

**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 – Submission on Publicly Notified Proposal for Policy Statement or Plan)

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

Name of submitter: *Two Farmers Farming Ltd*

Contact person: Anna Gillespie

Address for service: [REDACTED]

I **wish** to be heard in support of my our submission.

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

We could not gain an advantage in trade competition from this submission

I am 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: *Am Gillespie*

Date: *4 May 2020*

(Or person authorised to sign on behalf of person making submission)

Submission in Opposition and Decision Sought

1. Our Submission Relates to PC7 in its entirety
2. We oppose PC7 in its entirety
3. Relief Sought:
 - a. We seek that PC7 is declined in its entirety
 - b. We seek the urgent and robust completion of the limit setting plan change for the Manuherikia catchment, including both a minimum flow and allocation limit, based on robust scientific information, analysis of reliability of supply and completed cultural, economic and social impact assessments. This is a continuation of the existing work in the catchment prior to the notification of PC7.
4. We support and adopt the submission of the Otago Water Resource Users Group submission on Proposed Plan Change 7, including the reasons for that submission and the relief sought in that submission.

Reasons for this Submission

Our family farm

We are pastoral farmers in the Lauder Catchment near Omakau in Central Otago. We are a family business that includes Ben, myself and our two primary school age children. We chose farming as our profession after Ben and I both completed our university studies. Along with running our business well we are committed to the future of our community and environment.

Water User Groups

We have been part of the Lauder Water Users group since its inception in 2017, and more recently become part of the OWRUG Manuherikia Sub committee, now the Manuherikia Catchment Group(MCG), along with sitting on the Manuherikia Reference group. We have made a huge investment in our time and energy to assist and learn from other groups involved throughout proposed plan changes relating to the Manuherikia in order to replace deemed permits prior to October 2021 and to implement Minimum flows, residual flows and allocation on Mainstem Manuherikia and tributaries. ORC have completely undermined all the previous work that has been done by:

- A. . following the Skelton Report and subsequent Minister Parker recommendation, and
- B. asking the minister to call in PC7 so they “can wipe their hands of it”.

We have worked diligently through the catchment groups, funding the collection of scientific data to support our applications for replacement of deemed permits and water permits and to understand the information for the minimum flow process, this work has been significant in cost and time. For the Lauder Water User Group this work is so far advanced that this past summer we trialled our proposed flow sharing arrangement. Almost the last body of work required before lodging the joint permit application.

ORC guidance

The ORC have been encouraging irrigators to complete and lodge their permits in groups for at least the last 10 years and to lodge them early to avoid the rush. The Lauder Water Users Group is an excellent example of the way the sub groups within the catchment have been working and then feeding into the MCG which was planning on lodging all applications together.

The bulk of the work on the MCG applications has been done, and it has been and will continue to be an expensive process. However, the aim is to have a balanced proposal catering for environmental, cultural, social and economic values of the catchment. This investment is completely lost if ORC at this very late stage only provide 6 year or even 15 year terms on permits. It means that the farmer investment in science work is completely wasted and all that work will have to be done again in another 3 to 4 years in the lead up to reapplying to replace permits at the end of their first 6 years.

ORC's Minimum flow plan change debacle

The Minimum flow plan change has seen a carousel of ORC staff going around in circles trying to understand how to do a plan change. Community meetings on values for example have been repeated so often the community is becoming disengaged and angered at the ORC behaviour, staff's lack of respect, and the constant staff turnover. Staff member Pete Ravenscroft telling community members that they did quote "numbers on the back of an envelope" was an example of the sloppy nature of the ORC minimum flow process. We wanted a solid scientifically based minimum flow process that included allocation and was compliant with the NPSFM. ORC have not achieved this in the many years they have been trying.

Farming business decisions and progress and the detrimental impact of PC7

We have made a great deal of investment into our property since 2011 when we moved here. We have invested \$2 million, in infrastructure. This does not include a cost on our own time which we heavily invested throughout the initial process, and through ongoing development and redevelopment to make environmental gains. We use soil moisture and temperature monitoring, variable rate irrigation, FarmIQ, Farmax, Cashmanager, and countless other tools to run the property as efficiently, effectively and sustainably as we possibly can. We never stop learning and adapting our business. All of this work is in jeopardy with PC7.

The methodologies provided for allocating water using the annual allocation via average maximums, indicate we would lose a significant proportion of our water, which comes from the Lauder irrigation scheme and the Omakau Area Irrigation Co. scheme. This loss of water will place a huge amount of stress on debt servicing of the large investment we have already made. This will relate to a loss of income in the vicinity of \$250,000. To the local community this is a huge blow as our use of casual labour would halt, reduced income to contractors, garage, engineers. There will be approximately \$300,000 worth of irrigation infrastructure sitting idle.

With a 6 year or even 15 year permit, there would be a halt to any further investment in environmental improvements, due to tightening of cashflow due to the already reduced water, with a looming loss of even more water under the ORC LWRP. There would be no further investment in any technology to support efficiency of use of water, planned riparian and shelter plantings would be stopped. Which last year was an investment of \$25,000 into trees and fencing.

The area irrigated being restricted to 2017 is completely unfair and unjustified. The area we irrigate each year depends on the season and is established by making the most efficient and effective use of the water available. For example in a good season where we have above average rainfall we will spread over irrigation water further utilising all of our spray capability and some flood options. In an extremely dry year where water is restricted, we will use our most efficient spray system, being the centre pivots and there will be no flood irrigation and limited use of hard hose guns. This is Best Management Practice and effective use of irrigation water in an extremely dry climate like central Otago where we are not 100% irrigated with 100% reliability.

ORC Consultation

Consultation with ORC staff has gone from bad to worse with the change of leadership in 2019. Where we were given the opportunity to present on PC7 at a session on January 7 2020, the councillors were not allowed to ask questions. This is not consultation, our time was limited to 5 minutes per person. I therefore drove 4 hours to speak for 5 minutes and not be asked any questions. I was also invited to be present at a workshop in Lawrence on 16 January 2020, this workshop which was an open discussion was then referenced as consultation, however Fish and Game were not present and only a select few were invited to the workshop, again this is not open and robust consultation. Neither were we told it was to be the only “Focus Group” that would ultimately support the poor PC7.

Conclusion

Plan Change 7 is just another piece of sloppy planning work by the ORC. It should be rejected completely and the current plan used to process the water permits. We have seen recent proof from the Environment Court and Commissioners working on the Kyeburn, Lindis and Glenayr permit applications that those experienced RMA decision makers were able to issue long term permits with balanced environmental outcomes with confidence under the current regime. It is completely the ORC fault that they have not done the required plan updates.

They can get on with those reviews and when completed add the changes to the permits by way of review clauses at their expense instead of trying to shift the costs to the community.

Regards

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Two Farmers Farming Ltd