To whom it may concern

Please find attached Eyrewell Dairy's submission for the Plan Change 7 Hearing. Kind Regards

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BEFORE THE HEARING PANEL OF THE CANTERBURY REGIONAL COUNCIL

Under: the Resource Management Act 1991

In the matter of: Proposed Plan Change 7 (PC7) of the Canterbury Land and Water Regional Plan (CLWRP)

Statement of evidence of Peter and Kristy Schouten on behalf of Eyrewell Dairy Limited (submitter 136)

Dated: 17 July 2020

1 My name is Peter Schouten and I am accompanied by my wife Kristy Schouten. We farm in partnership as Eyrewell Dairy Limited.



2 We have been married for 11 and a half years and have two children. I am a member of a family with at least ten generations of dairy farmers in Holland before moving to New Zealand with available records dating right back to 1646 (anecdotal evidence suggests an even longer history in dairying).





3 In February 1999, my parents purchased a property of 430 hectares in the Eyrewell area of the Waimakariri Zone. Prior to purchasing this land, it was used for mixed

sheep and beef with some cropping. There was limited irrigation with groundwater drawn from a single well on the property.

4 The Schouten family have been among the largest of the original shareholders in Waimakariri Irrigation Limited (WIL) from the outset. I was involved with the farm from the outset, although I spent a short period in 2004/05 managing a dairy farm that my family still own in Holland.



5 Since my parents established their first dairy farm in the Waimakariri Zone, additional land has been purchased and 11 years ago this land was divided between myself and my brother. We are now each farming independently, while my parents own land adjoining our property. 6 Our objective has been to keep the family together to farm the land to the best of our ability, and to farm for future generations.



7 Currently we are farming 573 hectares across two dairy farms. Both dairy farms are mainly irrigated with centre pivot irrigation. There is a total of 2100 milking cows plus replacements.



8 Our annual turnover is in the vicinity of \$9 million obtained from producing 1.2 million kilograms of milk solids plus stock sales. We employ 15 full-time staff, as well as four or five additional staff as relief milkers and calf rearers, with the number of these people varying depending on the time of the year.

9 We are continuing to plough back surplus income into our farm, with the objective of achieving the highest possible environmental standards. We have multiple soil moisture meters across both farms (totalling sixteen sites) with each centre pivot having its own data to make decisions by. Three of our centre pivots are now fitted with VRI (variable rate irrigation). One of the farms already has a feed pad allowing all cows on that farm to stand off under unfavourable conditions. This farm is also using recycled effluent for the cleaning of the feed pad as well as capturing all silage leachate in the effluent containment.



- 10 We are exploring other improvements. We have taken an elaborate approach to our milking cow diet calculations, which allows us to utilise the excess protein the pasture offers the cows at certain times of the year. We are also working through the costings of a second feed pad with the aim to duplicate the environmental benefits seen on the first one. On a paddock level we are trying to build soil organic matter. This is with the aim to have higher moisture and nutrient holding capacity, thus ultimately even further reducing the risk of leaching nitrogen.
- 11 We use local contractors and spend our money locally. We see our farm as our "dream project", and our objective is to produce the "perfect dairy farm".



- 12 Under PC7 our properties are in the Nitrate Priority Area, and it is unclear exactly what we are going to be required to achieve. We are aware that there are a number of different possible calculations for the starting point, whether working under the Matrix Model that provides the basis for calculating permissible nitrate leaching for farms operating under the WIL consent, the Baseline GMP permissible leaching number derived from the Farm Portal or the alternative option available from the Farm Portal.
- 13 The numbers that we have been given are for Baseline GMP is 37.6 kg/N/ha/yr, and our current GMP N loss is 64.3 kg/N/ha/yr. It is understood that WIL's consent is based on the Matrix Model and the WIL gives the target for 2020 as 84 kg/N/ha/yr and the target for 2030 71 kg/N/ha/yr. These are the numbers used by Stuart Ford in his hearings evidence presented on behalf of WIL analysing the economic impact of the PC7 changes.
- 14 What we need to know is whether we comply, or what we need to do to comply with the provisions of PC7 under these different methods would be substantially different, as the starting point carry very different implications. We are exploring additional options for improving the environmental footprint of our farming, some of it is expensive and some at this stage experimental, and we want to know where we stand.
- 15 We believe that the way we are farming today is achieving results that are better than GMP. If this is deemed to be the case, we do not want to be penalised by having to reduce our leaching rate a further 15% below our current level.

- 16 If reductions are required, we would only want to be required to reduce to a level required of other farmers deemed to be at GMP. This would be equitable, and provide a level playing field. In fact, it is essential, or otherwise best farmers will be "driven to the wall" financially.
- 17 Whatever we do needs to be financially viable. We have made a huge financial commitment to farming and our community. We want to be the very best farmers we can be environmentally and we are prepared to continue to invest in leading edge technologies.
- 18 Farming is a complex, capital intensive undertaking, which is not linear, and there will be some seasons that are better than others. We need regulations that recognise this and ensure that we are not forced off our farms at the outset, which is what the current Baseline GMP calculations derived from the Farm Portal will do.