Response ID ANON-URZ4-5FJB-V

Submitted to Fast-track approval applications Submitted on 2024-05-02 21:01:03

Submitter details

Is this application for section 2a or 2b?

2A

1 Submitter name

Individual or organisation name: Manuherekia Catchment Group Incorporated

2 Contact person

Contact person name: Kate Scott

3 What is your job title

Job title: Consultant

4 What is your contact email address?

Email: s 9(2)(a)

5 What is your phone number?

Phone number: s_9(2)(a)

6 What is your postal address?

Postal address:

s 9(2)(a)

7 Is your address for service different from your postal address?

Yes

Organisation: Manuherekia Catchment Group Incorporated

Contact person: Clare Hadley

Phone number: s 9(2)(a)

Email address: s 9(2)(a)

Job title: General Manager

Please enter your service address:

Registered Office Address

s 9(2)(a)

New Zealand

Section 1: Project location

Site address or location

Add the address or describe the location:

The project encompasses multiple sites throughout the Manuherekia Catchment. The two sites related to major infrastructure are the existing Falls Dam, and the site of the proposed Wade Creek Dam.

Falls Dam, Fiddlers Flat Road, St Bathans

The Falls Dam site is located at the northern end of the Manuherekia Valley in the Central Otago District. The site is accessed via SH85, St Bathans Loop Road and Fiddlers Flat Road.

Proposed Wade Creek Dam, Home Hills Runs Road

The proposed Wade Creek Dam site is located in the Wade Creek Valley, which is accessed off SH85, and Home Hills Runs Road, also within the Central Otago District

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Upload file here: Wade Creek Topo Map.png was uploaded

Do you have a current copy of the relevant Record(s) of Title?

Yes

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Who are the registered legal land owner(s)?

Please write your answer here:

Falls Dam Crown Land - Section 18 SO Plan 407163 (Title Ref: 456333) Crown Land - Crown Land Blk V St Bathans SD (SO407163) Crown Land - Hydro Parcel Manuherekia River Hawkdun Pastoral Limited - Section 12 Blk III St Bathans SD (Title Ref: 7149) Euan Johnstone - Section 7, 8, 9 SO Plan 407163 (Title Ref: 455335)

The existing Falls Dam occupies a number of land parcels, over which Falls Dam has a legal right to operate the dam, as shown in the attached certificates of title. There are a number of adjoining landowners, that may be affected by any proposal to raise the dam, including;

• Hawkdun Pastoral Limited

- Land Information New Zealand
- Euan Johnstone
- Department of Conservation

· Central Otago District Council (roading asset)

Proposed Wade Creek Dam

The site of the proposed Wade Creek Dam is located on freehold land owned by GM & AJ McKnight.

GM & AJ McKnight - Section 3 SO 377990 (Title Ref: 360337)

Detail the nature of the applicant's legal interest (if any) in the land on which the project will occur

Please write your answer here:

In relation to the Falls Dam Site, the applicant (via its members Omakau Area Irrigation Company and Falls Dam Company) has an existing legal interest in the land in terms of the operation and maintenance of the existing structure which is provided by way of legal instruments in favour of Falls Dam Company (FDC). The applicant is therefore able to legally undertake works on the site of the existing infrastructure.

Any new dam structure will be larger than the current dam. While the footprint of the dam would be contained within the area that FDC have the legal right to operate, a larger dam would lead to further encroachment and flooding of some adjoining land. The ability to undertake the work would

therefore be subject to obtaining relevant land access or land acquisition approvals.

For the proposed Wade Creek Dam, the owner (Hawkdun Idaburn Irrigation Company) of the existing irrigation infrastructure that is connected to the proposed Wade Creek Dam is a member of the Manuherekia Catchment Group (The Applicant). At present neither the applicant nor the irrigation company have any legal right to the land, albeit there is an easement which authorises the existing irrigation company race network. The landowner (GM & AJ McKnight) is a shareholder in the HIIC, and is supportive of the proposal, however formal land access arrangements would be required to progress the project.

Section 2: Project details

What is the project name?

Please write your answer here: Manuherekia Catchment Project (MCP)

What is the project summary?

Please write your answer here:

The MCP is a whole of catchment project focused on providing for the integrated management of existing storages within the Manuherikia Catchment, including the upgrade or replacement of the existing Falls Dam, as well as other water optimisation measures, including possible Clutha/Mata-Au augmentation to support water use efficiency in the lower valley and additional catchment storage within the vicinity of Wades Creek in the Hawkdun/Idaburn Irrigation Company Command Area, as well as setting a new flow regime for the Manuherekia River.

What are the project details?

Please write your answer here:

INTRODUCTION

Manuherekia Catchment Group Incorporated is the applicant. MCG is a catchment wide organisation whose members include the six main irrigation companies that make up the wider Manuherekia Catchment, (Omakau Area Irrigation Company Ltd, Manuherikia Irrigation Cooperative Society Limited, Galloway Irrigation Society Incorporated, Blackstone Irrigation Company Limited, Hawkdun-Idaburn Irrigation Company and the Ida Valley Irrigation Company), as well as other individuals and members, including Falls Dam Company.

MCG has been nominated as the applicant due to its overarching membership encompassing the whole of the catchment, and its current active status. However, it is intended that if accepted into the fast-track process that the project would be transferred to Manuherikia River Limited (MRL) a limited liability company, set up in 2017 as the development company for the Falls Dam upgrade project. MRL has been in recess until such time as a final project design can be confirmed, which has been on hold while deemed permit replacement and minimum flow matters are addressed.

BACKGROUND INFORMATION

In 1989 the Ministers of Finance and Agriculture sold the Omakau Irrigation Scheme, including Falls Dam to the Omakau Area Irrigation Company Limited (OAIC) under the provisions of the Irrigation Schemes Act 1990. The same process of selling irrigation infrastructure (dams, and water distribution races) to farmer irrigators occurred right throughout Central Otago which resulted in the formation of the individual irrigation companies that are all members of the MCG (the applicant).

Falls Dam is operated by the Falls Dam Company (FDC) which the OAIC holds a majority share (53%) in. FDC is made up of representatives from the four main irrigation companies operating in the Manuherekia River Valley including the OAIC, Blackstone Irrigation Company Limited (BIC), Manuherikia Irrigation Cooperative Society Limited (MICS) and Galloway Irrigation Society Incorporated (GIC). Pioneer Energy operates the Falls Dam 1.2MW hydroelectric power station located adjacent to the Falls Dam structure.

The Falls Dam structure is a concrete faced rockfill dam 33 m high and 155 m wide that is capable of impounding approximately 10 million m³ of water. The volume and area of the dam reservoir can fluctuate considerably over the course of a year due to natural changes in Manuherekia River inputs, and irrigation requirements in the Manuherekia Valley.

Falls Dam was designed and constructed nearly 90 years ago (1935). While it is considered that Falls Dam in its current condition is generally able to perform to its original design expectations the existing dam is of an age where substantial investment is required to bring the dam up to fully satisfy the new dam safety regulations.

PURPOSE, OBJECTIVES & ACTIVITIES

The overarching purpose of the project is to provide greater irrigation supply reliability to existing irrigators, potential for a modest expansion of irrigation area, and the provision of a new flow regime which provides environmental enhancement and upgraded management and monitoring of the flow regime.

This purpose and the outcomes of the project are achieved through three components of the project, including the replacement of Falls Dam, potential new storage at Wade Creek, and the opportunity for Clutha/Mata-Au augmentation to increase supply reliability for the lower valley while also providing for better optimisation of water resources elsewhere within the catchment.

The catchment has ageing infrastructure, including Falls Dam, Upper Manorburn Dam and Poolburn Dam, all of which require substantial investment to remain fit for purpose, along with the increasing need to provide for environmental enhancement, the project provides a perfect trifecta of outcomes for the Central Otago District and wider Otago Region.

The project involves replacement of the aging (approx. 90 year old) Falls Dam and associated infrastructure with a new larger dam (equivalent to an approx. 12-13m raise of the existing dam) to be built immediately downstream of the current dam embankment. The existing Falls Dam reservoir provides approximately 10Mm3 of storage which extends approximately 2 km upstream from the dam structure. The project encompasses an increase of storage to around 40Mm3. The project also involves the continued utilisation of the dam for hydroelectric generation, irrigation and environmental flows.

The owners of the ageing Falls Dam infrastructure are in a challenging predicament, whereby the status quo dam is not an options as it will require substantial financial investment to meet large dam safety obligations inside of the next 5 to 10 years. Whilst the dam itself is considered to be structurally robust, the age of the structure means that key elements are nearing the end of their useful life while resilience performance expectations are also rising well beyond those that applied in the past. Both of these aspects along with the implications of the impending changes to the river management regime has led to the owners considering options for refurbishment or replacement, or in the worse-case scenario decommissioning the dam. Decommissioning is anticipated to have its own set of very significant adverse environmental effects, as well as substantial economic impacts on the Central Otago District and wider Otago Region.

The Wade Creek Dam is a proposed 8Mm3 storage dam designed to enhance supply reliability for the Hawkdun Idaburn Irrigation Company, located in the upper Manuherikia Valley.

Over the past 15 years or so these options studies for the dam and have included the completion of both a pre-feasibility study (2012) and a feasibility study (2014-2016) looking at a variety of options for the upgrade or replacement of the dam, as well as options for catchment wide water use efficiency strategies. These strategies have included additional storage in the Hawkdun Idaburn Irrigation Command Area, additional storage to support irrigation supplies to the Ida Valley Irrigation scheme and optimisation of water supplies and use in the Lower Manuherekia Valley.

While good progress has been made in understanding the catchment and its needs from an irrigation, engineering and environmental perspective, a final project design is yet to be confirmed, due in large part to the uncertainty associated the replacement of the deemed permits (historic mining privileges that authorised take and use of water) which were rolled over upon their expiry 2021 for a short term period of not more than 6 years.

This uncertainty around both the availability of long-term water rights, and the future flow and water management regime has made it almost impossible to develop an economically viable dam refurbishment or replacement decision and has limited the ability for irrigators to advance water use optimisation measures as the two issues are inextricably linked. Secure long term water rights are essential to accessing funding and in providing confidence for the irrigators to invest in infrastructure.

Similarly, the future flow and water management regime is essential to shaping a refurbishment or replacement decision, as the future flow regime will impact substantially on the availability of water and the economics of any future project, including decisions on the size of any future dam and allocation of water for environmental flows.

The objectives of the Manuherekia Catchment Project (MCP) include;

• Setting of a new flow regime for the Manuherekia River;

- Providing for the upgrade or replacement of Falls Dam;
- Enhancement of irrigation efficiency across the catchment, including possible Clutha/Mata-Au augmentation;

· Potential development of additional storage at Wade Creek;

• Optimisation of the management and use of the existing storages within the wider Manuherekia Catchment;

• Providing for economic growth of the Central Otago District, and the Otago Region;

• Enabling a balanced flow regime including opportunities for environmental enhancement;

• Providing for ongoing economic viability of rural communities within the catchment, including Omakau, Alexandra and the wider Central Otago District;

• Enabling ongoing diversified land use, including opportunities to mitigate the effects of climate change, while also providing opportunities for productivity gains;

• Providing pathways for sustainable environmental outcomes within the catchment, including riparian planting;

• Potential opportunities for community and domestic water supply for rural townships of Omakau and Ophir;

• Enhanced recreational opportunities including, a larger reservoir at Falls Dam, and possible and new Wade Creek dam, as well as an improved flow regime in the Manuherekia River.

The activities that the project involves include;

• Water Storage opportunities for irrigation, drinking water, hydroelectric and environmental purposes.

• Upgraded irrigation distribution network to provide for efficiency of use.

• Improved management and monitoring of the catchments water.

Describe the staging of the project, including the nature and timing of the staging

Please write your answer here:

Work has been underway on the project for a number of years but in recent years been on hold pending the outcomes of replacement of water permits, the introduction of minimum flows, and the notification of the Land and Water Reginal Plan. After 6-7 years of waiting for the Otago Regional Council to advance these matters, an opportunity to participate in a fast-track process that can provide for long term access to water, environmental flows and infrastructure development is a once in a life time opportunity.

In the event MCP is successful the project will follow three distinct stages;

a) pre-construction phase

b) construction phase

c) commissioning phase

Inside of these three distinct stages of the project, a number of key milestones and sub-stages are required. A number of these stages will be undertaken simultaneously as illustrated below.

Key milestones and proposed timing

- 1. Confirmation of Preferred Development Option(s) & Early Stakeholder Consultation 6 Months
- 2. Detailed Project Design 12 Months
- 3. Updated Assessment Environmental Effects 12 Months
- 4. Lodgment Detailed Fast Track Application for Decision Within 2 years of acceptance into fast-

track process.

- 5. Financial Closure Within 8 Months of decision.
- 6. Land Access Formalities 6 Months
- 7. Building Consent and Construction Procurement 6 Months
- 8. Construction 3 Years
- 9. Commissioning 12 Months

What are the details of the regime under which approval is being sought?

Please write your answer here:

• Resource Management Act 1991 Land use consent(s), discharge permit(s) and water permit(s)

Conservation Act 1987

Approval to inundate Crown Land/Licence to occupy, and potentially shift/relocate marginal strips.

Crown Pastoral Land Act 1998/2022

To inundate Crown Pastoral Land and amend an existing conservation covenant created in accordance with the CPLA.

• Public Works Act 1981 Approval may be required to acquire land for roading/access purposes.

• Wildlife Act 1953 Permit(s) may be required for example in association with relocation of lizards.

• Local Government Act 1974 Road stopping.

If you seeking approval under the Resource Management Act, who are the relevant local authorities?

Please write your answer here:

Central Otago District Council Otago Regional Council

What applications have you already made for approvals on the same or a similar project?

Please write your answer here:

No applications have been made or previously been made for approvals on the same or similar project.

The existing dam, and irrigation schemes do however operate under a suite of existing permits and approvals which authorise the current damming, diversion, discharge, take and use of water. The existing power generation facilities are also authorised by way of existing approvals, as are the permits which authorise the abstraction of water from the Clutha/Mata-Au, although a variation to the point of take may be required in relation to this permit.

Is approval required for the project by someone other than the applicant?

Please explain your answer here:

The applicant as agent for the owners of the existing irrigation companies will require the final approval of its shareholders for the project to proceed, as well as requiring the necessary land access or land acquisition agreements to have been obtained. No other approval is required for the project.

If the approval(s) are granted, when do you anticipate construction activities will begin, and be completed?

Please write your answer here:

If approvals are granted, construction is expected to commence within 18 to 24 months and have an anticipated construction timeframe of three years.

It is possible that staging of the project will be required, focusing first on the replacement of Falls Dam, which is the highest priority component of the project, alongside the Wade Creek Dam. Clutha/Mata-Au augmentation is likely to occur as part of the distribution upgrade works.

Key milestones and proposed timing

- 1. Confirmation of Preferred Development Option(s) & Early Stakeholder Consultation 6 Months
- 2. Detailed Project Design 12 Months
- 3. Updated Assessment Environmental Effects 12 Months
- 4. Lodgment Detailed Fast Track Application for Decision Within 2 years of acceptance into fast-
- track process.

5. Financial Closure – Within 8 Months of decision.

- 6. Land Access Formalities 6 Months
- 7. Building Consent and Construction Procurement 6 Months
- 8. Construction 3 Years
- 9. Commissioning 12 Months

Section 3: Consultation

Who are the persons affected by the project?

Please write your answer here:

Both affected parties and interested parties have been identified in relation to the project as follows.

Affected Party Reason

Falls Dam Company Current owner of the dam Pioneer Energy Ltd Hydroelectric power station operator Euan Johnston Adjoining Landowner Hawkdun Station Adjoining Landowner and Potentially Affected Landowner Department of Conservation Adjoining Landowner and Potentially Affected Landowner Potential adverse effects on indigenous flora and fauna Land Information New Zealand Adjoining Landowner and Potentially Affected Landowner. Administrator of Crown owned land – river beds and pastoral lease properties. Iwi - Aukaha /Kai Tahu Tangata whenua Existing Irrigators (OAIC, BIC, GIC, MICS, HIIC,IVIC) Shareholders of the current dam and irrigation schemes in the valley GM & AJ McKnight Potentially Affected Landowner Wade Creek Dam

Interested Party Reason Private Water Rights Holders Other water users within the catchment that do not rely on irrigation schemes or existing catchment wide storage. Otago Regional Council Regional Authority Central Otago District Council Local Authority Fish & Game NGO Central Otago Environmental Society NGO Forest & Bird NGO Contact Energy Downstream hydroelectricity operator

Detail all consultation undertaken with the persons referred to above. Include a statement explaining how engagement has informed the project.

Please write your answer here:

The MCP has been progressing for the best part of 12 years or more, during which time there has been a variety of forms of engagement and consultation undertaken. This is summarised further below. Most recently all of the parties identified above have been formally advised of the intention of MCG to file an application for inclusion in the fast-track process.

During the MCP pre-feasibility and feasibility study phases, an overarching group, known as the Manuherekia Catchment Water Strategy Group operated, which comprised a wide array of stakeholders including members of the six irrigation companies operating in the Catchment, Central Otago District Council, Otago Regional Council, Fish & Game Otago, Forest & Brid, Department of Conservation, local iwi, and Central Otago Environmental Society. This group met regularly for the best part of 4 years or more as the pre-feasibility and feasibility study phases of the project were undertaken.

The project has been on hold since 2019 as the replacement of deemed permits and the setting of a minimum flow, became the primary focus of all of the various stakeholders and interested parties; in recent years there has been less detailed engagement in specific relation to the Manuherekia Catchment Project.

In 2019, the Manuherekia Reference Group was established by the Otago Regional Council and Ngai Tahu to provide a forum for discussion in relation to the Manuherekia Rohe plan which is to be included as a part of the new Land and Water Regional plan once notified. The MRG facilitates discussion about community and stakeholder interests and aspirations for the Manuherekia. The MRG also provided a forum for general discussion in relation to the catchment. The terms of reference for the group can be found here: https://www.orc.govt.nz/media/8528/mrg-terms-of-reference-final.pdf

On the back of the Fast Track Consenting opportunity, the applicant is committed to working with a wide range of stakeholders and interested parties to ensure that the objectives of the project are achieved.

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Describe any processes already undertaken under the Public Works Act 1981 in relation to the land or any part of the land on which the project will occur:

Please write your answer here:

No processes under the Public Works Act have been undertaken in relation to the land at either the site of Falls Dam or Wade Creek.

Section 4: Iwi authorities and Treaty settlements

What treaty settlements apply to the geographical location of the project?

Please write your answer here:

The MCP falls within the Kai Tahu takiwā. Whilst the Manuherekia River is not specifically included as a statutory acknowledgment area, it is a tributary of the Clutha Mata-Au which is recognised as being any area of Statutory Acknowledgement. Mana whenua is recognised as having a special connection to the area, and the applicant wishes to engage more fully with local iwi in relation to the project.

Three local Rūnaka have been approached to advise them of the intention to file an application for inclusion within the fast-track legislation

Are there any Nga Rohe Moana o Nga Hapu o Ngati Porou Act 2019 principles or provisions that are relevant to the project?

No

If yes, what are they?:

Are there any identified parcels of Māori land within the project area, marae, and identified wāhi tapu?

No

If yes, what are they?:

Is the project proposed on any land returned under a Treaty settlement or any identified Maori land described in the ineligibility criteria?

No

Has the applicant has secured the relevant landowners' consent?

No

Is the project proposed in any customary marine title area, protected customary rights area, or aquaculture settlement area declared under s 12 of the Māori Commercial Aquaculture Claims Settlement Act 2004 or identified within an individual iwi settlement?

No

If yes, what are they?:

Has there been an assessment of any effects of the activity on the exercise of a protected customary right?

No

If yes, please explain:

Upload your assessment if necessary: No file uploaded

Section 5: Adverse effects

What are the anticipated and known adverse effects of the project on the environment?

Please describe:

To date there has been extensive background work undertaken in relation to both the Falls Dam site and the proposed Wade Creek site to quantify the actual or potential adverse effects associated with the project, including studies undertaken during the pre-feasibility and feasibility study phases.

It is noted for completeness that the adverse effects identified below may be known or anticipated adverse effects, but in either case there is capacity to avoid, remedy or mitigate adverse effects, or in the case of potential ecological effects, the opportunity to offset effects.

A significant number of detailed technical assessments that have been undertaken to date to identify potential adverse effects of the project, including the substantial environmental benefits that arise from an improved environmental flow regime. Studies include but are not limited to;

Falls Dam/Manuherikia Catchment

• Manuherikia Catchment – Water Development Options - Options Validation and Refinement Report – P Lilly et al, January 2016;

• Manuherikia Catchment Feasibility Study – Summary Report – Golder Associates, August 2015;

Manuherikia Catchment Feasibility Study – Ecological Assessment – Golder Associates, June 2015;

• Manuherikia Catchment Feasibility Study – Geotechnical Assessment – Golder Associates, February 2015;

• Manuherikia Catchment Feasibility Study – Irrigation Distribution Report – Golder Associates, February 2015;

• Manuherekia Catchment Hydrology – Joint Expert Statement – Draft prepared for ORC, February 2023;

• Potential climate change impacts on streamflow in the Manuherekia catchment. Report prepared for ORC by C Zammit of NIWA, December 2020.

• Manuherikia Catchment Feasibility Study – Hydrology Assessment – Aqualinc Limited, September 2013;

• Assessment of Effects on River Birds of increasing the height of Falls Dam – Wildlands Limited, December 2014;

• Spring Annual Survey Falls Dam and Idaburn Dam Sites - Kate Wardle, September 2014;

• Nutrient Losses within the Manuherikia Catchment – AgResearch, June 2015;

Manuherikia Catchment Feasibility Study – Landscape and Visual Amenity Issues Report – Vivian & Espie Limited, February 2015;

• Manuherikia Irrigation Scheme – Regional and District Economic Impact Assessment – Butcher Partners Ltd, November 2016.

Wade Creek

Preliminary Geotechnical Feasibility Study & Assessment Wade Creek Dam – Geosolve Limited July 2021

Preliminary Ecological advice for the Proposed Wades Creek Dam – Ahika Consulting October 2023

Generally, the identified effects can be grouped into the following key topics;

• Ecological Effects (Aquatic & Terrestrial)

Predominantly effects in relation to lizards and native fish (galaxias) either caused by inundation of potential lizard habitat and the opportunity for greater trout predation on native fish above Falls Dam through a larger reservoir. The adverse effects on galaxias may be remedied by relocating to other sites in the valley.

Hydrology Effects

Water quality and water quantity effects, including positive environmental effects as a result of improved environmental flows and greater water use efficiency minimising the impacts on water quality.

• Landscape and Visual Effects

The landscape and visual effects are most likely to have short to medium term effects during the period of construction and remediation, but long term are not likely to create adverse environmental impacts.

Land Use Change Effects

Early modelling suggests effects from the project on land use change are likely to be positive, and not give rise to increase intensification of livestock farming or increased nutrient losses.

As the final project scope is confirmed, and detailed design is undertaken, it is anticipated that a number of the existing environmental effects assessment reports will require updating or amending to reflect updated project design information, including updated economic impact assessment. In addition to the reports detailed here, a number of other technical assessments have been completed as part of the replacement of deemed mining (water) permits in 2021.

Copies of reports can be provided upon request.

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Section 6: National policy statements and national environmental standards

What is the general assessment of the project in relation to any relevant national policy statement (including the New Zealand Coastal Policy Statement) and national environmental standard?

Please write your answer here:

NPS Freshwater

The Government has signaled its intention to replace the National Policy Statement for Freshwater Management 2020 (NPSFM) and has directed that applicants and regulatory authorities no longer need consider the Te Mana o te Wai hierarchy. An evaluation of the project in relation to the broader policies of the NPSFM (excluding those provisions related to Te Mana o te Wai) indicates the project would generally be in accordance with these policy directions (noting that these matters are captured in the relevant regional policy statement) including;

Policy 3: Freshwater is managed in an integrated way that considers the effects of the use and development of land on a whole-of-catchment basis, including the effects on receiving environments.

Policy 4: Freshwater is managed as part of New Zealand's integrated response to climate change.

Policy 5: Freshwater is managed through a National Objectives Framework to ensure that the health and well-being of degraded water bodies and freshwater ecosystems is improved, and the health and well-being of all other water bodies and freshwater ecosystems is maintained and (if communities choose) improved.

Policy 6: There is no further loss of extent of natural inland wetlands, their values are protected, and their restoration is promoted.

Policy 7: The loss of river extent and values is avoided to the extent practicable.

Policy 8: The significant values of outstanding water bodies are protected.

Policy 9: The habitats of indigenous freshwater species are protected.

Policy 10: The habitat of trout and salmon is protected, insofar as this is consistent with Policy 9.

Policy 11: Freshwater is allocated and used efficiently, all existing over-allocation is phased out, and future over-allocation is avoided.

Policy 12: The national target (as set out in Appendix 3) for water quality improvement is achieved.

Policy 13: The condition of water bodies and freshwater ecosystems is systematically monitored over time, and action is taken where freshwater is degraded, and to reverse deteriorating trends.

Policy 14: Information (including monitoring data) about the state of water bodies and freshwater ecosystems, and the challenges to their health and well-being, is regularly reported on and published.

Policy 15: Communities are enabled to provide for their social, economic, and cultural wellbeing in a way that is consistent with this National Policy Statement."

NPS Renewable Electricity

The National Policy Statement Renewable Electricity Generation 2011 (NPSREG) is relevant to the proposal, as the MCP currently provides hydroelectricity infrastructure for generation of renewable energy.

Regional Policy Statement

The Decision on the Proposed Otago Regional Policy Statement 2021 dated 30 March 2024 (now subject to appeal) highlights in a number of sections, including LF-FW-P78 the importance of ensuring that freshwater is allocated to support social, economic and cultural wellbeing of people and communities including for:

(a) Community drinking water supplies

(b) Maintaining generation output and capacity from existing renewable electricity generation

schemes

(c) Mana whenua customary or cultural needs and activities and;

(d) Primary production

It goes on to recognise that efficiency of abstraction, storage and conveyancing infrastructure is to be improved, and to provide for the harvesting and storage of freshwater to meet increasing demand for water, to manage water scarcity conditions and to provide resilience to the effects of climate change.

The project is consistent with the general direction set out in the Proposed Otago Regional Policy Statement – Decisions Version (subject to appeal).

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Section 7: Eligibility

Will access to the fast-track process enable the project to be processed in a more timely and cost-efficient way than under normal processes?

Yes

Please explain your answer here:

A fast-track process will enable a timelier and cost-effective process compared to normal processes. The Manuherekia Catchment has been subject to a number of planning processes over the course of the past 6-7 years including the following;

- Plan Change 7 Short Term Consent Duration for Deemed Permit Rollovers 2020
- Proposed Plan Change 8 Omnibus Plan Change 2020
- Replacement of Deemed Permit Applications 2019 to 2022
- Regional Policy Statement 2019
- Proposed Regional Policy Statement 2021
- Proposed Otago Regional Policy Statement (non-freshwater parts) 2021
- Proposed Otago Regional Policy Statement (freshwater parts) 2021
- Consultation Part A Proposed Water & Land Plan Otago 2022 & 2023

All of these processes have come at significant cost and time for water users within the Otago Region, but especially for the Manuherekia Catchment including participation in hearings, and court proceedings as well as substantial work to support the replacement of deemed permits. All the while there has been no substantial progress towards setting a flow regime or securing longer term access to water to support decision making on the MCP.

Participation in a fast-track process would enable all of the necessary issues to be considered in one process, and provide the framework for decision making with respect to securing long term infrastructure within the Central Otago District. For these reasons the fast track process would enable the project to be processed in a more timely and cost efficient way than the normal process.

What is the impact referring this project will have on the efficient operation of the fast-track process?

Please write your answer here:

It is not anticipated there will be an impact on the efficient operation of the fast-track process, beyond what is anticipated with all applications processed via fast track.

Has the project been identified as a priority project in a:

Sector plan or strategy

Please explain your answer here:

The project has not to the applicants knowledge been formally identified as a priority project, although we note that Irrigation New Zealand have in their submission on the Fast Track Legislation recommended the inclusion of the Falls Dam Project as a priority project for inclusion in Schedule 2.

The MCP is not currently recognised within the CODC LTP, however the CODC have undertaken detailed economic analysis of the impacts of increased minimum flows on the local economy as detailed below.

The correspondence (uploaded in the consultation section) from the CODC also signals the overarching support of the project.

Will the project deliver regionally or nationally significant infrastructure?

Regional significant infrastructure

Please explain your answer here:

The MCP will deliver regionally significant infrastructure in the form of access to upgraded water storage facilities and optimisation of existing resources that will benefit not only the local rural community and the Central Otago District but will also provide significant regional benefit within Otago. Regional benefit has been quantified in economic terms in previous studies as summarised elsewhere.

From an infrastructure perspective, upgraded or replacement water storage facilities not only provide an opportunity to satisfy the provision of a new flow regime which provides environmental enhancement for the Manuherekia River but also provide for greater irrigation supply reliability to existing irrigators, as well as providing a potential for a modest expansion of irrigation area. All of which contributes to the regional significance of the infrastructure investment.

Further regional significance is derived from the potential to keep the existing hydro-generation capabilities within the Falls Dam operational during (re)development activities, with further potential to upgrade such facilities when greater storage and higher flows become available. This is a potential contribution to meeting regional de-carbonisation efforts.

There is also capacity as part of detailed project design to consider options for enhanced drinking water supply security for the townships of Omakau, Ophir and surrounds, which would be deemed to be of significance. The Wade Creek Dam may also provide options for security of water to Oturehua

township, as well as providing further redundancy in the system for the continued supply of domestic water to the nearby township of Naseby which is currently sourced via the Mt Ida Race.

Will the project:

contribute to a well-functioning urban environment

Please explain your answer here:

The project is not related to the development of housing - therefore this section is not entirely relevant.

However there is capacity as part of detailed project design to consider options for enhanced drinking water supply security for the townships of Omakau, Ophir and surrounds, which would be deemed to contribute to a well-functioning urban environment. The Wade Creek Dam may also provide options for security of water to Oturehua township, as well as providing further redundancy in the system for the continued supply of domestic water to the nearby township of Naseby.

Will the project deliver significant economic benefits?

Yes

Please explain your answer here:

The project will provide significant economic benefits both at a district and region wide level. These benefits are quantified in a number of different ways.

As part of the 2014-2016 project feasibility study economic benefits were quantified as the benefit derived from the physical construction of water storage and distribution infrastructure and the ongoing economic benefit to the wider community.

At the time, one-off regional (Otago wide) economic benefit associated with the impacts of construction were estimated to be in the order of \$125 to \$168 Million of added economic value, including a lift of gross household income of between \$80 million and \$107 million. The project was anticipated to lead to an increase in farm-gate output of between \$59 and \$74 Million per annum, and direct value add in the order of \$40 to \$50 million per annum. Corresponding increases in total employment were estimated in the order of 275-344 full time job equivalents as a result of the project proceeding (Butcher, 2016).

Since the completion of the feasibility study, further economic analysis has been undertaken for a number of different purposes, including by the Central Otago District Council (CODC) to inform the potential economic impacts on the district that may arise as a result of the implementation of a new minimum flow for the Manuherekia River.

The work undertaken by Benje Patterson for the CODC in 2021 identified that in a year of average rainfall the irrigated farmland in the Manuherekia catchment alone directly provided for \$17.6m in GDP and 180 jobs to the district. This economic activity indirectly created an additional \$10.2m in GDP and 125 jobs in Central Otago. This does not include horticulture or viticulture, due to base level data not being available, but is expected to be substantially higher in the event that these economic activities were included.

This level of direct GDP is equivalent to 20% of livestock and dairy farming GDP across Central Otago in 2021-dollar terms.

Modelling suggests that during a dry year, the total contribution to Central Otago's GDP from irrigated farmland in the catchment could reduce by 50% in a 3000 l/s minimum flow scenario, compared to the status quo. Under a 1500 l/s minimum flow regime, the total reduction in contribution to Central Otago's GDP would be 9.8%.

This work therefore highlights the importance of the catchment to the overall economic prosperity of the district.

If the MCP were to proceed it would not only provide for the maintenance of the status quo GDP for Central Otago but would also provide for a modest uplift in GDP that would arise on the back of long-term access to secure water, and future downstream benefits that may arise as a result of further diversification of land use, including in horticulture and arable.

Further work updating the regional economic impact assessment is anticipated to be completed as part of any future approvals process.

https://www.codc.govt.nz/services/economic-development/economic-impacts

Will the project support primary industries, including aquaculture?

Yes

Please explain your answer here:

Yes the MCP will support the primary industries.

The Manuherekia Valley is a predominantly rural locality with a number of small rural townships located along its length, including Omakau and Alexandra, as well as the smaller settlements of Ophir and Oturehua.

Rural land use is varied, including sheep & beef, dairy, dairy support, arable, small seeds, and horticulture, although sheep and beef farming remain the

predominant land use within the catchment. The project not only provides for the primary industries, but it also supports continued land use diversification within agricultural businesses, such as tourism, and agri-tourism. The Central Otago Rail Trail is a good example of where tourism and agri-tourism are synergistic.

Will the project support development of natural resources, including minerals and petroleum?

No

Please explain your answer here:

This is not a mining or petroleum project, although the storage, use and optimisation of water could be considered to be supporting the development of natural resources.

Will the project support climate change mitigation, including the reduction or removal of greenhouse gas emissions?

Yes

Please explain your answer here:

Yes, the MCP will support climate change mitigation in terms of long-term land use change opportunities that will reduce or remove greenhouse gas emissions. It will do this in a number of ways, namely through the access to reliable water which is essential for supporting efficient operation of farming enterprises, including opportunities for land use diversification to more arable and horticultural land uses, both of which are known to mitigate the effects of livestock derived climate change. Further, with more reliable feed, stock will be able to be finished more efficiently and with less reliance on supplementary feed, reducing methane emissions.

Will the project support adaptation, resilience, and recovery from natural hazards?

Yes

Please explain your answer here:

Yes in so far as flood management in the catchment below Falls Dam will be significantly enhanced by the increased ability to manage transient flood detention and peak discharge flows.

Will the project address significant environmental issues?

Yes

Please explain your answer here:

Yes the MCP will address a number of significant environmental issues including provision for actions that will address matters relating to water quantity and water quality, such as;

Riparian planting

- Enhanced Minimum flows
- Flushing flows
- Recreation

Is the project consistent with local or regional planning documents, including spatial strategies?

Yes

Please explain your answer here:

The MCP is considered to be generally consistent with the Central Otago District Plan, which recognises that the values of the Rural Resource Area can be enhanced by human made elements including storage dams and water races.

The Manuherikia River and its associated reservoirs (including Falls Dam) are recognised in the CODP as being a significant water body within the district, while Falls Dam is noted for both its recreational values (fishing) and its hydroelectric generation capabilities.

It is noted that the CODP is currently under review, and it is anticipated that a new Rural Chapter will recognise the importance of water storage.

As noted elsewhere, the project is generally consistent with the Otago Regional Policy Statement Decisions Version (30 March 2024), however this document is now subject to appeal.

The project is also generally consistent with Otago Regional Plan for Water. For completeness it is noted that the Otago Regional Plan for Water is an ageing planning document, and is intended to be replaced by the Otago Regional Land and Water Plan, which it has been resolved should be publicly notified in the later part of 2024. It is not possible to assess the project for consistency with this proposed new plan as it has not yet been publicly notified.

Please write your answer here:

1. The MCP whilst providing for a modest increase in potential irrigation area, is largely designed to provide for security of supply for existing water users to address ageing infrastructure, the future impacts of climate change, and the ability to provide for environmental flows.

Previously there has been concerns raised by some interest groups that irrigation projects will
result in large scale land use change, specifically an increase in dairy farming. Dairy farming within
the Manuherekia Catchment currently makes up less than 20% of total rural land use*. It is not
anticipated that this project would give rise to an increase in dairy farming occurring within the
catchment. The reasons for this are twofold. Firstly there are currently other regulatory
instruments which limit the expansion of dairy farming without obtaining resource consent, namely
the National Environmental Standards for Freshwater. Secondly, the majority of farm properties
within the catchment are large properties with extensive farm land that is not suitable for dairying.
*https://www.codc.govt.nz/repository/libraries/id:2apsqkk8g1cxbyoqohn0/hierarchy/services/economic-development/documents/Independent%20Review%20-%2

3. In respect to land use change opportunities, the Manuherekia Catchment provides a number of unique growing characteristics which are likely to see highest and best use favour an increase in arable and horticultural land uses, as these land uses are already supported by existing infrastructure including packhouse and processing facilities.

4. A number of other supporting attachments can be found via the link below, due to there being no capacity to add multiple documents, i.e. certificates of title as the project effects multiple sites.

https://nzlandpromy.sharepoint.com/:f:/g/personal/kate_landpro_co_nz/Ej1c0coL0TlCkLmM2a_b0bABQwuhYreJpYm4agWtoZTz4g?e=bmZyyy

Does the project includes an activity which would make it ineligible?

No

If yes, please explain:

Section 8: Climate change and natural hazards

Will the project be affected by climate change and natural hazards?

Yes

If yes, please explain:

The MCP has the potential to be impacted by natural hazards, however detailed dam design is undertaken in such a way as to account for the primary natural hazards, including flooding and earthquakes. Appropriate structural and hydraulic (spillway) design to reliably achieve the accepted target resilience performance criteria are intended to mitigate the effects of known potential natural hazards.

In respect to climate change, the project is primarily intended to support the effects of climate change from a land use perspective, to create greater resilience for farmers, growers and the rural communities of Central Otago.

The modelled effects of climate change in Otago are identified as including;

- Reduced frequency of frost
- Longer growing season
- More frequent hot, dry summer conditions
- Possibility of greater frequency of drought
- Potentially greater frequency and intensity of high rainfall events.

In terms of the effects of climate change on the project itself, climate change will make the need for this project more acute especially around increasing frequency of hot dry summer conditions. The Otago region is facing a climate change scenario which predicts the number of extreme hot days in Central Otago as being projected to increase by 30-40 days by 2090.

The following links provide access to three different assessments of the impacts of Climate Change on Otago, including Central Otago.

https://www.mpi.govt.nz/dmsdocument/27043-Effects-and-impacts-Otago-and Southland#:~:text=Otago%20and%20Southland%20are%20likely,more%20than%20in%20other%20seasons.

https://www.codc.govt.nz/repository/libraries/id:2apsqkk8g1cxbyoqohn0/hierarchy/sitecollectiondocuments/reports/other-reports/The%20Past%2C%20Present%20Past%2C%20Present%20Past%2C%20Present%20Past%2C%20Present%20Past%2C%20Present%20Past%2C%20Present%20Past%2C%20Present%20Past%2C%20Present%20Past%2C%20Present%20Past%2C%20Present%20Past%2C%20Present%20Past%2C%20Present%20Past%2C%20Present%20Past%2C%20Past%2C%20Present%20Past%2C%20Present%20Past%2C%20Past%2C%20Present%20Past%2C%20Past%2C%20Past%2C%20Present%20Past%2C%20Past%2C%20Present%20Past%2C%20Past

https://www.orc.govt.nz/media/7591/niwa_climatechangereport_2019_final.pdf

Section 9: Track record

Please add a summary of all compliance and/or enforcement actions taken against the applicant by any entity with enforcement powers under the Acts referred to in the Bill, and the outcome of those actions.

Please write your answer here:

The applicant has not been the subject of any compliance or enforcement action by an entity with enforcement powers.

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Declaration

Do you acknowledge your submission will be published on environment.govt.nz if required

Yes

By typing your name in the field below you are electronically signing this application form and certifying the information given in this application is true and correct.

Please write your name here: Kate Scott

Important notes