



**Otago Regional Council Plan Change 7:
Submission – Strath Clyde Water Limited**

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To: Otago Regional Council
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A. Introduction

STRATH CLYDE WATER LIMITED opposes the plan change 7.

Strath Clyde Water Limited is a company owning the irrigation infrastructure servicing the vineyards encompassed within the McArthur Ridge viticulture development. It is responsible for vine irrigation and frost fighting using water. The area of planted vineyard is 175.4026 hectares producing about 15 % of Central Otago's Pinot Noir crop.

This submission outlines the reason that Strath Clyde Water Limited opposes the proposed changes.

Strath Clyde Water Limited also requests that it be invited to submit in person at any hearings that are held.

B. Reasons that Strath Clyde Water Limited opposes the Plan Change 7

1. The Plan does not recognise specific catchment characters

The national policy statement on freshwater states that water allocation should be approached on a catchment by catchment basis. Each catchment in Otago is unique and a blanket policy fails to take into consideration these unique characters. With multiple rivers, ecosystems, surrounding flora and fauna, and other factors, to apply a blanket approach is to ensure suboptimal outcomes as few of our areas are 'average' in character.

The water managed by Strath Clyde Water Limited is extracted from the Manuherikia River catchment.

2. The plan does not recognise recent water use

By only looking at average data from 2012 to 2017 irrigation seasons, the plan change fails to recognise the most recent irrigation seasons. Those who have undertaken development in the previous two seasons (2018/19 and 2019/20) will not have this investment recognised. Much of this investment is into newer technologies that have much greater water use efficiency.

With digital recording of the most recent data there should be no hindrance to including this data in the application to granting new water permits.

By choosing to ignore the most recent data, the plan is effectively, by choice of data set choosing to reduce the effective amount of water from the present levels. It would be more transparent, and a better measure, to use present measures and, if reduction is required, to justify that reduction.

3. The plan fails to consider the efficiency of water use

By solely looking at water volume through a metering device, it fails to recognise what that water was used for or how efficiently it was used. Viticulture is an efficient use of irrigation water and water is used within known parameters to optimise quality. The quality of the wine crop is directly related to water use in that excessive irrigation will produce poorer quality fruit. Similarly, excessive use of water for frost fighting purposes can potentially increase disease pressure as grapevines are susceptible to diseases that thrive in warm, humid or wet conditions. These drivers ensure that viticulturists use water efficiently and mitigate against excessive use. However, seasonal variation will mean that in excessively dry or frosty seasons viticulturists require access to increased supplies of water to protect the crop.

4. The plan ignores crop type and end water use

The water use allocated to a property should be based on what the needs are for the crop grown, balanced with the environmental requirements of the catchment.

This broad-brush approach does not show any relationship to the environmental impact of the different crops and farming methods, used by the different water users. This is a shift in the 'goal posts' of what many water user groups were working towards.

5. The plan reverses previous communications

The Plan Change 7 proposal disregards the work that has been completed to date by water users in working towards renewal of deemed permits. The council had asked up until recently for catchment groups to work together to gather the data on their respective catchments – hydrology, water use type and fish studies, this work is now irrelevant to the process of Plan Change 7 and is viewed as a waste of time, energy and money by those involved.

6. The plan is too short in nature

The investment in vineyards is a long-term investment, with little or no short-term payoffs. Vines have a useful life of 30 years plus. Specifically, many viticulture investments look well beyond six years. Vines do not crop for the first three seasons and generally are considered to reach a peak in quality production around 15-20 years of age. Not having security of water over a longer term will disadvantage many vineyard operations.

7. The plan creates greater uncertainty for businesses and will stifle investment, growth and jobs

The short-term nature of consents and the disregard for recent developments will create anxiety and stress amongst many water users who are unable to plan for long term investments.

A system of continually changing short term regulatory conditions is out of cadence with the nature of viticulture - which is one of the major agricultural concerns and draw cards for workers and tourists alike - in the area. To make effective business decisions, long-term certainty is required. Unless this is there, it will stifle investment.

C. Request to appear in person

Strath Clyde Water Limited requests to appear in person at any hearings held.

Sincerely



**Stephen Green, Chair
STRATH CLYDE WATER LIMITED**