IN THE MATTER

of the Resource Management Act

1991

<u>AND</u>

IN THE MATTER

of appeals pursuant to clause 14 of the First Schedule to the Act - Proposed Bay of Plenty Regional

Policy Statement as it relates to

Water Quantity

BETWEEN

FEDERATED FARMERS OF

NEW ZEALAND INC

(ENV-2012-AKL-00182)

ROYAL FOREST & BIRD PROTECTION SOCIETY OF

NEW ZEALAND INC (ENV-2012-AKL-000179)

HORTICULTURE NEW

ZEALAND AND ORS (ENV-2012-AKL-000178)

WESTERN BAY OF PLENTY

DISTRICT COUNCIL (ENV-2012-AKL-000175)

FONTERRA COOPERATIVE

GROUP LTD

(ENV-2012-AKL-000173)

NGATI MAKINO HERITAGE

TRUST

(ENV-2012-AKL-000170)

CARTER HOLT HARVEY LTD

(ENV-2012-AKL-000169)

TRUSTPOWER LTD

(ENV-2012-AKL-000167)

CONTACT ENERGY LTD

(ENV-2012-AKL-000157)

MIGHTY RIVER POWER

LIMITED

(ENV-2012-AKL-000153)

Appellants

AND

BAY OF PLENTY REGIONAL

COUNCIL

Respondent



BEFORE THE ENVIRONMENT COURT

Environment Judge JA Smith, sitting alone under section 279 of the Act

IN CHAMBERS at Auckland

CONSENT ORDER

Introduction

- This consent order relates to the parts of the above ten appeals seeking relief in respect of the Topic ENV-2012-339-000051 "WATER QUANTITY" to the proposed Bay of Plenty Regional Policy Statement. It resolves that topic, and those parts of the appeals relating to section 2.11 of the proposed Policy Statement in full.
- 2. The following parties have given notice of interest in respect of these parts of those appeals:
 - 2.1 Carter Holt Harvey Ltd
 - 2.2 Contact Energy Ltd
 - 2.3 Eastland Generation Ltd
 - 2.4 Bluehaven Management Ltd
 - 2.5 Mount Maunganui Environmental Group Ltd
 - 2.6 Ngāti Ranginui Iwi Society
 - 2.7 Waitaha Iwi Resource Management Unit
 - 2.8 The Proprietors of Taheke 8 C and Ors
 - 2.9 Egg Producers Federation of NZ Inc
 - 2.10 Federated Farmers of New Zealand Inc
 - 2.11 Ford Land Holdings Pty Ltd
 - 2.12 NZ Kiwifruit Growers Inc & Horticulture NZ Inc
 - 2.13 NZ Transport Agency
 - 2.14 TrustPower Ltd
 - 2.15 Te Tumu Landowners Group & Ors



- 2.16 Carrus Corporation Ltd
- 2.17 EDS Inc
- 2.18 Fonterra Co-operative Group Inc
- 2.19 Genesis Energy Ltd
- 2.20 Dairy NZ Inc
- 2.21 Western Bay of Plenty District Council
- 2.22 Royal Forest and Bird Protection Society of New Zealand Inc
- 2.23 Mighty River Power Ltd
- 2.24 Tauranga City Council

Order

- 3. The Court has read and considered the above appeals and the memorandum of the parties dated 15 August 2013.
- 4. The Court is making this order under section 279(1)(b) of the Act, such order being by consent, rather than representing a decision or determination on the merits pursuant to section 279. The Court understands for the present purposes that:
 - (a) All parties to the proceedings with an interest in this Topic have executed the memorandum requesting this order;
 - (b) All parties are satisfied that all matters proposed for the Court's endorsement fall within the Court's jurisdiction, and confirm to the relevant requirements and objectives of the Resource Management Act, including in particular Part 2.
- 5. Therefore the Court orders by consent that the Proposed Bay of Plenty Regional Policy Statement be amended as shown in annexure A in <u>underline</u> (for additions) and <u>strike through</u> (for deletions)
- This consent order disposes of all relief sought in the above appeals in respect of Topic ENV-2012-339-000051 "WATER QUANTITY" and that topic shall now be closed.

In appeal ENV-2012-AKL-000153, appeal point 13 is resolved by this order. Appeal point 12 remains extant.



- 8. In appeal ENV-2012-AKL-000157 appeal points 72 and 79 is resolved by this order. Appeal point 65 remains extant.
- 9. In appeal ENV-2012-AKL-000167 appeal points 72 and 79 are resolved by this order. Appeal point 65 remains extant.
- 10. In appeal ENV-2012-AKL-000169 appeal points 7.15 and 7.20 are resolved by this order. Appeal point 7.8 remains extant.
- 11. In appeal ENV-2012-AKL-000170, appeal point 5(c), (e), (g) and (h) are resolved by this order. Appeal points 5(f) remains extant and is set down for hearing.
- 12. In appeal ENV-2012-AKL-000173, appeal point 10.5 is resolved by this order. Appeal points 8.8 and 11.6 remains extant.
- 13. In appeal ENV-2012-AKL-000175, appeal point 8.5 is resolved by this order. Appeal points 8.2, 8.3, 8.4 and 8.6 remains extant.
- In appeal ENV-2012-AKL-000178, appeal points 8.3, 20.3, 22.3, 23.3, 24.3, 25.3, 26.3, 27.3 are resolved by this order. Appeal points 4.3, 6.3, 7.3, 9.3, 13.3, 14.3, 21.3, 28.3, 29.3, 30.3, 31.3 and 32.3 remains extant.
- 15. In appeal ENV-2012-AKL-000179, appeal point 8.12 is resolved by this order. Appeal point 8.3 remains extant
- 16. In appeal ENV-2012-AKL-000182, appeal points 24, 25, 26 and 27 are resolved by this order. Appeal points 22 and 23 remain extant.
- 17. There shall be no order as to costs.

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2.11 Water quantity

Section 2.11 does not apply to the take and use of geothermal water, which is addressed in Section 2.4. However, Section 2.11 does apply to any take and use of freshwater which may be associated with geothermal resource use activities (such as water needed for drilling activities).

Water is essential for all life and is valued for its usefulness and intrinsic qualities. The use and development of fresh water resources plays an important role in providing for the region's wellbeing. Both surface and groundwater are highly valued in the Bay of Plenty region for a variety of reasons including:

- Economic for primary production, power generation, and industry;
- Environmental maintaining healthy ecosystems;
- Social for water supply and safe swimming;
- Cultural mahinga kai and mauri;
- Recreation for fishing and boating.

While water is a renewable resource, it is finite. The use of water resources needs to be prioritised to maximise the benefit to the region's communities. The amount of water taken for municipal supply, horticultural production, frost protection, industrial uses and farm pasture irrigation has increased significantly in the past 10 years. Increasing population and economic growth in the region has meant an increased demand for water and the pressure on water resources is also likely to increase as a result of climate change (a predicted effect of climate change is that droughts will occur more frequently).

Opportunities for improved water management include:

- Improving the way water is collected, stored and used.
- Exploring alternative sources e.g. rainwater harvesting.
- Addressing conflicting demands for water.
- Working collaboratively across key industry sectors.
- Identifying areas of the region where water supply is plentiful and making that water available for use.

Water management provisions seek to provide for conflicting values and potential opportunities, while meeting future needs, maintaining the life-supporting capacity of water, and minimising inappropriate or inefficient use.

Priority of allocation may be required as total water allocation approaches sustainability limits. Allocation of water and the discharge of contaminants are to be managed together to allow for the taking and use of water and the maintenance of water quality.

Providing for a strategic review of existing consented water takes and the potential reallocation of water within a catchment ensures the taking and use of water is sustainable. Efficiency tuse is required to ensure that the most benefit is obtained from its use.

Water conservation is required to reduce the pressure on resources. Water conservation, harvesting and storage are to be encouraged to enable the taking of water at high flows and stored for later use.

Table 11

Water quantity objectives and titles of policies and methods to achieve the objectives.

Objectives	Policy titles	Page	Page Method titles	Implementation	Page
Objective 31	Policy WQ 2A: Setting and applying		Method 2: Regional plan implementation	Regional Council	
(a) meets the <u>provides for a</u> range of uses and values for a	allocation limits for taking <u>fresh</u> water		Method 32: Research and monitor water allocation and abstraction	Regional Council	
 is allocated and used efficiently; (b) (c) safeguards the mauri and life supporting capacity of water bodies; and 	Policy WQ 3B: Allocating water Policy WQ 4B: Establishing common		Method 3: Resource consents, notices of requirement and when changing, varying, reviewing or replacing plans	Regional Council	
(c) (d) meets the reasonably foreseeable needs of future generations.	expriry and/or review dates for the taking of water		Method 32: Research and monitor water allocation and abstraction	Regional Council	
	Policy WQ 5B: Reviewing resource consents for the taking of water	2 1 101	Method 32A: Voluntary water user groups and agreements	Regional Council	
	water takes to ensure efficient use	C i 2i	Method 39 ConsiderPromote consultationg with potentially affected tangata whenua	Regional Council and city and district councils.	
			Method 39B: Promote the enhancement of mauri	Regional Council and city and district councils.	
		21	Method 39C: Developing mauri models	Regional Council and city and district councils.	
	Policy WQ 1A: Promoting efficient		Method 2: Regional plan implementation	Regional Council	
	water transfers	2 (0	Method 32: Research and monitor water allocation and abstraction	Regional Council	
		2 +	Method 33: Prepare and provide information to reduce water demand	Regional Council	
		21 (0)	Method 32A: Voluntary water user groups and agreements	Regional Council	

Objectives	Policy titles	age	Page Method titles	Implementation	Page
OF THE	Policy WQ 6B: Ensuring water availability		Method 3: Resource consents, notices of requirement and when changing, varying, reviewing or replacing plans	Regional Council	
The state of the s	Policy WQ 7B: Reducing water demand		Method 32: Research and monitor water allocation and abstraction	Regional Council	
			Method 32A: Voluntary water user groups and agreements	Regional Council	
			Method 33: Prepare and provide information Regional Council to reduce water demand	Regional Council	

Also see:

Objective 14: Partnerships between Bay of Plenty Regional Council, district and city councils and iwi authorities (Table 6).

Objective 15: Water, land, coastal and geothermal resource management decisions have regard to iwi resource management planning documents (Table 6).

Objective 17: The mauri of water, land, air and geothermal resources is <u>safeguarded sustained or improved and where it is</u> degraded, where appropriate, it is enhanced over time (Table 6).

Water Quantity Policies

Policy WQ 1A:

Promoting efficient water use, water harvesting and water transfers

Promote the efficient use of water, and enable water harvesting where adverse effects on the environment can be avoided, remedied or mitigated, and enable the transfer of water permits in whole or in part.

Explanation

Efficient use of water can minimise water waste and unlock some of the water allocated for taking but not being used. Efficient use can enable better utilisation and desired environmental results. Using water more efficiently will also make water available when water supply is short, particularly in pressure catchments.

Water harvesting means taking and storing water when the availability is high and using it at a later time. Water harvesting should be consistent with sustainable management. Recognising the seasonal demand for water enables efficient use and complementary management.

Providing the ability to transfer water take and use entitlements between users will maximise the value from water. Transfer of permits should be consistent with sustainable management.

Table reference: **Objectives 31** and 27, Methods 2, 32, 32A, 33

Policy WQ 2A:

Setting and applying minimum instream flows and allocation limits for taking freshwater

- (a) Set and apply instream minimum flow requirements limits for instream flows for surface water bodies to safeguard their lifesupporting capacity, and take into account other values where relevant; and
- (b) Set and apply allocation limits for the total amount of water that can be taken from surface water bodies to ensure a reliable and accessible amount of water is available for users; and
- (c) Set and apply allocation limits for groundwater (excluding geothermal water) which take into account, among other things,:

- (i) The interaction between groundwater and surface water-;
- (ii) Sustaining groundwater-fed streams and wetlands;
- (iii) Preventing the contamination of aquifers by geothermal bore water and saltwater intrusion; and
- (iv) Water levels in aquifers.

Explanation

Policy WQ 2A directs the establishment and application of *minimum instream flows* and total allocation limits.

Part (a) provides for instream minimum flow requirements in surface water bodies to sustain the life-supporting capacity and other non-consumptive values of the waterbodies. The minimum flows will ensure that water quality and ecological, cultural, recreational and amenity values are sustained.

Part (b) refers to the maximum rate that water can be taken from a surface water body. Allocation limits for rivers in a regional plan ensure a reliable and accessible amount of water is available for users while also safeguarding aquatic ecosystem health.

Part (c) concerns the total volume that can be taken from groundwater. Establishing total allocation capacity for groundwater aquifers safeguards dependent ecosystems in groundwater-fed streams and wetlands. It also ensures that the aquifer is not depleted, enabling supply of the groundwater resource for consent holders and permitted provisions. Establishing total allocation capacity for groundwater aquifers also helps prevent contamination of aquifers by geothermal bore water and saltwater intrusion.

Setting and applying minimum instream flows and allocation limits for taking water should be carried out in collaboration with the community and industry stakeholders.

It may be appropriate to set different allocation limits for groundwater aquifers and surface waterbodies for different periods of the year.

Table reference: **Objectives 31**, 2, 17, 20, 21 and 27, Methods 2 and 32

Policy WQ 3B: Allocating water

Have regard to the following matters when allocating and reallocating <u>fresh</u>water:

(aa) The demands and availability of water within catchments or areas.

- (a) Ensuring water in a water body is not over allocated;
- (b) Giving priority to making water available to meet existing and reasonably foreseeable domestic or municipal water supply needs;
- (b) Making water available to meet existing and reasonably foreseeable domestic or municipal water supply needs with priority for essential drinking and sanitation requirements.
- (c) The relative economic benefits of the proposed end use of the water, when allocation limits are exceeded, or are close to being exceeded;
- (e) The cultural values of a water body;
- (f) Requiring the volume of water allocated and taken to be reasonable and justifiable with regard to its intended use;
- (g) The value of investments that existing consent holders have made which depend on the water abstracted;
- (h) The availability of the water for other uses; and
- The benefits to be derived from the use of water for, or directly associated with electricity generation from renewable sources.
- (j) The benefits to be derived from the use of water for rural production activities.

Explanation

Policy WQ 3B should be considered in conjunction with Policy WQ 2A which sets minimum instream flows and allocation limits. Water allocation is also to be considered in conjunction with other relevant policies in this Statement.

Section 30 of the Act provides regional councils with the ability to allocate natural resources such as water other than on a first-come/first-served basis. Policy WQ 3B sets out those matters that the regional council will have regard to when addirecting allocation and reallocation of water. The matters listed are not in order of priority.

Section 14 of the Act allows for the taking of water for fire fighting purposes, and for an individual's reasonable domestic needs or the needs of an individual's animals for drinking water, provided there are no adverse effects on the environment.

This policy recognises that ensuring water is not over allocated leads to a reliable water supply. Access to water for reasonable drinking and sanitation needs is a basic human right. Domestic or municipal water supply is a principal user of water in the region and drinking water and sanitation requirements are is to be given priority over other water takes as it is essential for the health and welfare of people and communities. However, the scope of this priority is not unlimited and must be considered in relation to other matters listed in Policy WQ 3B, especially efficient use and the availability of water for other uses.

Demands on domestic or municipal water supply must not be seen as unlimited and should be constrained to avoid waste, uncontrolled consumption and associated costs. This ean should be accomplished by the development of a water management plan to achieve effective domestic or municipal water supply and demand efficiencies.

The taking and use of water for the benefit of the community, region and nation is to be prioritised over individual benefit. Consideration may be given to the community, regional or national benefits of the allocation of freshwater.

Protecting the cultural values of a water body sustains those values.

Requiring efficient use may include good industry practice, ensuring minimum waste and any other relevant aspects of efficiency.

Section 124A-C of the Act also allows for priority to be given to renewal of existing consents over new applications subject to matters of efficiency efficient use, good practice and enforcement history.

Section 7 of the RMA requires particular regard to be given to the benefits derived from the use and development of renewable energy. The National Policy Statement for Renewable Electricity Generation promotes the use and development of renewable energy sources such as water to generate electricity.

With regard to Policy WQ 3B (aa), the nature of water demand and availability for a range of values may vary across the region, and may necessitate an area-based approach to water allocation.

SEW-133911-362-1581-V2:f

Table reference: **Objectives 31**, 10, 17, 21 and 27, Methods 3<u>.</u> and 32 <u>32A</u>, 39, 39B and 39C

Policy WQ 4B: Establishing common expiry and/or review dates for the taking of water

Establish and implement common expiry and/or review dates for the taking and use of surface and groundwater within specified catchments.

Explanation

Establishing common expiry and/or review dates for resource consents for a particular catchment allows for consideration of all water takes at the same time. Any allocation for existing and proposed uses need to ensure that the taking and use of water continues to be efficient and sustainable, having regard to the matters in Policy WQ 3B. This also ensures that the taking of water is appropriate within a changing environment.

Different catchments may have different common expiry and/or review dates depending on the catchment's pressures and environmental characteristics.

The following activities may be exempt from common expiry dates:

- Non typical takes such as dewatering and takes associated with the access to, and use and development of mineral resources; or
- 2. Takes for regionally significant infrastructure including for renewable electricity generation and domestic or municipal water supply.

However, they will include review dates which coincide with the common expiry and/or review date for that catchment. This policy does not apply to the taking of geothermal fluid by requiring authorities.

Table reference: **Objectives 31**, 2, 10, 21 and 27, Methods 3 and 32

Policy WQ 5B: Reviewing resource consents for the taking of water

Review existing resource consents for the taking and use of surface and ground water on a catchment by catchment basis to implement allocation limits and instream minimum flows.

Explanation

A review of resource consent conditions will address any adverse environmental effects which have arisen since consent was issued, or will enable allocation limits and instream minimum flows to be set (as provided for by Policy WQ 2A). A review also ensures that the taking and use of water continues to be efficient and sustainable as environmental circumstances change. Unused water may be returned to the water body under section 128(1)(b) of the Act and thereafter may be available to other users.

Table reference: **Objectives 31**, 2, 10, 21 and 27, Methods 3 and 32

Policy WQ 6B: Ensuring water availability

When applying for <u>designations</u>, <u>plan changes</u>, land use and/or subdivision consent the applicant should ensure that there is sufficient water available at the location to support the activity.

Explanation

Before seeking consent for a <u>new</u> development or particular activity the applicant should check that there is sufficient water available to sustain it. The Regional Council can advise a potential applicant regarding the availability of water at the location of their proposed development so they can make an informed decision about whether or not to proceed with their proposal.

Table reference: **Objectives 31**, 10, 20, 26A and 27, Methods 3, 32 and 33

Policy WQ 7B: Reducing water demand

When applying for land use and/or subdivision consent the applicant shall consider alternative sources of water, <u>and where reasonable, implement</u> water conservation measures and the benefits of water collection and reuse and/or recycling.

Explanation

New subdivisions and developments increase the demand on water bodies. Initiatives such as rainwater collection from roofs, use of rain gardens, water recycling and greywater reuse can reduce this demand. A reduction in demand can result in positive environment effects such as recharge of the groundwater resource.

Table reference: **Objectives 31** and 20, Methods 3, 32, 32A and 33

Policy WQ 8B: Managing <u>consented</u> water takes to ensure efficient use

When considering an application for resource consent to take water, regard shall be given to:

- (a) The extent to which water users have demonstrated a reasonable need for the rates and volumes sought;
- (b) The extent to which water users have demonstrated that the water will be used efficiently;
- (ba) The extent of potential adverse effects on other authorised users;
- (c) Specifying the maximum allowable water use as well as maximum abstraction rates;
- (d) Requiring the consent holder to measure and report the actual amount of water taken;
- (e) Whether water is able to be taken within pressure catchments and aquifers that are nearing full allocation;
- (f) Preventing saltwater intrusion;
- (g) The reasonably foreseeable impacts of climate change;
- (h) Establishing and applying a consent term of no more than 15 years, unless:
 - (i) The take and use of water is necessary to enable the use or development of regionally significant infrastructure;
 - (ii) The take and use of water is for a nontypical activity such as dewatering and the access to, and use and development of mineral resources; or
 - (iii) a longer term is demonstrated by the applicant to be appropriate in the circumstances;
- (i) The benefits to be derived from the use of water for, or directly associated with electricity, generation from renewable sources.

Explanation

The policy outlines those matters that the Regional Council will have regard to when determining water permit applications. Efficient water use relies on taking only the amount of water that is needed and having systems in place

to avoid waste. Specifying the maximum allowable amount and rate discourages over-abstraction.

The amount of water should be measured and reported on to allow assessment as to whether the allocation limits and instream minimum flows have been set at appropriate levels. Regard should also be given to whether the water resource is nearing over allocation.

Saltwater intrusion should be prevented. Climate change may reduce the amount of water available. Restricting the terms of consent granted ensures the taking and use of water is sustainable and efficient. Giving regard to a maximum consent term of 15 years may still allow for longer consent terms in appropriate circumstances, determined on a case by case basis.

Table reference: **Objectives 31**, 17 and 20, Methods 3, and 32 and 32A

3.2 Methods to implement policies

3.2.2 Guiding methods

Method 32: Research and monitor water allocation and abstraction

Research and/or monitor:

- (aa) The amount of available water in catchments, having regard to the interconnection between groundwater and surface water, using accepted and appropriate hydrological methods;
- (a) The rate and/or quantity of water allocated;
- (b) The quantity of actual use; and
- (c) The cumulative effects of water abstraction.

Implementation responsibility: Regional council

Method 32A: Voluntary Water User Groups and agreements

- (a) Promote voluntary water user groups, or agreements between water users, to assist the management of water allocation and use.
- (b) Provide, where available, accurate technical information on which user groups can make decisions.
- (c) Investigate how water user groups can be used to:
 - (i) assist with management of water allocated to abstractors;
 - (ii) provide opportunities for shared investment in, and optimal use of water transport and storage infrastructure;
 - (iii) make best use of available water.

Implementation responsibility: Regional council

<u>Method 39 ConsiderPromote</u> consultationg with potentially affected tangata whenua

Gensider Promote consultationg with tangata whenua and any other parties affected:

- Early in a proposal development and, as appropriate, to continue this consultation during the implementation of any consented activity; and
- (b) As the occasion may dictate, in accordance with tikanga Māori (consultation may be through tribal federations or runanga, iwi authorities, hapū or whānau, depending on the issue).

<u>Implementation responsibility: Regional council</u> and city and district councils.

Method 39B: Promote the enhancement of mauri

Recognise the importance to tangata whenua of safeguarding, or enhancing where it is appropriate, the mauri of water, land, air and geothermal resources when a proposal involves matters of significance to Māori.

<u>Implementation responsibility: Regional council</u> and city and district councils.

Method 39C: Developing mauri models

Work with tangata whenua in the development of ways to assess the mauri of natural resources with the intent that such methods are implemented in regional plans for monitoring consented activities, the state of the environment, and the efficiency and effectiveness of plan provisions, where these involve matters of significance to Māori.

Implementation responsibility: Regional council and city and district councils.

SEW-133911-362-1581-V2:f

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Table 152 Object	Objectives, anticipated environmental results (AER) and monitoring indicators.	
Objectives	Anticipated environmental results (AER) Monitoring indicators	
Water quantity		
Objective 31	id amenity	River and Stream flows do not fall below their instream minimum flows
The quantity of available water:		
(a) meets the provides for a	The health of aquatic ecosystems is safeguarded. Groundwater allocation limits are not exceeded.	re not exceeded.
range of uses and values	The quantity of available water meets the reasonably	
for which water is required;	foreseeable needs of future generations.	
(b) is allocated and used efficiently.		
(b) (c) safeguards the mauri		
and life supporting capacity		
or water bodies, and		
(c) (d) meets the reasonably foreseeable needs of future		
generations.		

Appendix A – Definitions

Efficient allocation: In relation to freshwater allocation, including economic, technical and dynamic efficiency.

Efficient use: In relation to the use of freshwater, the amount of water beneficially used in relation to that taken. It relates to the performance of a water-use system, including avoiding water wastage.

