Further Submission on Lake Rotorua Nutrient Management Proposed Plan Change 10

Clause 8 of Schedule 1, Resource Management Act 1991

Please send your submission to be received by 4:00 pm, Monday, 1 August 2016.

TO: The Chief Executive **FAX:** 0800 884 882

Bay of Plenty Regional Council

POBox364 EMAIL: rules@boprc.govt.nz

Whakatāne 3158

Name: Lake Rotorua Primary Producers Collective

[Full name of the person or organisation making the submission]:

This is a further submission in support of or opposition to a submission on Lake Rotorua Nutrient Management - Proposed Plan Change 10 to the Bay of Plenty Regional Water and Land Plan.

- 1. We wish to be heard in support of our further submission.
- 2. If others made a similar submission I would be prepared to consider presenting a joint case with them at any hearing.
- 3 We are
 - representing a relevant aspect of the public interest, as we will be directly affected by Plan Change 10
 - persons who have an interest in the proposal that is greater than the interest the general public has, as we are land holders in the Lake Rotorua Catchment and our business' will be affected by PC 10.

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FURTHER SUBMISSION POINTS:

Submission number_ [Submission number of original submission as shown in the "Summary of Decisions Requested" report]	Submitter name [Please state the name and address of the person or organisation making the original submission as shown in the "Summary of Decisions Requested" report]	Section reference (Submission point) [Clearly indicate which parts of the original submission you support or oppose, together with any relevant provisions of the proposed plan change]	Support/oppose	Reasons [State in summary the nature of your submission giving clear reasons]
12	Astrid Coker	12 – 4	oppose	We oppose all rural properties having the same nitrogen discharge/ha/yr. Extensive analysis was undertaken by Council and affected parties to find an allocation system that would allow for the majority of land owners to continue their current farming practice. It was found that sector allocation was the only method which gave dairy farming a chance of remaining viable in the catchment, to some extent or other. Furthermore, there was insufficient benefit to any other sector (other than a windfall gain to forestry) which would justify the decimation of the dairy industry by the use of the alternative allocation methods explored including the one proposed in this submission. I attach in response the following additional comments on the appropriate 'Allocation Method' which stem from The Collective's experience and knowledge as a result of its executive sitting on StAG for the 2 years that it existed. At StAG we spent many hours coming to grips with the possible allocation methods; hearing from experts and reading their reports; and deliberating on the right way to move forwards - taking into account agreed principles which revolved around fairness and equity; doing the least harm; taking account of existing land uses and investments of individual properties; and certainly not allowing anyone to benefit from other people's hardship. In summary the principles that were applied by StAG were about minimising pain and hardship, (which these rules inevitably result in), whilst taking account of existing property rights and investment decisions. This is well explained in the following paper on the Council website: http://www.rotorualakes.co.nz/vdb/document/672 - In particular we note the following summary of those principles: - "The Stakeholder Advisory Group (StAG) have also considered draft nutrient allocation principles and guidelines that are additional to RPS allocation principles. These are: 1. There will be no major windfalls for any sector.

2. Preference will be given to the allocation approach that has the least overall economic impact.
3. Existing investment (including in infrastructure, land value, cash investment and in nutrient loss mitigation) will be recognised.

4. Practices that cause high nitrogen loss, relative to sector norms, will not be

rewarded."

The Collective strongly supports these principles and the reasons for using them and it is clear when these are borne in mind and tested across all of the allocation options that both '18/18' (as it was referred to during the StAG process based on currently applying Overseer levels), and LUC or variants of it, are contrary to these principles in almost every aspect- in particular the desire to avoid a windfall to any sector would fail completely with these allocation methods.

Furthermore, in the following Council paper the pitfalls of LUC and Pastoral Averaging – (the 18/18 allocation method), can be clearly seen in the table on page 8 where both of these methods are tested against the goals and principles and both receive 3 out of 4 red dotswhich was a clear fail.

http://www.rotorualakes.co.nz/vdb/document/349

If the proposal to give all rural properties, the same nitrogen discharge/ha/yr. were to be adopted then as a matter of principle this would surely also apply to the forestry sector as well. What seems to be misunderstood by proponents of these alternative systems is the fact that if 18 (or the current overseer equivalent) were to be given to everyone including forestry, it would not stay at 18 but would fall perhaps to 10-13 (This was discussed at StAG), so dry stock would be no better off than under the proposed method, dairy would be driven out of business and ironically lifestylers would end up in the same position too which already allows a generous allowance with some windfall gain for the majority of lifestylers – in particular the smaller and non-commercial lifestyle blocks.

The result of choosing this allocation method would therefore be a windfall to forestry as well as to a majority of lifestyle blocks who simply do not use their allocation now and do not require it in the future. These sectors would stand to make massive profits out of the proposed trading scheme. Furthermore, of particular note is the fact that, in the main, sheep and beef would not get any additional

benefit from this proposed allocation method as it would remain at a roughly equivalent level to that which it is being apportioned under the proposed rules.

It is for these reasons that we strongly oppose this submission as it would result in Lifestyle and Forestry being given an abundance of unrequired nutrient allowances at the direct expense of dairy farmers. The result would be that dairy would be removed from the catchment as quite plainly, (as the expert reports have shown), dairy cannot exist now or in the future at an amount of roughly 18 (or the equivalent under the latest Overseer version) – with or without barns or anything else science can throw up in the future.

A further consequence of this is that these unneeded nutrient allowances would in effect become an axe to hold over the heads of dairy farmers through the proposed trading scheme; and even if they wanted to, the Rotorua dairy farmers could not stop the axe falling as they simply could not afford to buy the short fall of nutrients required to survive which the other sectors would be trying to sell off.

Submitters and Council should be quite clear that an expectation that dairy should purchase the required allowance from 18 to 35 (or the equivalent under current Overseer), which would realistically be the bare minimum required to ensure a viable dairy farm, is completely unrealistic. It would add millions of dollars to existing debts which the bank simply would not fund and which farmers could not afford to repay in any event. In the current financial climate of the dairy industry this is even more clear than it was when StAG discussed the rules. If there is a belief that dairy can throw money at the problem and survive, that is completely false.

As a consequence, the entire Rotorua Community would suffer unnecessarily as a result of the downstream loss to the economy, not to mention the staff and families of the dairy farms in catchment who would also lose their livelihoods.

Even if Forestry were kept out of the equation, there would be massive losses to some sectors all for the sake of small unneeded gains to the majority of other sectors in particular lifestylers.

Finally, if an alternative allocation method is to be looked at, at this stage, then it would require a full economic analysis to determine the true consequences of the system proposed.

17	D & A Trust	17 - 4	Support	We endorse all comments made with respect to the Section 32 report. We support the request for an independent, peer reviewed and objective s32 report to be prepared that does not have predetermined outcomes.
70	The Fertiliser Assn of NZ	70 - 1	Support	S32 report does not provide examination of the proposal in terms of its appropriateness in achieving the purpose of the RMA
				Policies & methods have not been examined for their efficiency, effectiveness & risk.
48	Parekarangi Trust	48 - 29	Support	PC 10, RPS, LWAP have failed to address the economic and cultural wellbeing of the community. The only consideration has been water quality. No full economic analysis has been completed. There has been no analysis of the effects of the rules on individual farm business nor acknowledgement of existing investments. The Decisions report on the RPS recorded that the cost-benefit analysis was at a 'conceptual' level. The PC10 s32 report records that it is intended as a 'record of the policy journey' not a rigorous cost-benefit analysis of options.
17	D & A Trust	17 - 5	Support	The implementation of any rules must be suspended pending the findings of a comprehensive review of the water & land science for Lake Rotorua & catchment.
		17-9	oppose	Lifting the threshold for involvement in the Rules to 40Ha would only compound issues as all land has the ability to contribute nutrients to the environment.
		17 - 11	support	The Collective supports the continued use of Alum dosing for the waters of Lake Rotorua based on current knowledge.
24	JT & SA Butterworth	24 – 11	Support	Agreed that the General Community did not (when originally surveyed) and still does not have an understanding of the economic & social impacts of this proposal. Agreed that Council suspend implementation of Rules until all viable options for nutrient reduction are explored and the entire Rotorua Community is fully informed as to the unintended consequences of the proposed plan.
24	JT & SA Butterworth	24 – 12	Support	Council need to take account of the reports it has commissioned
24	JI & SA Bulletworth	24 – 12	Зирроп	even when they don't like what they say. The Farmer Solutions Project estimated the cost to the community of this proposal at \$88 million but this fact has never been discussed in the public arena. The review of this report also states that farming will be decimated by this proposal but Council has chosen to ignore these comments in a professional report to pursue this Rules based approach.

24	JT & SA Butterworth	24 – 15	Support	The most effective approach to lake nutrient issues is to address the transport pathways of phosphorus to the lake in the short term with a longer term commitment to reducing nitrogen loads, like the average lag time for ground water reaching the lake, 60 years. Significant resources need to be invested in finding the research undertaken on the of effects of Alum use both within NZ and overseas. It is used to treat drinking water in many countries! Even Auckland NZ!
27	Gro2 Ltd	27 – 1 – 11	Support	The Collective endorse all the comments made especially number 10. Council knows these statistics but has chosen to continue on its original pathway as farming is an easy target. There are significantly less animals in the catchment today compared to the late 60's. The control of the lake level by the weir certainly impedes the natural flushing that would normally occur following heavy rain and means the huge build-up of sediment from years of city effluent discharge cannot be naturally dispersed. Rather than 'Control' measures by way of Rules, work with land owners to make improvements, accept that controlling phosphorus by way of detention dams, together with riparian plantings will prevent erosion, eliminate flooding & stop sediment reaching the lake. All targets for the lake were calculated on the assumption that there was no Attenuation. This has been proven to be wrong! It is also a work in progress and there has been no truth testing of any science assumptions within the catchment so all calculations are best guesses. How will Council defend compliance notices for such figures? Instead Council can work with land owners to capture nutrients along the pathways. Amend Method LR M2 Science reviews to include consideration of the effects of the weir in Ohau Channel & the effects of loss of kakahi consequent to the introduction of trout
26	Rotorua Lakes Council	26 – 10	Support	The Collective endorse comments made. PC 10 does not give effect to Policy WL 6B or WL 5B of the RPS under section 67 of the RMA. Rural production land use activities are being required to reduce more than is reasonably practicable using on-farm best management practices. This is not equitable balancing of public and private costs

37	Ngati Whakaue Tribal Lands Incorp	37 – 3	Support	Agree that a catchment landowner/stakeholder group participate in
53	Lachlan McKenzie	53 - 1	support	the science review process and have input into the terms of reference and the development and implementation of recommendations. The results of the review will direct Council in changes to the RWLP & RPS.
37	Ngati Whakaue Tribal Lands Incorp	37 - 8	Support	Reference files are averages on averages calculated using defaults. There is very little science involved. Reference files have been created outside of the Overseer program by BOP Regional Council and their independent contractors. This process has not been proven or used anywhere else. It has been designed to save time and money for Council but this calculation updates a property bench mark which is a very significant point every time Overseer goes through a version change. Every Kg of Nitrogen per hectare means a lot to land owners.
56	BOPRC	56 - 8,12,13	oppose	The Collective oppose the methodology of Reference files. You cannot hold a land owner to achieving a single NDA figure when you are manipulating figures to averages and bugs in new Overseer versions require changes to percentage figures.
34 53	Chris Sutton Lachlan McKenzie	34 – 2 53 - 4	Support	The Rotorua Community stated very strongly when District council did their Eastern and Western District consultations that they did not want to look out at a sea of pine trees located within the caldera. Regional Council have never asked the community what they would like to see in their caldera, but they are driving land use change to trees. Science is telling us that the lake is P limited. Forestry will deliver huge quantities of P to the lake at harvest & up until canopy cover is established (5yrs or more) that will significantly alter the N:P ratio and in fact encourage Algae growth in the lake waters.
			Support	We support work with land owners to establish stream sub- catchment plans combining to form the total Lake Rotorua Catchment plan. Complete an independent review of the implications to the lake of significant land use change to pine trees having regard to N:P ratio.
37	Ngati Whakaue Tribal Lands Incorp	37 – 6	Support	The NPS-FW consultation with Community has not been done for Lake Rotorua. It is essential that the whole community living in Rotorua today have the opportunity to state what their values and objectives are for their community and for their lands and water.

41	Craig Hurst	41 – 3	Support	That the science review for 2017 includes an independent calculation of the sustainable load of nutrients to Lake Rotorua.
64	Dairy NZ & Fonterra	64 – 1	Support	Clarify in the Plan that each scientific review will assess all scientific and policy aspects listed in Method LR M2 (a-e) Clarify that the review will include peer review from independent scientists.
62	Sharon Morrell	62 – 6	Support in part	Agree with the support of sub catchment land-care groups to facilitate local cross - sector / community collaborative efforts to improve the Lake but wish to explore sub catchment solutions outside of a Rules framework at this early stage of their development and they can work alongside rules if rules are found to be necessary.
62	Sharon Morrell	62 – 3	support	Remove the clause about effluent management needing to be in the management plan, this is covered by individual effluent discharge consents.
65	Peter Reed	65 - 1	Support in part	Bring the proposed PC 10 boundary in line with the existing Rule 11 boundary. There needs to be further discussion and exploration of the science supporting PC 10's boundaries.
48	Paerekarangi Trust	48 – 26, 28 48 – 1, 30	Support Support	The Collective support the TLI index of 4.2 for Lake Rotorua Plan change 10 has been developed on the premise that the TLI for Lake Rotorua would continue to increase based on modelling (ROTAN). Such models are poor predictors of lake water quality, with actual TLI confirming this, showing a steady decline since 2005, long before Alum dosing started. There is no evidence to support the sustainable nitrogen load of 435 TN/year when the steady state is up to 755 T/year and the TLI target is being met. The Collective endorse the alternative options suggested. i.e. by 2022 all farmers achieving best practice as defined by their industry body. By 2022 if TLI continues to achieve a 5yr average of 4.2 then no further N or P reductions are required on farm. If the 5 yr average exceeds 4.2 then new NDA's are set subject to advances in science & technology, that ensure farmers profitability & viability.

		48 – 3, 16		There is considerable legacy from sewerage held in Lake Rotorua that is recycled into the water column during stratification. Extend timeframes to achieve the sustainable load to 2050.
47	Z Energy	47 – 3	Oppose	The submitters seek that urban areas are excuded from the plan change in Map LR1, but PC10 must provide an integrated framework for whole of community solutions, i.e., urban, industrial, lifestylers and rural. PC 10 rules must be clear on expectation so as not to have an
56	BOPRC	56 – 1,4	Oppose	inconsistent interpretation of them. A further implementation plan to clarify should not be necessary.
70	Fertiliser Assn	70 – 3	support	The Rules promote an input control approach which does not enable innovation and flexibility in farming options. The Collective also oppose the use of 'input controls' in the Rules framework.
49	CNI	All reference to natural capital or land use capability. 49 - 60	Oppose	All RMA processes, particularly the NPS-FW require community consultation. StAG was a community process. Natural Capital was explored at length and agreed by all that it did not work in this region and for this problem. We repeat the comments written in opposition to submission 12 above as they relate to the reasons why The Collective believes that the proposed allocation method under this plan is indeed the best method. LUC or Natural Capital was found at StAG to be completely unsuitable to the particular circumstances pertaining to this region. The reality of these proposed methods in Rotorua would mean that all lifestyles surrounding the lake and city should actually be dainy farms whilst
				surrounding the lake and city should actually be dairy farms whilst most dairy farms in Rotorua would be forced to convert to sheep and beef, and many sheep and beef would be designated as appropriate for no more than forestry!
				It is untenable to support LUC once the reality of it in Rotorua is understood and If land in Rotorua were designated along these lines it would be a full-scale attack on existing land uses and property rights. The Collective fully endorses the view expressed in Council papers tabled at StAG that LUC is NOT appropriate for Rotorua as a method to reallocate land use but could be a way forward in the future for directing any future development of land in the catchment.

			Oppose	We strongly oppose the recommendation to replace Overseer estimates with input measures; and for the development of a "land use input data register" To allow for ongoing adaptive management it must be 'outputs' that are monitored. To allow pastoral industries to make use of developing technologies and science for the good of the economy and the environment farmers must be allowed to adapt and farm to the conditions, which change on a daily, weekly or monthly basis.
35	Rotorua Chamber of Commerce	35 - 1	Support	As stated by the submitter, urging BoPRC to consider win-win options through meaningful partnerships For example - resourcing and coordination of sub-catchment action plans, aligned to a wider scope of the Incentive Fund
30	Fish and Game	30 – 9 30-10	Support	Fish and Game seek a fair and equitable nutrient reduction approach that will reduce nutrient inputs while permitting farming activities to remain financially and environmentally viable Land owners should not be penalised twice if they have already retired sensitive land areas.
53	Lachlan McKenzie	53 - 9	Support	That a full list of catchment mitigation options with a cost & efficiency analysis be published. That an independent review be undertaken of the effectiveness and efficiency of all mitigation options along the source-transport- sink pathway. These reports to be fully disclosed to the Rotorua Community.
26 54	Rotorua Lakes Council (RLC) & Maori Trustee	26-19 26-5 26-18	Oppose in Part	Support the intent that PC10 should provide an enabling framework for growth alongside safeguarding health of the lake, both urban and rural and including underdeveloped Maori land; that consideration is given to inter-generational equity; that proposed restrictions – urban or rural - are subject to robust cost-benefit analysis; and that expensive solutions should not be mandated when it is not known if the PC10 targets and timings are correct. We do not support exemptions for particular sectors as this will place an even greater and impossible burden on remaining sectors – rather we seek an enabling framework for whole of community solutions.