



SUBMISSION FORM – Proposed Water Permits Plan Change (Plan Change 7) to the Regional Plan: Water for Otago



Form 5, Clause 6 of Schedule 1, Resource Management Act 1991

Full name of submitter: Barley Station (Glencoe) Trust

Name of organisation (if applicable):

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Telephone: 03 445 9905

We wish / ~~do not wish~~ (circle preference) to be heard in support of my further submission.

If others made a similar submission, we **will** consider presenting a joint case with them at a hearing.
(Delete if you would not consider presenting a joint case)

Trade competitor's declaration (if applicable)

We ~~could~~ / could not (circle one) gain an advantage in trade competition from this submission

We are / am ~~not~~ (circle one) directly affected by an effect of the plan change that

- (a) Adversely affects the environment; and
- (b) Does not relate to trade competition or the effects of trade competition.

Signature of submitter: *Christina Bright* Date: 04 May 2020
(Or person authorised to sign on behalf of person making submission.
Signature not required if you make your submission by electronic means)

Please note that all submissions are made available for public inspection.

State what your submission relates to and if you support, oppose, or want it amended:

(e.g. support rule 'x', or amend policy 'y')

Barley Station (Glencoe) Trust opposes the whole of PC7.

State what decision you want the Otago Regional Council to make:

(e.g. amend policy 'y' to say....)

Reject PC7 entirely or:

Amend PC7 to introduce a much simpler rule that enables current permits to be effectively exercised as they are currently issued until the new Land and Water Plan is operative.

Those permit holders willing and able to lodge their replacement applications before October 2021 should not be prevented from seeking the long-term consents that they need, as many have done already.

Give reasons for the decision you want made:

(e.g. I want policy 'y' changed because...)

1. Grant Coutts and Russell Coutts, as Directors of the Trustee Company of the Barley Station (Glencoe) Trust hold Deemed Permit 99477. Grant Coutts and Russell Coutts, as Directors of the Trustee Company of the Barley Station (Glencoe) Trust also holds Water Permit 2002.187 as a 7/8th share and Christopher Matthew McNally and Vanessa Jane May, holds the remaining 1/8th in Water Permit 2002.187. The authorisations for the taking of water were historically issued as mining rights so are deemed permits which expire on 1 October 2021.
2. Barley Station (Glencoe) Trust (the applicant) own and run a 305ha property located near Omakau that operates as a dairy platform, known as Barley Station (Larkhall Farm) Limited and is supported by a runoff block further up the valley near Becks. Water for the dairy platform is provided by the two permits and Omakau Area Irrigation Company Limited (OAICL) water shares. Water is used for the dairy operation e.g., shed wash water, stock drinking water, and irrigation. Water is sourced from the Manuherikia River as both permits are authorised for abstraction from the main stem of the Manuherikia. Water is conveyed through various pipes directly to pivot irrigators, the dairy shed, or to storage. The predominant land use is pasture. The infrastructure is all in good condition and both takes are metered which have been operational for several years. Barley Station (Glencoe) Trust also have leased the neighbour's property (McNally Grazing Limited) of which is owned by Christopher McNally the other consent holder of Permit 2002.187 who has a 1/8th share. Christopher McNally owns 16.8 ha adjacent to the Manuherikia River that has been grassed as a lease block to Barley Station (Glencoe) Trust for a number of years.
3. Deemed Permit 99477 is a priority right and is the highest priority right on the Manuherikia River. However, Barley Station (Glencoe) Trust have voluntarily worked with the catchment on flow sharing agreements to reduce abstractions to maintain minimum flow requirements downstream at Ophir.
4. Significant investment has been made in the last decade to upgrade the water take infrastructure, pipe networks, and water use efficiency with conversion from less efficient irrigation methods to pivots. This investment is substantial for a dairy operation like run at the Larkhall farm.
5. Achieving this greater water use efficiency requires significant and long-term capital investment.
6. The Manuherikia has been extensively studied for freshwater fish and habitat values. Barley Station (Glencoe) Trust's water takes are long established and their continuance will not result in any adverse effect on instream

aquatic values as the applicants fully intend to work with the catchment and adhere to minimum flows to be established through the setting process.

Barley Station (Glencoe) Trust is seeking the above decision on PC7 for the following reasons:

7. Barley Station (Glencoe) Trust have acted in good faith and have been preparing for their renewal for some years, being mindful of the previously well signalled process and efficiencies that would be required to comply with the existing Aqualinc models and completed reviews of the existing knowledge and understanding of instream ecology and hydrology of the Manuherikia River, and have been preparing their application to ensure that the effects of their activities on instream ecology and hydrology are less than minor. This process is largely dependent on the formal setting of a minimum flow through the current ORC's plan change process for minimum flows, Barley Station (Glencoe) Trust have supported the ORC during this process and value the investment in scientific work being completed.
8. Subsequently significant investment has already been made in consultancy, planning and infrastructure by the Barley Station (Glencoe) Trust on their Larkhall property.
9. Barley Station (Glencoe) Trust has been preparing their application in a timely manner well in advance of the consent expiry, and it is through no fault on their part that the goal posts have now shifted.
10. There is no need for PC7. The existing Regional Plan Water (RPW) is proving effective at retiring paper water in catchments where that is an issue. It is not an issue in all catchments, especially in the Clutha. The issues with the current RPW that have been identified in the s32 report are not overcome by PC7. Everything identified in PC7 can still be achieved under the existing RPW framework. More detail on this can be found in submissions made by others.
11. Great progress has already been made by many permit holders in improving their water use efficiency and environmental performance. Implementing PC7 will stop any progress to improve water use efficiency in its tracks as short duration permits will not enable investment in the required infrastructure or efficiency upgrades.
12. Schedule 10A.4 is fundamentally flawed and completely misunderstands irrigation. Seasons and crops do not have average years. Demand and supply are highly variable. Calculating actual usage should be just that – actual usage. In addition, metering these intakes is a relatively new thing. There were challenges in establishing meters on water takes early on due to there not being a sufficient number of qualified providers able to get them functioning in many permit holders difficult locations, and it was only a requirement from November 2012 for takes larger than 20 l/s. The complexities associated with the locations and instream environments that the meters are located in also means that records in the first few years after installation have not always been accurate and subject to teething problems (e.g. meters getting blocked with high levels of sediment due to the nature of these catchments). Furthermore in recent times, the Barley Station (Glencoe) Trust property has been affected by significant flooding event in the Manuherikia River, and as such have had to stop pumping to repair and carry out maintenance, or not irrigate at all for long periods when flooding occurs. Barley Station (Glencoe) Trust has been undertaking development and has plans to continue to develop by means of converting spray irrigation to pivot, that means they have not used all the water under their consent in the 2012-2017 years when conversions were occurring.
13. Furthermore, even though one of the permits as the highest priority in the catchment, voluntary adherence to the wider catchment ambition to maintain the minimum flow at Ophir has meant Barley Station (Glencoe) Trust has not fully exercised their consent during the peak of the irrigation season, when they otherwise could have.

14. The method proposed provides no flexibility or consideration of the individual situations and unfairly impacts on permit holders who have experienced metering issues or have incomplete abstraction records between 2012-2017 for reasons such as development to improve water use efficiency.

An assessment of the Barley Station (Glencoe) Trust's abstraction records in line with the proposed methods in schedule 10A.4 for calculating allocation has revealed that the two permits would be substantially reduced. In comparison to the completed Aqualinc water efficiency for irrigation, and calculations for dairy shed and stock water use, under the PC7 allocation scenario there is an approximate 50-70% deficit or more in the calculated water needs at monthly and annual timesteps. This deficit shows that the abstraction record reflects lower use of water at monthly and annual time steps during voluntary adherence to catchment flow sharing, or due to flooding and infrastructure upgrades, and unfairly represents the actual water needs.

Any current water deficit is supplemented with water shares from the Omakau Area Irrigation Company. Security of this share water cannot be used for justification of any reduction in allocation under the PC7 scenario as the irrigation company too is going through this same process as Barley Station (Glencoe) Trust. This places server pressure on the operation and existing investment made towards improved efficiencies on the property. A reduction of this level would put the entire dairy operation at risk. Particularly with regards to the property being converted to dairy and purchased on the premise of the water permits being available to provide the necessary irrigation needs.

15. We are concerned that the cost of the proposed resource consent processes could put many permit holders out of business. Many struggle to fund long term consent applications, let alone having to go through it twice (once now and again in 6 years). Furthermore, having to spend additional time and cost to participate in PC7 to ensure our voices are heard adds additional time and cost.
16. The strict requirements of the proposed controlled activity rule mean that Barley Station (Glencoe) Trust along with most other permit holders who have yet to lodge their replacement application, will end up having to follow the non-complying activity pathway simply as a result of water metering records being incomplete/not accurately reflecting the farming situation, thereby defeating the purpose of PC7 to get most permit holders to replace their consents under a simple, roll-over type process. The threshold for a non-complying activity is much harder to overcome given the wording of the proposed policies and will require substantial investment in consultants and science work to demonstrate the effects are less than minor for such a short-term consent.
17. There is no explanation as to why PC7 limits the irrigation area to the 2017-2018 season, nor is there any evidence indicating what this is intended to achieve or why the 2017-2018 year would achieve this more than another year. By placing this limit in PC7, permit holders cannot increase efficiency by, for example, moving from flood irrigation to spray irrigation over a larger area. There is no apparent benefit achieved by this rule.
18. The expectations of the policies, conditions of the rules and matters of control in the rules in PC7 do not enable a "short term relatively low-cost consent" as identified by the Council as the expected outcome of the PC7 process. In order to provide information to satisfy the PC7 provisions, permit holders will need to engage expert consultants to:
 - a. review and evaluate water use records;
 - b. interrogate the abstraction data using the proposed methodology (this is not simple and cannot be done by individual permit holders);
 - c. understand the farm system in terms of water use, soil types and irrigation areas;

- d. undertake water use efficiency calculations using, for example, Aqualinc methodology;
 - e. research and understand any instream ecological values to be able to recommend whether fish screens may or may not be appropriate; and
 - f. research and understand hydrological flow patterns, alongside any fish values, to provide an assessment of whether fish passage is required.
19. Reviewing a consent is already provided for in the RMA through section 128(1)(b). Any new limits that may be introduced under the future Land and Water Regional Plan can be brought in through a review. This would address one of the key issues that PC7 is trying to address.
20. A short term consenting framework for existing permits that did not cost permit holders anything might be acceptable whereby no information is required to be researched, prepared, submitted, and audited by ORC (as all of these steps incur substantial costs and of note is that agreement with ORC staff on some of the above points is often time consuming and costly already), but is not preferred because:
- a. In many catchments it is not necessary. PC7 should be targeted to those places that actually need it (wherever they are).
 - b. It will discourage investment in efficient infrastructure.
 - c. It will discourage permit holders from working with other stakeholder to achieve environmental benefits (e.g. proposing residual flows for the individual waterbodies)
 - d. Now, more than ever, farmers should be investing in things that actually support the economy, not putting the economy on hold for 6 years. PC7 should encourage seeking long term consents under existing rules where that is possible and not cut that off as an option.
21. There has been a complete failure to assess the costs and benefits of PC7 compared with alternatives (including doing nothing). So PC7 should be rejected entirely.

Please attach any additional information.

SUBMISSIONS MUST BE RECEIVED BY 5.00 PM ON Monday 4 May 2020

Post to Otago Regional Council
Private Bag 1954
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Email to policy@orc.govt.nz

Deliver to Otago Regional Council offices at:
▪ 70 Stafford Street, Dunedin
▪ William Fraser Building, Dunorling Street, Alexandra
▪ Terrace Junction, 1092 Frankton Road, Queenstown

Online at www.orc.govt.nz/WPPC

Please note:

Please note that your submission (or part of your submission) may be struck out if the authority is satisfied that at least 1 of the following applies to the submission (or part of the submission):

- it is frivolous or vexatious:
- it discloses no reasonable or relevant case:
- it would be an abuse of the hearing process to allow the submission (or the part) to be taken further:
- it contains offensive language:
- it is supported only by material that purports to be independent expert evidence but has been prepared by a person who is not independent or who does not have sufficient specialised knowledge or skill to give expert advice on the matter.