



## NEWSLETTER

# MANUHERIKIA CATCHMENT WATER STRATEGY GROUP



**CONTACTS**  
Allan Kane  
Chairman  
03 443 1543

Gary Kelliher  
Deputy Chairman  
03 448 7869



Newsletter

### From the chairperson:

With the feasibility study entering its final phase, it is time to consider the next stage of development for the catchment. This will be getting "ready to build," whichever option is decided upon.

For this we will need to have in place:

- A design and build contract;
- Land access matters agreed with landowners;
- Resource consents;
- An appropriate governance model;
- Funding agreed with banks, Crown Irrigation, etc;
- A prospectus ready to go to farmers.

This is likely to take 12 months and cost around \$7 million. Most of this next phase is likely to qualify for IAF assistance. While we have been in discussions with the IAF managers, we have not yet lodged an application. However, we would hope for, say, \$3 million from them, leaving \$4 million to be raised through the irrigation community.

Raising Falls Dam by 27 metres would give a command area of 36,000 hectares, with enough water to irrigate 26,000 hectares.

If farmers were prepared to commit 20,000 hectares at \$200 per hectare, that would provide the \$4 million necessary to move forward and retain control within irrigators' hands.

It may well be possible to find third party funding for some of this, but it would mean a completely different model than the farmer co-operative one that the Manuherikia Catchment Water Strategy Group is very keen to run with.

It is proposed that, with the voting papers to go out before Christmas, there will be:

- Information on likely capital and operating running costs from the Feasibility Study;
- A requirement to indicate the number of hectares to be committed, which would secure first priority for water shares;
- A requirement to commit to funding the next phase of \$200 per hectare for each hectare committed.

It is appreciated that this is a busy time for farmers, but the project is entering a critical and exciting phase. All farmers and the community are urged to keep up-to-date on progress and to consider their options, so they are prepared by February for this once in a lifetime opportunity.

*Allan Kane*  
Chairperson  
Manuherikia Catchment Water Strategy Group

See page 2 for an update from the project manager...



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### Update from the project manager:

The past month has been focused primarily on matters relating to minimum flow. Ian Lloyd from Golder Associates attended the full Manuherikia Catchment Water Strategy Group meeting and gave a very informative presentation on the hydrology of the catchment, specifically on how minimum flow in creeks might be managed. A copy of this presentation is available on the website ([www.mcwater.co.nz](http://www.mcwater.co.nz)).

A further session with Ian Lloyd was held shortly afterwards, to look in more detail at what minimum flows might mean at different points throughout the catchment. This modelling shows there is about 36,000 hectares of irrigable land in the catchment, and sufficient water to irrigate around 21,000 hectares above Ophir and 4,000 hectares below Ophir, when allowing for minimum flows in the main tributaries as well as the main stem of the Manuherikia River.

The modelling also shows that if additional storage is not provided in the catchment (i.e. the status quo remains), by the time permits need to be renewed in 2021, all existing water users are likely to be left with less water than they currently have, due to having to leave sufficient water for minimum flows and residual flows, compared to the scenario of having more storage which means that there is sufficient water for both environmental enhancement and irrigation. We are expecting the final hydrology modelling work, which is being carried out by Aqualinc, to be completed by early October.

Golder Associates is currently working on pulling together its final reports, including detailed design and costings for raising Falls Dam, as well as the nutrient aspects of the project and the potential effects of land use intensification.

Looking forward, we will be busy over the coming months pulling together the last of the reports for the Feasibility Study; working with the environmental special interest groups, in terms of minimum flows, and holding several pod meetings so we can get as much information as possible out to farmers before the vote.

*Kate Scott*  
Project manager  
Manuherikia Catchment Water Strategy Group

### Invitation to upcoming events:

Pod meetings:

Thursday October 9  
10am Gary Kelliher's woolshed, Springvale  
1pm Omakau Rugby Club Pavilion  
3pm Becks Hall

Speakers:

- Golder Associates' Ian Lloyd will discuss the proposed distribution for the various options;
- MCWSG chairperson Allan Kane will talk about the next stage;
- Project manager Kate Scott will give an update on the overall project.

You're going to be asked to make a commitment in February – make sure you know the facts. This is a chance to hear the latest information and an opportunity to speak one-on-one with some of the key people.

See page 3 and 4 for profiles of MCWSG members and page 5 onwards for a summary of the ORC's new water quality rules...



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### Profiles of Manuherikia Catchment Water Strategy Group members:

**Graye Shattky** of St Bathans is a member of the MCWSG's executive team and represents environmental and social interests.



Graye had a varied career before retiring to a small landholding near St Bathans.

He has been a soldier – for which he was made a Member of the Order of the British Empire in the 1980 New Year Honours – a farmer, an educator, including being the founding chair of the New Zealand School Trustees Association, a sailor and a businessman.

“As a small landholder, I understand the perspectives of both the irrigators and the environmentalists. I support the idea of storing water, providing the water is used for the benefit of the whole community.”

Graye's varied roles have provided him with strong leadership and change management skills.

He was instrumental in the influence the Central Otago Environmental Society had on Meridian Energy's decision to abandon its plans for the Project Hayes wind farm, and on the then Minister of Conservation, Amy Adam's decision to reject Pioneer Generation's proposal to dam the Nevis River.

Graye is a past secretary of the Central Otago Environmental Society, an environment advocacy group which aims to protect the district's landscape, character, heritage and endemic flora and fauna; raise awareness about issues affecting these, and encourage and support local and national Government to make decisions which will preserve and enhance them.

Graye was also involved in the establishment of the St Bathans Area Community Association and the Central Otago Branch of the New Zealand Historic Places Trust, and he chairs the Central Otago Heritage Trust, which represents the main heritage organisations in Central Otago.

See page 4 for a profile of another MCWSG executive team member and page 5 onwards for a summary of the ORC's new water quality rules...



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**Gerard Flannery** of Ida Valley is a member of the Manuherikia Catchment Water Strategy Group's executive team.

His goal is to help find a community-wide solution to the catchment's water issues so its water is used to benefit all interests.



Gerard and his wife, Rosemary, live on the home farm in the Ida Valley and the family owns two other properties – one in the Omakau Valley, which is run by their eldest son, Tristan, and one at Galloway.

All three properties are sheep and beef farms and are irrigated through mining privileges and water rights held by the irrigation companies the Flannerys hold shares in.

Gerard and Rosemary's other three children have wide-ranging careers. Their other son, Sam, is studying clinical psychology at Otago University, one of their daughters, Olivia, is an accident and emergency nurse in Sydney, and their other daughter, Laura, is the national recruitment and alumni manager at the Queenstown Resort College.

Gerard has been involved in irrigation in the catchment for more than two decades. He has been a director of the Ida Valley Irrigation Company for 24 years, he chairs the Omakau Area Irrigation Company and he is a director of the Falls Dam Company.

He has been a part of the MCWSG from the outset and, in the early 2000s, he was involved in a sustainable farming project called "Water it Better, Water it Right," which focussed on the efficient use of water but "was a bit before its time," Gerard said. He sees these roles as his contribution to his community.

When not on the farm or in the boardroom, Gerard enjoys being in the outdoors, particularly snow and water-skiing, and following rugby.

[See page 5 onwards for a summary of the ORC's new water quality rules...](#)



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### Complying with the ORC's new water quality rules:

In May this year the Otago Regional Council introduced new water quality rules, known as Plan Change 6A (PC6A).

Basically, these rules will require the quality of water, when leaving your land, to meet standards set by the ORC in Schedule 16 of its Regional Water Plan.

Some of the rules are already in place and others come into effect in April 2020. However, to ensure you comply with the rules which will be introduced later, you need to begin recording certain information now.

The aim of PC6A is to ensure the quality of the water in rivers, lakes, wetlands, and aquifers is high – the water is clear of muck and odour, it's safe to swim in, safe to gather food from, and it enables healthy aquatic ecosystems. In some areas this means ensuring the quality of water which is already high is maintained. In other areas it means taking steps to improve the quality of the water.

PC6A is different to water quality rules adopted by some other regional councils, in that it allows you to decide the best way to reduce the level of contaminants you're discharging to water - based on your knowledge and preferences - in order to comply with the rules. In other words, the ORC isn't seeking to control what type of land use you undertake, providing the effects of your land use on water quality meet its standards.

When considering the effects PC6A will have on you, a landowner in the Manuherikia catchment, you need to be mindful of the fact mining privileges will expire in 2021 and resource consent has to be obtained by then if you wish to continue irrigating your land. The ORC says that, as the Manuherikia catchment is over-allocated, only those who currently hold water permits are able to apply for replacement consents, and water granted will be based on what you have actually taken in the past and is no more than what you need.

Another plan change the ORC has completed was around group management of water. The council says it supports the Manuherikia Catchment Water Strategy Group's work towards securing a catchment-wide resource consent for irrigation water in the valley. This approach is already being taken in other parts of the region, including by farmers in the Sowburn area.

### Rules which apply now...

The aspects of the rules which apply now relate to sediment discharges. You can't discharge contaminants into receiving water which produce an odour, a noticeable oily or greasy film, scum, or foam. Receiving water includes lakes; rivers; "regionally significant" wetlands; drains or water races which flow into lakes, rivers, wetlands, or to the coast; and bores, soakholes or effluent ponds which are not sealed.

Also under the discharge rules which apply now, you can't discharge contaminants from an effluent pond or any other animal waste collection or storage system; silage pits; or composting systems into lakes; rivers or wetlands, including their beds; drains or water races which flow into them or to the coast; bores, soakholes or effluent ponds which are not sealed; or within 50 metres of lakes, rivers or wetlands, bores; soakholes; saturated land, or any land if it results in ponding or an overland flow to lakes, rivers, wetlands or the coast; or to drains or water races which flow into them.

Nor can you discharge sediment from disturbed land into lakes, rivers or wetlands, or to drains or water races which flow into them or to the coast.

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### Future rules which require action now...

The rules which come into effect in April 2020 – but require work by you now – are around discharge thresholds - the maximum amount of contaminants which can pass into water from your land, or from open drains or irrigation races on your land, when the flow of the waterway is at or below its median.

The discharge threshold rules which will apply from April 2020 require you to keep a record of the quality of the waterways on your land from this year. This is to identify if, and where, non-point source contaminants from your land exceed the allowed thresholds. You then have until April 2020 to introduce practices to ensure you meet the discharge thresholds.

In terms of nitrogen discharges to groundwater, which need to be within parameters specific to your area by April 2020, the ORC requires you calculate these from now using a programme called OVERSEER (version 6). It records your fertiliser use and farm activities so the nitrogen loss can be calculated. Nitrogen discharges to groundwater are calculated as an average annual nitrogen leaching rate. Your OVERSEER number is calculated across all the parts of your land which are located over the same nitrogen zone.

There are three nitrogen leaching zones, which each have limits of either 15, 20 or 30 kgN per hectare per year. Large lake catchments have a 15 kgN per hectare per year limit; sensitive aquifers have a 20 kgN per hectare per year limit; and the rest of Otago has a 30 kgN per hectare per year limit. The lower limits are to protect lake catchments and sensitive aquifers. The whole of the Manuherikia catchment has a limit of 30 kgN per hectare per year.

Schedule 16 of PC6A details the discharge thresholds which need to be met by April 2020 for nitrogen, plus phosphorus and E. coli.

Farm advisers and fertiliser representatives can help landowners identify which zone or zones their land is over and how to use the OVERSEER programme. This information must be provided to the ORC on request from this year.

In particular, if you're considering changing the use of your land, you need to work out whether the nitrogen discharges which would result from the change would comply with the discharge thresholds for your area.

Some producers are exempt from the need to supply OVERSEER data to the ORC on request between 2014 and 2020. They are those growing pork outdoors, fruit (excluding grapes) and rotational vegetable crops. The ORC says these farmers must keep a record of the nitrogen applied to their land and follow their industry's best management practices.

### What will and won't require consent under PC6A...

PC6A includes rules about what will and won't require resource consent. Essentially, in areas where an activity has a minimal effect on a waterway, resource consent to discharge won't be needed, providing certain conditions are met.

The rules allow contaminant discharges, including surface runoff, groundwater seepage and discharges from drains and races, providing that - after April 2020 - they comply with the thresholds for nitrogen, phosphorus and E. coli (which are set out in Schedule 16); they comply with the rules on nitrogen loss to groundwater (as calculated using OVERSEER); and they comply now with the conditions to control the effects of sediment runoff (as detailed above).

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The ORC says there will be limited opportunities to apply for resource consent for discharges which don't meet the allowed thresholds. However, gross discharges and objectionable activities which are known to degrade water quality were prohibited as of May of this year. The ORC says consent can't be granted for such activities as they are prohibited. It has warned its compliance officers will be checking to ensure prohibited activities aren't being undertaken and will seek to prosecute landowners who break this clear rule.

PC6A also includes rules around stock access to rivers, lakes and wetlands and it makes it easier to build stock crossings and bridges.

### Find out more...

If you would like to read more about PC6A, click on this link to the ORC's website:

<http://www.orc.govt.nz/Publications-and-Reports/Regional-Policies-and-Plans/Regional-Plan-Water/Water-Quality-Rules-Plan-Change-6A/>

Schedule 15 of PC6A gives information on the health of Otago's rivers and lakes and describes their characteristics, contaminant limits and the targets for good quality surface water, as required by the Government's National Policy Statement for Freshwater Management.

**Keep an eye on the MCWSG's website – [www.mcwater.co.nz](http://www.mcwater.co.nz) – as information is being added as soon as it becomes available...**