provided.
Section 14 - Introductory Narrative				
Page 121	Figure 14.1	Require more detail	We oppose the proposed amendment to the boundary between the Central Canterbury Alpine River sub-region and the Orari-Temuka-Opihi-Pareora sub region. This is on basis of not viewing supporting evidence for this change.	Leave boundary as is in the current LWRP until more detail is provided.
Page 124	High Nitrogen Concentration Areas	Oppose in part	We recognise there is a need for specific nutrient management for environmentally sensitive land areas but we oppose the statement of "Within these areas, nitrate – nitrogen concentrations in groundwater and surface water exceed recommended guidelines in the New Zealand Drinking Water Standards 2005 (revised 2008)". The Maximum Acceptable Value in	Amend the introductory narrative under the heading "High Nitrogen Concentration Areas" to state that nitrate-nitrogen concentrations do not exceed recommended guidelines in the New Zealand Drinking Water Standards 2005 (revised 2008).

			<p>the standard is set as 11.3mg/L nitrate nitrogen, yet both the technical report¹ and our own groundwater sampling in the proposed Rangitata Orton High Nitrogen Concentration Area results are below this level.</p> <p>The technical reports indicate that measured average concentrations of nitrate-nitrogen in groundwater for Rangitata Orton was 8.8 mg/L, therefore not exceeding the NZ Drinking Water Standards.</p> <p>As part of monitoring one of our groundwater consent in the Rangitata Island area, we monitor water quality annually and send results to Environment Canterbury. We have a record of 10 consecutive years from 2009 to 2018. As you can see from the below graphs, never once has the nitrate nitrogen results exceeded 11.3 mg/L. The average for K38/1443 is 2.892 mg/L and the average for bore K38/1230 is 2.635 mg/L, therefore well below NZ standards.</p> <div style="text-align: center;">   </div>	
14.1A Orari-Temuka-Opihi-Pareora Definitions				
Page 128	Rangitata Orton High Nitrogen	Oppose	We oppose the spatial extent of the Rangitata Orton High Nitrogen Concentration Area on the proposed PC7 Planning Maps, on the basis of insufficient water quality supporting evidence.	We propose that the existing Green Nutrient Allocation Zone (which has been proposed to be removed from the Central Alpine River Zone and

¹ Groundwater technical report to support the Orari-Temuka-Opihi-Pareora limit-setting process, Report R19/72, Environment Canterbury, Appendix 1, Memo 8, page 121 (Groundwater Technical Report).

	Concentration Area		<p>Both the technical reports and our own annual groundwater monitoring results show that nitrate – nitrogen levels in groundwater and surface water are below the NZ Drinking Water Standard of 11.3mg/L.</p> <p>We also oppose on the grounds that across the Rangitata Orton Zone, proposed reductions have been applied in a 'blanket approach' across three different nutrient allocation zones which all have different water quality status under the Canterbury Land and River Regional Plan. It is unrealistic for all farms to make the same reductions when they are located within different Nutrient Allocation Zones where water quality has different classifications ranging from 'water quality outcomes being met' in the Green Zone, 'bring at risk' in the Orange Zone and 'water quality outcomes not being met' in the Red Zone.</p>	included in the OTOP zone under Canterbury Land and Water Regional Plan) be excluded from the Rangitata Orton High Nitrogen Concentration Area and be removed from mapping layer.
14.4 Policies				
Page 135 (Nutrient Management)	14.4.18 (a)	Oppose	<p>We oppose the spatial context of the Rangitata Orton High Nitrogen Concentration zone definition and the targeted reductions of nitrogen stated in Table 14 (zc).</p> <p>Reasons are stated in under section "14.1A Orari-Temuka-Opihi-Pareora Definitions" (page 128) and below under 14.6.4 High Nitrogen Concentration Area Staged Reductions.</p>	The proposed Rangitata Orton High Nitrogen Concentration zone needs to have the Green Nutrient Allocation zone removed from mapped area and have it's Green Nutrient Allocation zone status retained. The reductions need to be reviewed and adjusted to take into consideration of the current nutrient allocation zones water quality statuses.
Page 137 (Consent Reviews)	14.4.21	Oppose in part	This policy needs to be amended to provide clarity around the extent of the consent reviews as this will cause uncertainty around people's current water supply from groundwater and surface water takes.	Policy needs to state the process that will be undertaken to carry out reviews and for people to have a clear understanding of what defines their groundwater take as having a direct or high stream depleting effect. Policy needs to state that the when reviewing consents the environmental, economic and social impacts on both the land owner and community will be considered.
Page 140	14.4.35	Oppose in part	<p>We support the following submission point included in OWL's submission.</p> <p>As an OWL shareholder, we support the intent of Policy 14.4.35, to maintain connectivity and flow variability in the augmented Opuha and Opihi rivers. This aligns with the way OWL has been operating the Opuha dam, and the ethos of the OEFRAG approach to managing the Opihi River over the years, including in particular, during the severe water short years of 2014, 2015 and 2016.</p> <p>We support clause (b) which specifies that the flows at Saleyards bridge should be measured on a 24-hour average with instantaneous variance of not greater than 500l/s below the minimum flow. From an operational point of view this is a practical and efficient approach.</p> <p>In terms of clause (e) relating to fresh management, we understand that the Adaptive Management Working Group (AMWG) have been working to develop an artificial fresh regime to most efficiently manage periphyton and achieve improved environmental outcomes. We support the AMWG's proposals and submission in this regard.</p>	Adopt the decisions sought in the AMWG's submission on PC7 relating to artificial freshes.
Page 158	Table 14(c): Water Quality Limits for Orari-Temuka-Opihi-Pareora Rivers	Oppose in full	<p>We oppose the water quality limits set within Table 14 (c) under the columns Dissolved Inorganic Nitrogen (DIN) and Nitrate – Nitrogen (row 5) for the Ohapi Creek upstream Orari River Confluence.</p> <p>In the recent proposed changes to the National Policy Statement for Freshwater Management state a national bottom level of 1 mg/L of DIN which is completely unachievable therefore a target level of 0.7 mg/L DIN is not unattainable.</p> <p>The proposed level of 0.68mg/L of Nitrate Nitrogen is well below the National Bottom level for ecosystem health of 6.9 mg/L of Nitrate- Nitrogen within rivers.</p>	Review and adjust target level to an unachievable target.
Page 161	Table 14(h) Orari Freshwater Management	Require more detail	We require more information regarding if the current self-managed staggered restriction programmes remain in place and unchanged for the Ohapi Creek.	Require more information to make informed decision.

	Unit Environmental Flow and Allocation Regime			
Page 167	Table 14(o): South Opuha Environmental Flow and Allocation Regime – BA Permit From 1 January 2030	Oppose in full	<p>We support the following submission point included in OWL's submission.</p> <p>The increases in environmental flows in 2030 for South Opuha proposed in Table 14(o) will result in measurable reductions in the amount of water presently available for abstraction, and consequently, current levels of pasture production. The anticipated reductions in pasture production will have a significant adverse effect on the viability and/or profitability of farm businesses in the South Opuha catchment. These significant costs are not justified for the incremental environmental benefit anticipated.</p> <p>We consider that the need (or otherwise) for increases beyond the 2025 environmental flows proposed in Table 14(o) would be best addressed at the time of ECan's next review of the OTOP sub-regional provisions (which should commence prior to 2030). This could then be informed by the water quality and quantity data gathered during the intervening period.</p> <p>We therefore consider that Table 14(o) should be deleted.</p>	<p>(a) Delete Table 14(o) in its entirety; and</p> <p>(b) As part of its expected 10-year review of the OTOP sub-regional plan provisions (in 2030 or prior), determine whether any increases beyond the environmental flows set out in Table 14(n) environmental flow regime is necessary in light of water quality and quantity data gathered during the intervening period and the directives of the higher order planning instruments applying at the time of such review.</p>
14.6 Allocation and Water Quality Limits				
Page 173 14.6.4 High Nitrogen Concentration Area Staged Reductions	Table 14(zc): Staged Reductions in Nitrogen Loss for Farming Activities in High Nitrogen Concentration Area Staged Reductions	Oppose in full	<p>We oppose the proposed PC7 High Nitrogen Concentration Area Staged Reductions for the Rangitata Orton area.</p> <p>This is based on the fact of majority of farms that need to be operating at GMP by 1st July 2020, have already put in a massive effort to mitigation and reduce nitrogen losses through the implementation of good management practices and investing in new technology and infrastructure. This comes at a cost and is not something that can be achieved in a short period of time. The positive on farm actions to date do not reflect the current water quality state due to the delayed effect of nutrients moving through soil and water. This puts farmers in an impossible position of having to continue to make nitrogen reductions on top of what they have already done. Mitigation strategies become limited which could put farmers in a negative financial position which has undesirable flow on effects for social and economic aspects for rural communities which our country has been built on.</p>	<p>We propose that the Green Nutrient Allocation Zone be excluded from the Rangitata Orton High Nitrogen Concentration Area in its entirety and only be held to GMP levels.</p> <p>We propose that different staged reductions need to be established between the Orange and Red Nutrient Allocation Zones within the Rangitata Orton Zone. We also propose that these reductions be reduced to capture the long-term water quality efforts already made that won't be reflected in the current water quality state.</p> <p>We propose that the proposed nitrogen reduction time periods be extended by 5 years. Taking the first staged reduction from 1st January 2030 to 1st January 2035 and taking the second reduction from 1st January 2035 to 1st January 2040.</p>