BEFORE THE MANAWATU-WANGANUI REGIONAL COUNCIL

In the matter of the Resource Management Act 1991

and

In the matter of Submissions and further submissions made by

TRUSTPOWER LIMITED to the Manawatu-Wanganui Regional Council on the proposed

One Plan – Water Hearings.

SUPPLEMENTARY STATEMENT OF EVIDENCE OF ROBERT JOHN SCHOFIELD Environmental Planner

12 February 2010

1 Introduction

- 1.1 The purpose of this supplementary evidence is to confirm the position of TrustPower Limited ("TrustPower") in regard to the outstanding matters relating to the water provisions of the proposed One Plan ("the Plan") raised in my planning evidence of 19 October 2009.
- 1.2 Since preparing my evidence, pre-hearing meetings have taken place between other submitters and water experts on behalf of the Manawatu-Wanganui Regional Council. TrustPower was not involved in these meetings. As a result of these meetings a number of provisions have been revised by the section 42A officer's report.
- 1.3 The supplementary report of Clare Barton for the Water Hearing did not specifically address the matters in TrustPower's evidence, instead referring to the comments made in relation to other electricity companies for recommended changes. I have prepared this supplementary evidence on behalf of TrustPower to address those more recent amendments to the Water Provisions recommended by the supplementary section 42A report, and I refer to the advice given by the Council's experts (23 November 2009 Track changes as a result of the supplementary officers report for water Pink version).
- 1.4 My supplementary evidence responds to these recommendations where they differ from the original section 42A report, focusing on matters of outstanding differences in opinion. In all other respects, those matters outlined in my evidence-in-Chief remain.

2 Water Provisions

Increased linkages between policy provisions

I support the recommended clarifications in the revised versions of Chapters 6, 13, 15 and 16 as to what provisions of the proposed One Plan that each objective, policy and method relates to. This improved clarification is useful to plan readers.

Policy 6-12 Reasonable and Justifiable Need for Water - Ground and Surface Water Allocation

TrustPower supports the recommendation to amend Policy 6-12 to clarify that the water must be used efficiently. However I am concerned with the statement that water "will be restricted during times of low flow where the water is surface water". This should read "may be restricted consistent with Policy 15.11 (previously Policy 6-19) which only provides for water restrictions in respect of some (and not all) water takes. TrustPower also supports the recommended inclusion of wording to ensure consideration must be given to reasonably available alternative water sources. Accordingly, TrustPower supports the relocation of Policies 6-13 and 6-14 (within the RPS) to Chapter 15 of the regional plan.

Policy 15-2 Consent decision-making for diversions and drainage

2.3 I support the supplementary section 42A report's addition of clause (f) to Policy 15-2 (in relation to Consent decision-making for diversions and drainage) to have regard to the objectives and policies of Chapter 3. This is consistent with the intent of TrustPower's primary submission and my evidence in chief to increase the cross-

referencing to Chapter 3 so as to more appropriately recognise infrastructure and renewable energy.

Policy 15-5 Consent review and expiry

2.4 TrustPower continues to oppose the assumption in Policy 15-5(a) that it is more efficient to allocate water amongst a wide range of users. As outlined in my evidence-in-chief, TrustPower also opposes the priority order for allocation in (b) of this policy.

Policy 15-7 Takes and allocations (previously Policy 6-12)

- 2.5 In relation to the new Policy 15-7 (incorporated in part from Chapter 6 (Policy 6-12)), TrustPower submitted on this point in the interests of ensuring existing hydroelectric power generation was not continually subjected to ongoing consent reviews and other processes to improve efficiency and thus potentially reduce water takes and the value of hydroelectricity generation assets.
- As outlined in my evidence-in-chief, I remain concerned that this provision may inadvertently have significant implications for hydroelectric power generation activities. As I outlined in relation to the proposed Policy 6-13 (now proposed Policy 5-8), it is in an electricity generator's interest to ensure that water is used efficiently, as any inefficiencies resulting from water loss associated with hydroelectric generation activities results in lost generation and thus therefore reduced revenue.

Policy 15-11 Apportioning, restricting and suspending takes in times of low minimum flow (previously Policy 6-19)

As I have outlined in my evidence-in-chief, TrustPower generally supported Policy 6-19, but sought that consents for the take and use of water for hydroelectricity shall be allowed to continue to the allowable minimum flow or, alternatively, that there be a clause specifically relating to the importance of electricity generation to the national interest¹. This is a matter that I consider has still not been sufficiently addressed by Policy 15-11.

Rule 15-6 Takes and uses of surface water not complying with core allocations

I reiterate the statement in my evidence-in-chief that Rule 15-6, through its non-complying activity status, would effectively discourage the development of new hydroelectricity generation in the Manawatu-Wanganui Region. Most importantly Rule 15-6 remains inconsistent with the intent of Chapter 3 which contains a number of provisions specifically recognising that the effects of such activities may be tolerated differently to other activities, consistent with their regional / national significance. As outlined in my evidence-in-chief in relation to Schedule B, I consider the proposed One Plan needs to develop a framework for reassessing any stated minimum flows and core allocations and an associated more enabling statutory framework for future water takes consistent with Chapter 3 and Government policy on infrastructure development and renewable energy generation.

¹ Refer submission 358 42, supported by X 522 160 and X 525 248

Schedules B (Surface Water Quantity) and Ba (Water Management Zones and Associated Values – Surface Water and Groundwater)

2.9 The matters raised in my evidence-in-chief still stand in relation to Schedules B and Ba. First and foremost, Schedules B and Ba need to explicitly recognise existing takes for hydroelectricity as part of the core allocation in the relevant water management sub zone. In this regard, support the supplementary section 42A officer's recommendation to include a footnote to the relevant provisions clarifying that water takes for existing hydroelectric schemes are excluded from the allocation limits. Nonetheless TrustPower remains rightly concerned that the setting of inappropriate environmental flows and limits or levels will potentially have an adverse effect on both new and existing activities, and ultimately may result in existing activities losing water in over allocated areas. As outlined in my evidencein-chief, the large list of surface water management values prescribed in Schedule Ba remains overwhelmingly in favour of biophysical considerations. On this matter I reiterate the statement of the section 42A report of Dr John Hayes for Horizons, which states that the minimum flow policy proposed is "a 'safe' environmental policy and one that will ensure the protection of aquatic resources in most situations, but it may unnecessarily constrain out-of-stream use of water" (page 18).

3 Conclusions

- 3.1 In conclusion, while a number of improvements are now recommended to be made to the proposed One Plan provisions for water management, there are still a number of concerns with the proposed regulatory approach:
 - (a) The proposed One Plan does not adequately recognise or provide for the national and regional benefits provided by infrastructure and energy consistent with the intent of Chapter 3. This approach is inconsistent with Part II of the Act and Government's stated intention to increase energy generated from renewable sources:
 - (b) The overwhelming dominance of biophysical considerations in establishing the region's water use and management provisions;
 - (c) The use of non-complying activity status for managing a resource and the associated substantial uncertainty and variability; and
 - (d) The absence of any framework for reassessing any stated minimum flows and core allocations.
- 3.2 While I acknowledge that water management by its very nature is highly complex and involves a number of competing interests, I remain concerned that the current approach to implementing statutory limits in the absence of any of any framework for reassessing any stated minimum flows and core allocations is inconsistent with the sustainable management purpose and principles of the RMA.

Robert Schofield

Director, Boffa Miskell Limited | Environmental Planner

12 February 2009

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