

Tuohy's Ltd



Kia Ora Council Members,

Thank you for the opportunity to submit my views on the proposed Change Plan 7 (CP7). I own a small historical farm (Tuohy's) adjacent to Mt. Roy on the outskirts of Wanaka. I thought it was important for you to hear the perspective of a small irrigation user on the proposed CP7. I have two resource consents for irrigation takes - (# 97255) which is a historical mining right which was granted in October 1997 and expires in 2021 (24 years) and (RMI 10.364.01.V1.) which was granted in 2010 and expires in 2035 for 25 years respectively..

When I purchased Tuohy's in 2010 it was owned by an elderly widow and was extremely run down. The paddocks had not been renewed in decades; fencing was in great disrepair, and the irrigation was an old border dyke system dating from the 1960s. One of my first tasks was to install an efficient K-line system to redistribute my most precious resource (water) as per ORC efficiency guidelines.

Unfair cost of Compliance for Small Consent Holders

Part of that process required a new resource consent for a small creek that was only 5 LPS (RMI 10.364.01.V1.). I requested that I be allowed to install a \$500 mechanical meter and report manually because of the low take and cost. Central Government does not require data logging below 5LPS, but the ORC mandated that I install an electronic meter with a data logger. The cost was over \$5,000 at the time.

(To put this into economic perspective I have 43 breeding cows from which I might calve 40 calves a year. This year I sold my calves on average for \$700 each or \$28,000. A \$5,000 metering system is nearly 18% of my entire total top line revenue for a year! That does not include the resource consent application and ongoing yearly monitoring fees.) A year later I was informed that I was required to install the same metering system for (# 97255) even though there were nearly ten years to go on the historical mining resource consent.

The issue here for small irrigation users like myself is that I am held to the same compliance costs for a small 10LPS system as a huge scheme neighbouring 1000LPS scheme. The ORC approach to irrigation resource applications, consents and compliance is ONE SIZE FITS ALL! It is my understanding that when I apply for my new resource consent under CP7, I will have to install a new telemetry system. Unfortunately, I had a flood last year and had to replace the initial water meter. It works fine but I will have to replace it at untold thousands of dollars in additional costs.

Farmers need Certainty in Long Term Resource Consents

Under (CP7) (RMI 10.364.01.V1.) runs for 25 years! # 97255 runs for 24 years whereas under (CP7) the renewed resource consent will run for only 6 years! Farmers need certainty! Despite the ORC knowing for years the mandate to formulate a comprehensive water management plan would need to be in place prior to 2021, we find ourselves with CP7. This requires water users to go through the exercise and cost of applying for a 6 year resource consent (that normally carries a 25 year term) with a 15% reduction in usage, and then do it again in another 6 years! A fellow farmer framed it really well. "It's like going through a divorce settlement - paying it out and knowing that you will be required to go through yet another unknown payout again in six more years"!

Proposed 15% reduction of water takes

My immediate neighbour enjoys a million litres a day (by right), per title, take from Lake Wanaka without a resource consent. While I may have a 5 LPS resource consent, I struggle to get by with a dribbling 1 LPM stream in the midst of a sweltering Otago Summer that requires a resource consent. But we both have the same compliance costs! The same holds true for large rivers like the Clutha, Hawea or Cardrona rivers whereas there is an guaranteed supply of water to be taken under a resource consent, but resource consents tied to small tributaries are very likely to have greatly reduced flows.

The proposed mandatory 15% reduction can make the difference in making or breaking a summer of irrigation for me. I am not farming rice, but I am irrigating in extremely challenging conditions and believe me, every farmer I know cherishes every drop of water allowed. We do not waste water I guarantee you. Yes there may be over allocations of water in the ORC, but I am not one of them!

Size does matter and small users should not be held to the same standard that large users are.

In our society, size matters and financial considerations are made for scope. Does a small compact car have the same compliance costs or held to the same standards (road user charges, insurance, WOF) requirements as a double tractor trailer truck? Does a Cessna 150 incur the same landing fees at Auckland Airport as a 787 Dreamliner? This inequity is greatly amplified in CP7.

Allow all Councillors to Voice their Concerns

To add insult to injury two ORC Councillors who had greater insight than any of the other Councillors on the actual issues farmers face were not allowed to vote on CP7 as if they had a conflict of interest in the matter.

The economic impact of COVID-19 Pandemic on New Zealand Farmers.

New Zealand's borders are closed for the first time in our history as are those of many countries. America is preparing for 200,000 new cases and 3000 deaths a day! The mayor of

the QLDC, Jim Boulton, is forecasting 40% unemployment and our country's largest GDP earner - international tourism - has come to a grinding halt.

The Minister of Finance is forecasting somewhere between 10% and 26% unemployment nationwide and the only vestige of economic stability in this country is farming - and it always has been! Well guess what - it isn't! This last year all of my breeding cows were dry due to a faulty bull. I had to kill half of my herd. Last year I would have received \$1400 a cow but this year I have struggled for two months to find killing space at \$950 - and let's not forget about the nearly \$1000 in government fees. Interestingly, there are no wage subsidies, government business interest-free loans, first year free university tuition or lolly scrambles for farmers. Keep our heads down, butts up, deal with the weather, economics and she will be right!

So I would counsel that the ORC shelve CP7 - roll over the existing historical water rights that have been in place for decades until the ORC can formulate a plan consistent with National Government's Water Plan- that meets the environmental needs, provides certainty of duration in resource permits, and equity amongst all water interests.

- Put in place a 25 year Resource Consent plan that provides certainty to the farming community.
- Recognize that small irrigation users do not have the same scope and or resources that larger farmers enjoy and should not be held to the same standards in costs and compliance.
- Give small farmers greater simplicity and leniency both in the permitting and monitoring process. Scope and size does matter.
- Allow all duly elected councillors to vote on the water plan. The notion that certain rural Councilors have a conflict of interest is assuming they have a vested economic interest and would vote in a transactional manner. Fair enough to disclose they would be personally affected by the vote, but let the voters decide as to their honesty.

Thank you for the opportunity to comment.

Sincerely

A handwritten signature in black ink, appearing to read 'John C. Levy Jr.', written in a cursive style. The signature starts with a large, looping 'J' and ends with a long, sweeping horizontal stroke that tapers to the right.

John C. Levy Jr.
Tuohy's Ltd.