

AND

IN THE MATTER OF **The Proposed One Plan:**
Consolidated Regional
Policy Statement, Regional
Plan and Regional Coastal
Plan for the Manawatu -
Wanganui Region

**SUPPLEMENTARY STATEMENT OF EVIDENCE BY NIGEL SADLIER OF BALLANCE
AGRI-NUTRIENTS LIMITED**

QUALIFICATIONS AND EXPERIENCE

1. My name is Nigel Sadlier. I graduated from Auckland University of Technology with an Applied Science degree, majoring in environmental management in 2004. I have been employed within the primary sector as an environmental manager since graduating and have been employed by Ballance Agri-Nutrients Ltd for one year as the Environmental Manager, based at the Head Office in Mount Maunganui. I am primarily responsible for central and regional government environmental policy analysis and environmental systems management.
2. With me is Mr Warwick Catto. Mr Catto has worked for Ballance Agri-Nutrients Ltd for 20 years as a fertiliser and nutrient management expert in addition to directing the companies research and development programme. Mr Catto has been directly involved in the development of a range of Codes of Practice including the Fertiliser Industries Nutrient Management code as well as the Fertmark and Spreadmark schemes. Mr Catto has also directed the companies technical training and nutrient management auditing processes. Mr Catto is currently employed in the role of Head of Research and Environment at Ballance, and will be available to respond to questions from the Hearing Committee as required.

INTRODUCTION

3. Ballance Agri-Nutrients Limited has superphosphate manufacturing plants located in Whangarei, Mount Maunganui and Invercargill. In addition, the company owns the ammonia-urea manufacturing plant at Kapuni in Taranki, Summit Quinphos, New Zealand's third-largest fertiliser company and Super Air, one of the country's largest agricultural aviation companies. Ballance is a 100-percent farmer-owned co-operative, with over 18,000 shareholders throughout New Zealand.

SCOPE OF EVIDENCE

4. Our supplementary evidence has been prepared as a summary of the primary considerations within our original submission and evidence.
5. This supplementary evidence is made with regard to the Horizons Regional Council Supplementary Officers Reports to the Water Hearings of the Proposed One Plan, and the Planning Evidence and Recommendations Report for Chapter 13 Discharges to Land and Water, dated 23 November 2009.

EVIDENCE

Key Submission Point # 1

Rules Agricultural Activities – Rule 13.2

6. Ballance supports the application of fertiliser as a permitted activity, the use of nutrient budgets and the application of fertiliser in accordance with the Code of Practice for Nutrient Management (New Zealand Fertilisers Manufacturers Research Association 2007).
7. However, we **oppose** Rule 13.2, as currently proposed in chapter 13 dated 23 November 2009.
8. Rule 13.2 provides for the application of fertiliser as a Permitted Activity, provided a Nutrient Budget is adopted for application of nitrogen fertiliser to land *in excess of an application rate of 60kg N/ha/year*.
9. We believe the 60kg N/ha/yr threshold to be inconsistent with current research¹, and impractical in real terms on-farm as most farming practices are likely to have two annual applications of nitrogen-based fertiliser of approximately 50-60kg N/ha.
10. Following a pre-hearing meeting between Horizons Regional Council, Fert Research, Ballance Agri-Nutrients Limited and Ravensdown Fertiliser Co-operative on 13 November 2009, the industry's concerns around Rule 13.2 were resolved in agreement with the Regional Council.
11. We therefore support the supplementary evidence of Fert Research in relation to rule 13.2.

12. Decisions Sought from the Hearing Committee on Proposed Rule 13.2

Amend Rule 13.2, condition (d) as follows:

- (a) All reasonable measures should be taken to avoid discharge to any waterbody including the possible use of placement technologies.
- (d) Where nitrogen fertiliser is applied onto land:
 - (i) in excess of an application rate of 60kg N/ha/yr across the whole farm, or
 - (ii) at 200kg N/ha/yr or more, to an individual block on a farm a nutrient budget, which takes into account all other sources of nitrogen and which is designed to minimise nitrogen leaching rates, shall be used to plan and carry out the fertiliser application
- (e) Delete.

¹ Ag Research. Wise and sustainable rates of fertiliser use on hill country. Dec 2008

Key Submission Point # 2

Rules Agricultural Activities – Rule 13.1

13. Ballance **opposes** the establishment of controlled activity status for the farming activities identified by Rule 13.1.
14. We believe permitted activity status provides the greatest long-term certainty and flexibility for farmers, and the least-cost, least-time option for both farmers and Regional Council, as a result of not having to prepare or assess Resource Consent applications and Assessments of Environmental Effects.
15. We believe the same environmental benefits can be gained from permitted activity status as they can from controlled activity status.

We understand that under controlled activity status it will be necessary for Horizons Regional Council to annually monitor performance of individual farms with regard to Nitrogen leaching as conditions of resource consent. In doing so, we are concerned that decision-support tools such as OVERSEER may be applied inappropriately to monitor on-farm performance against the proposed Table 13.2 Nitrogen Leaching/Run-off Values.

17. OVERSEER is not designed as a tactical farm management tool.
18. OVERSEER is designed as an annual time-step long-run equilibrium model of nutrient flows.
19. OVERSEER provides a benchmark allowing comparison of nutrient input and outputs under different farming scenarios.
20. Therefore, any benefits to the environment from the use of OVERSEER are a direct result of improved decisions around on-farm nutrient management practices.
21. Overall, it is not appropriate to link an OVERSEER nutrient discharge estimate to an absolute loss value, such as that proposed in Table 13.2.
22. However, in an attempt to meet the intent of the Proposed One Plan requirements, OVERSEER might be used for monitoring on-farm performance, using as an example five yearly averages, against the Table 13.2 values, but only if the Table 13.2 values are applied as notional targets or performance criteria as conditions of a permitted activity.
23. It is important to note at this point, that as a company Ballance considers the science behind the Table 13.2 thresholds to be debateable.
24. However, as a company we do not hold a formal position on a preferred allocation model. Rather, our position is to advocate the freedom to apply fertiliser in a manner that is fair and equitable, through planning requirements that apply current technologies and science appropriately.
25. In conjunction with the use of OVERSEER as a decision-support tool for on-farm nutrient management practices, we propose that adherence to the Code of Practice for Nutrient Management 2007 becomes a requirement of permitted activity status for Rule 13.1 activities.
26. We believe adherence to the Code of Practice for Nutrient Management 2007 as a requirement of permitted activity status for Rule 13.1 activities to be advantageous to Farmers, Industry and Horizons Regional Council, and consistent with the principle of the FARM Strategy.

27. Adherence to the Code of Practice for Nutrient Management 2007 would also be consistent with the industry targets already in place and being actioned as outlined in the Primary Sector Water Partnership Leadership Document, primarily the implementation of Nutrient Management Plans.
28. Overall, we support the supplementary evidence of Fert Research in relation to rule 13.1.

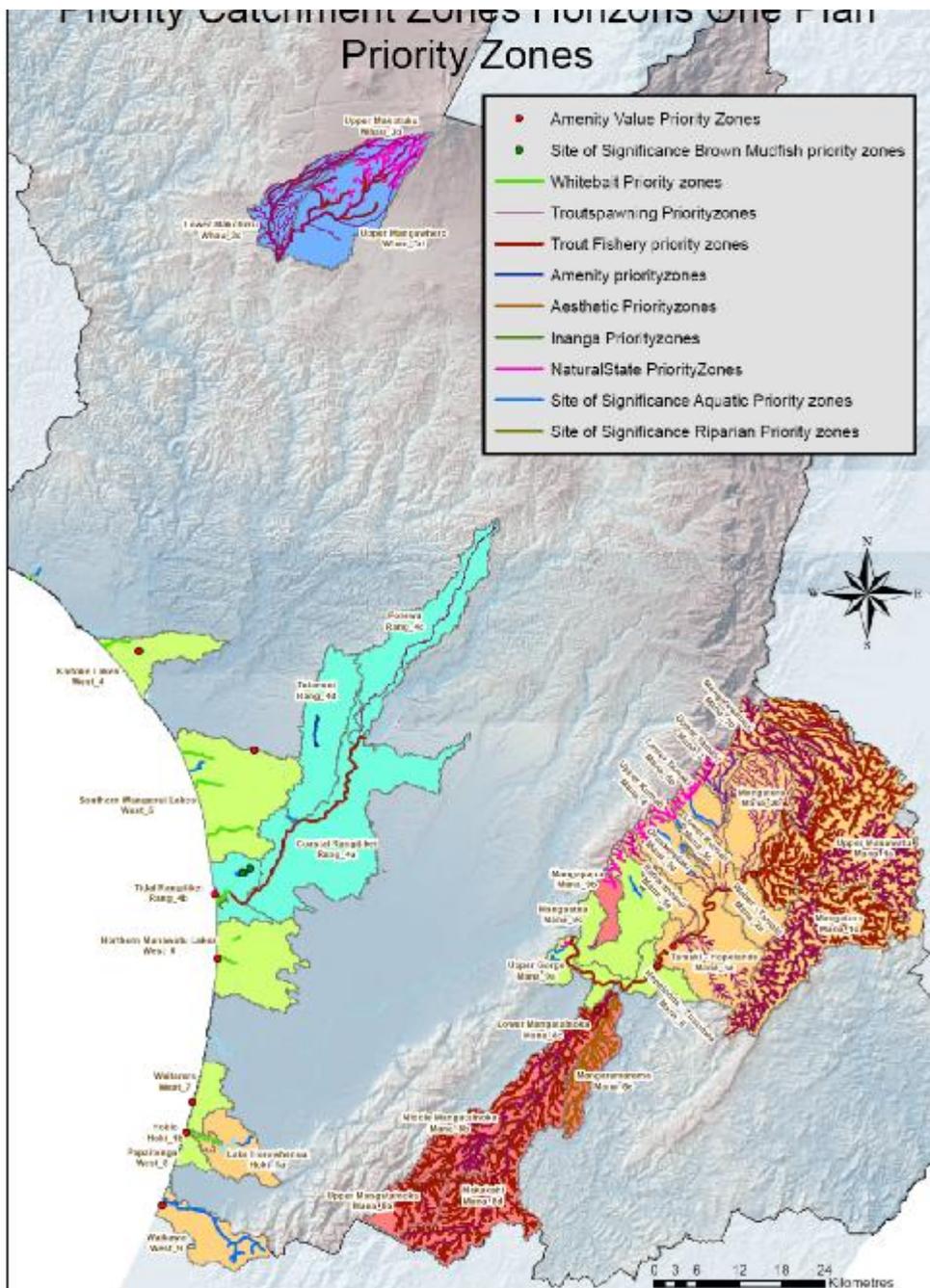
29. Decisions Sought from the Hearing Committee on Proposed Rule 13.1

1. Amend Rule 13.1, from Controlled Activity to Permitted Activity status
2. Require adherence to the Code of Practice for Nutrient Management 2007 as a condition of Permitted Activity status
3. Apply the proposed Table 13.2 Land Use Capability Classes (LUC) Nitrogen Leaching/Run-off Values as notional targets, as a condition of Permitted Activity status, against which on-farm performance is measured against over time.

Key Submission Point # 3

Schedule Ba

30. Overall, we wish to point out that it is not immediately, or easily apparent as to why the Table 13.1 activity areas are specifically targeted for control.
31. We believe it is essential that the key environmental drivers, or surface water management values, are made readily transparent with regard to the “priority catchments” targeted for control. In other words, user-friendly provision of the answer to the question “Why is this area targeted for control?”.
32. The diagram, or visual guide, on the following page is our own example with regard to the points above:



33. We would like to thank Horizons Regional Council for the opportunity to present our evidence today. We welcome any questions

DATED this 12th day of February 2010.

Nigel Sadler
 Environmental Manager
 Ballance Agri-Nutrients Limited