From: Jamie Robinson
To: Plan Hearings

Cc: <u>Tim Ensor</u>; <u>Yves.Denicourt@synlait.com</u>

Subject: PC7 evidence - Synlait (submitter number 188) [DC-Documents.FID2813963]

Date: Friday, 17 July 2020 4:25:22 pm

Attachments: <u>image001.png</u>

Synlait EIC - Tim Ensor Final.pdf

Synlait EIC - Andrew Bull Final (11769205 1).PDF

Good afternoon,

Please find **attached** the following evidence, filed on behalf of Synlait Milk Limited (submitter number 188):

- Timothy Ensor planning evidence; and
- Andrew Bull company evidence.

Kind regards, Jamie.

Jamie Robinson

Associate

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In the matter of the Resource Management Act 1991

And

In the matter of Proposed Plan Change 7 to the Canterbury Land and Water

Regional Plan

STATEMENT OF EVIDENCE OF ANDREW BULL FOR SYNLAIT FOODS (TALBOT FOREST) LIMITED

17 July 2020

Duncan CotterillSolicitor acting: Jamie Robinson PO Box 5, Christchurch

Phone +64 3 379 2430 Fax +64 3 379 7097 jamie.robinson@duncancotterill.com

INTRODUCTION

- 1 My full name is Andrew Bull
- I am the General Manager at Synlait Foods (Talbot Forest) Limited (SFL), and have been in this role since Synlait conditionally purchased Talbot Forest Cheese in June 2019. I have been involved in the dairy industry for 7 ½ years and hold a Bachelor of Engineering (Hons).
- 3 I am authorised to give this evidence on behalf of SFL.

SCOPE OF EVIDENCE

- 4 My evidence will cover the following matters:
 - 4.1 Background to Talbot Forest Cheese, now SFL;
 - 4.2 Water demand;
 - 4.3 Whey discharge;
 - 4.4 Reasons for changes sought.

EVIDENCE

Background to TFC

- Synlait purchased TFC following OIO approval, with settlement taking place on 1 April 2020. TFC, now SFL, provides a complementary category that diversifies Synlait's offering, and links well with the fresh milk plant developed at the Dunsandel site as part of the Synlait Everyday Dairy strategy.
- SFL is a wholly owned subsidiary of Synlait Milk Limited, and milk is sourced from Synlait providers (generally those located south of the Synlait Milk Dunsandel plant, and particularly located in the Orari Temuka Opihi Pareora (OTOP) Zone).
- The highly automated plant in Temuka produces both dry and brine salted products, including parmesan, cheddar, gouda and mozzarella. In the 2019-2020 season (just finished), SFL produced around 3,000 metric tonnes of cheese, using approximately 20 million litres of milk.

The SFL factory is one of Temuka's largest employers, with approximately 85 staff employed at the factory, as well as having 'upstream and downstream' employment benefits (farmers, vets, milk tanker drivers etc).

Water demand

- A reliable water source is critical to the TFC factory, for processing and cleaning purposes. Currently, SFL uses, on average, approximately 155 cubic metres per day during peak (Nov-Jan), which is sourced from the Timaru District Council scheme.

 Generally, the Timaru District Council scheme provides a reliable water source for our cheese manufacturing process, although it is slightly limited in terms of the existing infrastructure, as the site is only serviced by a relatively small-bore connection pipe.

 To counter this, Synlait currently has to use buffer tanks on the site, to meet the instantaneous demand.
- The Synlait Dunsandel plant has had ongoing issues with sufficient water supply, and so Synlait and SFL are very alive to a similar issue occurring at the SFL site. Ensuring a reliable, safe ongoing water supply is critical to SFL, particularly to ensure that future expansion is possible, and not constrained by water availability. This is particularly relevant given the recent Government discussions about how water is managed at a Council level, arising from the issues Auckland Council is currently experiencing. It would be SFL's preference that it remains on the Timaru District Council scheme, as that is working well. However, SFL submitted to ensure that the objectives, policies and rules of the OTOP zone allow for alternatives for industrial processing, if certain requirements can be met, to provide a potential alternative source of water if it were ever required.
- 11 It's important to understand that Synlait's water demand (as taken from the Timaru District Council scheme) does **not** total the water discharged from the site. As part of the cheesemaking process, water and whey from the milk product is discharged, meaning that the overall water balance from the site is approximately neutral.

Whey discharge

- Whey is a by-product of the cheese making process, and is currently disposed of to land by way of resource consent CRC210111 which authorises the discharge of 983 cubic metres per seven days, to various local farms.
- For context, the peak discharge of whey in the last year was in December, where we discharged approximately 816 cubic metres per seven days. Although we have some 'headroom' in our consented discharge, SFL is looking to increase production going forward, which will increase the amount of whey needed to be discharged. In addition,

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SFL and Synlait are currently exploring options which could reduce the amount of whey discharged to land, and continue to be alive to different options introduced by new technology or alternate products. However, the current scenario will be in place for the foreseeable future, and it is important the planning regime contemplates it.

I understand that the rules in Plan Change 7 are not particularly clear when it comes to the discharge of industrial waste, and associated nitrogen reductions. I leave this to our planning expert, Mr Ensor, to cover. However, I do note that the SFL discharge consent controls the Nitrogen loss associated with the whey to the farms where the whey is discharged. To me, it seems sensible that any reduction should be limited to the farming activity, as essentially the whey acts as a fertiliser for those properties displacing synthetic fertiliser. It would seem sensible to treat the application of whey to land in the same way as general fertiliser application, with the only difference being that the whey is derived from an industrial activity. In my opinion, the productive reuse of industrial waste (within resource consent limits) should be actively encouraged.

Reasons for changes sought

Synlait and SFL have significant investment within the OTOP zone, and are a major employer (both directly and indirectly) in the district. SFL seeks the changes as outlined in the submission to ensure that our factory can continue to produce high quality cheese, in a way that is environmentally sustainable but also allows for future growth.

Andrew Bull		
17 July 2020		

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