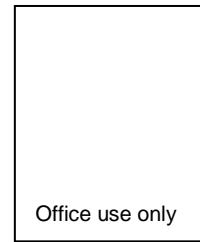




SUBMISSION FORM – Proposed Plan Change 7(Water Permits) to the Regional Plan: Water for Otago

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



Full name of submitter: **IDA VALLEY IRRIGATION COMPANY LIMITED**

Name of organisation (if applicable): **IDA VALLEY IRRIGATION COMPANY LIMITED**

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

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)

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: Date: 04/05/2020
(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')

Background of Submitter

The Ida Valley Irrigation Company provides irrigation water to land owners/farmers in the Ida Valley and Galloway areas of Central Otago. The company operates two large concrete arch storage dams, the Poolburn Dam and the Upper Manorburn Dam, a number of large weirs, together with significant race and culvert infrastructure for the delivery of water.

The irrigation company delivers to approximately 49 shareholders who own land that is able to be provided with water from the storage dams. Approximately 26,690,000m³ of water on average is provided each irrigation season from 1st September to 30th April.

The Submitter opposes the Plan Change 7. The Submitter wishes to have the Plan Change 7 revoked in its entirety.

1. IVIC is a member of the Manuherikia Catchment Group and the Otago Water Users Group and supports and adopts the submissions of those groups in their entirety.
2. PC7 does not meet the necessary statutory tests:
 - i. PC7 fails to provide a coherent and complete framework for managing the taking, damming, discharging, diverting and re-taking of water in Otago.
 - ii. The objectives and provisions of PC7 are not an appropriate way, or the most appropriate way to give effect to, or achieve Part 2 of the RMA. PC7 will not result in sustainable management, as it does not safe-guard life-supporting capacity, allow for mitigation of effects and does not provide for economic and social wellbeing.
 - iii. PC7 fails to give effect to National Policy Statement Freshwater Management.
 - iv. PC7 fails to give effect to the various versions of the Regional Policy Statement.
 - v. PC7 is based on an incorrect assessment of freshwater management in Otago and the outcomes achieved or able to be achieved under the RPW.
 - vi. The Section 32 Evaluation of PC7 is incomplete and incorrect. Economic and social effects are not properly considered. The evaluation underplays the failures of PC7 and overplays its effectiveness.
3. We submit that the shortened period for water permit replacements provides no effective ability for the company to influence water users to increase water use efficiency measures. The shortened consent period makes it very difficult to raise funds for the ongoing maintenance repairs to company infrastructure that may be required. We submit that banks would not be amenable to lending against any short term permit periods as the ability to provide for return on the investment is limited in a short timeframe and further the short timeframe provides no future certainty. The requirement to replace the permits within the six year period by another costly and possibly uncertain process, we submit would mean no banks would look favourably at lending for infrastructure costs. Therefore the arbitrary six year period does not assist in ensuring ongoing efficient and sustainable use of freshwater. This can be achieved by obtaining permits under the current water planning framework documentation at the Otago Regional Council which would provide for the ability to have a lengthy consent period which gives certainty to ensure that investment in infrastructure for efficiency and sustainable use can be made. Plan Change 7 is not required.
4. The Ida Valley Irrigation Company has two large concrete arch dams. One is the Upper Manorburn Reservoir and one is the Poolburn Reservoir. Water permits are held for the Manorburn Dam (2001.578), Poolburn Dam (2001.580) and Upper Bonanza Weir (2001.584), while the Moa Creek Weir and Poolburn Weir are both authorised by Deemed Permits (2001.582 and 2001.583 respectively). These weirs are still large structures. All permits expire on 1 October 2021.
5. PC7 would result and the Moa Creek and Poolburn weirs being caught by the arbitrary six year period and would result in consents being issued only for six years for that infrastructure. The Poolburn dam and Manorburn infrastructure would not fall within the ambit of PC7 simply because they are water permits and

not deemed permits. This would result in the completely unsatisfactory position for the company that we have some of our significant infrastructure under different consent timeframes. Given that all of our infrastructure works together as a system to ensure ongoing provision of water to the Shareholders, this is not satisfactory for strategic planning and infrastructure management for the company.

6. The timeframe limits as proposed in Policy 10A.2.2 we submit are somewhat arbitrary.
7. We do not support the requirement that there be no increase in the area under irrigation if the abstracted water is used for irrigation (PC7 Policy 10A.2.1) . With efficiencies that can be gained by appropriate infrastructure development, the area could be increased for the use of the same water without any adverse environmental effects. The requirement to not increase the irrigated area has the unintended consequences of not promoting or allowing in the investment of infrastructure for water efficiency because the costs will outweigh any benefit as the efficiency application of the same amount of water cannot be provided over the required land for its best use. Further, the same position is in relation to the instantaneous rate of abstraction being required to remain the same (PC7 Policy 10A.2.1). If it can be shown that a different instantaneous rate of abstraction is more efficient and sustainable for the environment, then it is more appropriate to change.
8. The requirement under the proposed policy 10A.2.1 to request a reduction in the volume of water allocated for abstraction again is arbitrary. The reduction in volume must only relate to an environmental benefit, not a decision or requirement set in a policy to reduce that doesn't reflect any environmental gain. Further, unintended consequences of this policy will result in the inability to invest in the required infrastructure to ensure water efficiency and sustainable environmental application standards. As referred to earlier, the funds required to invest in water infrastructure are considerable and often run into the hundreds of thousands of dollars. Water users will usually be required to borrow such funds to invest in the infrastructure and the short term consents will, as submitted, make the borrowing for this purpose all but impossible.
9. Proposed Policy 10A.2.2 requiring permits for only no more than six years does not enable water users to invest to promote water efficiency and the environmental gains for the reasons stated above.
10. We oppose the controlled activity rule. Our submissions above in relation to term apply equally here. Linking irrigation area to 2017/18 (a retrospective approach) is arbitrary and does not seem to be linked to any assessment of effects. Our submission above in relation to not being able to increase irrigated area apply to this rule also. The methodology in the Schedules is also opposed, as it will result in an arbitrary reduction in allocation (particularly volume), which once again is not linked to any assessment of effects. This rule is not a good fit for reconsementing of dams and weirs, and it will be difficult to proceed with an application for these structures under this rule.
11. We also oppose the non-complying activity rule. This creates a very high threshold for obtaining resource consent that will not be commensurate with the scale and nature of effects associated with many applications to replace permits. We might be forced to seek consent to replace our deemed permits for the Moa Creek and Poolburn Weirs under this rule, while our other dams and weirs could apply for consent under existing rules in the Council's Water Plan as discretionary activities. This is illogical and inconsistent.
12. We have been in the process of preparing a consent application for a number of years now, in anticipation of lodging well before the 1 October 2021 expiry date. As PC7 will not be operative by the time we had planned to lodge (mid to late 2020), we cannot stop work on consent application. This means we have to prepare the application under both the existing Water Plan and PC7. PC7 fails to even provide a simple roll over solution. PC7 is not needed, as the current Water Plan allows for the granting of sustainable water use. However, even if it were needed, it is far too complicated, far too expensive for water users and is far too late to actually allow a transition from permits expiring in 2021 (or before).

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

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

To revoke in its entirety Plan Change 7 and to have water permit/consent applications heard and decided under the current planning documentation.

Give reasons for the decision you want made:

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

The Ida Valley Irrigation Company submit the reasons for the decision to revoke Plan Change 7 as set out in paragraphs 1 through to 12 reiterated here.

Further, the cost of preparing consent applications for a six year period is the same in terms of information required level of work to be completed than as all permits required under the current planning documentation which can also enable a longer term consent. The cost benefit of making applications that only obtain a six year period and the uncertainty in being able to obtain any longer periods at the end of that six year period it is submitted that there will be little or no environmental gains in the interim. The current planning document framework enables the granting of longer term consents that meet the required outcomes of the Resource Management Act 1991 set out in Section 5 of the Act in relation to the purpose which requires for the sustainable management of natural and physical resources which means the use, development, protection of natural and physical resources in a way or at a rate which enables people and communities to provide for their social, economic, cultural wellbeing and for their health and safety, whilst sustaining the potential of the physical resources, self guarding life supporting capacity of the eco-systems and avoiding remedying or mitigating any adverse effects of the environment.

It is submitted that Plan Change 7 does nothing to promote sustainable management and in fact the unintended consequence of this Plan Change is the reverse and that it disinsensitises and disables water users to effect sustainable management because of the lack of timeframes and certainty to enable borrowing of funds to invest in infrastructure to deliver on this.

By the Directors

Ida Valley Irrigation Company Limited

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
Dunedin 9054

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

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.