

From: [Dermott O'Sullivan](#)
To: [Plan Hearings](#)
Subject: Statement of Evidence - Submitter no. PC7 - 240
Date: Friday, 17 July 2020 1:24:11 pm
Attachments: [GH-148305-1-4048-2 Dermotts draft evidence GH suggestions 14720.docx](#)

Hi

Please find attached Statement of Evidence from Submitter no. PC7 – 240, William Dermott O’Sullivan.

Regards

Dermott O’Sullivan

**BEFORE INDEPENDANT HEARING COMMISSIONERS
APPOINTED BY THE CANTERBURY REGIONAL COUNCIL**

UNDER: the Resource Management Act 1991

IN THE MATTER OF: Proposed Plan Change 7 to the
Canterbury Land and Water Regional
Plan – Section 14: Orari-Temuka-Opihi-
Pareora

**Statement of Evidence of William Dermott O’Sullivan
(Submitter no. PC7-240)**

Dated: 17 July 2020

1. Introduction

- 1.1 My full name is William Dermott O'Sullivan, commonly known as Dermott. I hold Diplomas in Agriculture (Dip Ag) and Valuation and Farm Management (Dip VFM) from Lincoln University.
- 1.2 I am a Director and Shareholder in Glenire Farm Ltd, a dairy operation milking 1200 cows off an irrigated 350hectare milking platform bounding the north bank of the Te Ana Wai river at Cricklewood, between Albury and Fairlie.
- 1.3 I have been farming parts of our present property for more than forty years and we have built it up to what it is today, converting from sheep/beef/crop to dairy twelve years ago. Today the property totals 625ha and is managed by my son, Ryan O'Sullivan, who is also giving evidence.
- 1.4 I have held Water Rights/Consents to take water from the Te Ana Wai River since 1984, 36 years, and have been a shareholder in Opuha Water Ltd since it started operation in 1998, and therefore hold AA consents, with a maximum combined rate of take of 103litres/sec.
- 1.5 I have had a long association with water issues in South Canterbury, with 23yrs involvement with Opuha Water Ltd (OWL) between 1994 and 2017, initially as a Trustee and the last 10yrs as a Director.
- 1.6 During those last ten years as an OWL Director, I represented OWL on the Opuha Environmental Flow Release Advisory Group (OEFrag) for six years
- 1.7 When expressions of interest were called for the formation of the OTOP Zone Committee in 2009, I put my name forward. I was subsequently selected, and after a period of induction, I was elected the inaugural Chairman, a position I held for 5 years until the end of 2015, when health issues forced me to stand down.
- 1.8 In 2017 I joined as a member of the Flow and Allocation Working Party Group (FAWP). This group has done a huge amount of work, employed expert consultants, has had excellent facilitation, and I submit, has come up with robust recommendations.

- 1.9 The overview of our farming operation of Glenire farm Ltd I will leave to Ryan O'Sullivan to present.

2. Scope of Evidence

I will discuss:

- a) The water short OTOP Zone
- b) The experience I have gained from 36years irrigation drawing water from the Te Ana Wai
- c) FAWP Recommendations are the bottom line for Tributary irrigators.
- d) 22 years of Opuha Dam operation has enabled a lot of learning. The Adaptive Management Working Group have captured those learnings and its recommendations must be listened to and adopted.
- e) Conclusions.

3. OTOP Water Short Zone

- 3.1 In my early days on the Zone Committee it was recognised that the OTOP Zone was the most water short of the ten Zones in Canterbury with no access to alpine water to give reliability.
- 3.2 The talk of Senior Hydrological staff from ECAN was of new water being brought into South Canterbury by so-called "replumbing" of the Canterbury Plains, and this plan gained momentum. This would allow freed up water to be brought across the Rangitata, to be used for new irrigation and augmenting environmental flows, and included the Opihi Catchment as part of the plan.
- 3.3 Access to water from the west (Tekapo) was also often on the agenda.
- 3.4 After a huge amount of resources being put into these exciting possibilities for South Canterbury, by the time I stepped down from the Zone Committee, the plans had eventually evaporated for economic and environmental reasons, and we are left with trying to squeeze more out of the limited resource we have.

4. My Te Ana Wai Irrigation Experience

- 4.1 In 1983 I put two bores down in pursuit of irrigation water. These were to a depth of 30metres, which was an acceptable depth to drillers at that time. Both were unsuccessful. The drill logs were forwarded to South Canterbury Catchment Board (ECAN predecessor), which created interest. I was called to a meeting with Senior staff, and it was at the conclusion of that meeting, because they found the information valuable, that it was suggested I apply for a permit to take water from the river.
- 4.2 An application was made for a flow rate of 37litres/sec to irrigate 70 hectares. This was duly granted and infrastructure was installed and irrigation commenced in November 1984.
- 4.3 There was no minimum flow on the Te Ana Wai at that time, but irrigators had to abide minimum flow restrictions on Opihi mainstem at Saleyards Bridge.
- 4.4 My first summer irrigating turned out to be one of the worst for restrictions with 100% restriction from 5th February 1985 until mid May.
- 4.5 During the 1990s plans started to take shape as to what the Opuha Dam would do to support irrigation. It was planned to connect all the tributaries with canals to move the water around, with the expectation that more water could be taken out of the tributaries because the mainstem of the Opihi would be augmented. More shares were sold into those areas on that understanding.
- 4.6 In anticipation of this, and having bought more land, in 1996 I applied to double our take to 73litres/sec. After notification and little objection, our water right was granted for 73litres/sec to irrigate 180ha.
- 4.7 In 1998 construction of Opuha Dam was completed and it was opened in November that same year. The plans for inter connecting canals were shelved necessitating some buyback of shares which created ill feeling.
- 4.8 Although the five irrigation water rights granted on the Te Ana Wai dated as far back as the early 1980s, in 2000 we all pulled together to form Te Ana Wai Water User Group (TWUG), as we were faced with a full Consent Hearing to take water under the Resource Management Act. This hearing was held in Timaru in 2002.

- 4.9 As it was known that the new consents, if granted, would have a minimum flow restriction level imposed on them, TWUG went to considerable lengths to present a good case. We were also advised not to alter our previously held instantaneous flow rate, as that could jeopardise our success.
- 4.10 Dr Gregory Ryder, in his evidence for the FAWP, has quoted some evidence presented at that hearing. I refer you to section 7 of his evidence, where he quotes Don Jellyman and Dr Ian Jowett.
- 4.11 The outcome was granting of consents at flow rates sought, but with a minimum flow of 450litre/sec at Cave measuring site. TWUG appealed to the Environment Court, but reached an out of court settlement with 50% restriction at 500l/sec, 100% at 400litre/sec as it stands today. The consents were subject to applicants holding shares in OWL, hence the AA status.
- 4.12 With the frustration of not being able to access more water, in 2006 I again brought in a well drilling contractor, as it was suggested we should go deep. Two wells were drilled to approx. 250metres with again no success, both wells hitting mudstone, at approx. 180metres.
- 4.13 In 2006, family members purchased a property 25kms downstream at Sutherlands from an existing Te Ana Wai consent holder with a 30litre/sec take. In 2007 we consulted with ECAN about the possibility of taking that water take upstream in conjunction with our existing 73litre/sec take. Meetings were held with stakeholders including Fish and Game, and agreement was reached on the condition that that take could not be taken upstream, when flow at Cave measuring site dropped below 600litres/sec.
- 4.14 In 2007, consents were obtained to build a large 365,000cubic metre storage pond, to be gravity fed with the combined takes totalling 103litres/Sec. A high flow BN consent of 350litre/sec was also sought and granted at that time.
- 4.15 In 2008, construction of the pond was completed, pivot irrigation was installed, along with conversion to dairy. For the last twelve years the efficiency of irrigating 350ha of milking platform with 103litres/sec instantaneous take has generally proved successful.

4.16 As a general observation, extreme low flows have always occurred on the Te Ana Wai, and my comment about my first year irrigating in 1985 being one of the worst illustrates that. The catchment now tends to dry out quicker with more instances of low flow before Christmas, but it also responds quicker when there is rain around the hills

4.17 Below are two quotes included in Don Jellyman's evidence at our 2002 hearing from records kept by the South Canterbury Acclimatisation Society (SCAS):

"Owing to the severe drought experienced during the season the rivers have been very low, and the fishing has been affected by the presence of so much weed." (1907)

"The season has been very unfavourable from an angler's point of view, owing to continued dry weather and consequent low state of rivers." (1913)

From those quotes it is obvious low flows were as common over 100 years ago as they are today. The comment about the weed level is also interesting.

5. FAWP Recommendations are Bottom line.

5.1 During my time on the ZC, right from the outset it was stressed to us by ECAN staff and Facilitators that the process was all about "local people" finding "local solutions".

5.2 With the formation of the Opihi Flow and Allocation Working Party, I saw as an opportunity for a group of stakeholders to negotiate workable "local solutions".

5.3 A huge amount of work has gone into getting flow data right by Ms Keri Johnson, and into Dr Greg Ryder's ecology study, and I submit, we are a lot better informed now than we ever have been on such matters across all tributaries.

5.4 For the Te Ana Wai, there was general acceptance of Stage 1 (increased minimum flows) being introduced in 2025, but Stage 2 (pro-rata partial restrictions) which has the more severe financial implications for irrigators as shown in evidence presented, was recommended for 2035, to give more time to come up with alternative solutions or mitigation measures.

5.5 Ryan O'Sullivan is giving evidence of the financial implications of Stage 1 and 2 on our business, Glenire Farm Ltd. Grant Porter's evidence shows what the

implications are for an average year, but it is those extreme years that really do the damage to farming businesses, both physically and financially.

- 5.6 Further, it may be able to be proved in light of water quality and quantity data gathered during the intervening period, that further increases above the Stage 1 environmental flows set will not achieve any worthwhile benefit, in which case Stage 2 should not be imposed.
- 5.7 In the writing of the draft Plan Change 7, I submit, ECAN staff have made changes in the interests of keeping it simple not only in writing rules but also administration of it going forward. This has been even further simplified in the Section 42A report. Such simplification of points that might seem minor can often have major consequences on reliability for irrigators.
- 5.8 I quote another piece of evidence presented at the TWUG 2002 hearing from Dr Ian Jowett

“Contrary to the opinion of Fish & Game, the RMA is a balancing act. Do you take water from the river for irrigation or do you leave it in the river to provide for trout and salmon? To make the appropriate decision, the benefits of a minimum flow to the fishery must be compared to the benefits of extra water for irrigation”.

6. Opuha Dam Operation and Adaptive Management Working Group.

- 6.1 The experience of now 22yrs of dam operation and the lessons learnt has been invaluable. During my time representing OWL on the OEFRAG, we experienced the very dry years of 2014-15, when the lake was taken down to just being able to release the inflows.
- 6.2 Huge lessons were learnt that year and the need to be able to make quick responses when the snow pack is low, and the signs of drought and low flows are gathering momentum, is paramount.
- 6.3 Those lessons and other experience gained formed the basis of the Adaptive Management Working Group’s recommendations. Again, in writing the draft plan and the subsequent Section 42A report, in the apparent interests of simplification, a lot of those finer management details have been ignored and important efficiencies lost.

- 6.4 While not directly part of the Adaptive Management Working Group, I have a good understanding of its findings and recommendations and fully support their adoption.
- 6.5 As a tributary irrigator, it is hard enough dealing with the restrictions imposed there, let alone having to deal with restrictions on the main stem, because of inflexibility of dam management rules, which cause inefficiency in operation.
- 6.6 The draft plan's recommended increases in minimum flows for the tributaries basically gives no recognition to those irrigators for releasing water down the main stem of the Opihi. In other words, if adopted why should they continue to hold shares? This will have huge impact on OWL going forward, bearing in mind up to 20% of shares are held by tributary shareholders. Where can those shares go? Are they going to have any value? This could result in a 20% drop in water charge collection, a huge implication for the dam company.

7. Conclusions.

- 7.1 OTOP Zone is recognised as the most water short Zone in Canterbury. Further, experience has shown, that particularly in the inland tributary catchments, finding deep well irrigation water is highly unlikely, to the point that most drillers would be reluctant to make any further attempts. There are no alternative sources of new water.
- 7.2 Opuha Dam has now been operational for 22 years and is OTOP's only jewel in the crown. People, particularly the younger generation, accept its benefits as the new norm, and many are ignorant of what the Opihi river system used to look like. They demand more water for the environment, to the detriment of those who put the dam in place and who own it today, the irrigators.
- 7.3 Both FAWP and AMWG are great examples of "local people" from the community working together to come up with "local solutions" and they have put a huge amount of work in. Their recommendations must be adopted in the interests of the most efficient use of the limited water we have available in our catchments.
- 7.4 Plan Change 7, as drafted, gives no recognition of any advantage in OWL affiliation by tributary shareholders, and if adopted this will cause antagonism,

demand for share buyback, and major financial implications for OWL going forward. It will also cause major distortions in the Opihi River Hydrological Model that has been developed and is presently worked to.

7.5 I again quote Ian Jowett's statement:

"To make the appropriate decision, the benefits of a minimum flow to the fishery must be compared to the benefit of extra water for irrigation".

William Dermott O'Sullivan

17 July 2020