

8 March 2016

The Chief Executive
 Waikato Regional Council
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Dear Vaughan

Proposed Waikato Regional Plan Change 1 – Waikato and Waipa River Catchments

Please find attached Timberlands Limited submission on Plan Change 1.


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I could not gain an advantage in trade competition through this submission.
 I am directly affected by an effect of the subject matter of the submission that:

- (a) adversely effects the environment, and
- (b) does not relate to the trade competition or the effects of trade competition.

I wish to speak at the hearing in support of my submissions.
 If others make a similar submission I will consider presenting a joint case with them at the hearing

Yours faithfully



Colin Maunder

Forest Risk Manager

Section number	Support /Oppose	Submission	Decisions sought
3.11.2(1) Objective 1	Oppose	<p>Timberlands oppose locking the 80 year nitrogen numerical attribute targets in Table 3.11-1 at the individual sub-catchment level. Locking in the maximum allowable concentration of nitrogen at the sub-catchment level also locks in the nature and scale of resource use within each sub-catchment. This would prevent those with historically had low discharges from changing to a higher emission profile and would thus have a de facto grandparenting effect Timberlands opposes grand parenting because it is inequitable and unreasonable.</p> <p>It restricts flexibility in land use. It penalises those who have put in place measures to minimise environmental impacts. Meanwhile, high-emitting land users are effectively rewarded. This sets all the wrong incentives for water quality improvement.</p> <p>Sub catchment nitrogen targets in Table 3.11-1 may also lock in reductions to a greater extent than the degree of improvement required in any particular Freshwater Management Unit (FMU) overall.</p>	<p>That the 80 year numerical attribute targets for nitrogen (including TN, nitrate-nitrogen and ammoniacal-nitrogen) are expressed as a single set of TN numerical attribute targets measured in the main stem of the Waikato River at the bottom of each FMU.</p> <p>That the 10-year numerical nitrogen attribute targets are revised to show greater consistency between sub-catchments load, making sure that that the degree of reduction required is proportionate to the amount of current discharge (e.g. those discharging more must make greater reductions).</p>
3.11.3(1)	Support in part	<p>Policy 1 directs the WRC to actively reduce the discharge of the four contaminants from land use at the sub catchment level. This means that catchments with an overall low level of pollution are also required to reduce discharges. This sinking lid approach to all sub-catchments will have the effect of grandparenting land use. Timberlands believes that the clean-up requires a proportionate response to the pollution, which this policy does not appropriately set.</p>	<p>Amend Policy 1 to read Manage and require reductions in sub-catchment-wide discharges of nitrogen, phosphorus, sediment and microbial pathogens, by: a. Enabling activities with a low level of contaminant discharge to water bodies provided those discharges do not increase; and ...</p>

3.11.3(2)	Support in part	Support that the degree of reduction required through mitigations must be proportionate to the current discharge of the four contaminants based on a property or enterprise scale. Clarify that the only purpose of a nitrogen reference point is to establish the ability to reduce discharges, and rule out the use of the nitrogen reference point to allocate or to set up for allocation of nitrogen discharge units.	Amend Policy 2 (c) Establishing a Nitrogen Reference Point for the property or enterprise for the sole purpose of establishing an ability to reduce nitrogen loss; and... Or words to like effect.
3.11.3(3)	Support in part	Support that the degree of reduction required through mitigations must be proportionate to the current discharge of the four contaminants based on a property or enterprise scale. Clarify that the only purpose of a nitrogen reference point is to establish the ability to reduce discharges, and rule out the use of the nitrogen reference point to allocate or to set up for allocation of nitrogen discharge units.	Amend Policy 3 (c) Establishing a Nitrogen Reference Point for the property or enterprise for the sole purpose of establishing an ability to reduce nitrogen loss; and... Or words to like effect.
3.11.3(4)	Support	Flexibility to allow low discharging land uses to continue or land uses to change over time where the discharge is low or is reduced, and for new low discharging land uses to establish is required.	Retain Policy 4 as currently worded
3.11.3(5) – Policy 5	Support in part	Timberlands support the principle of a staged approach, but believes that this Plan Change must have a more active policy presumption than just to “prepare” land users for further reductions, but actually set all land use in the region on an aligned trajectory toward achievement of the long term targets.	Amend Policy 5 to create a clearer implementation path toward achievement of the long term targets, within the life of this plan.



3.11.3(6) – Policy 6	oppose	<p>Timberlands opposes the “hold the line” approach of Policy 6. This has the effect of grandparenting existing discharges which rewards those with high discharge and penalises those who contributed least to the problem. Those with forested land, contributing least to the problem, have all their land use optionality removed. Meanwhile those who are polluting the most have the greatest flexibility and options.</p> <p>Land use creating low levels of contamination are being used as offsets for land use with a high contamination profile – with those offsets being taken by regulation rather than being compensated for. Land owners with forests thus bear the cost of externalities created by others.</p>	Delete Policy 6
3.11.3(7) – Policy 7	Oppose	<p>The allocation of rights to discharge contaminants from land use are likely to lead to a range of behaviours totally inconsistent with goals of improving water quality. Timberlands also believes that there are no suitable tools to make such allocations in any meaningful way at present, and that use of “Overseer” in this context pushes it well beyond its area of competence. Should Council persevere in developing an allocation regime, Timberlands supports the use of principle a.</p> <p>On the basis that we oppose Policy 6, there is no need for policy 7, as it is only necessary because of policy 6 allocation.</p> <p>Timberlands believes there is value in characterising pollution outputs, as a tool for reducing pollution by those creating the highest amounts. Timberlands therefore seeks that Policy 7 is completely reframed as an information gathering policy for the purposes of allowing accurate regulatory interventions on the highest polluters.</p>	<p>Delete Policy 7 and replace with:</p> <p><u>Collect information and undertake research about current discharges, developing appropriate modelling tools to estimate contaminant discharges, and research the spatial variability of land use and contaminant losses and the effect of contaminant discharges in different parts of the catchment that will assist in defining ‘land suitability’.</u></p> <p><u>Any future regulation should consider the following principles:</u></p> <p><u>a. Land suitability which reflects the biophysical and climate properties, the risk of contaminant discharges from that land, and the sensitivity of the receiving water body, as a starting point (i.e. where the effect on the land and receiving waters will be the same, like land is treated the same for the purposes of allocation);</u></p> <p><u>b. Future regulation decisions should take advantage of new data and knowledge.</u></p>

3.11.3(8) – Policy 8	Support in part	Sub-catchment planning (Policy 9) could assist with coordinating the process for farm environment planning and identify where efficiencies could be gained, however, prioritising the sequencing for action is needed because of the complicated nature of the rules and schedules. If these were simplified, action could proceed at a much faster rate along with water quality improvements.	Retain the wording of Policy 8.
3.11.3(9) – Policy 9	Support in part	Coordinated planning in a sub-catchment, or small group of sub-catchments is likely to encourage and motivate landowners to share resources and put in place and implement mitigation measures at a scale that is far larger than individual properties.	Retain Policy 9, with amendments to specify the timeframes for implementation of the cost effective mitigations.
3.11.4.3 – Method 3	Support in part	Timberlands consider the WRC needs to develop a standardised program to monitor the effectiveness of Farm Environment Plans on a frequent basis. The frequency should only decrease where the outcome shows the mitigation measures put in place are being implemented through the Farm Environment Plans. The WRC should also prepare an audit schedule to undertake third party independent audits of Farm Environment Plans. This would bring the performance of pastoral land use in line with that of foresters, who are already audited by Council and independent third parties.	Amend Method 3.11.4.3 to require a frequent and comprehensive monitoring programme to audit Farm Environment Plans.
3.11.4.5 – Method 5	Support in part	Coordinated sub-catchment planning could achieve the required reductions in the discharge of the four contaminants more effectively, faster and at a reduced cost to land owners. Existing catchment plans may not have the specific role of targeting all four contaminants. Nitrogen pollution sources are often not a focus.	Amend Method 3.11.4.5 to read: <i>“Waikato Regional Council will work with <u>relevant stakeholders</u> to develop sub-catchment scale plans (where a catchment plan does not already exist) and where it has shown to be required <u>developing a plan would result in achieving the 10-year water quality attribute targets more efficiently. Sub-catchment planning...</u>”</i>

3.11.4.7 – Method 7	Support in part	<p>Timberlands oppose allocation of discharge contaminant “rights”.</p> <p>Allocation of pollution capacity to individual land owners drives behaviour contrary to improving water quality, and sets up competition between land users to secure allocation units. Those with a low pollution profile get confined in their land use choices, and those doing the most polluting are able to exercise a lot of choice about land use, which is inappropriate and unfair.</p> <p>There is value in identifying the type of activities that cause high level of pollution, so as to be able to focus attention on regulation to control these. Method 3.11.4.7 should be used to provide a detailed set of data and research to inform where regulation should be most appropriately targeted to.</p>	<p>Amend Method 3.11.4.7 to read,</p> <p><i>“Gather information and commission appropriate scientific research to inform any future <u>regulations to manage discharges to target high polluting activities</u>, framework for the allocation of diffuse discharges by 2026 including:</i></p> <p><i>a. Implementing processes ...</i></p>
3.11.4.8 – Method 8	Oppose	<p>Allocating nutrient “rights” is not an appropriate regime to manage the process of improving water quality in the Waikato and Waipa catchments.</p>	<p>Amend Method 3.11.4.8 to read,</p> <p><i>Waikato Regional Council will <u>use:</u></i></p> <p><i>a. Develop discharge allocation frameworks for individual properties and enterprises based taking into account the best available data, knowledge and technology at the time; and</i></p> <p><i>b. Use this on information collected under Method 3.11.4.7, to inform future changes to the Waikato Regional Plan to manage discharges of nitrogen, phosphorus, sediment and microbial pathogens at a property or enterprise-level to meet the targets[^] in the Objectives.</i></p>
3.11.4.10 – Method 10	Support	<p>To improve how water quality is managed, it is important to identify the total contaminant load and account for all sources of those contaminants.</p> <p>The WRC should consider upgrading the existing network to add new monitoring sites to those sub-catchments where:</p> <ol style="list-style-type: none"> 1. there are no sites and 2. the site location is not appropriate for water quality monitoring (those originally set up for flood monitoring) . 	<p>retain Method 3.11.4.10 as written</p>

3.11.4.10 – Method 12	Support in part	<p>Developing and disseminating good management practice (GMP) guidelines for landowners in the Waikato and Waipā River catchments will be useful to achieving Objective 3.</p> <p>However, many GMPs are already well understood. These should be implemented now, requiring actions that are already practicable and proven to be effective in reducing contaminant losses. Delaying implementation by only having them as guidance means that some of the potentially easy gains that can be made will take an unnecessarily long time. Timberlands must implement all good management practices in controlling sediment outputs from the forest now. There is no reason that other land uses with particular pollution profiles should be delaying known effective actions.</p>	<p>Amend Method 3.11.4.10 as follows:</p> <p><i>Waikato Regional Council will:</i> <u>a. require that Good management t practices are implemented;</u> <u>and</u> a. b. <i>Develop and disseminate best management practice guidelines ...</i></p>
Plan section - 3.11.5.1	support	<p>Timberlands support the approach to allow small and low intensity farming activities to continue operating at the same level of intensity and subject to the conditions listed in Rule 3.11.5.1.</p>	<p>Retain Rule 3.11.5.1. as written</p>
3.11.5.2	Support in part	<p>There is a risk that “low intensity” land uses on <20Ha blocks, could individually or cumulatively have an adverse effect on the water quality of the Waikato and Waipā Rivers.</p> <p>Collectively such properties could make a material contribution of pollutants if they are heavily stocked. It appears the exemption is that they would be very resource intensive to manage under the individual FEP approach. Substituting the FEP’s with region wide practical GMPs, including stock limits, that apply to all properties, should ensure best practice is followed everywhere, including on smaller landholdings.</p>	<p>Amend Rule 3.11.5.2 to read:</p> <p><i>The use of land for farming activities... is a permitted activity subject to the following conditions:</i></p> <ol style="list-style-type: none"> 1. <i>The property is registered with the Waikato Regional Council in conformance with Schedule A; and</i> 2. <i>Cattle, horses, deer and pigs are excluded from water bodies in conformance with Schedule C; and</i> <p><u><i>The property complies with the region-wide GMPs for pastoral land use; and</i></u> <i>Either:</i></p> <ol style="list-style-type: none"> 3. ...

3.11.5.3	Support in part	There is no reason to delay in requiring all pastoral farmers to perform in accordance with standard Good Management Practices (GMPs). These should form a basic “licence to operate” and be part of normal farm operation. E.g. effluent ponds are lined. No block grazing of fodder crops on land over 15 degrees.	Amend Rule 3.11.5.3 to read: ...3. <i>Cattle, horses, deer and pigs are excluded from water bodies in conformance with Schedule C; and</i> <u><i>The property complies with the region-wide GMPs for pastoral land use; and</i></u> ...
3.11.5.4	Support in part	There is no reason to delay in requiring all pastoral farmers to perform in accordance with standard Good Management Practices (GMPs). These should form a basic “licence to operate” and be part of normal farm operation. E.g. effluent ponds are lined. No block grazing of fodder crops on land over 15 degrees.	Amend Rule 3.11.5.4 to read: <i>Except as provided for ... is a permitted activity until:</i> <i>1. 1 January 2020 for properties or enterprises in Priority 1 sub-catchments listed in Table 3.11-2, and properties or enterprises with a Nitrogen Reference Point greater than the 75th percentile nitrogen leaching value;</i> <i>2. 1 January 2023 for properties or enterprises in Priority 2 sub-catchments listed in Table 3.11-2;</i> <i>3. 1 January 2026 for properties or enterprises in Priority 3 sub-catchments listed in Table 3.11-2;</i> <u><i>provided the property or enterprise complies with the region-wide GMPs for pastoral land use; ...</i></u>
3.11.5.6	Support in part	There is no reason to delay in requiring all pastoral farmers to perform in accordance with standard Good Management Practices (GMPs). These should form a basic “licence to operate” and be part of normal farm operation. E.g. effluent ponds are lined. No block grazing of fodder crops on land over 15 degrees.	Make such amendments as appropriate to require a GMP approach as described for rules 3.11.5.1 to 3.11.5.5



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3.11.5.7	Oppose	<p>Timberlands oppose the 'hold the line' approach. While it may appear to be the most practicable way to prevent further increases of contaminant discharges into the Waikato and Waipā River in the short-term, it is deeply inequitable.</p> <p>Should Council persist with this rule, Timberlands supports the expiry date of 1 July 2026, to send a clear signal that Rule 3.11.5.7 is an interim measure only. It must be replaced with a regulatory framework that requires those who pollute the most to carry the greatest burden of regulation and pollution abatement. Rule 3.11.5.7 signals the reverse.</p>	<p>Delete Rule 3.11.5.7. Should that relief not be accepted Timberlands seeks that the expiry date of 1 July 2026 be retained.</p>
Schedule A	support	<p>Timberlands support the requirement for registration information as set out in Schedule A.</p>	<p>Retain Schedule A as written</p>



Schedule B	Oppose in part	<p>Timberlands consider the nitrogen reference point is a useful tool to assist the WRC to assess nitrogen discharge by land uses. The proposed changes acknowledge that output capability of Overseer is useful in identifying and ranking levels of nitrogen emission from different land pastoral uses. It is not accurate enough to be used as an allocation framework.</p> <p>Timberlands seek that it be made abundantly clear that the only purpose of the nitrogen reference point is to assist with identifying the pattern of nitrogen discharge to enable Council to target high emitters. And that it is not to be used as a tool to benchmark nitrogen discharges from existing land use for allocation purposes, particularly in a way that would grandparent the discharge of nitrogen.</p>	<p>Amend Schedule B to read:</p> <p>Schedule B – Nitrogen Reference Point <i>... as follows:</i></p> <p><i>a. The Nitrogen Reference Point must be calculated by a Certified Farm Nutrient Advisor to determine <u>identify the probable amount of nitrogen being leached from the property or enterprise during the relevant reference period specified...</u></i></p> <p><i>b. The Nitrogen Reference Point shall be the <u>average nitrogen leaching loss that occurred during the reference period</u> highest annual nitrogen leaching loss that occurred during a single year (being 12 consecutive months) within the reference period...</i></p> <p><i>d. The Nitrogen Reference Point data shall comprise the electronic output file from the OVERSEER® or other approved model. <u>Any use of Overseer must follow current best practice guidance for use of Overseer and identify all instances where this has been deviated from and why.</u> , and where the OVERSEER® Model is used, it must be calculated using the OVERSEER® Best Practice Data Input Standards 2016, with the exceptions and inclusions set out in Schedule B Table 1.</i></p>
Schedule C	support	Timberlands support the requirement to progressively exclude livestock from waterways that is set out in Schedule B.	Retain Schedule C as written
Schedule 2	Support in part	<p>Timberlands conditionally supports Certified Industry Schemes. The certification process and criteria prescribed in Schedule 2 needs to identify that appropriate governance arrangements, management systems, processes, procedures and resources are in place, that will support the achievement of the water quality targets set out in Objective 3.</p> <p>The compliance action pathway is not clear, should a property or enterprise that is a member of a Certified Industry Scheme not comply with their Farm Environment Plan. Timberlands believe that such a property or enterprise should automatically be subject to Rule 3.11.5.6.</p>	Amend Schedule 2 to clearly identify the compliance action pathway, in the event that a land user of a CIS does not follow or meet the deadlines of the FEP.



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