

Guide

Preparing a resource consent application to take surface water, including replacing a deemed permit

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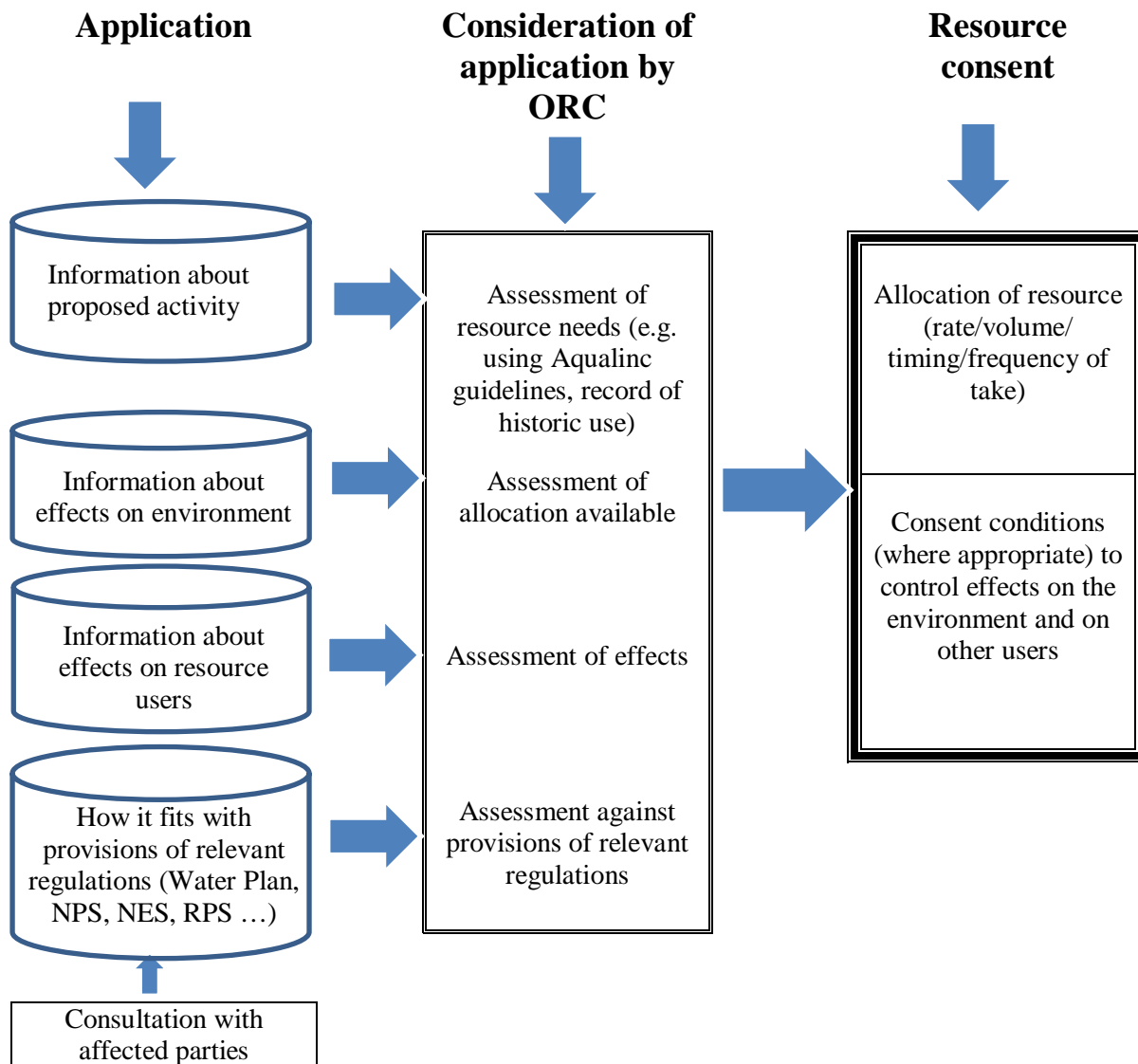
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1. Purpose and structure of the Guide

The purpose of this document is to assist water permit holders with the preparation of resource consent applications to replace existing water permits, including deemed permits under Section 413 (1)(c) of the Resource Management Act 1991 (RMA), and to outline how these applications will be considered by the Otago Regional Council (ORC).

The following sections give an overview of:

- The information that must be included in a resource consent application and the consultation requirements that applicants are expected to comply with.
- The different matters (including the strategic directions and requirements set out in various statutory and non-statutory planning documents) against which the information included in resource consent applications will be assessed.
- The activity status of various proposed activities involving the taking and use of water under the Regional Plan: Water for Otago, and how this affects ORC's discretion in granting resource consent and the setting of consent conditions.
- The key policies of the Water Plan that guide ORC in the decision-making process around water allocation.



2. Preparing a resource consent application

2.1 How to apply for resource consent

The RMA requires that any applications for resource consent be made in accordance with Section 88. The application:

- (a) Must demonstrate that the effects of the proposed activity comply with the relevant objectives, policies and rules of the Water Plan;
- (b) Must include information, in accordance with the Fourth Schedule of the RMA, to enable ORC to assess the effects of the activity; and
- (c) Should show that consultation has occurred, where practicable, with parties likely to be affected by the proposed activity.

Application forms for resource consents are available from all ORC offices and can also be downloaded from the ORC website: <http://www.orc.govt.nz>.

Forms 1 and 4 are the relevant forms that must be completed when applying for consent (including replacement consents) to take and use surface water.

Other application forms that may be of interest to water permit holders are:

- **Form 5:** This form must be completed for all applications to take and use groundwater (including groundwater takes from an aquifer that is hydraulically connected to a surface water body).
- **Form 15:** This form must be completed if you are seeking to transfer ownership of whole or part of a resource consent or deemed permit.
- **Form 16:** This form must be completed if you are a holder of a current water permit to take surface water or groundwater and you would like to apply to transfer your permit to another site, if both sites are in the same catchment/aquifer.

2.2 What to include in a resource consent application

To process consent applications efficiently in the minimum time and at minimum cost, it is critical that as much relevant information as possible is included with the application. If all the necessary information is not supplied with the application then ORC may reject an application, request further information or publicly notify an application. This will lead to delays in the processing of the application and may increase processing costs.

In general, any application to take water will contain the following information:

1. Information about the proposed activity
2. Information about the environmental effects of the proposed activity
3. Information about the effects on other resource users (affected parties)
4. An assessment of how the activity would fit with the relevant policies and rules in the relevant statutory documents.

These information requirements are described below.

1. Information about the proposed activity

This must include the following:

- Name and address of the applicant.

- Description of the rate, volume, timing and frequency of the proposed take and an assessment of the need for the take.
- Description of the use(s) of the water, for example how much land is to be irrigated and crop type or details of other consumptive use.
- Statement of purpose and location of use, (including site plan, legal description).
- Description of the methods of take, delivery, storage (if any) and application.
- An outline of the value of the investment or the value of existing infrastructure.

Must know...

When applying for resource consent to replace an existing consent you are required to provide evidence of the rate, volume, timing and frequency of water taken under the existing consent in the preceding 5 years. If you are an irrigator this means that you should provide evidence of your irrigation footprint along with water metering records. If you have not been metering your take, evidence could include the area of land irrigable, intake pipe size, maintenance records for your irrigation system, and/or photographic evidence of the irrigated land (e.g. dated aerial photography) and a description and/or photographs of the existing distribution system that supplies water to these areas. Other relevant supporting information (e.g. Aqualinc guidelines) will also be considered to assess your true water need.

2. Information about the environmental effects of the proposed activity

This must include the following:

- Assessment of any actual or potential economic, social, environmental and cultural effects of the proposed activity.
- Description of measures (to be) undertaken to avoid, remedy or mitigate any effect on the environment.
- In the case of the taking of groundwater: a description of
 - i. the bore
 - ii. aquifer test results
 - iii. likely adverse effect on the aquifer or any connected surface water body
 - iv. groundwater quality if irrigation is likely to have an adverse effect on soils.

Good to know....

The level of detail of the information provided by the applicant regarding potential economic, social, environmental and cultural effects should be in context with the scale of the proposed activity.

3. Information about the effects on other users (affected parties)

This must include the following:

- An identification of those persons interested in or affected by the activity, any consultation undertaken, and any response to the views of those consulted.
- An assessment of the effect of the take on other users of the source water body.
- A statement about how the applicant proposes to work with other water users; and whether there is a water supply scheme in the area.

Good to know....

The ORC can advise you of those parties who may be considered to be potentially adversely affected by your proposed activity and can also instruct you regarding iwi consultation. If an application is submitted without written approvals of potentially affected parties, the application goes “on hold” until these written approvals have been received. Failure to obtain written approvals from affected parties within a reasonable timeframe can result in your application requiring ‘limited notification’.

4. Statutory assessment against existing documents

Information must be supplied in a resource consent application about how the proposed activity will fit in with the relevant provisions of various relevant statutory documents. These include:

- i. a national environmental standard;
- ii. other regulations;
- iii. a national policy statement;
- iv. a New Zealand coastal policy statement;
- v. a regional policy statement or proposed regional policy statement;
- vi. a plan or proposed plan.

Good to know....

The ORC can advise you of those documents. There is also help available on the Quality Planning website: <http://www.qualityplanning.org.nz/index.php/consents> Water Plan provisions that must be addressed are presented in sections 3.6 and 5 of this Guide.

Chapter 16 of the Water Plan sets out the general and specific information requirements when applying to replace an existing resource consent to take surface water or a deemed permits under Section 413(1)(c) of the RMA).

2.3 When to apply for a resource consent (replacing an existing permit)

Applications for resource consent to take and use water that are to replace an existing water permit must be lodged at least 6 months before the existing water permit expires, to ensure allocation is retained. Where an application to replace an existing water permit has not been lodged and received by the council at least 3 months before the permit’s expiry, the applicant may lose existing allocation.

3. Assessing resource consent applications

The information supplied in a resource consent application will be taken into consideration by ORC against various matters. Section 104 of the RMA sets out the matters that need to be considered when assessing an application for resource consent. These include:

- I. any actual and potential effects of the proposed activity on the environment, and
- II. any relevant provisions of the documents listed under section 2.2 4. (above).

The following sections provide an overview of the various matters and documents that may be considered relevant by ORC when processing an application for resource consent to take water and outline how the provisions within these documents may guide decision-makers.

3.1 Environmental effects

The description of environmental effects will assist ORC in determining if the effects of your proposed activity are minor or more significant, and whether your application should proceed under non-notified, limited notified or fully notified consent procedures.

3.2 Part II of the RMA

In order for consent to be granted the proposed activity must be consistent with the purpose and principles of the Act, as outlined in Section 5. The water take will have no more than minor effect on downstream water bodies' ability to meet the reasonably foreseeable needs of future generations, and on the life-supporting capacity of the water bodies or any ecosystems associated with them.

The application must also be consistent with the requirements of RMA Sections 5, 6 and 7.

3.3 National environmental standards

The National Environmental Standard for Sources of Human Drinking Water

The National Environmental Standard for Sources of Human Drinking Water needs to be considered when assessing water permits that have the potential to affect registered drinking water supplies that provide 501 or more people with drinking water for 60 or more calendar days each year.

3.4 National policy statements

National Policy Statement for Freshwater Management 2014

The National Policy Statement for Freshwater Management 2014 (NPSFM) provides overarching objectives and policies for managing the quality and quantity of freshwater. The NPSFM requires ORC to avoid or phase out over-allocation and to safeguard the life-supporting capacity, ecosystem processes and indigenous species of fresh water.

National Policy Statement on Renewable Electricity

For takes where Contact Energy Ltd is an affected party, ORC will consider the National Policy Statement on Renewable Electricity Generation. This document has the objective of recognising the national significance of renewable electricity generation activities by providing for the development, operation, maintenance and upgrading of new and existing renewable electricity generation activities.

3.5 Regional Policy Statement

Operative Regional Policy Statement

The operative Regional Policy Statement (RPS) provides an overview of Otago's resource management issues, and ways of achieving integrated management of natural and physical resources. The table below shows the most important objectives and policies of the RPS that relate to the management of freshwater and which will be considered by ORC when processing applications for resource consent to take water.

Objective 6.4.1	Ensuring the economic, social and cultural well-being of communities.
Objective 6.4.3	Safeguarding the life-supporting capacity of Otago's water resources.
Objective 6.4.4	Maintaining ecological, intrinsic, amenity and cultural values.
Policy 6.5.1	Recognising the relationship Iwi have with Otago's water resources.
Policy 6.5.2	To jointly consider competing needs and values.
Policy 6.5.3	To promote the efficient use of water.
Policy 6.5.4	To set and apply minimum flows.

Proposed RPS

The Proposed RPS for Otago was notified on 23 May 2015, and has legal effect. Both the operative RPS and Proposed RPS must be considered when making water-related resource consent decisions, until the reviewed RPS is made operative. The table below shows the main provisions in the Proposed RPS that provide guidance.

Objective 1.1	The principles of Te Tiriti o Waitangi are taken into account in resource management decisions
Policy 1.1.2	Taking the principles of Te Tiriti o Waitangi into account
Objective 2.1	The values of Otago's natural and physical resources are recognised, maintained and enhanced
Policy 2.1.1	Managing for freshwater values
Policy 2.1.2	Managing for the values of beds of rivers and lakes, wetlands, and their margins
Objective 2.3	Natural resource systems and their interdependencies are recognised
Policy 2.3.3	Applying an integrated management approach for freshwater catchments
Objective 4.4	Otago's communities can make the most of the natural and built resources available for use
Policy 4.4.1	Ensuring efficient water allocation and use

3.6 Regional Plan: Water for Otago

The Regional Plan: Water for Otago (Water Plan) regulates the sustainable management of Otago region's freshwater resources. It is aimed at enabling the use and development of freshwater where this can be undertaken in a sustainable way, and sets out to provide a regulatory framework for various activities that involve freshwater, including the taking and use of groundwater and surface water.

Chapter 6 (Water Quantity) of the Water Plan sets up the framework for managing surface water and groundwater in Otago and contains objectives and policies that will be considered by ORC when processing a resource consent application.¹

The main objectives and policies of Chapter 6 of the Water Plan that will be considered by ORC when processing applications for resource consent to take water are listed below. These objectives and policies can be grouped in four categories:

1. Avoiding over allocation / protecting instream values
2. Promoting efficient water use
3. Promoting cooperation among water users
4. Providing certainty for new and existing uses.

1. Avoiding over allocation / protecting instream values

Objective 6.3.1	Safeguarding the life-supporting capacity and natural character of Otago's water resources
Policy 6.4.1A	Management of groundwater connected to surface water
Policy 6.4.2	Primary allocation and primary allocation limits
Policy 6.4.3	Primary allocation minimum flow
Policy 6.4.7	Residual flow
Policy 6.4.9	Supplementary allocation and supplementary minimum flow

2. Promoting efficient water use

Objective 6.3.3	Minimising conflict among water users
Policy 6.4.0A	Allocation for the purpose of use
Policy 6.4.0C	Nearest practicable source
Policy 6.4.2A	When a primary allocation take will be no more than under an existing consent
Policy 6.4.2AA	When actual taking reflects supplementary allocation taking
Policy 6.4.17	Consent transfers retaining allocation status
Policy 6.4.18	Cancellation of unused consents
Policy 6.6.1	Promotion of water conservation practices
Policy 6.6.2	Promotion of water storage

¹ In addition to the Policies in Chapter 6: Water Quantity of the Water Plan, ORC can also assess the application against the policies in Chapter 5: Natural and Human Use Values of Lakes and Rivers.

3. Promoting cooperation among water users

Policy 6.4.0B	Promotion of shared use and management
Policy 6.4.12	Water allocation committees
Policy 6.4.12A	Water management groups
Policy 6.4.13	Restriction of takes by Council-approved rationing regime
Policy 6.6.0	Promotion of shared water infrastructure
Policy 6.6.3	Promotion of cooperation

4. Providing certainty for new and existing uses

Objective 6.3.3	Minimising conflict among water takers
Policy 6.4.2A	When a primary allocation take will be no more than under an existing consent
Policy 6.4.5	Application of minimum flows
Policy 6.4.6	Exception to the primary allocation minimum flow
Policy 6.4.19	Duration of consent

3.7 Other relevant documents

Other relevant documents that may be considered by ORC when considering resource consent applications include the Resource Management (Measurement and Reporting of Water Takes) Regulations 2010 and the two Kai Tahu ki Otago Natural Resource Management Plans (1995 and 2005).

4. Discretion of Council to grant resource consent

The Water Plan classifies different activities under different activity statuses. The table below sets out the status for various activities related to the taking and use of surface and connected groundwater.

Proposed activity	Allocation status of resource	Activity status	Rule
Taking and use of water as primary allocation, not previously taken under an existing consent	Allocation available	Restricted discretionary	12.1.4.2 12.1.4.6
	No/insufficient allocation available	Prohibited	12.0.1.1 12.0.1.2
Taking and use of water as primary allocation, currently taken under an existing consent at a rate or a volume that equals or is less than what is currently taken under that existing consent	Allocation available	Restricted discretionary	12.1.4.4 12.1.4.5
	No/insufficient allocation available	Restricted discretionary	12.1.4.5
Taking and use of water as primary allocation, currently taken under an existing consent, but at a rate or a volume of take greater than what is currently taken under that existing consent	Allocation available	Restricted discretionary	12.1.4.4 12.1.4.6
	No/insufficient allocation available	Prohibited	12.0.1.1 12.0.1.2
To change the point of take for an existing water take	Allocation available	Discretionary	12.1.5.1
	No/insufficient allocation available	Discretionary	12.1.5.1

4.1 When discretion of the consent authority is restricted

When ORC receives an application for resource consent to carry out an activity that is classified by the Water Plan as a **Restricted Discretionary Activity**, ORC may, subject to limiting itself to the matters for discretion, grant or refuse consent.

Where a resource consent application is received to take and use surface water from a catchment as primary allocation and where the taking and use of that water was authorised by resource consent (or by deemed permit) granted before 1998 the following rules of the Water Plan apply:

- Rule 12.1.4.4 if the catchment is listed in Schedule 2A.
- Rule 12.1.4.5 if the catchment is not listed in Schedule 2A.

When considering a resource consent application for the taking and use of water in terms of Rules 12.1.4.4 and 12.1.4.5, ORC will restrict the exercise of its discretion to the restricted discretionary activity considerations listed in Rule 12.1.4.8. ORC can only set conditions (if the resource consent is granted) that are relevant to the matters to which it has restricted its discretion.²

² Similarly, where a resource consent application is received to take and use groundwater from an aquifer and where the taking and use of that water was authorised by an existing resource consent Rule 12.2.3.2A applies

Any decision to approve/decline an application to replace an existing resource consent or a deemed permits under RMA Section 413(1)(c) can only be based on the matters listed in Rule 12.1.4.8.

The table below sets out some of the key restricted discretionary activity considerations listed in Rule 12.1.4.8 that are of particular significance to the taking of water. Reference will also be made to any of the Chapter 6 policies that may provide guidance when considering these matters. These policies will be discussed in more detail in section 5 of this Guide. Note that the matters outlined below do not restrict Council's discretion to consider any positive effects from a proposed activity.

Restricted discretionary activity consideration	Relevant policies
(i) The primary and supplementary allocation limits for the catchment;	Policy 6.4.2 Policy 6.4.2A Policy 6.4.9
(ii) Whether the proposed take is primary or supplementary allocation for the catchment;	Policy 6.4.2A Policy 6.4.2AA
(iii) The rate, volume, timing and frequency of water to be taken and used;	Policy 6.4.0A Policy 6.4.2A Policy 6.4.19
(iv) The proposed methods of take, delivery and application of the water taken;	Policy 6.6.0 Policy 6.6.1 Policy 6.6.2 Policy 6.6.3
(v) The source of water available to be taken;	Policy 6.4.0C Policy 6.4.1A
(vi) The location of the use of the water, when it will be taken out of a local catchment;	Policy 6.4.0C
(viii) The minimum flow to be applied to the take of water, if consent is granted;	Policy 6.4.5 Policy 6.4.6
(ix) Where the minimum flow is to be measured, if consent is granted;	Policy 6.4.3
(x) The consent being exercised or suspended in accordance with any Council approved rationing regime;	Policy 6.4.12

and ORC will restrict the exercise of its discretion to the restricted discretionary activity considerations listed in Rule 12.2.3.4. Hence, any decision to approve/decline an application can be based only on the matters listed.

Restricted discretionary activity consideration	Relevant policies
(xi) Any need for a residual flow at the point of take;	Policy 6.4.7
(xviii) Any arrangement for cooperation with other takers or users;	Policy 6.4.0B Policy 6.4.12 Policy 6.4.12A-C Policy 6.4.13
(xx) The duration of the resource consent;	Policy 6.4.19

4.2 When discretion of the consent authority is not restricted

In some instances applications made by water permit holders to replace an existing consent are not processed as a restricted discretionary activity under Rule 12.1.4.4 or Rule 12.1.4.5. Instead these are **Discretionary Activities**, sometimes called ‘full discretionary activities’, and are dealt with under Rule 12.1.5.1.

This is the case when existing consent holders seek to:

- take a greater rate or volume of water than is currently consented
- change the point of take for an existing water take.

When you submit an application for resource consent to carry out an activity that is classified by the Water Plan as discretionary, ORC retains full discretion to grant or decline consent and the consent conditions are not restricted to a limited number of matters. The council may exercise its discretion in accordance with all relevant policies of the Regional Plan and the RMA, in particular Part II matters. If the resource consent is granted the council may set any conditions that fall within the Council’s powers under Section 108 of the RMA.

You cannot apply for resource consent to carry out a **Prohibited Activity** and you cannot undertake a prohibited activity.

5. Overview of key objectives and policies of the Water Plan

This section discusses in greater detail the main objectives and policies of Chapter 6 of the Water Plan that will be considered by ORC when processing applications to take and use freshwater.

Objectives and policies aimed at avoiding over allocation / protecting instream values

The Water Plan gives effect to the NPSFM by the setting of minimum flows and allocation limits for surface water bodies.

Minimum flows restrict when water can be taken from the catchment under low flow conditions. They provide for the maintenance of aquatic ecosystems and natural character of the water body during times when there is insufficient water present to fully support both in-stream and out-of-stream uses.

Allocation limits are set to avoid over-allocation, as over-allocation poses a threat to aquatic ecosystems and the natural character of our rivers and lakes, and reduces the surety of supply for existing water users.

A water body is considered over-allocated when water from this resource has been allocated beyond the allocation limit. In those instances, the Water Plan applies a “sinking lid” in order to gradually bring the allocation back to a sustainable level. This is done by avoiding the reallocation of unutilised or inefficiently used allocation.

Relevant objectives and policies	Comment
Objective 6.3.1	This objective is adopted to safeguard the life-supporting capacity and natural character of Otago’s water resources.
Policy 6.4.1A	Water is sourced from surface and/or groundwater. Groundwater from alluvial aquifers, gravels along river margins, is often connected to surface water. This policy seeks to ensure that the management of groundwater is consistent with the management of surface water, where the two resources are closely connected.
Policy 6.4.2	This policy sets up the primary allocation framework. Primary allocation refers to the volume of water that that can be taken from a surface water body at the highest level of surety of supply The primary allocation limit is the maximum amount of water that should be taken from the river under consents classed as “primary allocation”. This policy avoids reallocating primary allocation from expired, lapsed or surrendered consents, unless the catchment is under-allocated.
Policy 6.4.3	This policy provides for the setting of minimum flows for primary allocation in Water Plan Schedule 2A. The minimum flow measurement location will be defined in the Plan.
Policy 6.4.5	This policy ensures that the minimum flows set in Schedule 2A of the Water Plan are to be applied as soon as practicable to existing

	<p>resource consents.</p> <p>In catchments dominated by deemed permits the policy allows for a transition period. In these catchments, the minimum flow will not apply until after a collective review of consents is undertaken. This will occur before 2021 if there is agreement by the holders of deemed permits to adhere to minimum flows, or on the expiry of the deemed permits on 2 October 2021.</p>
Policy 6.4.6	<p>This policy enables flexibility for circumstances where making a specific take subject to a set minimum flow is not necessary for protecting the ecosystems and natural character of a river.</p>
Policy 6.4.7	<p>This policy enables the taking of water while providing for instream values, particularly with respect to takes from tributaries that have different flow characteristics from the main stem.</p> <p>A residual flow is set at the point of take where the take is located beyond meaningful relationship with a flow monitoring site. The residual flow is set to provide for aquatic ecosystems and the natural character at the take site.</p>
Policy 6.4.9	<p>When no more water can be given out to consents as primary allocation, further water may be allocated as supplementary allocation with a higher minimum flow. This policy sets up the supplementary allocation framework.</p> <p>The supplementary allocation blocks are shown in Schedule 2B. If they are not included in Schedule 2B, any block size would be determined through Method 15.8.1.1.</p>

Promoting efficient water use

The Water Plan addresses efficiency across a wide spectrum from the resource level, the right water at the right place with least waste and loss, through to application, recognising application technology and practicality related to the amount and certainty of available water.

Efficient use of the resource has various positive outcomes. In over allocated catchments improving the efficiency of use will result in greater reliability of supply for existing water users, while also generating positive outcomes for instream values. Elsewhere, efficiency in use can maximise the amount of water available for additional takes.

Relevant objectives and policies	Comment
Objective 6.3.3	This objective recognises that the risk of conflict among water users can be reduced by minimising wastage.
Policy 6.4.0A	This policy allows for actual demand and efficiency of water use to be considered during consent decision-making, in order to minimise wastage of water.
Policy 6.4.0C	The consideration of alternative water supplies is an important tool to reduce the pressure of water taking on an over-allocated resource, particularly when water for use is exported outside of a

	<p>water-short catchment or where water users have access to an alternative water source that provides greater surety of supply. In such instances, if viable alternatives exist applications may be declined, or may be granted a short term consent.</p> <p>This policy promotes the local use of water (ahead of exporting water that may exacerbate local shortage), or reducing demand in water short areas by promoting the use of alternative water sources with more reliable supply where practicable and accessible. The most appropriate source will be determined using economic, social, environmental and cultural effects when comparing alternatives.</p>
<p>Policy 6.4.2A</p>	<p>This policy provides for the replacement of existing consents (and deemed permits) within primary allocation, but also plays an important role in ensuring efficiency in the use of water.</p> <p>When processing applications to renew an existing consent to take water from an over-allocated catchment, consideration will be given to actual water taking and usage in the past. Only water historically accessed will be considered for granting. People applying for replacement consent will need to provide evidence of their taking during the last 5 years, with their application.</p> <p>Also, the taking will recognise natural characteristics of the site and how they impact on the application and availability of water for the intended use. These characteristics, best practice, and other matters also relate to determining consent duration. Some existing consents are not fully exercised, for example because the consent holder does not typically need the full allocation that was granted, or because the water is not able to be physically accessed. Re-granting such consents is not sustainable management of the water resource, and is unfair to potential users.</p> <p>Where people request a greater rate or volume of water than is currently consented and the resource is fully (or over) allocated, this water will not be available under the same conditions as the expiring/existing consent. In those situations, any water that is available to be allocated will have to be taken at higher river flows (i.e. as “supplementary” allocation).</p>
<p>Policy 6.4.2AA</p>	<p>When processing an application to renew an existing consent consideration will be given to existing constraints on water taking. If water is currently taken from within primary allocation and there are no management or physical constraints on exercising the existing water permit then it is assessed as primary allocation. However, if current constraints on taking mean that water can only be taken at high flows then this water may be allocated under a new consent as supplementary allocation.</p>
<p>Policy 6.4.17</p>	<p>This policy provides for the granting of applications to transfer a consent holder’s interest in a water permit to another person on another site, or to another site providing:</p> <ul style="list-style-type: none"> • The transfer is within the same catchment; and • The total take from the water body following transfer does not exceed that occurring prior to the transfer; and

	<ul style="list-style-type: none"> • The quantity of water taken is no more than that required for the purpose of use; and • There is no more than minor adverse effect on any lawful use or natural or human use value.
Policy 6.4.18	This policy enables ORC to cancel consents that have not been used for a continuous period of 2 years or more.
Policy 6.6.1	<p>Use of conservation practices, efficient application technology and storage can reduce waste of water.</p> <p>This policy promotes the efficient use and conservation of water as a means of increasing the availability and reliability of supplies for existing water users and additional new water users.</p>
Policy 6.6.2	This policy promotes water storage as a means of increasing the efficient use of the water resource.

Promoting cooperation between water users

The Water Plan enables groups of water users to form and take on more responsibility in managing the taking and use of water. Cooperation between water users is a means of effectively managing water rationing to avoid or delay reaching the minimum flow and can assist with achieving efficiencies in both water use and infrastructure development.

Relevant policies	Comment
Policy 6.4.0B	This policy promotes the shared use and management of water and water supply infrastructure, as these arrangements may promote efficiencies in water use and infrastructure development.
Policy 6.4.12	<p>This policy promotes the formation of water allocation committees as a means of effectively managing water rationing to avoid or delay reaching the minimum flow.</p> <p>The committees are made up of local representatives of people taking water from the catchment and the Council appoints such committees as subcommittees of the Council.</p>
Policy 6.4.12A-C	<p>This policy enables groups of water users to form and take on more responsibility in managing the taking and use of water. Water management groups are supported, approved and promoted by the Council, as such arrangements may promote efficiencies in both water use and infrastructure development. They provide flexibility for two or more consent holders to cooperate in exercising their consent(s).</p> <p>The policy sets out the functions of water management groups. Appendix 2A of the Water Plan outlines the criteria for consent holders or applicants to be approved by Council as a water management group.</p>
Policy 6.4.13	This policy provides for the restriction of water takes in accordance with a Council-approved rationing regime as a means of enabling the fair sharing of water under low flow conditions, and assisting in

	<p>delaying the wider suspension of takes, through avoiding the minimum flow being reached or a water shortage direction being imposed.</p> <p>Rationing regimes may be proposed by water allocation committees, water management groups or the Council.</p>
Policy 6.6.0	<p>Management of water take and use at a group level may create management efficiency.</p> <p>This policy promotes future investments in shared water infrastructure as a means of achieving the sustainable management of water resources.</p>
Policy 6.6.3	<p>This policy enables the cooperation of deemed permit holders as a means of supporting the transition from deemed permits to resource consents.</p>

Providing certainty for new and existing uses

The RMA gives ORC the authority to grant resource consents to take water for any duration period up to 35 years from the date of granting.

The Water Plan provides for the consideration of the value of planned or existing infrastructure investments when determining the duration of resource consents to be granted for new or existing water takes.

The Water Plan also looks after existing uses and values that are supported by the region's water resources in various other ways:

- Providing for the replacement of existing consents to take water, provided this water has been effectively taken and efficiently used on a regular basis in the past.
- Ensuring reliable access or improving access to water for existing users by setting allocation limits and promoting efficiency and avoiding wastage of water.
- Offering a transition period where minimum flows are set in over-allocated catchments dominated by deemed permits.
- Providing for short term consents where appropriate (e.g. need for adaptive management practices).

Relevant objectives and policies	Comment
Objective 6.3.3	This objective recognises the need to consider the effect of new takes on existing takes and the value of investments made in water supply infrastructure.
Policy 6.4.2A	This policy provides for the replacement of existing water permits and allows decision-makers to allocate, in the replacement consent, the quantity of water that has been historically accessed.
Policy 6.4.5	This policy seeks to ensure that the minimum flow provisions in Schedule 2A of the Water Plan are applied to existing resource consents as soon as practicable. The policy stipulates that in specified over-allocated catchments dominated by deemed permits

	<p>the minimum flow will not apply until after a collective review of consents is undertaken. This will occur before 2021 if there is agreement by the holders of deemed permits to adhere to minimum flows, or on the expiry of the deemed permits on 2 October 2021.</p> <p>The policy effectively allows for a transition period, enabling consent holders to investigate the feasibility of measures that mitigate the effect of a minimum flow on water availability. These measures may include the formation of a water management group, the use of more efficient irrigation practices, or the use of an alternative source.</p>
<p>Policy 6.4.6</p>	<p>This policy allows decision-makers to consider granting resource consent to take water that is exempt from the primary minimum flow in Schedule 2A, where such take will have no more than minor effect.</p> <p>While the policy provides for flexibility, decision-makers will use this policy with caution as granting primary allocation consents that are exempt from the Schedule 2A minimum flow could set an undesirable precedent and raises the question about fairness to other consent holders.</p>
<p>Policy 6.4.19</p>	<p>The Water Plan does not prescribe the duration of resource consents, as long as they do not exceed the 35 year term. Policy 6.4.19 ensures that when setting the duration of resource consent Council will have regard to the particular circumstances of the activity. The Policy sets out the assessment criteria to be considered when deciding on the duration of the consent.</p> <p>This policy provides certainty about the matters considered, including purpose of use, opportunity to address future effects through review of consent, value of investment and use of industry best practice.</p> <p>The policy also provides for the granting of short-term consents where there is a need for adaptive measures that allow consent holders to gradually transition towards a new water management regime.</p>

6. 2021 and beyond

Unlike resource consents, deemed permits under Section 413 (1)(c) of the RMA, have a priority system for access to water, and are not subject to any conditions to mitigate or avoid adverse effects. The expiry of the deemed permits in October 2021 and their replacement by new resource consents will mark the start of a new era for water takers in many Central Otago catchments.

Water users who have successfully applied to replace a deemed permit with a resource consent will be able to continue taking water. However, as discussed in previous sections, the rates or volumes of water that will be allocated under a new consent will be a reflection of historic water use, rather than the total rate or volume of water allocated under the existing deemed permit.

Where appropriate, water users seeking to replace their deemed permit with a new resource consent will be made subject to consent conditions aimed at avoiding, mitigating or remedying any adverse effects of the activity on the environment. This may include a condition stipulating the obligation to observe a minimum flow or residual flow.

The expiry of the deemed permits will also mark the end of the priority system, as ORC does not seek to impose any priority in water taking between consent holders through the consenting regime. Water users may choose to continue operating under a priority system through the formation of water management groups. Such arrangements are voluntary. Furthermore, Policy 6.4.2AA will ensure that the rates or volumes of take allocated under a new resource consent will reflect historic availability and practical access to water.