

28th April 2017

Clean Water Consultation 2017
Ministry for the Environment
PO Box 10362
Wellington 6143

By Email: watersubmissions@submissionsmfe.govt.nz

Dear Sir/Madam

Submission: Clean Water Consultation 2017

Please find attached Ballance Agri-Nutrients Limited's submission on the Government's proposed changes to the National Policy Statement for Freshwater Management ('NPSFM') as outlined in the document titled "Clean Water" that was published in February 2017.

Ballance recognises the significant efforts made over the past ten years by regulators and landowners alike to improve the quality of water in New Zealand. Ballance sees the NPSFM as having a critical role in coordinating these efforts and providing assurance to communities that their objectives are achievable.

Ballance Agri-Nutrients supports the Government continuing to improve the workability of the NPSFM, and providing focus for managing expectations and efforts related to improving swimmability of waterbodies.

We supports many aspects of the changes to the NPSFM proposed in the Government's Clean Water document. At the same time, we have suggested two changes to the amendments. Our support and the changes sought are outlined in the attached submission. Water quality may decline, even with intervention, below its existing attribute band for a period due to the lag effects of past nutrient losses. The NPSFM needs to address this lag effect.

Ballance is happy to be contacted by Government officials should there be any queries with respect to this submission.

Yours sincerely

Ballance Agri-Nutrients Limited



Kevin Wood
Environmental Manager

**SUBMISSION ON PROPOSED CHANGES TO
NATIONAL POLICY STATEMENT FOR FRESHWATER MANAGEMENT
CONTAINED WITHIN CLEAN WATER CONSULTATION DOCUMENT 2017**

To: Ministry for the Environment

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This is a submission on the following:

The proposed changes to the National Policy Statement for Freshwater Management as outlined in the document titled "Clean Water" that was published by the Ministry for the Environment in February 2017.

1 BACKGROUND ON THE SUBMITTER

Ballance Agri-Nutrients Limited (hereafter referred to as '**Ballance**') is a New Zealand farmer-owned co-operative that helps its customers to farm more productively, profitably and sustainably.

Beyond the core business of fertiliser manufacturing, supply, sales and advice, Ballance offers farmers a full range of science-backed nutrient products and services. This enables Ballance to help farmers achieve soil and animal nutrition and productivity with a minimal environmental footprint. Ballance's Agri-Nutrient advice is complemented by award-winning web-based farm systems software, which enables farmers to capture and analyse a wealth of information, and so make the best management decisions for their business. As well as supporting New Zealand farmers, Ballance also supplies products to a range of industrial businesses.

Ballance is committed to sustainability. We are proud to have been associated with the New Zealand Farm Environment Trust that facilitates the annual Ballance Farm Environment Awards to highlight the nation's environmentally responsible and profitable farmers while providing all entrants with information on best-practice management of their natural resources.

2 SWIMMABILITY

2.1 Comment

The Government is proposing a suite of changes to the NPSFM to require councils to identify in regional plans the lakes and rivers that are currently suitable for swimming, and which water bodies will be improved so they are suitable for swimming more often, with specified timeframes for improvement. The proposed amendments will require regional councils to consider swimming at all points of the objective and limit-setting process, and to report publicly how often lakes and rivers are suitable for swimming.

Ballance recognises public concerns about the quality of freshwater for swimming. Ballance sees the NPSFM as a key tool for directing the focus of regional councils in this regard.

Ballance supports the direction provided by the proposed changes. In particular, Ballance supports:

- a) the focus being on rivers in the fourth order or above and lakes larger than 1.5 kilometres in perimeter on average; and
- b) retention of the ability for councils and communities to prioritise particular rivers and lakes for improved swimmability and the timeframes over which these improvements will be achieved.

Improvements in water quality will inevitably involve costs to the community of some form (for example, changes in technology and/or land use activities applied, or public funded improvements). It is important that communities are able to make informed decisions, through council processes, about their goals and associated timeframes.

2.2 Relief sought:

Retain the following:

- a) Flexibility for councils to prioritise particular rivers and lakes for improved swimmability and the timeframes over which these improvements will be achieved; and
- b) The swimmability focus being on rivers in the fourth order or above and lakes larger than 1.5 kilometres in perimeter on average.

3 ECONOMIC IMPLICATIONS

3.1 Comment

The Government is proposing to amend the NPSFM to clarify that regional councils must consider the community's economic wellbeing when making decisions about the level and pace of improvements in water quality and quantity.

Ballance is acutely aware that implementing the NPSFM results in costs for individuals and communities as a whole. Ballance considers that it is critical that the economic impacts of freshwater quality and quantity limits, and associated timeframes, are factored into council decision making; and that adjustments are made to the scale of change sought and associated timeframes where economic impacts are considered too high.

Ballance supports the general direction provided by the proposed changes.

However, we do not completely support the proposed changes to Objective A2. These changes include the following:

"The overall quality of fresh water within a ~~region~~freshwater management unit is maintained or improved while:

- a) *protecting the significant values of outstanding freshwater bodies;*
- b) *protecting the significant values of wetlands; and*
- c) *improving the quality of fresh water in water bodies that have been degraded by human activities to the point of being over-allocated;*

then providing for economic well-being, including productive economic opportunities, within environmental limits."

Use of the term "*then*" creates a timing difference between 'a), b) and c)' versus "*providing for economic wellbeing*".

Our concern predominantly relates to c). A freshwater objective can address matters beyond the compulsory national values that must be provided for, and can extend to objectives based on broad local community values. Accordingly, as written, Objective A2 appears to require that any over-allocation be addressed before economic wellbeing is provided for.

We understand that the Government's intent is to require that impacts on economic wellbeing are considered during the process of identifying values and setting objectives, limits and related

timeframes, and therefore the scale of over-allocation, since the economic implications may lead to adjustments to the limits and timeframes adopted.

Accordingly, we recommend that “then” be changed to “while” i.e.

“...~~then~~ while providing for economic well-being, including productive economic opportunities, within environmental limits.”

3.2 Relief sought:

Retain the proposed changes to the Preamble, Objective B1 and Policy CA2.

Amend Objective A2 as follows:

“The overall quality of fresh water within a ~~region~~-freshwater management unit is maintained or improved while:

- a) *protecting the significant values of outstanding freshwater bodies;*
- b) *protecting the significant values of wetlands; and*
- c) *improving the quality of fresh water in water bodies that have been degraded by human activities to the point of being over-allocated;*

then while providing for economic well-being, including productive economic opportunities, within environmental limits.”

4 TE MANA O TE WAI

4.1 Comment

The concept of Te Mana o Te Wai was introduced to the NPSFM in 2014, however its meaning and effect when implementing the NPSFM has remained unclear. The Government, in its Clean Water document, has proposed a suite of changes to the NPSFM to clarify what Te Mana o Te Wai means and how to implement it. Ballance generally supports the proposed changes in this regard. In particular, we support:

- a) Proposed changes to the Preamble, page 4, which insert the following words:
“Te Mana o te Wai is an integral part of the framework that forms the platform for community discussions about the desired state of fresh water relative to the current state”;
- b) Proposed new section on page 8 titled “National significance of fresh water and Te Mana o te Wai”; and
- c) Proposed new Objective AAA1 and Policy AAA1 on page 11.

4.2 Relief sought:

Retain the following:

- a) Proposed changes to the Preamble relating to Te Mana o Te Wai on page 4 of the NPSFM;
- b) Proposed new section on page 8 of the NPSFM titled “National significance of fresh water and Te Mana o te Wai”; and
- c) Proposed new Objective AAA1 and Policy AAA1 on page 11 of the NPSFM.

5 MAINTAIN OR IMPROVE OVERALL WATER QUALITY

5.1 Comment

To date, the NPSFM has required regional councils to ‘maintain or improve overall water quality’ across their region. The Government notes in its Clean Water document that this “provides regional councils and their communities some flexibility when establishing freshwater objectives

in their regions". The Government has proposed changes to the preamble and a new component of Policy CA2 to address this issue.

Ballance supports these proposed changes. Ideally, water quality objectives are set to an attribute band to account for temporal and spatial variation and not to a specific value.

At the same time, Ballance is concerned about how lag effects in groundwater quality is accommodated when it effects surface water. For example, in parts of Canterbury or the Waikato the movement of nitrogen in groundwater down catchments can take some years. It is possible that landowners can significantly improve their practices and reduce their nitrogen losses while the concentration of total nitrogen in waterbodies can continue to increase due to historic nitrogen losses making their way through the groundwater system.

Ballance requests specific acknowledgment in the NPSFM that water quality may decline below its existing attribute band for a period of time, due to the lag effects of past nutrient losses, before applying the expectations of maintaining or improving over water quality from today's water quality state.

5.2 Relief sought:

Retain the following:

- a) Proposed changes to the Preamble relating to maintaining overall freshwater quality on page 4 of the NPSFM;
- b) Proposed new Policy CA2 (e) (iia).

Insert a further amendment that specifically acknowledges that water quality may decline below its existing attribute band for a period of time, due to the lag effects of past nutrient losses, before the expectations of maintaining or improving over water quality is applied.

6 THE EFFECT OF NATIONAL BOTTOM LINES ON INFRASTRUCTURE

6.1 Comment

Currently regional councils can consider setting freshwater objectives below compulsory national bottom lines if current water quality is below the national bottom line and if this is caused by either naturally occurring processes or infrastructure listed in Appendix 3 of the NPSFM. Appendix 3 is currently empty and the Government has stated that they do not propose populating it at this stage. However, they are proposing to clarify that, with respect to significant infrastructure, regional councils can only set freshwater objectives below national bottom lines for attributes that are currently below national bottom lines; and only in the physical area where the infrastructure contributes to the degraded water quality; and only when it is reasonably necessary for the continued operation of the infrastructure.

The proposed changes clarify and narrow the potential for infrastructure related exceptions to achieving the national bottom lines. Ballance supports these clarifications.

6.2 Relief sought

Retain the proposed changes to Policy CA3.