

FONTERRA FURTHER SUBMISSION ON THE PROPOSED OTAGO REGIONAL POLICY STATEMENT 2021

To: Otago Regional Council

Submitter Fonterra Limited

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1. Introduction

- 1.1 This is a further submission by Fonterra Limited (**Fonterra**) on the Freshwater Planning Instrument parts of the Proposed Otago Regional Policy Statement (**PORPS-FW**).
- 1.2 Fonterra made a submission on the PORPS-FW, submitter number 19.
- 1.3 Fonterra is a person who has an interest in the proposal that is greater than the interest the general public has. As explained in Fonterra's original submission on the PORPS, Fonterra has a number of assets within the Otago region including most significantly, a milk processing site at Stirling (**Stirling site**) and a distribution centre at Mosqiel (**Mosqiel site**).

2. Submissions supported and opposed

- 2.1 The submissions supported or opposed, and the reasons for the support or opposition, are set out in the table attached as an **Appendix** to this submission.
- 2.2 The **Appendix** sets out:
 - 2.2.1 The submissions or parts of submissions that Fonterra supports or opposes,
 - 2.2.2 The reasons for support or opposition; and
 - 2.2.3 The relief sought by Fonterra in relation to those submissions or parts of submissions.

- 2.3 Fonterra wishes to be heard in support of the further submission points listed in the **Appendix** and would be prepared to consider presenting a joint case with submitters raising similar concerns.
- 2.4 I confirm that I am authorised on behalf of Fonterra Limited to make this submission.

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Suzanne O'Rourke
National Environmental Policy Manager
FONTERRA LIMITED

3 February 2023

APPENDIX 1 - FONTERRA'S FURTHER SUBMISSION POINTS ON THE PORPS-FW

- 1. The text included in the "Submission" column of the following table that is underlined is text proposed by the submitter.
- 2. Suggested relief to address concerns in this submission is set out below. However, there may be other methods or relief that are able to address Fonterra's concerns and the suggested revisions do not limit the generality of the reasons for Fonterra's submission or the relief sought.
- 3. Fonterra's requested relief is shown with strike out in <u>blue</u> font and additions shown underlined and in <u>red</u> font.
- 4. Fonterra also seeks any consequential relief or alternative relief to Fonterra's satisfaction to address its concerns.

Submitter Name	Submission #	Provision	Submission	Support/ oppose	Reasons	Relief sought
SRMR – Signi	ficant resour	ce manage	ment issues for the region		'	
Federated Farmers of New Zealand	FPI026.010	SRMR-I6	SRMR-I6: Social Amend the Social Impact Snapshot by adding reference to the positive contribution the primary sector makes to the region	Support	Fonterra agrees that the contribution of the primary sector to the region should be recognised.	Accept the submission.
Federated Farmers of New Zealand	FPI026.012	SRMR-I6	SRMR-16: Context Amend the following sentence as follows: On 3 September 2020, new National Environmental Standards (NESF) and a new National Policy Statement (NPSFM) came into force to improve water quality within five years; and reverse past damage degradation as soon as practicable, and bring New Zealand's freshwater resources, waterways and ecosystems to a healthy state within a generation.	Support	Fonterra considers the amendments more accurately reflect the new direction.	Accept the submission.

Submitter Name	Submission #	Provision	Submission	Support/ oppose	Reasons	Relief sought
Fish & Game	FPI037.012	LF-WAI-O1	 (4) water and land have a connectedness that supports and perpetuates life, and (6) people are enabled to use, enjoy and connect meaningfully with water bodies to further their amenity and well being, including through recreation and harvesting food, and (7) all people and communities have a responsibility to exercise stewardship, care, and respect in the management of fresh water. 	part	Fonterra notes that the proposed new (6) is not clear. In particular, it is not clear what "their" refers to (i.e. water bodies or people). Further, Fonterra considers the reference to "amenity" is not consistent with the national direction and is not sufficiently certain.	
Director General of Conservation	FPI044.006	LF-WAI-P1	Retain as notified, except that if IM-P1 does not reflect the same three-level prioritisation then insert a new clause as follows or words to like effect: "(4) if there is a conflict between this policy and other provisions in this RPS that cannot be resolved by the application of higher order documents, then this policy takes precedence over Policy IM-P1."	Oppose	Fonterra notes that the reporting officer for the non-freshwater PORPS has recommended that IM-P2 be kept in part and incorporated into IM-P1. Fonterra considers this policy will require further refinement to ensure it is appropriate and integrates with the non-freshwater provisions.	Reject the submission
Federated Farmers of New Zealand	FPI026.020	LF-WAI- PR1	Amend LF-WAI-PR1 to be consistent with the NPSFM.	Support	Fonterra agrees that the PORPS-FW should be consistent with the NPSFM.	Accept the submission
Horticulture New Zealand	FPI047.014	LF-WAI- PR1	Amend LF-WAI-PR1 as follows: "It is only after the health of the water is sustained, and the essential human health of people is provided for, that water can be used for wider social, cultural and economic purposes.	Support	Fonterra agrees that the proposed amendment is necessary and appropriate.	Accept the submission

LF-VM - Visions and management

Submitter Name	Submission #	Provision	Submission	Support/ oppose	Reasons	Relief sought
Fish & Game	FPI037.014	New provision	Amend such that the visions holistic picture of how all rivers will be managed in future to provide for their health, well-being and resilience. For example: LF-VM-OA2 – All of Otago catchment vision By no later than 2040, in all Otago catchments: (1) water bodies are protected at, or returned to a state of good health, well-being and resilience, (2) activities relating to water support the health, well-being and resilience of affected water bodies, including with respect to water quality, sedimentation and flows, mimics that of their natural behaviour, (4) ecosystem connections between freshwater, wetlands and the coastal environment are protected and restored, (5) wetland, estuary and lagoon extent has been restored as much as practical where it has been lost, and their quality is protected and restored, (6) the habitat of indigenous species is protected and restored, and indigenous species are able to migrate easily within and between catchments, insofar as each goal is consistent with that of indigenous species, (8) food is available to be harvested from water bodies in abundance and is safe to consume,	Oppose	Fonterra does not agree with the proposed wording of this objective. For example, Fonterra does not support an all of catchment vision and considers the timeframes proposed are impractical. It is also inconsistent with the NPSFM. Further, there may be scenarios where discharges of industrial wastewater to water offers the best overall outcome for freshwater and that option should not be ruled out entirely. "Restored" is not a definitive or quantifiable outcome.	

Submitter Name	Submission #	Provision	Submission	Support/ oppose	Reasons	Relief sought
			(9) people have abundant, quality opportunities to connect with and recreate within or close to a wide range of water bodies,			
			(10) there are no direct discharges of waste water to water bodies, and			
			(11) <u>fresh water is managed in accordance with the LF-WAI objectives and policies.</u>			
			(12) (7) Consequential relief to remove parts of LF-VM-O2 to LF-VM-O6 that duplicate direction in LF-VM-AO2.			
Forest & Bird	FPI045.008	New provision	Add a new overarching vision to apply to all FMUs in Otago as follows: <u>LF-VM-O1 – All of Otago catchment vision</u>	Oppose	Fonterra does not agree with the proposed wording of this objective. For example, Fonterra	Reject the submission.
			By no later than 2040, in all Otago catchments:		does not support an all of catchment vision and considers	
			(1) water bodies are protected at, or restored to a state of good health, well-being and resilience,		the timeframes proposed are impractical. It is also inconsistent with the NPSFM.	
			(2) activities relating to water support the health, well-being and resilience of affected water bodies		Further, there may be scenarios where discharges of industrial	
			(3) the natural form and function of water bodies, including with respect to water quality, sedimentation and flows, mimics that of their natural behaviour,		wastewater to water offers the best overall outcome for freshwater and that option should not be ruled out entirely. "Restored" is not a definitive or quantifiable outcome. It is important the RPS sets realistic objectives.	
			(4) ecosystem connections between freshwater, wetlands and the coastal environment are protected and restored,			
			(5) wetland, estuary and lagoon extent has been restored as much as practical where it has been lost, and their quality is protected and restored,			
			the habitat of indigenous species is protected and restored, and indigenous species are able to migrate easily within and between catchments,			

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			(7) <u>kai/food is available to be harvested from water bodies in abundance and is safe to consume,</u>			
			(8) people have abundant, quality opportunities to connect with and recreate within or close to a wide range of water bodies,			
			(9) there are no direct discharges of untreated wastewater to water bodies, and (10) freshwater is managed in accordance with the LF-WAI objectives and policies.			
			Make the required consequential amendments to specific FMU visions in LF-VM-O2 to LF-VM-O6 to ensure the overarching vision above applies to all of them while retaining FMU specific provisions and timeframes where these are more stringent than what is provided for in LF-VM-O1			
Wise Response Society	FPI035.005	LF-VM-O2	 Amend LF-VM-O2(7) as follows: (a) in the Upper Lakes rohe, the high-quality waters of the lakes and their tributaries are protected and restored, recognising the significance of the purity of these waters to Kāi Tahu and to the wider community, (b) in the Dunstan, Manuherekia and Roxburgh rohe: (i) environmental flow regimes flows in water bodies sustain and, wherever possible, restore the natural form and function of main stems and tributaries to support Kāi Tahu values and practices in accordance with Te Mana o te Wai, and (c) in the Lower Clutha rohe: (i) there is no further modification of the shape 		It is not always necessary or possible to restore water bodies and/or preserve the ecosystem. Further, Fonterra does not consider the timeframe proposed for the Lower Clutha rohe to be practical or justified. Additionally, there may be scenarios where discharges of industrial wastewater to water offers the best overall outcome for freshwater and that option should not be ruled out entirely.	Reject the submission
			(i) there is no further modification of the shape and behaviour of the water bodies and opportunities to restore the natural form and function of water bodies are promoted wherever possible,			

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			(ii) the ecosystem connections between freshwater, wetlands and the coastal environment are preserved and, wherever possible, restored,			
			(iii) land management practices reduce <u>inputs an</u> discharges of nutrients and other contaminants to water bodies so that they ar safe for human contact, and			
			(iv) there are no direct discharges of wastewater to water bodies, and			
			(8) the outcomes sought in (7) are to be achieved within the following timeframes:			
			(a) by 2030 in the Upper Lakes rohe,			
			(b) by 2045 2035 in the Dunstan, Roxburgh and Lower Clutha rohe, and			
			(c) by 2050 2035 in the Manuherekia rohe <u>and to</u> <u>all incorporate and report on 5 yearly</u> <u>milestones.</u>	2		
Silver Fern Farms Ltd	FPI020.012	LF-VM-O2	Amend as follows: LF-VM-O2 - Clutha Mata-au FMU vision	Oppose in part	Fonterra supports the amendment proposed to (iii).	Reject the submission in part
			[] (7) in addition to (1) to (6) above: []		Fonterra also considers it appropriate to distinguish between sewage discharges and discharges from grey water, industrial and trade waste but	
			(c) in the Lower Clutha rohe:		considers the latter should be	
			(i) there is no further modification of the shape and behaviour of the water bodies and opportunities to restore the natural form and function of water bodies are promoted wherever possible,		provided for where no better feasible alternative discharge option exists. There may be scenarios where discharge of treated industrial wastewater to water offers the best overall outcome for freshwater and that	
			(ii) the ecosystem connections between freshwater, wetlands and the coastal		outcome for freshwater and that	

Submitter Name	Submission #	Provision	Submission	Support/ oppose	Reasons	Relief sought
			environment are preserved and, wherever possible, restored, (iii) innovative and sustainable land and water management practices support food production and land management practices reduce discharges of nutrients and other contaminants to water bodies are managed so that water bodiesy are safe for human contact, and (iv) there are no direct discharges of sewage wastewater to water bodies, and (v) there are no direct discharges of untreated greywater, industrial waste or trade waste to water.		option should not be ruled out entirely.	
Contact Energy Limited	FPI027.019	LF-VM-O2	Contact seeks amendments to address its concerns. By way of example only, Contact propose the following amendments (using the background document version as base text): In the Clutha Mata-au FMU: (1) management of the FMU recognises that: a) the Clutha Mata-au is a single connected system ki uta ki tai, and b) the source of the wai is pure, coming directly from Tawhirimatea Tāwhiritmātea to the top of the mauka and into the awa, (2) fresh water is managed in accordance with the LF-WAI objectives and policies, (3) the ongoing relationship of Kāi Tahu with wāhi tūpuna is sustained and connections with wāhi tupuna are re-established where these have been degraded or lost, restored, (4) water bodies support thriving mahika kai mahika kai that are safe for consumption and Kāi Tahu whānui have access to mahika kai mahika kai,	part		Accept the submission in part.

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			(5) indigenous species migrate easily and as naturally as possible <u>practicable</u> along and within the river system,			
			(5A) the ecosystem connections between freshwater, wetlands, and the coastal environment are preserved and, wherever possible practicable, restored			
			(5B) environmental flows and levels in water bodies sustain, and wherever possible practicable, restore the natural form and function of main stems and tributaries to support Kāi Tahu values and practices,			
			(5C) food production in the area is supported by innovative and sustainable land and water management practices that reduce discharges of nutrients and other contaminants to water bodies where required to ensure that they are safe for human contact,			
			(5D) there are no direct discharges of wastewater containing sewage to water bodies,			
			(6) the national significance of the <u>ongoing operation</u> , <u>maintenance and upgrading of the</u> Clutha hydro-electricity generation scheme, <u>including its generation capacity</u> , <u>storage</u> , and <u>operational flexibility and its contribution to climate change mitigation</u> is recognised, <u>provided for</u> , and <u>protected</u> ,			
			(7) in addition to (1) to (6) above:			
			 a) in the Upper Lakes rohe, the high quality waters of the lakes and their tributaries are protected, and if degraded are improved, recognising the significance of the purity of these waters to Kāi Tahu and to the wider community, b) in the Dunstan, Manuherekia and Roxburgh rohe: i. flows in water bodies sustain and, 			
			wherever possible, restore the natural form and function of main stems and tributaries to support Kāi Tahu values and practices, and			

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			ii. (ii) innovative and sustainable land and water management practices support food production in the area and reduce discharges of nutrients and other contaminants to water bodies so that they are safe for human contact, and iii. (iii) sustainable abstraction occurs from main stems or groundwater in preference to tributaries, c) in the Upper Lakes and Lower Clutha rohe: i. there is no further minimise modification of the shape and behaviour of the water bodies and promote opportunities to restore the natural form and function of water bodies are promoted wherever possible practicable, and ii. the ecosystem connections between freshwater, wetlands and the coastal environment are preserved and, wherever possible, restored, iii. land management practices reduce discharges of nutrients and other contaminants to water bodies so that they are safe for human contact, and iv. there are no direct discharges of wastewater to water bodies, and (8) the outcomes sought in (7) are to be achieved within the following timeframes: a) by 2030 in the Upper Lakes rohe, b) by 2045 in the Dunstan, Manuherekia, Roxburgh and Lower Clutha rohe, and by 2050 in the Manuherekia rohe.			
John Highton	FPI007.010	LF-VM-O2	Amend LF – VM – O2(8) to 2030 for all timeframes	Oppose	Fonterra does not consider it appropriate to set an impractical timeframe.	Reject the submission

Submitter Name	Submission #	Provision	Submission	Support/ oppose	Reasons	Relief sought
LF-FW - Fres	hwater					
Central Otago Winegrowers Association	FPI009.010	LF-FW-PR3	Amend LF–FW–PR3 –Principal reasons as follows: Otago's water bodies are significant features of the region and play an important role in Kāi Tahu beliefs and traditions and enable people and communities to provide for their social, economic, and cultural wellbeing.	Support	Fonterra agrees that the proposed amendments are necessary and appropriate.	Accept the submission.
Silver Fern Farms Ltd	FPI020.024	LF-FW- AER8	Amend as follows: LF-FW-AER8 Where water is not degraded, there is no reduction (as a result of consented activities) in water quality below any specified environmental outcomes or limits relevant to the waterbody.	Support	Fonterra agrees that the proposed amendments are necessary and appropriate.	Accept the submission.
Silver Fern Farms Ltd	FPI020.025	LF-FW- AER9	Retain as notified.	Support	Fonterra considers it appropriate to reduce the frequency of wastewater overflows.	Accepted the submission.
LF-LS - Land	and soil					
Ravensdown Ltd	FPI017.014	LF-LS-P21	Amend Policy LF-LS-P21 as follows: Achieve the improvement or maintenance of fresh water quantity, or quality The health and well-being of water bodies is maintained or, if degraded, improved to meet environmental outcomes set for Freshwater Management Units and/or rohe by: (1) reducing or otherwise managing the adverse effects of direct and indirect discharges of contaminants to water from the use and development of land to meet environmental outcomes, and		Fonterra agrees that the proposed amendments to this objective are necessary and appropriate.	Accept the submission.

Submitter Name	Submission #	Provision	Submission	Support/ oppose	Reasons	Relief sought
			(2) managing land uses that may have adverse effects on the flow of water in surface water bodies or the recharge of groundwater., and			
			maintaining or, where degraded, enhancing the habitat and biodiversity values of riparian margins in order to reduce sedimentation of water bodies and support improved functioning of catchment processes.			