

**Submission on Proposed Water Permits Plan Change (Plan Change 7)
to the Regional Plan: Water for Otago**

(Form 5, Clause 6 of the First Schedule, Resource Management Act 1991)

Form 5

Submission on publicly notified proposal for policy statement or plan

Clause 6 of First Schedule, Resource Management Act 1991

To: Otago Regional Council
policy@orc.govt.nz

Name of submitter: Tracey Weir on behalf of Hamilton Runs Limited

Contact person: Tracey Weir

Address for service: [REDACTED]

This is a submission on the following proposed plan change:

Proposed Water Permits Plan Change (Plan Change 7) to the Regional Plan: Water for Otago.

We could not gain an advantage in trade competition through this submission.

We are 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.

The specific provisions of the proposal that our submission relates to and the decisions we seek from Council are as detailed on the following pages.

We wish to be heard in support of our submission.

If others made a similar submission, we **will** consider presenting a joint case with them at a hearing.

Signature of submitter:T Weir..... Date:4/5/20.....

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To: Otago Regional Council policy@orc.govt.nz

From: Hamilton Runs Limited

Re : Proposed Plan Change 7 to the Regional Plan : Water for Otago

Introduction

Hamilton Runs Ltd is a family operated Company consisting three generations of family members that administers a permit to abstract water from the Pig burn and Capburn water sources for irrigation and other farming purposes.

Current Situation

The Capburn is a tributary of the Taieri River that originates on the Northeast of the Rock and Pillar Range and flows east until it joins the Taieri River between Tiroiti and Sutton.

Our consent to take and use surface water from the Capburn for the purpose of storage, irrigation, stock water and domestic supply was granted in 2018 for a period of 25 years.

The renewal of our consent was time consuming, stressful and very costly. In terms of consultancy fees, hydrology reports, consent charges and ongoing compliance fees and charges.

The deemed permit for our right to use Pig burn water has been lodged by Pigburn Water Users group with a total of ten permits. The Pigburn water users' group was formed in 2015 to take a group approach to confront the challenge of seeking replacement permits for the deemed permits that statute decreed were to expire in October 2021.

The replacement application is awaiting an outcome having been submitted and currently under limited notification. Our application was ~~submitted lodged well~~ before PC7 was notified [because some of the permits within our group expire in 2020.-](#)

Many deemed permits in our catchment have already been replaced with consents, there are very few remaining in the upper Taieri River catchment.

The replacing of deemed permits/mining rights in the Upper Taieri Catchment is all but completed. This is especially the case if the "permits completed" is measured on a volume basis. The permits yet to lodge for replacement are for exceedingly small rates of take whose reliability of water for abstraction is limited.

Therefore from the perspective of the Upper Taieri Catchment, Plan Change 7 is totally unwarranted. With the intention of PC7 being to freeze the renewal of permits until a so called "fit for purpose" Regional Water plan is totally unwarranted for our catchment. Many permits have already been renewed for lengthy terms and have a "fit for purpose" water management plan in place

Comment on Specific Details of PC7

1. New permit terms restricted to a maximum of six years

Restricting permits to six years does not seem fair or logical. Our permit for the Capburn has been replaced for a 25-year term whereas our application for Pigburn water could be restricted under the proposed PC7 changes to six years.

There would be increased costs associated with obtaining multiple permits and consultation fees.

During the last ten years we have moved away from contour irrigation, a move that has many environmental positives as well as increasing the efficiency of the water we use.

But the uncertainty created by a 6-year term is a massive disincentive to committing to the future capital expenditure required of a shift to spray irrigation. Our company has invested heavily in putting infrastructure in place for both efficient irrigation methods and water storage dams. We have borrowed funds to develop better practices of water use and will require further borrowing from the bank to complete projects.

A proposed six-year permit gives neither us nor our financiers any confidence to complete these projects. We may have challenges securing finance and efficiency improvements may not occur.

We need certainty around what rules will be in place today, in ten- or twenty-years' time and a framework which enables timely decision making.

2. Area irrigated restricted to area under irrigation in 2017/18

Our company has invested considerable capital particularly between 2017-2020 to improve irrigation methods and water storage dams on farm. The commissioning of two pivots, several water storage dams and consultancy fees from both geologists and water consultancy firms to develop more efficient storage and irrigation systems has been a huge financial investment in the property we farm. The replacement of a 6km water pipeline at a cost of one million dollars has also been an effort to conserve the precious resource we as farmers have never taken for granted.

The futureproofing infrastructure spending we have invested will be wasted if plan PC7 changes are implemented.

During 2017-2018 we were in development stages with our pivot in a decommissioned stage, it is totally inappropriate to determine an irrigated area based on this time frame.

We are therefore totally against the proposal that the area we were irrigating prior to 2018 will be used as a benchmark to any areas we can irrigate in the future. We have invested our heart and soul into our farming practices, not just financially but physically and mentally. The thought that all this hard work and respect for the land has been in vain is totally soul destroying. Shifting from a contour flood technique of irrigation to pivot and K line system

using the same amount of water resources and covering a larger area seems a no-brainer to us, but under the PC7 directive would be considered unlawful.

The massive investment in water storage systems and more efficient irrigation methods we have planned will also require a capacity to repay the capital investment. ~~We will require the ability for further expansion to irrigate a larger area and produce more income to enable repayment of bank loans. This in turn~~Our proposed developments would have positive economics outcomes of employing more staff to manage our improvements.

The PC7 change placing a cap on our irrigated area does not allow for future expansion which improves efficiency without having adverse environmental effects.

3. Method of calculating rates of take/volume of water

The use of the formula set out in 10A.3.1.1 is beyond most farmer's ability to interpret. It is difficult for many people to use Excel let alone analyse their own data. The outcome will lead to incorrect conclusions. This calculation method seems to be overly complicated.

Using data obtained between 2012 – 2017 does not allow for any problems in these initial years with installation and meter malfunctions. We had to replace meters and move transmitters because of poor signals to enable useable data. Often weather conditions, the shortage of installers has prevented site inspection and repairs. This resulted in delays in inspection and therefore periods of time where recording data was inaccurate.

Weather events such as flooding also had an impact on our meter readings showing exceedances which were outside our control. Water abstracted above the permitted rate (for example during a flood event) is still water which can be extracted and, in our case, possible to fill a dam. However, exceedances over an acceptable margin of error under the 10A.4 approach would be treated as zero which means data is excluded. This would affect volume assessment.

Our company would suggest a longer period of data collection is required with assistance from ORC analysing and working with farmers to provide more accurate abstraction volumes.

We must work together considering the complexities and dynamics of water takes and consider a different approach to water use considering hydrology patterns of waterways topography and soil types in our catchment areas.

If PC7 uses the described calculation rate methodology it could lead to incorrect conclusions and allocations. The result could be a reduced allocation for our farm.

~~This goes against the statement that “there will be no environmental costs”.~~This was not even acknowledged as an economic cost in the Section 32 Evaluation. There would certainly be economic effects if a reduced allocation of water were proposed for our farm and this would result in a social cost because of the adverse economic effect.

4. Notes on Section 32 evaluation

Our company were aware of the online survey which was provided during the consultation process. We along with many other farmers did not complete the survey, we felt the online survey was biased and particularly poorly framed. The fact that only 96 people responded to the survey demonstrates how poorly the survey was constructed. There were extremely limited response options and we felt it did not allow farmers to convey our point of view on PC7.

We were also unable to attend the public forum on 7th January 2020 because of on farm commitments. January is a particularly busy period on farm. We feel the consultation process has been done at a hurried and frantic pace.

A focus group which was set up appears to have been hand selected. As stakeholders we feel we were given no say in who attended or represented us. It appears to have been quite a secretive meeting with the opinions of a minority of individuals used to reflect opinion of the wider population.

SUMMARY

We have invested in efficient infrastructure, paid consultants and engineers to undertake science work and prepare consent applications.

We have worked in good faith to prepare for these replacement permits and feel that PPC7 changes are unfair and the goal posts have been moved.

There will be negative economic and social effects which would result from the proposal which would negatively impact on our farming operation.

Hamilton Runs Limited rejects both the need for and contents of Plan Change 7. We respectfully submit that Plan Change 7 be rejected by the Environment Court.