

BEFORE AN INDEPENDENT HEARINGS PANEL OF THE WAIKATO REGIONAL COUNCIL

UNDER

The Resource Management Act 1991

IN THE MATTER

of Proposed Plan Change 2 Waikato and Waipa
River Catchment

AND

IN THE MATTER

of the tabled hearing statement by Waikato
District Council (Submitter No. 73418)

**TABLED HEARING STATEMENT ON BEHALF OF WAIKATO DISTRICT COUNCIL IN
RESPECT TO TOPIC B1 (OVERALL DIRECTION OF PC1) WITHIN HEARING BLOCK 1**

15 FEBRUARY 2019

WAIKATO DISTRICT COUNCIL

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1. SUMMARY STATEMENT

1.1. This evidence covers the following matters:

- Presentation of Waikato District Council (WDC) submission points which span the three hearings blocks set for PC1, and intended method with which WDC intend to present on points;
- Continued WDC support for sub catchment regulatory methods to be employed as part of the Healthy River Plan Change emission controls.

1.2. Also, WDC are part of the Waikato Region Territorial Authorities Group (WARTA), which is a group formed for the purpose of ensuring a consistent 'stronger TA voice' throughout the PC1 process. Alignment in key themes is intended between the individual WDC and WARTA evidence.

2. INTRODUCTION

2.1. This tabled submission is made on behalf of WDC. Attachment 1 presents PC1 hearing block topics, where the WDC numbered submission points are shown in red. The bulk of topics presented in the WDC submission are within Block 2 and 3, which are hearings to be held in May and June 2019. Section 42A analysis is yet to occur for Block 2 and 3 topics. WDC therefore reserve the ability to appear at these later hearings, in order to present after considering S42A report recommendations.

3. SUB-CATCHMENT VS WHOLE OF CATCHMENT VIEW (SEC B1.3.2 - S42A REPORT)

3.1. WDC's key submission point that has relevance to this topic is referenced PC1-3119. In summary, as part of any future nitrogen management within the plan change area, WDC seeks that a Nitrogen Emission Constraint (NEC) methodology is employed as part of regulatory requirements required by rural land owners and operators. This is considered by WDC as a fairer environmental goal based method for reaching sub-catchment targets as it avoids the locking in of individual property emission targets that are not clearly linked to environmental impacts. Issues associated with such individual property targets is the potential for inefficiency given that historic practices can then be 'grand fathered' as a baseline. The WDC 'co-operative decision making' initiative would be by-way of landowners in the finer grained sub-catchment areas, or by the Regional Council specifying a common per/ha emission constraint encompassing all farms collectively within a defined sub-catchment area. Attachment 2 provides enhanced detail on this point, taken from the WDC submission.

3.2. The S42A report covers preliminary views on key PC1 Issues, including a sub-catchment vs whole of catchment view (i.e. within section B1.3.2, paragraphs 135-143 of the report). Key statements within this reporting include:

- Some *hundred submissions* are supportive of greater sub-catchment emphasis, where in some circumstance, the sub catchment approach for PC1 is persuasive to reporting officers;
- Reporting officers are concerned that shifting the '*regulatory*' methods to sub-catchments *is not well supported by higher-level planning documents* – the Vision and Strategy and the NPS-FM.
- Focusing on sub-catchments *could* have real benefits, however it is perceived that the health that restoration of the whole of river system could be at risk in doing so.

3.3. The S42A report advice therefore seems to lean toward not recommending any future regulatory sub catchment methods as part of the plan change. This would exclude the NEC approach that is promoted within the WDC submission. The report describes that a 'sub-catchment approach' would somehow circumvent a 'whole of catchment approach' (para 142/143 – S42A), which doesn't appear accurate or balanced.

3.4. WDC therefore seek that the Hearings Panel:

- Review the reasoning provided within the s42A report that under values any PC1 regulatory approach that could encompass sub-catchment emission control, and:
- Have an open mind to suggested amendments to regulatory methods to control sub-catchment emissions optimally and in a fairer manner. This will be a focus of future WDC evidence to be prepared for the later hearing dates, when the NEC methodology and benefits can be explained in greater detail.

ATTACHMENT 1: HEARING SCHEDULE

HEARING BLOCK 1 (March/April 2019)	HEARING BLOCK 2 (May 2019)	HEARING BLOCK 3 (June 2019)
<u>Part A: Context</u> <u>Part B: Outcomes</u>	<u>Part C: Topics</u>	<u>Part C: Topics</u>
B1: Overall direction and whole plan submissions (PC1-3119)	C1: Diffuse discharge management • Four contaminants - N, P, E Coli and Sediment • Nitrogen Management/Nitrogen Reference Point (PC1-3119) • Overseer (PC1-3119) • Reductions (75th percentile) • Land use change (PC1-3118)	C7: Commercial vegetable production (PC1-3125)
B2: Values and uses	C3: Urban/point source discharges (PC1-3129/3, PC1-3132, PC-3137,)	C8: Sub Catchment Planning-(Alternative approaches) (PC1-3119)
B3: Science and Economics	C4: Stock exclusion (PC1-3116)	C9: Farm Environment Plans (PC1-3118)
B4: Objectives	C5: Cultivation, slope and setbacks (PC1-3125)	C10: Misc (Forestry, Wetlands and lakes, Misc, Consequential Changes)
B5: FMUs, priority areas and sub-catchments	C6: Schemes (PC1-3127)	

Table 1: Hearing Schedule for the hearing of submissions to Proposed PC 1

ATTACHMENT 2: WDC SUBMISSION EXERT

Disparity can occur with a property scale Nitrogen Reference Point (NRP) when;

- one farm retains a grand-parented right to emit higher levels of contamination than other farms within the same sub-catchment, or;
- a farm which may in recent history might have had less nitrogen application, with potential for a higher level of stock (with a view increasing N in later years), will be locked into the lower NRP which may adversely affect the businesses future profitability.

Using the NRP as the baseline for setting the individual emission targets has the potential for inefficiency in that it is based on historical actions, rather than the most effective way to reduce emissions. A deliverable of NRP identification should be used to determine adjustments required to achieve an environmental goal based on targeted emission levels for the *sub catchment* and *the least cost ways of achieving the sub-catchment target*.

This can be established by way of a Nitrogen Emission Constraint (NEC) *set for sub-catchments*, and then applied to individual properties. The sub-catchment limit on N emissions would be determined by the potential contribution to improved environmental outcomes. Sub-catchment limits would be specified to achieve the water quality goals for the individual sub-catchment and the catchment as a whole. Properties would then comply with the sub-catchment constraint collectively, achieving required reductions under Healthy River Plan Changes. The allocation of the emission rights could be allocated by co-operative decision by landowners in the sub-catchment or by the Regional Council specifying a *common per/ha emission constraint for all farms in the sub-catchment*. Advantages of the NEC methodology are;

- Facilitation of larger reductions of nitrogen emissions at the same cost to the community (i.e. through more efficient nitrogen reduction ability),and;
- Removal of the inequities associated with some land owners having greater emission rights, than other land owners in similar situations.

If this approach is considered acceptable, an NEC could either be established as part of PC1 pertaining to the first 10 years or alternatively it could be introduced at the start of the second 10 year period. WDC requests to be proactively involved in the development of any new provisions to be developed in accordance with relief sought.