



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

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

Office use only

Full name of submitter: Alistair & Barbara Groundwater

Name of organisation (if applicable):

Email: [Redacted]

Postal Address (or alternative method of contact): [Redacted]

Telephone: [Redacted]

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

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

Trade competitor's declaration (if applicable)
 I could **could not** (circle one) gain an advantage in trade competition from this submission

I am / **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: A.P. Groundwater Date: 1-5-20.
 (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')
 I have attached my submission - I tried to do an online submission but unfortunately when I went to send it I hit a magical button & it got deleted!!

We oppose Plan Change 7 (PC7) completely and want it withdrawn.

The Otago Regional Council (ORC) can process water permit applications under the existing plan and does not need to establish an interim planning framework.

Decision we want ORC to make:

We want the ORC to withdraw PC7. We are in the Manuherikia catchment and have been told over the last 10 years by the ORC, the steps we need to take to get our consents replaced.

Our efforts to do this have included paying for scientific evidence based reports and paying consultants to prepare our application under the existing rules. Our application is just about ready. It gives a balance between the environment and water use. If the PC7 goes ahead, with changed rules at the last minute, all the work we have paid for will be for nothing. The ORC has not backed up their policy changes with economic or social reports on the intended changes.

Our farming business has borrowed from Westpac to reflect ORC policy of being efficient with water. We have gone from wild flood irrigation and borderdyking to installing a pivot, along with a water storage dam. The cost of the initial work was approximately \$600,000. We did this 5 years ago and have had ongoing costs each year maintaining this system.

This development has been very expensive and will take many years to recoup the investment. We are using the same water as we did with wild flooding but now utilising the water more efficiently with the pivot irrigation. This equates to efficient usage of water as advocated by the ORC.

Re Short Term Permits

The 6 year proposed term will impede development on our place. From our experience of creating a more efficient usage of water, by installing a pivot/dam, we know how long the process takes to change systems. From the initial plan, getting work completed and getting things running efficiently, it has taken us 5 years. Investment in efficient water usage will not happen under PC7 due to the short time frame. I have attached an email from our Westpac Corporate Agribusiness Manager, outlining the banks reaction to 6 year permits. This reinforces that PC7 is flawed and makes it unworkable for irrigators. We need 25 or 30 year consents for our business viability and security.

By proposing 6 year permits ORC shows a lack of business acumen. This policy appears to be designed by ORC to make it fit their policy agenda and hasn't been designed to be fit for purpose for water users.

In 6 years time, we would have to spend considerable money again to renew permits and repeat all the work we have already done. (Possibly with new regulations with the new permits) This money should be spent on irrigation sustainability which will have positive impacts on our environment and the local economy.

Re Minimum Flow Change

The ORC has spent the last few years going around in circles trying to understand how to do a plan change. We have attended numerous meetings starting with the first one about 3 years ago telling ORC staff about the values we place on the Manuherikia River. Then again last year we attended another ORC meeting talking about the same values, but to virtually new staff at ORC trying to understand the river.

Re No Increase in irrigation area Policy 10A.2.1.b

This means we can never get benefits from future advancements in water usage, with the existing water we already use. We would be locked into our current system and would not be able to take advantage of new technologies to improve our business.

Re Limiting irrigation area based on a single year 10.3.1.1.(iii)

Limiting irrigation areas based on a single year is illogical, as irrigation requirements are determined by the amount of rain we receive in the year, which is DIFFERENT EVERY YEAR. The timing of the rain during the year is also relevant but is DIFFERENT EVERY YEAR. Alexandra is classified as having a dry climate. The year 2017-18 was declared a medium scale drought by MPI. This meant by the end of December 2017 our irrigation water had been scaled back by 50% and by the end of January 2018 we were preparing for irrigation to be halted and stock water only provided. Our business was saved by considerable rain on the 1st February 2018.

Efficiency of allocated water should be promoted rather than limiting the area that can be irrigated.

It is confusing as to why take and volume limits are proposed to be based on the maximum water use from 2012 to 2017, while irrigated area would be based on the 2017-18 irrigation season.

Reasons:

The way the irrigators in this area manage their allocated water should be applauded and followed by the ORC. It has been honed in and fine tuned by water users and managers over many decades.

Everyone shares water, when it is dry-everyone shares the pain of less water evenly.

The Manuherikia is a testament of good management, with irrigators working to get the most benefits from their irrigated water. Irrigators do not get a lot of allocated water but have designed efficient systems to use it. The river is beautiful and clean. We spend many an hour with our grandchildren enjoying the river during the summer time. It has renown fishing, which is a testament of how the river is managed at the present day, is working.

We want the ORC to start working with irrigators rather than against them. Systems in place over the last 30 years have kept the river in great shape. PC7 fails 10A1 objective. It impedes business rather than promoting the transmission to long term management of surface water resources in Otago.

AP & BJ Groundwater

From: "Craig Burns" <craig.burns@westpac.co.nz>
Date: Thursday, 30 April 2020 3:24 p.m.
To: "alstair groundwater" <groundwater@farmside.co.nz>
Subject: Consent

Hi Barbara,

Further to our discussion this morning my view on the proposed 6yr consent term for irrigation rights by ORC in a Banking context are as follows;

- This length of term is very short and does not provide the Bank with sufficient comfort that the capital cost of the development could be adequately funded over the term of the consent, hence it would be more difficult for customers to successfully source funding for an irrigation development project.
- If funding was successful the terms of the approval would be very difficult to meet given the Bank would require full repayment of the capital cost within the term of the consent, it is considered it would be very difficult for a farm operation to meet this repayment term given the capital cost could be upwards of \$1m which would therefore require minimum \$166,000k of debt repayment per annum.
- If the repayments cannot be made within the term of the consent the funding will not be considered by the Bank.


For this reason I would believe a minimum consent length of 25yrs would be required to allow the Bank to provide development funding for the industry.

Thanks Craig

Craig Burns
 Corporate Agribusiness Manager
 Agribusiness

Tel: 03 2039237 (Ext:31037)
 Mob: +64 27 4526005
 Email: craig.burns@westpac.co.nz

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30/04/2020