

Client Ref: PJ-0000746

15 June 2021

Ministry for the Environment
P O Box 10362
WELLINGTON 6143

Attention: **Rachel Ducker**
Senior Analyst (Fast Track Consenting)

Dear Rachel

Hananui Aquaculture Project FTCA Referral Application - Request for further information

We refer to your email of 31 May 2021 and provide responses to the questions that you have asked in relation to the Hananui Aquaculture Project. Please note that these responses have been prepared jointly by Stantec New Zealand and Ngāi Tahu Seafood Resources.

Question 1 and Question 2:

You have requested confirmation as to whether the project includes a number of identified activities, and if it does, for the rule table in the application to be updated to provide a complete list of the consents sought. In Table 1 below we provide both a yes/no answer and comment where applicable about whether consent is required under the Regional Coastal Plan for Southland for the identified activities. Text in the question from the Ministry is identified in italics.

Table 1: Activities and consenting requirements

Activity	Included in Hananui Aquaculture Project?	Comments
a. disturbance and occupation of the seabed for anchoring	Yes	<p>Each of the blocks of pens and each of the feed barges are held in place in the coastal marine area by a series of mooring lines and anchors.</p> <p>Each block of 10 pens would have 30 mooring lines. Each line is anchored in place with a dual shank anchor in the seabed and lines running parallel to the current also have concrete anchor blocks.</p> <p>Each feed barge would be held in place by 8 mooring chains attached to dual shank anchors installed in the seabed.</p> <p>Occupation of the coastal marine area is identified in the consents required table in the FTCA application.</p> <p>There is no specific rule that applies to the disturbance of the seabed associated with the</p>

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		installation of the anchors, although as this disturbance is inseparable from the structures themselves it is assumed to be covered by the rules relating to structures, as outlined in the consents required table in the FTCA application
b. moorings for barges	No	Barges will be anchored, using a similar system to that proposed for the anchoring of the structures – see comments above
c. water take for barge cleaning	No	
d. installation of lights above and underwater	Yes	Some lighting of the net pen structures may be required for health and safety and navigation purposes, and underwater lighting is also proposed for the net pens. Lighting will be positioned and aimed as required by Rule 11.2.1 of the Regional Coastal Plan for Southland, and the offshore location of the proposal means that it will not cause the light spill effects controlled by Rule 11.2.1(b). Installation of lights is therefore a permitted activity under Rule 11.2.1.
e. installation of navigation aids	Yes	<p><i>Note this is referred to in the rule assessment table but not in the application description</i></p> <p>Navigation aids will be installed as recommended in a navigational risk assessment for the project. In summary:</p> <ul style="list-style-type: none"> • Three cardinal marks are proposed (northern, eastern and southern) to delineate the extremities of the proposed site to passing vessels; • An isolated danger mark is proposed for Newtons Rock, a sub-surface rock outcropping close to the southeastern boundary of the proposed site; • For each block of 10 pens, the four corner buoys and the buoy on the outside edge of the pen blocks closest to the centre are proposed to be lit special marks. <p>As noted in the consents required table in the FTCA application, consent is required under Rule 11.7.6.2 for the three cardinal marks and the isolated danger mark as they will be more than 2m above water level.</p>
f. hazardous substances, chemicals or other potential contaminants to be used or stored on or within the structure	Yes/No	No hazardous substances, chemicals or other potential contaminants will be used or stored on the pen structures. Fuel will be maintained on board the feed barges, as it is for any vessel. Some small

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		<p>quantities of chemicals used for decontamination of equipment are likely to be kept on board the feed barges and vessels.</p> <p>There are no rules in the Regional Coastal Plan for Southland relevant to this activity (see section 7.3.5 of the RCP).</p>
g. discharge of any contaminant into water or water into water being managed for the purposes of Natural State	Yes	<p>The proposed site is located within the area of the Southland coastal marine area identified as being Natural State waters.</p> <p>While there is a specific rule in the Regional Coastal Plan for Southland that relates to discharges to Natural State Waters (Rule 7.2.2.2), it is a general rule and defers to other more specific rules in the plan. Discharge of feed is covered by Rules 7.3.8.1.1 and 15.1.7 of the Regional Coastal Plan for Southland and requires consent as identified in the table in the FTCA application.</p>
h. barge hull cleaning activities	Yes	<p>Regular physical cleaning of hulls of the feed barges, as well as the sea pen structures, moorings, and anchor blocks is proposed as part of the project, principally for the management of biosecurity risk.</p> <p>The activity is classified as a controlled activity by Rule 7.3.8.2.2 of the Regional Coastal Plan for Southland, as identified in the consents required table in the FTCA application.</p>
i. discharge of dead farmed marine organisms	No	<p>Dead fish will be retrieved from the pens, taken ashore in leakproof containers and consigned for biosecure disposal (e.g., by rendering, landfilling or composting) in a way that prevents their return to the aquatic environment in an unsterilised form.</p>
j. sewage or rubbish disposal	No	<p>Feed barges and vessels will be self-contained with respect to sewage and greywater generated on them, with pump-out and disposal at a suitable facility on land. Rubbish will be contained on the feed barges and periodically removed for disposal at a suitable facility on land.</p>
k. ancillary activities referred to in the application	No	<p><i>...including facilities for landing harvested fish and processing and storage facilities or any other land-based activities</i></p> <p>Ancillary activities are not included in the Project, for the reasons outlined in the response to Question 3 below</p>

Activity	Included in Hananui Aquaculture Project?	Comments
i. monitoring activities (pre and post construction)	Yes	Baseline monitoring (pre-construction) and ongoing operational monitoring are planned, in order to allow a staged development and adaptive management approach to the Project. As noted in the FTCA application, draft consent conditions setting out the approach to monitoring would be included in any consent application if the project is referred under the FTCA.

We therefore confirm in answer to Question 2 that no updates of the consents required table in the FTCA application are required.

Question 3 – Ancillary activities

The construction readiness section of the FTCA application describes the following ancillary activities that would be required to support the Project:

- Supply of smolt;
- Upgrade of facilities for landing harvested fish;
- Processing and storage facilities.

We confirm that, as explained in that section, options are available to provide for the ancillary activities, and no further consents are required for these.

Smolt for Stage 1 can be obtained from existing hatchery operations. For later stages it is likely that consenting of the Project will further support demand for a Southland hatchery that is currently proposed for Ocean Beach, an industrial area adjacent to Bluff. While not constructed yet a proposed development is being advanced with the support of PGF funding, and the necessary discharge consents have been obtained. Rules within the relevant zone provisions in the Invercargill District Plan permit both the land use activity and the necessary buildings.

South Port has confirmed that upgrade of wharf facilities at the port for landing harvested fish does not require resource consent. South Port has made an application to the Government's Infrastructure Industry Reference Group for funding to upgrade the area. The Hananui Project is not however dependent on this funding being obtained, as Ngāi Tahu Seafood will enter into a commercial agreement with South Port to obtain access to the necessary wharf infrastructure within the initial 5-year construction period of the Project if South Port does not obtain the Government funding it is seeking.

Processing facilities already exist at the Ngāi Tahu Seafood Bluff plant. Storage facilities can be accessed in Bluff or Invercargill as necessary.

Question 4 – Job creation

- a. Please clarify the number of full-time equivalent (FTE) jobs being created resulting from works and activities specifically included within the Project scope to full protection completion [assumed 'to full production']

Information about job creation in the FTCA application relates primarily to Years 1 – 5 of the project. Employment in activities specifically included in the Project scope (so including farm construction, monitoring, farm management, harvesting and processing) range from 50 – 180 over this initial period.

As noted on page 18 of the FTCA application, economic analysis undertaken for the aquaculture industry in Southland has been used to predict that at full production the Project will provide up to 500 jobs that are directly associated with marine farming and processing activities. In preparing the response to the Ministry's request for further information, Ngāi Tahu Seafood has cross-checked this against FTE numbers for current salmon production for other companies in New Zealand and Australia (Tasmania). The largest producer of salmon in New Zealand currently is The New Zealand King Salmon Company Ltd, which produced approximately 9,300 tonnes of salmon in 2017 (latest figures available) and employed 439 staff in that year. At a full production level of 16,000 tonnes of salmon the Hananui Project would therefore be expected to employ somewhat more than 450 staff by comparison. Companies in Tasmania generally produce larger amounts of product and so comparison is more difficult, but Huon's most recently reported production numbers were approximately 25,500 tonnes of fish, with 807 employees (<https://dashboard.huonaqua.com.au/company/employees/profile>). The original estimate of up to 500 jobs derived from the Hananui Project at full production is therefore considered to be realistic.

b. *Please clarify the number of other jobs such as those related to procurement of equipment (e.g., barges and smolt)*

The New Zealand aquaculture industry currently sources the majority of the necessary feed barges and equipment from international suppliers. Ngāi Tahu Seafood is investigating the available options to build barges and service/support vessels within Southland and New Zealand. It is estimated that this could create highly skilled jobs/employment for approximately 200 people during the 5-year construction phase of the Project.

The Project will generate an ongoing need for hatchery staff at any hatchery that Ngāi Tahu Seafood obtains smolt from. Information from *Pilot Scale Land-based RAS Salmon Hatchery for Southland PGF Application* and employment data from Huon hatcheries in Tasmania suggests that between 15 and 60 FTE would be needed on an ongoing basis. As any hatchery will be supplying smolt to other industry participants as well, Ngāi Tahu Seafood has assumed the lower number of FTEs as the contribution from the Hananui Project.

Question 5 – Cultural effects

Te Rūnanga o Ngāi Tahu and Ngāi Tahu Seafood have provided the following information in response to Question 5:

a. *the extent of any direct employment benefits to Māori*

- Ngāi Tahu Seafood is a subsidiary of Te Rūnanga o Ngāi Tahu. All tribal subsidiaries of Te Rūnanga o Ngāi Tahu enable the tribal value of tino rangatiratanga – self-determination of our tribe, our hapū (sub-tribes), our Rūnanga (regional tribal authorities) and our whānau (our people)
- Tino rangatiratanga is realised through Hāea te Awa, our tribal economic development strategy, which aims to enhance our Ngāi Tahu footprint through investment opportunities in the regions and value chain procurement of Māori/ Ngāi Tahu whānui
- The Regional Investment Fund team of Te Rūnanga o Ngāi Tahu is currently developing a scoping document to understand the value chain (specifically Māori opportunities) of an Aquaculture Industry within our Ngāi Tahu takiwā. This work will contribute to understanding the direct procurement and employment opportunities and benefits to Māori/ Ngāi Tahu. The aspiration is to employ/contract as many Iwi/ Māori as possible, within Ngāi Tahu Industry and businesses across our takiwā
- Ngāi Tahu Seafood's Bluff plant currently engages and employs a significant number of Māori and Ngāi Tahu employees/contractors
- The township of Bluff has a significant Māori population compared to the national population average per capita

b. *other cultural benefits to Māori*

- Mahinga Kai – food sustainability, food security, and food sovereignty is of great importance to iwi. An iwi led industry such as aquaculture brings another opportunity to the aspirations of iwi mahinga kai. Aquaculture provides rich protein sources, provides future alternatives to our current mahinga kai/customary practices,

provides employment/enterprise and provides economic benefits – as did our traditional mahinga kai ecosystems

- Tino Rangatiratanga – for iwi, the ability to realise their aspirations to be a self-determining tribe and people, by being an industry leader is bold but very real. The potential benefits this opportunity has for our people, iwi and culture is of great importance – in connection to the moana, an iwi footprint being realised, and connection to all parts of the value chain (Māori opportunity and commercial opportunity)

c. *on Rakiura which is identified as an area of significant historical and cultural identity for Ngāi Tahu in the Ngāi Tahu ki Murihiku Natural Resource and Environmental Iwi Management Plan 2008*

- Te Tangi a Taurira/The Cry of the People (Te Tangi a Taurira) is the Ngāi Tahu ki Murihiku Natural Resource and Environmental Iwi Management Plan 2008. Section 3.6 Te Ākau Tai Tonga (Southland's Coastal Environment) notes that Rakiura/Te Ara a Kiwa (Stewart Island/Foveaux Strait coastal marine area) represents an area of historical and cultural identity for Ngāi Tahu, the importance of which is recognised through a Statutory Acknowledgement. The Statutory Acknowledgement can be found in Schedule 104 of the Ngāi Tahu Claims Settlement Act 1998
- Ngā Kaupapa (Policies) throughout section 3.6 of Te Tangi a Taurira seek that all decisions relating to coastal development within Southland's coastal environment recognise and give effect to the spiritual and historical association of Ngāi Tahu ki Murihiku within the coastal environment. Proposals for activities within any Statutory Acknowledgement Area must include consultation with Te Rūnanga o Ngāi Tahu, Ngāi Tahu ki Murihiku and Tangata Tiaki gazetted under the South Island Customary Fishing Regulations 1998
- As a Te Rūnanga o Ngāi Tahu subsidiary, Ngāi Tahu Seafood has worked closely with Te Rūnanga o Ngāi Tahu and Ngāi Tahu ki Murihiku since the Project's inception, and will continue to do so
- The Project has included the preparation of a Cultural Impact Assessment (CIA), conducted by Te Ao Marama Inc and Tipa Associates. The CIA was conducted through a series of wānanga with Ngāi Tahu katoa, utilising historical and current management plans and technical assessments relevant to this Kaupapa, as a basis for cultural impact korero. Te Rūnanga o Ngāi Tahu, ngā Papatipu Rūnanga, Tangata tiaki, Rakiura tangata tiaki, Rakiura Māori Land beneficiaries and Ahu whenua whānau all partook in this exercise
- Twenty-two potential cultural impacts were identified in the CIA. Ngā Rūnanga have agreed to and support the mitigation strategies and actions discussed in the CIA report in relation to each of these impacts. Ngāi Tahu Seafood has made a commitment to ngā rūnanga ki Murihiku (Tribal Authorities for the Southland region) to continue to engage with whānau at each phase of the Project application and development process – this gives Iwi confidence that all cultural effects are considered, and collectively strategies and solutions can be made
- Summarising the CIA as part of a response to the Ministry's request for further information is not considered appropriate. However, the research team is available to talk to the CIA to further clarify the tribal assessment of the Project if required, and contact details can be provided

Question 6:

As requested, brief summaries of the conclusions of ten technical assessments are provided in the attachment to this letter. In addition, we have provided a brief summary of the provisions of a draft biosecurity management plan that has been prepared for the Project, as this addresses the risks identified in the Disease Risk Assessment and the Biosecurity Assessment that the Ministry has requested summaries for.

Question 7:

Clarify the *status* of any relevant regional agreement being developed under the Māori Commercial Aquaculture Claims Settlement Act 2004.

Under section 29A of the Māori Commercial Aquaculture Claims Settlement Act 2004, regional agreements are negotiated between the Crown, Te Ohu Kai Moana Trustee Limited (as Trustee of the Māori Commercial Aquaculture Settlement Trust) and the relevant Iwi Aquaculture Organisation (or relevant Iwi if an IAO does not exist). In this instance the relevant IAO under the Settlement Act is Te Rūnanga o Ngāi Tahu. Matters relating to regional agreements are

confidential to the negotiating parties. Ngāi Tahu Seafood is therefore not in a position to answer this question, but Fisheries New Zealand may be able to on behalf of the Crown.

Confirm whether developing this agreement or any other processes under that Act will affect the timing or delivery of the Project.

The Project is not related to settlement space under the Māori Commercial Aquaculture Claims Settlement Act 2004 and therefore is not affected by the development of any regional agreement under that Act.

Please feel free to contact me if you have any questions about the information contained in this response.

Yours sincerely



Frances Lojkine
Principal Planner
Stantec New Zealand

Reviewed By: Richard Peterson

Copy to: Thomas Hildebrand, Marine Biologist, Ngai Tahu Seafood

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